



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Deborah Ford
Labor Negotiator

September 15, 2014

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

File No: 140076 Communication from DER regarding 2015 health and dental premiums and employee share

Dear Alderman Kovac and Finance Committee Members:

Common Council Resolution 140075 approved and authorized the Actuary for the City at Willis of Wisconsin to develop rates for health insurance for 2015 based on experience and trend and communicate those rates as well as the 12% employee share of the rates for actives and the specific rates for retirees through file communication file #140076. A two page summary of the rate projection for active employees and a two page rate projection for retired employees is attached.

In 2015 the **active rates will not change**. There is a 0% increase/decrease. The **retiree rates will see decreases**, for both those with Medicare and those without Medicare, .9% for Medicare retirees and 6.4% for retirees without Medicare. The two page rate projections indicate the impact that the benefit design changes for health and Rx, including the Nurse Practitioner and the Premium Tier 1 UHC providers as well as the Rx change to Optum, will have on the 2015 rates. The rate projections also show the process used by the Actuary at Willis to develop the 2015 rates.

Please contact me if you have any additional comments or questions regarding this file.

Sincerely,

Michael Brady,
Employee Benefits

CC: Maria Monteagudo, DER
Deborah Ford, Labor
Renee Joos, DER
Ellen Tangen, City Attorney's Office
Richard Pfaff, LRB
Dennis Yaccarino, Budget Office

Attachment: 2015 Active Rate Projection
2015 Retiree Rate Projection

