

COMMISSION FILE NO: 25-154-11 **DATE INTRODUCED:** November 3, 2025

INTRODUCED BY: Executive Director (Signature on File in the Office of the Commission)

REFERRED BY COMMISSION CHAIRPERSON TO: Policy, Finance, and Personnel Committee

RELATING TO: Authorizing the Executive Director to Approve the Contract for Prescription Drug Coverage for Medicare-eligible Retirees Effective January 1, 2026

SUMMARY:

The Commission is requested to authorize the Executive Director to approve the contract with Express Scripts for prescription drug coverage from January 1, 2026, through December 31, 2026, for Medicare-eligible retirees.

The District currently carries post-65 prescription coverage with Express Scripts. The renewal for the retiree prescription coverage resulted in a 5.59% increase with rates increasing from \$251.07 to \$265.10 per member, per month effective January 1, 2026, through December 31, 2026.

The Inflation Reduction Act changed Medicare Part D plans in 2025, which resulted in additional and unexpected costs for Medicare D providers in 2025 and beyond. These included the elimination of the coverage gap in Medicare Part D plans, also known as the “donut hole”, and lowered the out-of-pocket maximum costs for plan participants. Express Scripts and other Medicare D providers have seen an increase in payments made on Medicare D plans, and this has necessitated a 5.59% increase for 2026.

The recommendation is to keep the retiree prescription coverage with Express Scripts. Express Scripts is a highly regarded carrier, and the increase with the renewal is reasonable given that there were changes made to prescription programs that directly resulted in higher costs for Medicare D providers. The feedback with Express Scripts and their customer service has also been very positive.

ATTACHMENTS: **BACKGROUND** ☐ **KEY ISSUES** ☐ **RESOLUTION** ☒
FISCAL NOTE ☒ **S/W/MBE** ☐ **OTHER** ☐ _____

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COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

RESOLUTION

Authorizing the Executive Director to Approve the Contract for Prescription Drug Coverage for Medicare-eligible Retirees Effective January 1, 2026

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to approve the contract with Express Scripts for Medicare-eligible retiree prescription drug coverage effective January 1, 2026, through December 31, 2026.