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From the Director of Total Rewards, Department of Human Resources, requesting authorization to execute contract extensions with UnitedHealthcare and Optum Rx for Third Party Administrative (TPA) services for Milwaukee County and Milwaukee Transit Services medical and pharmacy plans effective January 1st, 2026, through December 31st, 2030, by recommending adoption of the following:

AN ENGROSSED RESOLUTION

WHEREAS, Milwaukee County’s (the County) current contract with UnitedHealthcare (UHC) for third-party administrative services for the County and Milwaukee County Transit System (MCTS) health plans expired on December 31, 2025; and

WHEREAS, the County’s current contract with UHC’s subsidiary, Optum Rx (Optum), for pharmacy benefit manager services for the County and MCTS health plans expired on December 31, 2025; and

WHEREAS, the County, in coordination with Willis Towers Watson of Wisconsin, MCTS, and the City of Milwaukee (the City) evaluated a proposal for a 5-year contract renewal; and

WHEREAS, UHC’s combination of administrative costs and network access provides the optimal financial performance available to the County and MCTS health plans; and

WHEREAS, the pharmacy pricing terms offered by Optum continue to lead the market; and

WHEREAS, UHC and Optum combine to provide efficient, high-quality coverage options that the County has designed for active, pre-Medicare, and Medicare-eligible employees; and

WHEREAS, UHC has a successful track record of complying with and exceeding the County’s Disadvantaged Business Enterprise goals; and

WHEREAS, UHC was found to be uniquely positioned, by virtue of the strength of their provider network contracts in the greater Milwaukee area, to administer the health plans for the County, MCTS, and the City; and

WHEREAS, the contracts ended on December 31, 2025, and this file was submitted by the Department of Human Resources on January 27, 2026, after the submission deadline for the January meeting cycle, and was immediately referred to the Committees on Finance and Personnel; and

47 WHEREAS, the Chairman of the Committee on Finance promptly placed the
48 file on the agenda for the January 29, 2026, meeting of the Committee on Finance;
49 and

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51 WHEREAS, at the January 29, 2026, meeting of the Committee on Finance,
52 concerns were raised by the Office of the Comptroller and Corporation Counsel
53 regarding the negotiation of the UnitedHealthcare and Optum Rx contract
54 amendments, including the omission of the County's preferred audit language;
55 and

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57 WHEREAS, the Director, Total Rewards, Department of Human Resources,
58 further acknowledged that the Request for Proposals (RFP) process, which was
59 managed by a contracted vendor, did not comply with the County's RFP
60 requirements set forth in Section 56.30(5) of the Milwaukee Code of General
61 Ordinances; and

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63 WHEREAS, the proposed contract amendments are retroactive to
64 January 1, 2026, and therefore conflict with Sections 56.30(8) & 56.30(9) of the
65 Milwaukee Code of General Ordinances, which require the Comptroller to deny
66 payment when the provisions of Chapter 56 are not met and prohibit professional
67 services work from commencing prior to the execution of a written contract
68 signed by all appropriate officials; and

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70 WHEREAS, the Office of Corporation Counsel recommended that the
71 County Board adopt this file without delay to minimize potential legal risk and
72 financial exposure associated with the absence of an executed contract; and

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74 WHEREAS, the Director, Total Rewards, Department of Human Resources,
75 further acknowledged that the Request for Proposals (RFP) process, which was
76 managed by a contracted vendor, did not comply with the County's RFP requirements
77 set forth in Section 56.30(5) of the Milwaukee Code of General Ordinances; and
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79 WHEREAS, the Committee on Finance (Finance), at its meeting of January 29,
80 2026, laid over File No. 26-272 to a Date Certain [February 2, 2026], at a Special Joint
81 Meeting of the Committee on Personnel (Personnel) and Finance (Finance) (vote 6-0);
82 and
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84 WHEREAS, Personnel, at its February 2, 2026, Special Joint Meeting with
85 Finance, considered File No. 26-272 for informational purposes only, per Section
86 59.52(31)(d), Wisconsin State Statutes; and
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88 WHEREAS, Finance, at its February 2, 2026, Special Joint Meeting with
89 Personnel, recommended adoption of File No. 26-272 (vote 4-2); now, therefore,

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BE IT RESOLVED, the **Director, Total Rewards, Chief Human Resources Officer, or designee**, Department of Human Resources, is hereby authorized to execute contract amendments with UnitedHealthcare and Optum Rx, extending services for Milwaukee County and Milwaukee County Transit System group health plans for active employees and retirees from January 1, 2026, continuing through December 31, 2030; **and**

BE IT FURTHER RESOLVED, that it is the expectation of the Milwaukee County Board that the UnitedHealthcare and Optum Rx contract amendments incorporate the Office of the Comptroller, Audit Division’s preferred audit language as soon as reasonably practicable, either during the current contract term or as part of the next contract negotiation, and that, as a matter of general policy, all Milwaukee County contracts include the County’s preferred audit language; and

BE IT FURTHER RESOLVED, that the Department of Human Resources shall ensure that any use of external vendors to assist with or conduct Requests for Proposals complies with all applicable procurement and ethics requirements under the Milwaukee County Code of General Ordinances and the Administrative Manual of Operating Procedures, and that all other County departments are likewise expected to follow these same requirements when engaging external vendors; and

BE IT FURTHER RESOLVED, that the Milwaukee County Board hereby waives the requirements of Sections 56.30(8) and 56.30(9) of the Milwaukee Code of General Ordinances in order to authorize the execution of the contract amendments retroactive to January 1, 2026, and the payment for services rendered prior to their approval.

kae
02/05/26
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