



Department of Employee Relations

September 14, 2015

**Tom Barrett**  
Mayor

**Maria Monteagudo**  
Director

**Michael Brady**  
Employee Benefits Director

**Deborah Ford**  
Labor Negotiator

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

File No: 150625 Resolution authorizing the Department of Employee Relations  
to explore engaging a third party administrator Workers Compensation

Dear Alderman Kovac and Finance Committee Members:

The City of Milwaukee currently is a self-administered and self-funded for Workers Compensation. This resolution will authorize the City to explore the use of a third-party Workers Compensation administrator. Most Wisconsin counties and municipalities are self-funded but do not self-administer. There are third party administrators for public employers with business focus on claims service. Self-administering does require significant investment in infrastructure systems and interfaces with vendors for bill review, re-pricing and processing payments. State law involves significant compliance analysis and implementation issues.

The City under current contract with Willis of Wisconsin will evaluate the business case for a third party administrator and return to the Finance and Personnel Committee with results of a request for proposal process to fully evaluate options and prepare a recommendation.

Sincerely,

Michael Brady  
Employee Benefits

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

