



CITY OF WAUWATOSA
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BUDGET & FINANCE COMMITTEE MEETING

Tuesday, Sept. 29, 2009
Committee Room #2

PRESENT: Alds. Ewerdt, Organ, Walsh, Wilke, Berdan, Krol, Jay, Donegan – 8

ALSO PRESENT: J. Archambo, City Admin.; A. Kesner, City Atty.; B. Aldana, Asst. City Atty./HR Director; M. Loy, Health & Productivity Coor.

Ald. Ewerdt as Chair called the meeting to order at 8:23 p.m.

Stop loss contract effective 10/1/09 and self-retained limit

The committee reviewed a memo from Ms. Aldana regarding the city's stop loss proposals. Ms. Aldana introduced Amy Fischer and Clete Anderson from Willis HRH. Ms. Aldana said the stop loss contract was marketed for a third time through Willis HRH, who has access to many stop loss markets. They were directed to market the stop loss business to as many carriers as possible and that the city would either pay fees or commissions. Willis HRH was also asked to evaluate whether the city should increase its self-retained limit.

Ms. Aldana reported that Willis HRH was unable to get a competitive quote of any kind. A total of three proposals were received in addition to United Healthcare's. Ms. Aldana said two of these are substantially higher than the quote received from UHC. One proposal from ING came in at a higher premium rate but has a potential for reimbursement. If the carrier's reimbursement payments to the City are lower than 70% of the billed premium a percent of the premium is refunded at the end of the year. The refund is capped at 10% of the premium.

Ms. Aldana recommended staying with UHC because there is a penalty with ING of \$1.00 per member per month (PMPM) charge if the City contracts with a stop loss carrier other than UHC. And unless the City has favorable high claims experience ING's proposal is more expensive than UHC.

The committee asked Ms. Fischer and Mr. Anderson questions regarding the city's stop loss contract and if our premium increase is in line with what they see in the market. Ms. Fischer said that every client has a different risk tolerance and it depends on that. She said that stop loss is very volatile.

Ald. Donegan asked how Willis HRH would evaluate the city's relationship with UHC. Ms. Fischer said our issues are very common. Ms. Fischer said if the City went with an outside carrier there is a lot more paperwork they would have to do. She said it is common to charge an interface fee with a large carrier if you don't carry the stop loss insurance with them.

Mr. Anderson discussed the deductible analysis in the handout. Ald. Donegan noted that the city has been getting a 15% increase each year since 2004-2005. Mr. Anderson said there is no compelling reason to make a switch at this time as some years were better and some worse. Mr. Anderson said as a practice you should look at re-evaluating this yearly. He said because of the fixed deductible, premiums will increase to a point that there will be no choice but to increase the stop loss amount. He felt that the proposal from UHC is very favorable.

Moved by Ald. Donegan, seconded by Ald. Walsh
to recommend approval the acceptance of the UHC

stop loss contract for 10/01/09 to 10/01/2010 and to keep the self-retained limit at \$75,000 – Ayes: 8

Vouchers

Name	Dept.	Reason and location	Date	Amount
Jim Beix	Health	6th annual Watershed Planning Conference - Milwaukee	8/31/09	42.96
Michael Loy	Human Resources	Wellness Conference - WI Dells	9/15/09	125.24
Russell Richardson	Police	Motorcycle Operator Training - Joliet, IL	08/09 - 08/21/09	2,636.15
Eileen Miller Carter	Legal	Healthcare Seminar - Milwaukee	09/02 & 09/08/09	27.80
Dale Weiss	Police	Bargaining During Hard Times Seminar - Las Vegas	07/07 - 07/10/09	1,115.57
William Boritzke	Police	Radar/Lidar Certification Training - Pewaukee	08/31 - 09/03/09	28.82
Joel Kutz	Police	WI Juvenile Officers Assoc. Conference - WI Dells	09/16 - 09/18/09	239.91
Jeffrey Griffin	Police	WI Juvenile Officers Assoc. Conference - WI Dells	09/16 - 09/18/09	248.20
John Dubinski	Police	WI Juvenile Officers Assoc. Conference - WI Dells	09/16 - 09/18/09	201.89
Laura Laurishke	Police	WI Crime Prevention Practitioners Assoc. Conference - WI Dells	09/15 - 09/18/09	468.33
Paul Leist	Police	WI Crime Prevention Practitioners Assoc. Conference - WI Dells	09/15 - 09/18/09	491.03
Michelle Dahlen	Police	WI TraCS Conference - WI Dells	09/14 - 09/15/09	89.15
Christopher Fox	Police	WI TraCS Conference - WI Dells	09/14 - 09/15/09	85.00
William Kappel	Engineering	APWA International Congress & Chapter Delegates Conference - Columbus, OH	09/11 - 09/16/09	1,887.78
Eileen Miller Carter	Legal	Patricia Boyd Trial - Milwaukee	9/22/09	19.90

Moved by Ald. Jay, seconded by Ald. Walsh that the vouchers be allowed and paid – Ayes: 8

The meeting adjourned at 8:45 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

mks