



Legislation Text

File #: 0265-20, **Version:** A

Subject: Communication sponsored by Mayor Mason to gain authorization and approval for the City of Racine, to join with its partner agencies Racine County (County) and Racine Unified School District (RUSD), 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 for year 1; \$1,557,279 for year 2; and \$1,667,245 for year 3; with the City of Racine responsible for twenty-six-percent (26%) of said contractual costs. Further, that the Mayor and City Clerk be authorized to execute on behalf of the City.

Recommendation of the Finance & Personnel on 05-11-2020: To approve the request by Mayor Mason to gain authorization and approval for the City of Racine, to join with its partner agencies Racine County (County) and Racine Unified School District (RUSD), 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 for year 1; \$1,557,279 for year 2; and \$1,667,245 for year 3; with the City of Racine responsible for twenty-six-percent (26%) of said contractual costs. Further, that the Mayor and City Clerk be authorized to execute on behalf of the City.

Fiscal Note: The full yearly cost of the Ascension contract is \$1,446,453 for year 1; \$1,557, 279 for year 2; and \$1,667,245 for year 3. The City of Racine is obligated to cover 26% of these costs or: \$376,078 for year 1; \$404,893 for year 2; and, \$433,483 for year 3. (cumulative cost to City: \$1,214,454). The approved FY2020 Budget for Clinic costs (Acct. # 70312 52155) is \$384,000. 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 in year 1; \$441,913 in year 2; and, \$544,851 in year 3; or \$1,303,522 cumulatively for the three years. (compared to the total cost to the City for these three years of \$1,214,454).