



**CITY OF WICHITA FALLS
REQUEST FOR PROPOSALS**

RFP # 13-18

**WORKER'S COMPENSATION
THIRD PARTY CLAIMS ADMINISTRATION**

SUBMITTAL DEADLINE: NOVEMBER 5, 2018 – 5:00 PM CST

CITY OF WICHITA FALLS

PURCHASING AGENT'S OFFICE

1300 Seventh Street – Room 113

Wichita Falls, Texas 76301

(940) 761-7466

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INTRODUCTION

1. Introduction

- 1.1. The City of Wichita Falls (CITY) is soliciting proposals (RFPs) for professional claims administration and all related services for the CITY's self-funded Workers' Compensation Program. The scope of work will encompass all aspects of CITY operations and requires extensive knowledge and experience across all lines of coverage.
- 1.2. It is the CITY's intent to select a single vendor to accomplish all services outlined in this RFP.
- 1.3. One (1) original, six (6) copies and one (1) electronic version of all submission materials shall be provided.

Proposals must be received in sealed envelopes clearly marked with the proposal number, closing date and company submitting the proposal. Any proposal received after the time and date listed above, regardless of the mode of delivery, shall be returned unopened. Proposals are to be delivered to:

City of Wichita Falls
Purchasing Department
Attn: Jennifer Babineaux
1300 7th Street, Room 113
Wichita Falls, TX 76301

- 1.4 To ensure a fair and objective RFP process and evaluation, Requests for Clarification or additional information must be submitted in writing to the Purchasing Agent at the address above or via email: jennifer.babineaux@wichitafallstx.gov. The deadline for written questions is **2:00 p.m. CST on Friday, October 19, 2018**. Contact with any City of Wichita Falls employee or official regarding this Request for Proposals is prohibited without prior written consent from the Purchasing Agent. Proposers contacting any other employee or official without prior written consent risk elimination of their proposal from further consideration.

The **tentative** schedule for this RFP is as follows:

Release RFP to firms	Sunday: October 7, 2018
Advertisement Dates	Sunday: October 7, 2018 & October 14, 2018
Q&A Deadline	Friday: October 19, 2018 @ 2: 00 PM
Proposal Submission Deadline	Monday: November 5, 2018 @ 5:00 PM
Vendor Evaluations	Monday: November 19, 2018
Negotiations	Monday: December 3, 2018
Potential award of any contract	Tuesday: January 1, 2019

Definitions. Terms and Conditions

2. Definitions, Terms and Conditions

2.1. Definitions

- 2.1.1. **CITY** – Same as City of Wichita Falls
- 2.1.2. **CITY COUNCIL** – The elected officials of the City of Wichita Falls, Texas, who have been given the authority to exercise such powers and jurisdiction of all City business as conferred by the State Constitution and Laws.
- 2.1.3. **CONTRACT** – An agreement between the City of Wichita Falls and the Vendor to furnish supplies or services over a designated period of time during which repeated purchases are made of the commodity and/or service specified.
- 2.1.4. **NO-CONTACT PERIOD** – The period of time from the date of a Request for Proposals (RFP) is issued until a contract is executed. If the City withdraws the proposals or rejects all proposals with the stated intention to reissue the same or a similar RFP for the same or similar project, the no-contact period continues during the time period between the withdrawal and reissue.
- 2.1.5. **PURCHASING** – The City of Wichita Falls Purchasing Department
- 2.1.6. **RFP** – Request for Proposals
- 2.1.7. **OFFEROR/PROPOSER/VENDOR/FIRM** – Organization offering a proposal in response to this RFP.

