

Department of Employee Relations

Tom Barrett Mayor

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Maria Monteagudo Director

Michael Tobin
Fire and Police Commission
Executive Director

Michael Brady

Employee Benefits Director

Troy Hamblin Labor Negotiator

October 21, 2009

Honorable Members of the Finance and Personnel Committee Milwaukee Common Council City of Milwaukee

Dear Committee Members;

File #090742 authorizes the Department of Employee Relations to amend the current contract with UnitedHealthcare (UHC) to include access to employee assistance services for Basic Plan members effective November 1st in anticipation of using UHC's Care24 Program for all EAP services after the retirement of the City's EAP Coordinator. This communication provides additional information regarding the justification for this proposal.

The retirement of the City's EAP Coordinator at the end of October presents an opportunity to re-assess the need for a full time "in-house" EAP Coordinator given current workload patterns and financial considerations during difficult and challenging fiscal times for the City. In an effort to control costs and meet confidentiality requirements associated with employee assistance services, many organizations have shifted EAP programs from in-house to third party services. The City is interested in continuing to make effective and efficient EAP services available to all employees and their families in a cost effective way. While the EAP Coordinator position as it currently exists will be eliminated and replaced with an administrative position, access to EAP services and associated referrals will be handled through UHC's Care24 Program. The Administrative Specialist position will be responsible for coordinating EAP services and serving as liaison with UnitedHealthcare as well as supporting joint labor/management EAP efforts and activities.

UnitedHealthcare is under contract with the City for 2009 and 2010 for a fully insured plan at an approximate cost of \$85 million (active employees only). Approximately 90% of active employees are members of this fully insured plan and have access to UHC's Care24 services at no extra charge. Care24 offers members access to a wide range of health and well being information-seven days a week, 24 hours a day. Although the City will have to pay approximately \$23,000 per year to ensure that EAP services are available to employees who have chosen the Basic Plan for their healthcare, these costs will be offset by salary savings associated with replacing the EAP Coordinator position with an Administrative Specialist position (.6FTE) at a lower salary.

Attached you will find two documents that summarize the services provided though Care24 as well as a Frequently Asked Questions document that highlights how the services, including referrals, will be made. The Department of Employee Relations will be holding briefing sessions for key personnel and labor leaders during the first week in November to facilitate the transition to this new model. UHC and DER will also engage in an aggressive marketing/communication campaign to ensure all employees are aware of the services available through Care24.

I trust you will support this initiative and approve file# 090742. I can be reached at 286-3335 for additional information.

Sincerely,

Maria Monteagudo Employee Relations Director

Attachments