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150625
Substitute 1
ALD. KOVAC
Substitute resolution authorizing the Department of Employee Relations to explore engaging a third-party administrator for the City's Workers' Compensation program.
This resolution authorizes the Department of Employee Relations to explore the business case for a self-funded workers' compensation program with a third-party administrator.

Whereas, Most Wisconsin counties and municipalities have workers' compensation programs that are self-funded but not self-administered; and

Whereas, There are third-party administrators for public employers with a sole focus on workers' compensation claims services; and

Whereas, Self-administration of a workers' compensation program requires significant investment in infrastructure systems and interfaces with vendors for bill review, re-pricing and processing payments; and

Whereas, State law regarding workers' compensation programs involves knowledge concerning compliance analysis and implementation issues; and

Whereas, Concerns about employee privacy and potential conflicts of interests may arise when an employer self-administers a workers' compensation program; and

Whereas, The City wants to consider the value of a third-party administrator relative to administration and cost of a workers' compensation program; and

Whereas, Willis of Wisconsin, as part of its current consulting services, is qualified to assist with this review, including a Request for Proposal process; and

Whereas, The City will have an opportunity after this review, when a recommendation is provided to the Finance and Personnel Committee, to determine the best options regarding costs and administration of the City's Workers' Compensation program; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Employee Relations is authorized to explore engaging a third-party administrator for the City's Workers' Compensation program.
Department of Employee Relations
Teodros W. Medhin
LRB160659-1
09/14/2015