3. Terms and Conditions

3.1.1. Proposals

- 3.1.1.1. The submitted proposal(s) must be received by the Purchasing Department before the time and date specified in Section 1.4. The mere fact that the proposal was dispatched will not be considered; the firm must ensure the proposal is actually delivered and received on time.
- 3.1.1.2. Proposals received after the date and time specified in Section 1.4 will be returned unopened and will be considered void and unacceptable. The Purchasing Department is not responsible for lateness of mail carrier, high internet demand, etc., and time/date stamp in the Purchasing Department will be the official time of receipt.
- 3.1.1.3. Proposals cannot be altered or amended after the closing date. Alterations made before closing date and time must be initialed by Proposer guaranteeing authenticity. Proposals may not be withdrawn after proposal closing date and vendors so agree upon submittal of their proposal.
- 3.1.1.4. Proposals must be received and publicly acknowledged in the Purchasing Department's Conference Room at 2:00 p.m. on the date specified in Section 1.4. Proposers, their representative(s), and interested persons may be present. The proposals received shall be opened publicly but not read aloud. Proposals shall remain valid for a period of three (3) years from the date and time identified in Section 1.4.
- 3.1.1.5. The original and four (4) copies of the proposal must be submitted. In addition, one electronic version of the proposal must be included in .pdf, Word, or other standard format.
- 3.1.1.6. By submitting a proposal, the Proposer certifies he/she has read and fully understands this RFP and has full knowledge of the scope, quantity, and quality of the services to be furnished and intends to adhere to the provisions described

herein. Failure to do so shall be at the Proposer's own risk, and Proposer cannot secure relief on pleas of error. Neither law nor regulations make allowance for errors of omission or commission on part of Proposers.

- 3.1.1.7.** Any proposal which does not contain all of the information requested in this RFP shall be considered incomplete and may be rejected by the City.
- 3.1.1.8.** The City is, by statute, exempt from State of Texas Sales Tax and Federal Excise Tax, and the proposal price shall not include taxes.
- 3.1.1.9.** The Proposer shall furnish any additional information as the City may require. The City reserves the right to investigate the qualifications of the Proposer as the City deems appropriate.
- 3.1.1.10.** This proposal, when properly accepted by the City, shall constitute a contract equally binding between the successful Proposer and the City. No different or additional terms, including the Proposer's subscriber agreement, shall become part of this Contract with the exception of a Contract Amendment or Change Order.
- 3.1.1.11.** This RFP does not commit the City to award a contract, to pay any cost incurred in the preparation of a proposal, or to procure or contract for services.
- 3.1.1.12.** Successful Proposer agrees to extend prices and terms to all entities who have entered or shall enter into joint purchasing inter local cooperation agreement(s) with the City of Wichita Falls
- 3.1.1.13.** Firms may be supplied with the original documents in electronic format to aid in the preparation of proposal(s). By accepting these electronic documents, Proposers agree not to edit or change the language or format of these documents. Submission of a proposal by Proposer signifies full agreement with this requirement.

3.1.2. Offeror Conduct

- 3.1.2.1.** To ensure a fair, equitable and competitive proposal process for all participating Offerors, during the No-Contact Period, Offerors and individual(s) acting on an Offeror's behalf are prohibited from communicating with any City official, City employee or City agent other than the authorized contact person(s) in the Purchasing Division.

This prohibition expressly includes any communication with any City Official, City employee or City agent that is intended to or that is reasonably likely to:

- a) advance the interests of the Offeror;
- b) discredit the proposal of another Offeror;
- c) encourage the City to cancel the proposal process;
- d) encourage the City to reject all of the proposals received; or
- e) directly or indirectly ask, influence or persuade any City official, City employee, City agent or City board, committee or body to favor or oppose, recommend or not to recommend, vote for or against, consider or not consider, or take action or refrain from taking action on any vote, decision or agenda item regarding the proposal.

Offerors may be disqualified and rejection of proposal may be recommended for violating this provision. Further, Offerors violating this section may be subject to the City's Vendor Suspension and Debarment Policy.

This provision does not prevent an Offeror from filing a formal proposal protest in accordance with the City's policy and procedures, making public statements to the City Council convened for a regularly scheduled session after the official selection has been made and placed on the City Council agenda for action or to a City Council committee convened to discuss a recommendation regarding the proposal.

3.1.3. Reservations

3.1.3.1. The CITY reserves the right to accept or reject any or all proposals as a result of this RFP, to negotiate with all qualified sources, or to cancel, in part or in its entirety, this RFP if found in the best interest of the CITY. All proposals become the property of the City of Wichita Falls Purchasing Department.

