



Legislation Text

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191641
SUBSTITUTE 1
170341
THE CHAIR

Substitute resolution authorizing the Department of Employee Relations to issue a request for proposal for the City's Flexible Spending and Health Reimbursement Arrangement programs.

This resolution authorizes the Department of Employee Relations 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, 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, 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, The contract with the current program administrator, Benefit Advantage, will expire December 31, 2020; and

Whereas, It is in the City's best interest to conduct a request for proposals process to obtain the best services and competitive pricing for a new program administrator commencing January 1, 2021; and

Whereas, The Department of Employee Relations will retain the services of Gallagher Benefits Services, Inc. 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 for an administrator.

Renee Joos
02/21/2020