



Department of Employee Relations

July 26, 2002

The Honorable Common Council
Finance and Personnel Committee
200 East Wells Street
Milwaukee, WI 53202

John O. Norquist
Mayor

Jeffrey Hansen
Director

Florence Dukes
Deputy Director

Frank Forbes
Labor Negotiator

Michael Brady
Employee Benefits Manager

RE: WPS Narrow Network for Management Employees in 2003

Dear Ladies and Gentlemen:

Please introduce a file for the July 31, 2002 Finance and Personnel Committee Meeting to authorize the Department of Employee Relations to execute a contract between the City of Milwaukee and WPS to provide management employees with a **Basic Plan Narrow Network option** in 2003.

The Narrow Network option would be in addition to the Basic Plan and the two HMO networks. The Narrow Network would have benefits similar to the Basic Plan with the following exceptions:

- Instead of an unlimited list of providers, the narrow network would include Aurora Hospitals and Doctors, Columbia St. Mary's Hospitals and Doctors, Childrens Hospital and Doctors, and the Independent Physicians group.
- In-network hospital and major medical for the narrow network would continue to be paid at 100% and 80% the same as the Basic Plan; the City would pay out-of-network hospital at 70% and out-of-network major medical would be paid at 50%.
- There would be no annual deductible for the Narrow Network. The Basic Plan has a \$100 single and \$300 family annual deductible.
- The monthly co-pay or employee contribution for the Narrow Network would be \$100 for single and \$190 for family, rather than \$136 single and \$249 family for the Basic Plan.

An explanation of the narrow network for management employees would be provided in the Open Enrollment booklet during open enrollment.

WPS projects that the cost of the narrow network would be 12% less than the cost of the Basic Plan. The proposed changes in benefits should provide savings for both the members selecting the Narrow Network and the City. A rate chart for health plans for management employees is attached.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Brady". The signature is fluid and cursive, with a large initial "M" and a long, sweeping tail.

Michael Brady
Employee Benefits

City Attorney Grant Langley
Dennis Yaccarino, Budget Office
Marianne Walsh, Legislative Reference Bureau
Jeffrey Hansen
Florence Dukes