3.1.4. Reimbursements

3.1.4.1. There is no expressed or implied obligation for the CITY to reimburse Proposers for any expenses incurred in preparing proposals in response to this RFP, and the CITY shall not reimburse responding firms for these expenses, nor shall they pay any subsequent costs associated with the provision of any additional information or presentation, or procurement of a contract for these services.

3.1.5. Communication

3.1.5.1. The CITY shall not be responsible for any verbal communication between any employee of the CITY and any Proposer. Only written proposals shall be considered.

3.1.6. Negotiations

3.1.6.1. The CITY may conduct negotiations with responsible Proposer(s) who submits proposals reasonably susceptible of being selected. All Proposer(s) reasonably susceptible of being selected based on criteria set forth in this RFP may be given an opportunity to make a presentation and/or interview with the Selection Committee. Each Proposer must designate the person(s) who will be responsible for answering technical and contractual questions. Following any presentation and/or interviews, Vendors shall be ranked in order of preference and contract negotiations shall begin with the top-ranked firm. Should negotiations with the highest-ranked firm fail to yield a contract, or if the firm is unable to execute said contract, negotiations shall be ended formally and negotiations with the second highest-ranked firm will commence, etc. CITY reserves the right to award a contract without negotiation, presentations or interviews; Proposer(s) are encouraged to submit their most favorable proposal initially.

3.1.7. Disclosure

3.1.7.1. At the public opening, there will be no disclosure of contents to competing firms, and all proposals shall be kept confidential during the negotiation process. Except for trade secrets and confidential information which the Proposer identifies as proprietary, all proposals shall be open for public inspection after the contract award. Proprietary information must be identified clearly by inserting the word "CONFIDENTIAL" in fourteen (14)-point bold type on the bottom margin, and indicate what information is proprietary.

3.1.8. If Proposal Results in a contract, the following terms and conditions will apply:

3.1.8.1. No oral statement of any person shall modify or otherwise change or affect the terms, conditions, or specifications stated in the resulting contract. All Change Orders to the contract shall be made in writing by the CITY Purchasing Manager

- 3.1.8.2.** Award of the contract shall be based on demonstrated competence and qualifications, so long as the professional fees are consistent with, and not higher than, the published recommended practices and fees of the various professional associations and do not exceed any maximums provided by state law.
- 3.1.8.3.** The opportunity for the CITY to enter into a contract with the successful Proposers will remain open for a period of ninety (90) days from the date and time of the proposal submission deadline, with the same terms, conditions and negotiated fee schedule.
- 3.1.8.4.** The CITY will not accept any contract terms that require pre-payment for services, supplies or equipment. Limited exceptions may be considered for operating leases or software maintenance and support agreements. Software maintenance and support fees may not be assessed for any system that is not installed, operational and available for the CITY's use.
- 3.1.8.5.** The Proposer will be required to comply with all provisions of the President's Executive Order No. 11248 as of September 24, 1985.
- 3.1.8.6.** Should there be a change in ownership or management, the Contract shall be canceled unless a mutual agreement is reached with the new owner or manager to continue the contract with its present provisions and prices. This Contract is non-transferable by either party.
- 3.1.8.7.** All invoicing shall be submitted in duplicate to the CITY. If invoices are subject to cash discount, discount period is to be taken from the date of completion of order or date of receipt of invoice, whichever occurs last regardless of whether or not correct discount terms appear on invoice. All invoices are to be paid in full within 30 days after satisfactory delivery of services and billing.
- 3.1.8.8.** No public official or CITY employee shall enter into a contract with the CITY that violates Local Government Code, Section 171.003.
- 3.1.8.9.** Proposers are advised that all contracts are subject to all legal requirements provided in the City Charter and/or applicable City Ordinances, State and Federal Statutes.
- 3.1.8.10.** The CITY operates and is funded on a fiscal year basis; accordingly, the CITY reserves the right to terminate, without liability, any contract for which funding is not available. Renewal of contract shall be in accordance with Local Government Code 271.903 concerning non-appropriation of funds for multi-year contracts.
- 3.1.8.11.** The contract shall begin no later than February 1, 2019 and shall remain firm for a minimum thirty-six (36)-month period from the date of contract award. The CITY reserves the right to extend the contract for two (2) additional one-year periods upon mutual agreement of all parties. CITY reserves the right to cancel the Contract, without penalty, provided thirty (30) days written notice is given to Firm.
- 3.1.8.12.** This RFP includes the CITY's Standard Form of Agreement Professional Services Contract (Exhibit A). If Proposer has any exceptions to the standard terms and conditions, Proposer must identify any provision they are not prepared to satisfy in their proposal submission. The enclosed "Certification Authorization Acknowledgement" Form must be properly executed and provided with the sealed proposal indicating the Firm's willingness to execute the CITY's Standard Form of Agreement Professional Services Contract.

