



Department of Employee Relations

**Tom Barrett**  
Mayor

**Maria Monteagudo**  
Director

**Renee Joos**  
Employee Benefits Director

**Nicole Fleck**  
Labor Negotiator

September 9, 2020

Alderman Michael Murphy, Chairman  
City of Milwaukee Common Council Finance and Personnel Committee  
200 East Wells Street, Room 205  
Milwaukee, WI 53202

**File No: 191853 Flexible Spending & Health Reimbursement Arrangement Contract Execution**

Dear Alderman Murphy and Finance Committee Members:

File number 191641 authorized the Department of Employee Relations (DER) to complete a request for proposal (RFP) process for a Flexible Spending and Health Reimbursement Arrangement (FSA/HRA) benefits for City employees. The contract with the current administrator, Benefit Advantage, began January 1, 2018 and ends December 31, 2020.

A review and selection team that included representatives from DER and the City's budget office worked with Gallagher Benefits Services, the City's benefits consultant, to review and evaluate the RFP responses. Upon completion of the review process, DER is recommending that the City enter into a new contract with Ameriflex to provide FSA and HRA benefits to City employees.

Ameriflex offered the lowest fees and has a reputation for providing excellent customer service to its clients. In addition, the review team along with Gallagher concluded that Ameriflex is best positioned to accommodate and respond to the unique needs of the City and its employees. Due to the competitive terms offered by Ameriflex, the 2021 requested budget funding for FSA and HRA benefits will not need to be increased.

The DER recommends that the Finance and Personnel Committee approve the file and allow DER to enter into a three year contract with Ameriflex with the option to extend the contract up to two years. I am happy to answer any questions or comments regarding this file.

Sincerely,  
Renee Joos  
Employee Benefits

