



CITY OF MANITOWOC

WISCONSIN, USA

www.manitowoc.org

DATE: July 20, 2026
TO: Common Council
FROM: Jessie Lillibridge, HR Director & Shawn Alfred, Finance Director-Treasurer
RE: 2027 Health Plan – Change in TPA relationship from Health Partners to UMR

The purpose of this memo is to provide an update on the evaluation of our current third-party administrator, Robin Health Partners, and to recommend transitioning to UMR effective January 1, 2027. We have worked closely with McClone to evaluate our current needs and identify some key concerns with Health Partners. McClone requested proposals from third-party administrators to manage our self-insured health plan.

In reviewing the proposals, the comparison of total annual fixed administrative fees shows a cost advantage with UMR. Based on the proposal summary:

- Health Partners: \$166,551.84
- PBA: \$190,902.96
- UMR: \$133,585.20, including a two-month fee waiver in the first year

UMR's annual cost is approximately \$32,966 lower than Health Partners, a savings of 19.79%.

Our evaluation has identified several issues with Robin's administrative performance which will have an impact on our ability to effectively manage a self-funded health plan:

- Limited access to detailed data and lack of customized reporting
- Minimal administrative flexibility
- Inability to issue combined Medical/Rx ID cards
- Account team with limited self-funded expertise
- Lack of knowledge to coordinate stand-alone specialty programs (e.g., transplant, gene therapy)
- No internal collaboration to stop loss claim payment processing
- Weak network discounts and reliance on percent-of-savings fee structures
- Underdeveloped Med Management/Utilization Review Program
- Weak performance in subrogation recoveries
- Lack of transparency regarding specialty drug rebates under the medical benefit

Based on the cost advantages, stronger administrative capabilities, improved clinical management programs, and deeper expertise in self-funded plan operations, the recommendation is that we transition to UMR as our third-party administrator effective January 1, 2027.

UMR offers the most competitive combination of cost, broad network access, transparency, reporting, and overall plan management, with a goal of providing the City of Manitowoc improved financial performance and better long-term control of our health plan.

Thank you.

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