



## Legislation Text

---

**File #:** 161409, **Version:** 1

---

161409  
SUBSTITUTE 1  
151560  
THE CHAIR

Substitute resolution authorizing the Department of Employee Relations to issue a request for proposals for a for a third-party administrator for an IRS Section 125 Flexible Spending and Health Reimbursement Arrangement.

This resolution authorizes the Department of Employee Benefits to issue a request for proposals for a third-party administrator for a Flexible Spending and Health Reimbursement Arrangement. Following the request-for-proposals process, the Department of Employee Relations shall provide the Finance and Personnel Committee with a recommendation on the best choice for an administrator.

Whereas, The City of Milwaukee currently provides an IRS Section 125 Flexible Spending Arrangement program and a Health Reimbursement Arrangement for the Healthy Rewards portion of the Wellness Program; and

Whereas, A Flexible Spending Arrangement allows employees to be reimbursed for medical, and dependent- care and parking expenses from an account funded through employee salary deductions; and

Whereas, A Health Reimbursement Arrangement is an IRS-approved, employer-funded, tax-advantaged benefit plan that reimburses employees for out-of-pocket medical expenses; and

Whereas, Common Council File Number 151560 approved a one-year contract extension with TASC to serve as a third-party administrator for the City's Flexible Spending and Health Reimbursement Arrangement; and

Whereas, The contract with the current program administrator, TASC, will expire December 31, 2017; and

Whereas, The Department of Employee Relations recommends the continuation of a Flexible Spending Arrangement with medical, dependent care and parking expense components and a Health Reimbursement Arrangement for the Wellness Healthy Rewards program; and

Whereas, It is in the City's best interest to conduct a request-for-proposals process to obtain the best services and prices for a new program administrator commencing January 1, 2018; and

Whereas, The Department of Employee Relations will retain the services of Willis Towers Watson, the City's benefits consultant, to lead the request-for-proposals process for such an administrator; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Employee

Relations is authorized to issue a request for proposals for a third-party administrator for a Flexible Spending and Health Reimbursement Arrangement; and, be it

Further Resolved, That following the request-for-proposals process, the Department of Employee Relations shall provide the Finance and Personnel Committee with a recommendation on the best choice for an administrator.

Department of Employee Relations  
Renee Joos

Legislative Reference Bureau  
Teodros W. Medhin  
LRB167834-2  
2/27/2017