



# City of West Allis Matter Summary

7525 W. Greenfield Ave.  
West Allis, WI 53214

| File Number | Title | Status |
|-------------|-------|--------|
|-------------|-------|--------|

R-2003-0040      Resolution      In Committee

Resolution relative to extending the contract of Frank Haack & Associates, Inc. for furnishing Employee Health Benefit Consulting Services for the period August 1, 2002 through December 31, 2003 for the total net sum of \$45,500.00

Introduced: 01/21/2003

Controlling Body: Administration & Finance Committee

### COMMITTEE RECOMMENDATION

MOVER: Murphy      AYES 5      NOES 0  
 SECONDER: Reinke      EXCUSED \_\_\_\_\_

COMMITTEE ACTION DATE 1-21-03

### SIGNATURES OF COMMITTEE MEMBERS

Chair: [Signature]      Vice-Chair: Paul M. Murphy  
[Signature]      [Signature]

### COMMON COUNCIL ACTION adopted

FINAL ACTION DATE 1-21-03

MOVER: Czaplewski

SECONDER: Barczak

|               | AYE       | NO    |
|---------------|-----------|-------|
| 1. Barczak    | ✓         | _____ |
| 2. Czaplewski | ✓         | _____ |
| 3. Kopplin    | ✓         | _____ |
| 4. Lajsic     | ✓         | _____ |
| 5. Murphy     | ✓         | _____ |
| 6. Narlock    | ✓         | _____ |
| 7. Reinke     | ✓         | _____ |
| 8. Sengstock  | ✓         | _____ |
| 9. Trudell    | ✓         | _____ |
| 10. Vitale    | ✓         | _____ |
| TOTAL         | <u>10</u> | _____ |

CC: you're  
for  
please



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Resolution

**File Number: R-2003-0040**

**Final Action:**

*1-21-03*

Resolution relative to extending the contract of Frank Haack & Associates, Inc. for furnishing Employee Health Benefit Consulting Services for the period August 1, 2002 through December 31, 2003 for the total net sum of \$45,500.00

WHEREAS, The Purchasing/Central Services Division has reported that it duly advertised a request for proposal for furnishing Employee Health Benefits Services for the City of West Allis, that the proposals received were reasonable; and,

WHEREAS, The Common Council deems it to be in the best interests of the City of West Allis that the proposal of Frank Haack & Associates, Inc. be accepted.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Common Council of the City of West Allis that the proposal dated November 12, 2002 submitted by Frank Haack & Associates, Inc. for providing employee health benefit consulting services for a total net sum of \$45,500.00 in accordance with City of West Allis RFP #689 be and is hereby extended through December 31, 2003.

BE IT FURTHER RESOLVED, that the Purchasing/Central Services Division be and is hereby authorized to issue a purchase order for the aforesaid services.

PCSD689-1

**ADOPTED**

*Jan. 21, 2003*

Paul M. Ziehler, Acting City Clerk/Treasurer

**APPROVED**

*January 27, 2003*

Jeannette Bell, Mayor



Page 1

Faint, mostly illegible text covering the main body of the page. The text appears to be a series of lines, possibly a list or a report, but the characters are too light to read accurately.

*[Handwritten signature]*  
\_\_\_\_\_  
[Illegible text]

*[Handwritten signature]*  
\_\_\_\_\_  
[Illegible text]



# CITY OF WEST ALLIS

WISCONSIN



To: Administration and Finance  
From: Gary Schmid  
Manager of Finance  
RE: Extension of Frank F. Haack contract

I would like to request that the contract with Frank F. Haack and Associates be extend until 12/31/03 as provided for in the original contract. Over the past year since we first contracted with Frank Haack the City of West Allis has seen the following results:

1. Detail analysis of our health insurance utilization
2. The sharing of information at our quarterly Labor – Management Health Insurance Committee meetings
3. The establishment of a drug rebate program – which will generate twice what I was able to work out (approximately \$100,000 for 2002)
4. The establishment of a passive managed drug plan for our standard plan – projected savings of \$40,800 in the first year
5. The establishment of a passive PPO Dental plan – projected savings of \$12,200 in the first year.
6. The first ever audit of our third party health insurance administrator
7. Ongoing assistance in evaluating various health insurance option which we incorporated into the latest contracts
8. Ongoing assistance in dealing with problems that occur between us and our third party administrator (TPA)
9. A Stop Loss Market Study – (we maintained current vendor for reinsurance)
10. The generation of our 2002 and 2003 health insurance rates

For 2003 we have established the following list of projects that we are requesting Frank Haack and Associates to do:

1. To continue participating in our quarterly Labor – Management Health Insurance Committee meetings
2. Review alternatives to our current PPO and Standard Plans – (review Humana and Aurora HMO options)
3. Prepare a retiree carve out proposal
4. Prepare an RFP for TPA services
5. Prepare a stop loss market study
6. Complete the evaluation and potential implementation of a Lab One Card
7. Continue ongoing support in regards to our TPA
8. Prepare the Decision Master Warehouse report (2002 vs 2001 claims data)
9. To keep us up to date on the ever changing landscape as it relates to the delivery of health care
10. Assist in negotiations with our Dental care provider

Although Frank Haack and Associates has done a lot on our behalf over the first year of their contract, the job is not done. The savings as outlined in the first section are not just one- year savings but ongoing and therefore more than cover their \$30,000 a year consultant fee plus the estimated \$5,000 actuarial/service fees if required. We have been very pleased with their help and would like to continue to receive their input as we go forward into the upcoming year as we try to deal with a portion of our budget which at this time seems to be ever increasing at an unacceptable rate.