



Legislation Text

File #: 051366, **Version:** 1

051366
SUBSTITUTE 1

THE CHAIR

Substitute resolution authorizing an extension of a contract among the City of Milwaukee, other government employers and CORVEL Corporation to provide Preferred Provider Network discounts and Pharmacy Benefit Management services for those employees using Workers' Compensation services.

This resolution authorizes an extension of a contract among the City of Milwaukee, other government employers and CORVEL Corporation to provide Preferred Provider Network discounts and Pharmacy Benefit Management services for those employees using Workers' Compensation services.

Whereas, The City of Milwaukee has been participating in a joint Preferred Provider Network Organization with CORVEL Corporation to control health care costs through network discounts and a pharmacy benefit management program associated with Workers' Compensation claims for six years; and

Whereas, File No 991339 initiated a three year contract for 2000-2001-2002 and File No 021214 extended the contract from 2003 to 2005 for an additional three years; and

Whereas, Additional participants in this contract are the Milwaukee Public Schools, the Metropolitan Milwaukee Sewerage District and Milwaukee County; and

Whereas, The City of Milwaukee has avoided health care costs associated with Workers' Compensation claims of \$1,382,130 in 2004 and \$1,521,489 in 2005; and

Whereas, There is no direct cost to the City budget for these services since CORVEL is paid through a percent of savings agreement; and

Whereas, The percent of savings retained by CORVEL in the third year of the contract (2008) will increase from 22% to 23% for Professional Review, Usual and Customary and PPO Re-pricing; and

Whereas, The City of Milwaukee Department of Employee Relations-Workers' Compensation Section and the other taxing groups desire to extend this contract for a period of three years; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Employee Relations is directed to extend this contract with CORVEL Corporation for a period of three years,

with the form and content of such agreement to extend the contract to be subject to the approval of the City Attorney.

LRB 06064-1
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02/20/2006