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(ITEM) From the Director of Benefits and Human Resource Metrics, Department of Human Resources, requesting authorization to execute contract extensions with United Healthcare and Optum Rx for third-party administrative services relative to Milwaukee County’s medical and pharmacy plans, for the period effective January 1, 2017, through December 31, 2019, by recommending adoption of the following:

A RESOLUTION

WHEREAS, Milwaukee County’s (the County’s) current contract with UnitedHealthcare (UHC) for third-party administrative services for the County and Milwaukee Transit Services health plan expires on December 31, 2016; and

WHEREAS, the County’s current contract with UHC’s subsidiary, Optum Rx (Optum), for pharmacy benefit manager services for the County and Milwaukee Transit Services health plan expires on December 31, 2016; and

WHEREAS, the County, in coordination with Willis of Wisconsin, Milwaukee Transit Services, the City of Milwaukee, and Milwaukee Public Schools (MPS), evaluated a proposal for a three-year contract renewal; and

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

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

WHEREAS, UHC and Optum combined to provide the efficient, high-quality coverage options that the County has designed for its active employees, 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, Milwaukee Transit Services, the City of Milwaukee, and MPS; and

WHEREAS, the Committee on Personnel, at its meeting of September 9, 2016, recommended adoption of the Director of Benefits and Human Resource Metrics’ request (vote 4-0) but the recommendation is moot under Section 59.52(31)(d), Wisconsin State Statutes, which states that only the Milwaukee County Board of Supervisor’s Finance Committee has jurisdiction over contracts; and

47 WHEREAS, the Committee on Finance and Audit, at its meeting of
48 September 15, 2016, recommended adoption of the Director of Benefits and Human
49 Resource Metrics' request (vote 7-0); now, therefore,
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51 BE IT RESOLVED, the Director of Employee Benefits and Human Resource
52 Metrics, Department of Human Resources, is hereby authorized to execute contract
53 amendments with UnitedHealthcare and Optum Rx extending services for Milwaukee
54 County and Milwaukee Transit Services group health plans for active employees and
55 retirees from January 1, 2017, through December 31st, 2019.
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