



Legislation Text

File #: 220138, **Version:** 1

220138
SUBSTITUTE 1
211411

THE CHAIR

Substitute resolution authorizing the Department of Employee Relations to execute a contract for the administration of the City's health and prescription drug benefits.

This resolution authorizes the Department of Employee Relations (DER) to execute a contract for the City's health insurance plan administrator and a pharmacy benefit manager (PBM) for prescription drug benefits with contract terms commencing January 1, 2023.

Whereas, The current contracts with UnitedHealthcare, for the administration of health plan benefits and OptumRx, for administration of pharmacy benefits, expire on December 31, 2022; and

Whereas, Common Council Resolution File Number 211411 authorized the Department of Employee Relations to complete a request for proposal process for the administration of health insurance and pharmacy benefits; and

Whereas, The City's benefits consultant, Gallagher Benefits Services, led a request for proposal process which included evaluation of proposal responses by a review and selection committee comprised of employees from the Department of Employee Relations, the budget office and the Employees' Retirement System; and

Whereas, The review committee is recommending UnitedHealthcare for health plan administrative services based on their deep network discounts, broad network access as well as excellent account and member service; and

Whereas, The review committee is recommending OptumRx carve-in pharmacy benefits through UnitedHealthcare based on competitive financial terms and administrative fees as well as full integration with the health plan; now, therefore be it

Resolved, By the Common Council of the City of Milwaukee that the Department of Employee Relations is authorized to execute a three year contract with UnitedHealthcare for health plan administration and pharmacy benefit management services commencing January 1, 2023 with the option of a two year contract extension for health plan administrator services only.

Department of Employee Relations

Renee Joos

07/20/2022