



Legislation Text

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Fiscal Note

The per claim fees included in the proposed contract for 2010 are approximately 5% above the 2009 rates included in the current contract for 2009, with 5% annual inflationary adjustments for 2011 and 2012. Two optional years are included for 2013 and 2014 with respective rate increases at 3% for each year. The total cost of third party workers compensation administrative services is dependent upon the actual number of claims incurred and reported. \$270,000 is available in the 2010 Workers Compensation Fund budget for these services, sufficient to fund anticipated costs based on anticipated claims experience.

Title

Approving a contract with WMMIC for third party administration of the City's worker's compensation claims.

Body

WHEREAS, the City transferred the third party administration of its worker's compensation claims to Wisconsin Municipal Mutual Insurance Company (WMMIC) in March, 2004, as a result of a competitive RFP; and

WHEREAS, the City and WMMIC have had a successful working relationship in the administration of worker's compensation claims; and

WHEREAS, the City and WMMIC have agreed upon the conditions and terms of payment to WMMIC for a three year agreement from March 1, 2010 through January 1, 2013 with two optional one-year extensions.

WHEREAS, WMMIC obtained the current contract following an RFP process in 2004; and

WHEREAS, after examining the costs and benefits of considering a switch in providers of service through a new RFP, the good service provided by WMMIC under the existing contract, and expanded services offered under the renewal contract, the City finds it advantageous to continue with a new contract with WMMIC; and

WHEREAS, continuing with WMMIC gives the City stability in costs and service, while any change in third party administrator may not provide such advantages, and would inherently involve significant direct and indirect transitional costs.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to formalize and sign an agreement with WMMIC for the third party administration of worker's compensation claims, which agreement will be substantially the form attached hereto.