

City of Milwaukee
Proposed Request for Proposal (RFP)
Benefit Consultant

October 1, 2010

Please describe how your firm will meet these needs and provide specific annual costs for providing these services.

The City of Milwaukee is seeking a benefits consultant to perform a full range of services related to the design, implementation, maintenance, communication and ongoing improvement of the City's group insurance programs. This should include, but is not limited to the items that are listed below.

Assist in the preparation and execution of Request for Proposals (RFP) for health, dental, flexible spending and long term disability services.

- Assist the Benefits Director in creating the RFP
- Assist the City team in determining how to evaluate the responses
- Assist the City team in identifying potential responders
- Evaluate the financial proposals of each bid
- Assist the City team in making recommendations to City policy makers

Maintain and Support a data warehouse, data gathering and information sharing. Maintain a data warehouse that currently includes health and prescription insurance claims from 2004-2010 from both HMO, Basic Plan and Prescription benefit Manager vendors.

- Add 2010 vendor data to this data warehouse
- Prepare usable data summaries for DER, Budget Office, Aldermen and other City officials.
- Identify trends and patterns of utilization and recommend cost control opportunities
- Transfer data stored by current consultant to party selected without additional costs.

Prepare projected costs for all self-insured or proposed self-insured City plans with a Fellow of the Society of Actuaries, and provide projected costs for all union and management health insurance proposals during negotiations. These plans currently include the City Basic Health Plan and the City Prescription Benefit Manager. The City's insured HMO program may become self-funded in the future.

- Based on the data gathered, the experience and the utilization, project the 2012 City claims costs for all self funded plans, both active and retired.
- Based on the data gathered , the experience and the utilization, project the 2012 City costs for all prescription benefit programs, including the DeanCareRx Medicare D program.
- Based on the data gathered, the experience and the utilization, project 2012 City costs for the insured HMO program if the City decides to self-insure the HMO and offer an EPO type program.
- Provide documentation and analysis to support the project costs for each.
- Projecting the cost of these self insured services with supporting documents requires the services of a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries.

Make recommendations regarding the insurance and benefit products offered by the City of Milwaukee

- Identify the benefits and challenges of using an insured HMO type product or a self-insured EPO type product.
- Recommend changes regarding plan design, premium, co-pays, co-insurance and deductibles.

Make recommendations regarding prevention, disease management and wellness activity.

- Based on the review of the utilization and experience of City data, the consultant or partner should identify options and specific recommendations regarding the best disease management and wellness efforts in which the City and its employees should be engaged.
- Assist as necessary in identifying vendors to provide health risk analysis and healthy lifestyle service to City employees.
- Project cost control expectations from the implementation of different wellness programs, incentives and disincentives.
- Assist the City in evaluating the work of Froedtert Health Workforce Health, the City's partner in providing a comprehensive wellness program to City employees through 2013.

Make recommendations regarding prescription utilization

- Based on review of the utilization and experience of City members for prescription data, the consultant needs to make recommendations to help the City and City members better control costs while providing appropriate medications.
- Continue to make recommendations regarding utilization of Medicare Part D with the over 65 Medicare retirees, efforts that will allow retirees to better control their health care costs and get the most appropriate medications.
- As part of the RFP process for a prescription benefit manager, help the City to evaluate the ongoing utilization of a Medicare Wrap program with both the HMO and the Basic Plan for retirees over 65.

Assist the City in development an ongoing strategic direction to better control health care costs.

- Continue to review where the City has come from in the past five years and where the City will be in another five years if specific changes in health care benefits and plan design are not made.
- Share the strategic direction, including measurable goals, and obtain consensus from management, aldermen and the Mayor regarding the direction.
- Share the information with any existing Labor/Management and Retiree Committees at the direction of Labor Relations and Employee Benefits.
- Assist in obtaining labor buy-in of the City health plan policies.
- Assist in developing and establishing measurable outcomes to monitor the success of implemented changes.
- Assist a labor-management committee in the ongoing design, development, and implementation of improvements to the City current comprehensive prevention and wellness program, "Wellness, Your Choice Milwaukee."

Assist the Employee Benefits Director in administering all group insurance plans.

- Assist the City in complying with laws and regulations related to employee benefits.
- Assist the City with the implementation and communication of new programs or changes to existing programs, which will include attending and presenting information at Open Enrollment meetings and/or health fairs.
- Research any new developments in the law and employee benefits, including health care reform efforts, on an ongoing basis.
- Interface with insurance carriers as needed to assist the City in the resolution of problems associated with benefit programs.