3.1.8.13. Addenda

In the event of a needed change in the published RFP documents, it is understood that all the foregoing terms and conditions and all performance requirements will apply to any published addendum. All published addenda shall be signed and included with your response package as acknowledgement of the addendum.

Addenda will be posted on the City's website as they are issued. Respondent is responsible for checking the City's website to determine if any addendums have been issued prior to submitting a bid. Respondent's shall sign up on the City's website to receive notification of addendums and future bids: wichitafallstx.gov/list.aspx?Mode=Subscribe#bids

The CITY assumes no responsibility for the Proposer's failure to obtain and/or properly submit any addendum. Failure to acknowledge and submit any addendum may be cause for the proposal to be rejected. The CITY's decision to accept or reject any particular proposal due to a failure to acknowledge and submit addenda shall be final.

3.1.8.14. Disclosure of Interested Parties

Contracting hereunder may require compliance with §2252.908 Texas Government Code/Disclosure of Interested Parties for contracts that (1) require an action or vote by the City Council before the contract may be signed; or (2) has a value of at least \$1 million. The law provides that a governmental entity may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity at the time the business entity submits the signed contract to the governmental entity or state agency.

For purposes of this section, the following definitions apply:

"Interested party" means a person who has a controlling interest in a business entity with whom the City contracts or who actively participates in facilitating the contract or negotiating the terms of the contract, including a broker intermediary, advisor, or attorney for the business entity.

"Controlling interest" means: (1) an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock, or otherwise that exceeds 10 percent; (2) membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or (3) service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most highly compensated by a business entity that has more than four officers.

"Intermediary," means a person who actively participates in the facilitation of the contract or negotiating the contract, including a broker, adviser, attorney, or representative of or agent for the business entity who:

1. Receives compensation from the business entity for the person's participation;
2. Communicates directly with the CITY on behalf of the business entity regarding the contract; and
3. Is not an employee of the business entity.

The process as implemented by the Texas Ethics Commission (“TEC”) is as follows:

1. The disclosure of interested parties must be performed using the [Texas Ethics Commission’s electronic filing application](#) listing each interested party of which the business entity is aware on Form 1295, obtaining a certification of filing number for this form from the TEC, and printing a copy of it to submit to the CITY.
2. The copy of Form 1295 submitted to the CITY must contain the unique certification number from the TEC. The form must be filed with the City pursuant to §2252.908 Texas Government Code, “at the time the business entity submits the signed contract” to the CITY.

The CITY, in turn, will submit a copy of the disclosure form to the TEC not later than the 30th day after the date the CITY receives the disclosure of interested parties from the business entity.

General Information

4. General Information

4.1. Background

- 4.1.1. The City of Wichita Falls is located in North Central Texas and encompasses more than 70 square miles. As of 2010, the CITY’s population was estimated at 104,553. The CITY is seeking a new contract for the CITY’s self-funded Workers’ Compensation Program. The City of Wichita Falls is comprised of 14 departments and has a work force of 1294 full and part-time employees.

4.2. Current Process

- 4.2.1. Currently, all benefit payments and payments to medical providers and vendors are accomplished through the process of having the Contractor issue checks from a zero fund balance account funded by the CITY. CITY’s current contractor provides a weekly check register and loss runs to CITY Risk Management Department on or around the first work day of each week.

4.3. Invoice Processing

- 4.3.1. Additionally, the Contractor provides a weekly invoice to the CITY Finance Department for maintenance of the zero fund balance account. The Contractor also produces IRS Forms 1099-Misc annually for all vendors and mails the forms to the appropriate vendors. These computer and data processing services shall be included in all proposals.

