



City of Racine

City Hall
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Racine, WI 53403
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Legislative Report

File Number: Res. 0265-20

Agenda Date: 05/19/2020

File Type: Resolution

Employee Health Clinic at 2333 Northwestern Avenue

Resolved, that the request by Mayor Mason is approved to gain authorization and approval for the City of Racine, to join with its partner agencies Racine County and Racine Unified School District, in selecting and awarding a three-year contract for the comprehensive operation of a health clinic at 2333 Northwestern Avenue in the City of Racine, serving the employees, retirees, and covered dependents of the three partner agencies, to “Ascension Wisconsin at Work” at yearly costs of: \$1,446,453.00 for year 1; \$1,557,279.00 for year 2; and \$1,667,245.00 for year 3; with the City of Racine responsible for 26% of said contractual costs. Further, that the Mayor and City Clerk are authorized to execute on behalf of the City.

Fiscal Note: The full yearly cost of the Ascension contract is \$1,446,453.00 for year 1; \$1,557,279.00 for year 2; and \$1,667,245.00 for year 3. The City of Racine is obligated to cover 26% of these costs or: \$376,078.00 for year 1; \$404,893.00 for year 2; and, \$433,483.00 for year 3. (cumulative cost to City: \$1,214,454.00). The approved FY2020 Budget for Clinic costs (Acct. # 70312 52155) is \$384,000.00. Costs to the City from Healthstat for FY2019 was \$376,824.44. In their proposal, respondent contractors were required to calculate the expected Return on Investment (ROI) for the consortium members based upon expected average utilization. Ascension indicated that the City, based upon clinic revenues and direct and indirect cost avoidance, would receive an ROI of \$316,758.00 in year 1; \$441,913.00 in year 2; and, \$544,851.00 in year 3; or \$1,303,522.00 cumulatively for the three years, compared to the total cost to the City for these three years of \$1,214,454.00.