



Legislation Text

File #: 171074, **Version:** 1

171074
SUBSTITUTE 1
160015, 150625

THE CHAIR

Substitute resolution authorizing the Department of Employee Relations to enter into a contract for Worker's Compensation Third Party Administrator services with an outside provider.

Whereas, Common Council Resolution File Number 150625 authorized the Department of Employee Relations (DER) to complete a request for proposal (RFP) process for a third party administrator for the City's Worker's Compensation program and Common Council Resolution File Number 160015 authorized the DER to enter into a contract with Gallagher Bassett Services, Inc. (GB) for the provision of third party administrator services; and

Whereas, The transition to GB began in October 2016 and has been difficult and full of administrative and technical challenges; and

Whereas, The DER has diligently worked with GB to rectify ongoing and significant issues related to the Worker's Compensation claims management administrative functions including weekly conference calls and strategy meetings to share concerns and expectations; and

Whereas, The DER has reached out multiple times to GB's leadership team in an attempt to remedy numerous persistent problems and has concerns with GB's ability to effectively and efficiently handle the complexity of the City's claims processing and management functions; and

Whereas, The severity and frequency of administrative problems have lead DER to work with the City Attorney's office to execute the termination provision within the contract; and

Whereas, Corvel was the second ranked proposer during the 2016 RFP process and is willing and well positioned to take on the worker's compensation third party administrator functions for the City; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that the Department of Employee Relations is authorized to commence negotiation discussions so a contract can be executed with Corvel Corporation upon termination of the contract with Gallagher Bassett Services, Inc. to facilitate a smooth and expeditious transition for worker's compensation third party administrator services.

Department of Employee Relations
Renee Joos
12/8/17