



Memorandum

To: City of West Allis Common Council

From: Rebecca Grill, City Administrator

Re: ACA Reporting Requirement Software Recommendation

Date: July 24, 2015

ACA Reporting Requirement Software Recommendation

As part of the Affordable Care Act, the City of West Allis is required, along with all employers, to report information to the IRS on health care coverage offered to full-time employees. Additionally, employees must be provided a statement similar to a W2 that contains the same health care coverage information to be included with their individual income tax return.

Willis, health care consultant for the City of West Allis, was tasked with researching companies which could provide the needed software solutions and services to meet these new reporting requirements. While many companies have sprung up since these requirements went into effect, Willis was able to identify three providers best suited to meet the City's reporting needs. These providers are: Health efx, Sovos, and Unify HR. The cost for the various solutions is initially quoted as follows:

	<u>SOVOS</u>	<u>UNIFY HR</u>	<u>HEALTH efx</u>
<u>YEAR ONE</u>			
Initial Setup Charges:	\$ -	\$ 6,500	\$ 9,950
Reporting/Tracking Package:	\$ 22,408	\$ 11,760	\$ 16,800
Forms Delivery:	\$ 1,246	\$ 2,800	\$ 910
Total Year One Cost:	\$ 23,654	\$ 21,060	\$ 27,660
<u>YEAR TWO</u>			
Reporting/Tracking Package:	\$ 22,408	\$ 11,760	\$ 16,800
Forms Delivery:	\$ 1,246	\$ 2,800	\$ 910
Total Year Two Cost:	\$ 23,654	\$ 14,560	\$ 17,710
Total Cost of 2 YR Contract:	\$ 47,308	\$ 35,620	\$ 45,370

After meeting with Willis and reviewing the three options, staff is prepared to recommend Health efx as the City's ACA reporting provider. While Health efx is not the lowest cost option, it provides the most robust options for reporting and tracking, including automating data transfer directly from Humana, the City's third party health plan Administrator. This ability to connect directly to Humana minimizes need for staff interaction after the initial implementation. None of the other providers offered a service this self-sustaining. Further, Health efx is a preferred service provider for Willis, offering discounts to Willis customers.

It should be noted that the pricing quoted on the previous page is for 700 employees. As the City of West Allis employment pool is somewhat smaller than this, we expect the actual cost of the contract to be lower.

I will be present to answer any questions the Committee might have after reviewing the enclosed materials.

ADM\ORDRES\MCC.ACA Software.072415

Enclosures

cc: Mayor Devine
Scott Post
Audrey Key