



## Department of Employee Relations

**Tom Barrett**  
Mayor

**Makda Fessahaye**  
Director

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Director  
Employee Benefits

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Labor Negotiator

September 8, 2021

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

### **201128 Resolution to Extend the Current Contract for the City's Affordable Care Act Reporting**

Dear Alderman Murphy and Finance Committee Members:

The City of Milwaukee and other applicable large employers are required to comply with the Affordable Care Act (ACA) reporting requirements which includes monitoring employee eligibility and enrollment in health insurance benefits and reporting to both the member and the IRS regarding coverage. The Department of Employee Relations (DER) has contracted with HealthCare Impact Associates, formerly Health e(fx), since 2015 to comply with complex ACA reporting regulations under IRS section 6055 and 6056. The current contract with HealthCare Impact Associates ends December 31, 2021.

HealthCare Impact Associates has comprehensive experience managing ACA compliance and reporting for organizations that self-administer health benefit plans with a multifaceted and variable workforce. Complex reporting requirements include eligibility for health benefits coverage, timing of the offer of coverage and enrollment, the number of members and dependents enrolled by month, the number of members who waive coverage, the cost and affordability of the City and member premium share and issuance of IRS forms 1094 and 1095. In addition, HealthCare Impact Associates assists the City with ongoing monitoring and auditing to ensure the City remains in compliance with ACA regulations.

The DER recommends extending the current contract with HealthCare Impact Associates for three years. HealthCare Impact Associates continues to be a valuable partner assisting the City with ACA reporting and providing excellent service. In addition, HealthCare Impact Associates has agreed to keep administration fees flat for the duration of the contract extension. The DER recommends that the Finance and Personnel Committee approve a three-year contract extension with HealthCare Impact Associates through December 31, 2024.

I am happy to answer any questions or comments regarding this file.

Sincerely,  
Renee Joos  
Employee Benefits