



# CITY OF MANITOWOC

WISCONSIN, USA

[www.manitowoc.org](http://www.manitowoc.org)

**DATE:** May 19, 2025  
**TO:** Personnel Committee  
**FROM:** Jessie Lillibridge, HR Director  
**RE:** McClone Benefit Consulting Services Agreements

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On May 5<sup>th</sup>, the Personnel Committee recommended that the City proceed with transitioning benefit consulting services from USI to McClone.

Attached are three documents recommended for approval to support this transition.

During the RFP process, we discovered that, despite a set monthly fee, USI's model included several hidden costs in the form of commissions, indirect fees, and other charges. In contrast, McClone offers a transparent, non-commission-based billing structure. As a result, we are recommending a transition to this clearer model.

The 2025 McClone contract will remain at the same cost the current USI contract. A 60-day termination notice has been provided to USI as a requirement under the contract.

Starting in 2026, the new model will involve a higher monthly fee; however, the City and employees are expected to benefit from reduced premium costs for ancillary benefits and potentially for medical plans, as commissions and hidden fees will no longer be part of the pricing structure. It's important to note that under the current model, brokers are not obligated to disclose many of these additional costs.

The recommendation is to authorize the Finance Director/Treasurer and the HR Director to sign the attached agreements and to begin review of our current overall plan design in preparation for 2026.

Thank you for your consideration.

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## HUMAN RESOURCES

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