

MILWAUKEE COUNTY
Inter-Office Communication

DATE: February 26, 2015

TO: Supervisor Anthony Staskunas, Chairman, Judiciary, Safety, and General Services Committee

Supervisor Mark Borkowski, Vice Chairman, Judiciary, Safety, and General Services Committee

FROM: Amy Pechacek, Director, Risk Management

SUBJECT: Update on Family Medical Leave Act (FMLA) Administration (INFORMATIONAL ONLY)

HISTORY

The Family Medical Leave Act (FMLA) is a federal law that was passed in 1993. The FMLA entitles eligible employees to take job-protected leave for specified family and medical reasons. Eligible employees are allowed up to twelve workweeks of leave in a twelve month period for such things as the birth or adoption of a child, to care for the employee's spouse, child, or parent who has a serious health condition, an employee's own serious health condition that makes them unable to perform the essential functions of their job, or any qualifying exigency arising out of a covered military member on active duty.

BACKGROUND

FMLA was historically administered in Milwaukee County at the Human Resources Generalist level within the departments. This process was changed in January of 2013 to centralized administration under Risk Management. Driving this change was a desire to move towards a consistent, organizational-wide approach that reduces the liability inherent in using multiple processes and departmentally based discretion for leave approvals, and also to protect the amount of employees' personal health information available to local management. FMLA leave was returned back to HR for a portion of 2013 when the Risk Management Director position was vacant, and is now once again housed in the Department of Risk Management. The leaves are managed manually via mail, fax machines, and tracked by numerical data entry on spreadsheets.

USAGE

Milwaukee County has approximately 4,760 employees. In 2013, there were 1,318 leaves applied for under the FMLA by County employees. In 2014, the FMLA leave applications were as follows:

2014			
Aging			
Single Block	Intermittent	Denials	Breakdown
22	26	7	201
BHD			
Single Block	Intermittent	Denials	Breakdown
89	94	63	791
CHILD SUPPORT			
Single Block	Intermittent	Denials	Breakdown
18	26	8	264
COMPTROLLER			
Single Block	Intermittent	Denials	Breakdown
5	6	1	29
DA'S OFFICE			
Single Block	Intermittent	Denials	Breakdown
0	0	1	111
DHHS			
Single Block	Intermittent	Denials	Breakdown
51	38	25	326
MEDICAL EXAMINER'S OFFICE			
Single Block	Intermittent	Denials	Breakdown
4	1	0	30

PARKS			
Single Block	Intermittent	Denials	Breakdown
23	13	9	168
REGISTER OF DEEDS			
Single Block	Intermittent	Denials	Breakdown
4	4	3	34
CORPORATION COUNSEL			
Single Block	Intermittent	Denials	Breakdown
0	1	0	10
COUNTY BOARD			
Single Block	Intermittent	Denials	Breakdown
1	0	0	1
TREASURER'S OFFICE			
Single Block	Intermittent	Denials	Breakdown
1	0	0	1
DOT			
Single Block	Intermittent	Denials	Breakdown
70	70	11	746
ZOO			
Single Block	Intermittent	Denials	Breakdown
4	2	0	10
COURTS			
Single Block	Intermittent	Denials	Breakdown
39	41	30	315

DAS			
Single Block	Intermittent	Denials	Breakdown
14	16	16	103
PRB			
Single Block	Intermittent	Denials	Breakdown
0	0	0	0
SHERIFFS			
Single Block	Intermittent	Denials	Breakdown
179	154	107	1025
HOC			
Single Block	Intermittent	Denials	Breakdown
102	119	81	635
Election Commission			
Single Block	Intermittent	Denials	Breakdown
0	1	0	8
County Clerk			
Single Block	Intermittent	Denials	Breakdown
2	1	0	7
GRAND TOTALS			
Single Block	Intermittent	Denials	Breakdown
628	613	362	4815
TOTAL	APPLIED	1,603	
TOTAL	APPROVED	1,241	

The total leaves applied for in 2014 equals 1,603. This increase in usage in 2014 is primarily attributed to the concurrent application of workers' compensation time loss benefits and both state and federal leave entitlements per County policy and in accordance with the law, a practice which had lapsed in prior years. Concurrent usage limits the total amount of designated leave available to employees on an annual basis.

The number of hours claimed and the associated financials for each respective year are captioned below:

2013: Hours – 139,386
Dollars: \$2,511,941.74

2014: Hours – 156,975
Dollars: \$3,055,344.26

COMPLIANCE AGREEMENT

The document provided as a supplement to this report is a Compliance Agreement drafted by the Department of Labor that the federal government required Milwaukee County to enter into as a result of several founded complaints filed against the County for improper FMLA administration prior to 2014. The agreement went into effect May 9th, 2014.

RECOMMENDATION

Risk Management shares the Department of Labor's concern with our current leave process and established a cross-functional and multi-departmental workgroup to explore the best long-term solutions to this issue. Representatives from Risk Management, Human Resources, the Comptroller's Office, Information Management Systems Department, and Corporation Counsel met consistently throughout 2014 and developed three plausible solutions to the current administrative challenges; implementing an internal technology-based solution, transitioning from self-administration to third party administration (TPA), and decentralizing leave administration to the departmental level.

Each of the three administrative alternatives were explored via a cost-benefit analysis in consideration of overall organizational impact, efficiencies, conflicts, and projected outcomes. Upon conclusion of the research efforts, the workgroup representatives unanimously recommended transitioning the model of administration from self-administration to a TPA, which is consistent with a best practices approach to handling the volume and complexity of leaves at our organization. Among the gains, the group identified that using a TPA protects the confidentiality of our employees' personal medical information, provides efficiencies in technology such as electronic and automated tracking as well as analytic reporting tools, improves customer service for our employees and management, eliminates the internal conflict of interest of having employees administer leave for coworkers that are family members or friends, provides subject matter expertise and a breadth of resources to adhere to the state and federal statutes which eliminates the liability of litigation and fines, and is more cost effective

than the current model. This recommendation is further endorsed by representatives of the Personnel Review Board, who currently preside over personnel matters that routinely involve flaws of the current FMLA administrative process.

TIMELINE

A Request for Proposal (RFP) has been authored and reviewed by all the relevant stakeholders. The RFP will be released in March, with a proposed bid deadline in mid-April. The review panel will evaluate the proposals and recommend a contract award selection by the end of May. A contract award presentation with an associated implementation strategy will be made to the Committee of Finance, Audit, and Personnel in the following cycle.



Amy Pechacek, Director, Risk Management

CC: Chris Abele, County Executive
Raisa Koltun, Chief of Staff, County Executive's Office
Teig Whaley-Smith, Director of Administrative Services
Paul Bargren, Corporation Counsel
Kerry Mitchell, Human Resources Director

Exhibits

A) Department of Labor Compliance Agreement for Milwaukee County