

City of Milwaukee

Employes' Retirement System

Anne M. Bahr Executive Director

Jennifer A. Shannon, CFA Chief Investment Officer

Martin Matson
Deputy Director

August 15, 2005

Mr. Michael Brady Employee Benefits Department of Employee Relations City Hall, Room 706

Re: File No. 050432 "Investigate Options for Reducing Health Care Costs"

Dear Mr. Brady:

In your July 19, 2005 letter to the Finance and Personnel Committee you discuss a directive to your department to investigate options for reducing the cost of health care benefits for City of Milwaukee employees.

Helping to reduce health care costs is exceptionally important to our retirees. When this group needs family coverage, they are usually covering two adults. The cost for family coverage is more than double the cost for single coverage. May we suggest you look into the possibility of establishing another category of coverage for two adults in an effort to minimize costs to members and the city.

Very truly yours,

Anne M. Bahr Executive Director

AMB:mtm:batw

Finance and Personnel Committee

I:\Research\Letters\Letters to Others\Michael Brady (reducing health ins. costs).doc