



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

December 21, 2010

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

File No: 101125 Resolution approving Benefits Consultant Contract

Dear Alderman Murphy:

The Department of Employee Relations (DER) has prepared and distributed a request for proposal (RFP) for a benefits consultant based on Common Council File #191350, which authorized this process. The six-page RFP was sent to fifteen consultant firms. Three groups responded to the RFP. The DER Review Team included Dennis Yaccarino, City Economist; Troy Hamblin, Labor Negotiator; and Michael Brady, Employee Benefits Director. The Review Team is recommending the City enter into a three year contract with Willis of Wisconsin, for 2011-2013, with the option of renewing for a two-year period.

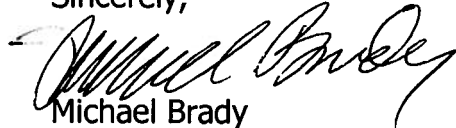
The Review Team considered the three proposals from Wells Fargo Insurance Services, Gallagher Benefit Services, and Willis of Wisconsin. The proposal requested the consultant to provide an extensive scope of services including: (1) preparation of RFPs for benefit services; (2) a data warehouse to explain utilization and cost of benefits; (3) projected costs for the Basic Plan supported by Actuary; (4) recommendations regarding insurance benefit products; (5) advice regarding prevention, disease management and wellness; (6) information regarding prescription utilization; (7) strategic direction to better control health care costs; and (8) experience and knowledge working with public sector employer.

A copy of the actual RFP and the scores of the three consultants are attached. The Willis fee is not to exceed \$125,000 per year. The Willis fee was lower than the fee for the other two consultants. The Review team felt that based on Willis's knowledge and experience in addition to their responses to the other services

outlined in the RFP that Willis represents the best choice for the City. A fiscal note and a resolution are also attached.

Please contact me at mbrady@milwaukee.gov or 286-2317 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Brady", written in a cursive style.

Michael Brady
Employee Benefits

cc: Maria Monteagudo, DER
Troy Hamblin, DER
Dennis Yaccarino, Budget