

LRB-FISCAL REVIEW SECTION ANALYSIS

FINANCE AND PERSONNEL COMMITTEE

ITEM 22, FILE # 050432

JULY 21, 2005

MARK A. RAMION

File # 050432 is a resolution directing the Department of Employee Relations to investigate options for reducing the cost of health care benefit provision for City of Milwaukee employees while assuring the highest quality in health care coverage

Background

This resolution authorizes and directs the City of Milwaukee Department of Employee Relations to investigate options for reducing the cost of health care benefit provision for City of Milwaukee employees.

Discussion

1. The Department of Employee Relations is to explore and evaluate various options in the approach in health care savings and to issue a report, in 4 months, to the Common Council. This report is to include options for consideration by the Council for the purposes of initiating a cost savings plan for the provision of health care benefits for employees of the City of Milwaukee.
2. The Business Health Care Group of Southeast Wisconsin has initiated a directive approach with area providers of health care as to costs, accountability and support to health care consumers and provides a model for exploration and offers a model for savings in health care and a potential opportunity for participation for the City of Milwaukee.
3. The Business Health Care Group of Southeast Wisconsin (BHCGSW) was formed in January 2003 to provide consumers of health care services with quality and cost information to help them make informed decisions about their health care.

The group was originally formed by 11 prominent businesses and two business coalitions in Southeast Wisconsin.

BHCGSW focuses its collaborative efforts on addressing rising costs of health care in southeast Wisconsin, sharing quality of care information with consumers, and helping its members' employees and their families with care and disease management.

BHCGSW is an active members of the Wisconsin Health Care Purchasers for Quality and the national Leapfrog Group, both of which work to establish health care quality of care standards and to share that information with consumers.

Fiscal Effect

1. No expenditure of city funds is authorized in this resolution.
2. The fiscal effect related to this resolution is limited to the City of Milwaukee Department of Employee Relations staff time devoted to the research prescribed by this resolution, as well as the development and preparation of a cost savings plan and options for the provision of health care benefits for employees of the City of Milwaukee for report to the Common Council.

Prepared by: Mark A. Ramion, X8680
LRB-Fiscal Review Section
July 20, 2005

Cc: Marianne C. Walsh
W. Martin Morics
Maria Monteagudo
Michael Brady