



Legislation Text

File #: 011378, **Version:** 2

011378
SUBSTITUTE 2

THE CHAIR

Substitute resolution approving a contract extension with Blue Cross & Blue Shield United of Wisconsin to provide Preferred Provider Organization services from January 1, 2002 to June 30, 2002.

This resolution approves a contract extension with Blue Cross & Blue Shield United of Wisconsin to provide Preferred Provider Organization services from January 1, 2002 to June 30, 2002. The City will be required to pay a one-time fee of \$5.40 per person for employees enrolled in the Basic Plan during December 2001, an approximate cost of \$25,000 to the City.

Whereas, The City contracted for health insurance coverage for its employees with Blue Cross & Blue Shield United of Wisconsin from January 1, 1999 to December 31, 2001; and

Whereas, The City of Milwaukee signed a contract with Wisconsin Physicians Service Insurance Corporation, effective January 1, 2002, to provide Preferred Provider Services from medical providers and facilities for dates of service from January 1, 2002 to December 31, 2004, at a discount; and

Whereas, The City of Milwaukee previously contracted with Blue Cross & Blue Shield United of Wisconsin for a Preferred Provider Network, such contract terminating on December 31, 2001; and

Whereas, In order to continue processing by Blue Cross & Blue Shield United of Wisconsin of discounts for claims incurred on or before December 31, 2001 but not yet processed as of the expiration date of the previous contract, the City will be required to pay a one-time fee of \$5.40 per employee and retired employee enrolled in the Basic Plan during December 2001, an approximate cost of \$25,000 to the City; and

Whereas, The City of Milwaukee wishes to have the previous Preferred Provider Network contractor, Blue Cross & Blue Shield United of Wisconsin, provide Preferred Providers Services for bills from dates of service prior to December 31, 2001, and to do this through a Run-Out Services Arrangement with Blue Cross & Blue Shield United of Wisconsin; and

Whereas, The Run-Out Services Arrangement is likely to cost \$25,000 and result in reductions of costs of up to \$350,000; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Employee Relations, acting through its Director of Employee Benefits, is authorized to enter into a Run-Out Services Agreement with Blue Cross & Blue Shield United of Wisconsin for services through June 2002 upon the terms and conditions set forth above, the form of such contract as attached to this file and to be approved by the City Attorney.

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LME
2/6/02