4.4. Alternative Proposals

- 4.4.1. CITY shall also consider alternate proposals to its existing self-insured Workers’ Compensation program. Any and all alternate proposals for options other than our traditional self-insurance program shall be considered.

- 4.5. The CITY self-funds its Workers’ Compensation Program. The self-funded program has been in place for more than ten (10) years. The CITY’s Risk Management Department is responsible for the oversight of the self-funded program. Proposers must be committed to work collaboratively with the CITY and with CITY

staff. The CITY currently contracts with Edwards Risk Management Inc., to administer the self-funded programs.

4.6. The CITY's designated representative during the RFP process is the CITY's Purchasing Agent.

SCOPE OF SERVICES AND MINIMUM REQUIREMENTS

5. The CITY is requesting proposals for a contract for Workers' Compensation Third Party Claims Administration Services, and associated services in accordance with the requirements specified herein and including all provisions set forth in the accompanying documentation. Exhibit B provides a summary of claims history by line of coverage. There are no guarantees future claims will be similar to the past.

5.1. CITY RESPONSIBILITIES

- 5.1.1. The CITY shall provide the TPA detailed information related to each new claim and additional information as necessary throughout the life of a claim.
- 5.1.2. The CITY shall forward claim reports to the TPA, as well as any information about the claim. The CITY shall assist the TPA in the investigation of claims, making CITY staff available for assistance and for interviews, and provide general direction as appropriate.
- 5.1.3. The CITY shall handle incident-only reports in all lines of coverage. The CITY shall assist TPA and make staff available for assistance in the investigation of a claim. TPA must allow CITY staff to enter claim information into the TPA claim database.
- 5.1.4. The CITY may give TPA settlement authority for claims on a claim-by-claim basis. No independent settlement authority is implied or granted to the TPA.

5.2. TPA RESPONSIBILITIES

- 5.2.1. The TPA shall aggressively manage all Workers' Compensation claims presented by the CITY according to the professional standards of the Firm and the CITY's requirements, and shall act as the CITY's representative in matters relating to the Workers' Compensation laws of the State of Texas. A copy of the TPA's professional standards, including turnaround time benchmarks, must accompany any Proposal submitted in response to this RFP.
- 5.2.2. The TPA shall make settlement recommendations to CITY, as appropriate, and act promptly on CITY instructions.
- 5.2.3. The TPA shall make recommendations concerning the CITY's claim processes and procedures.
- 5.2.4. The TPA shall cooperate completely with any medical cost containment, case management, risk management, investigations, law firm or any other organization designated by CITY as an official representative of the CITY. Successful TPA shall be the managing contractor of these various services. Service providers are subject to approval by CITY. Fees for legal, investigation and surveillance, bill review, medical utilization, case management, pre-authorization services, and network utilization shall be allocated to specific claim files.
- 5.2.5. Prescription benefit management (PBM) services may be provided by TPA or outsourced. TPA shall disclose any commissions and/or any other type of compensation to be received from the subcontractors.
- 5.2.6. The TPA shall cooperate fully with directions given by the CITY's Sole Broker of Record when the broker is acting on the CITY's behalf in claims review meetings and from time to time in individual claims.

- 5.2.7. The TPA shall meet with the CITY’s Risk Management department at least quarterly to review the status of claims and handling of all open claims and any other matters at the CITY’s discretion. The TPA shall conduct an annual stewardship meeting and provide a formal stewardship report.
- 5.2.8. The TPA shall indemnify and protect the CITY against errors and omissions committed by the TPA. TPA agrees to hold the CITY harmless and to indemnify the CITY for all losses arising out of any claims alleging an error or omission with respect to the services provided by the TPA.
- 5.2.9. The TPA shall designate one individual as the primary contact on items not directly related to specific claims. The TPA shall ensure that secondary contacts are available in the primary contact’s absence or unavailability.
- 5.2.10. The TPA shall supply a list of all potential servicing personnel with a current resume of each designated adjuster(s) who will handle CITY claims. The TPA must submit a resume for any additional personnel to be involved in CITY claims handling at a later date for consideration by the CITY. Resumes should include a summary of education, experience, licenses and certifications, and oral/written language fluencies.
- 5.2.11. Minimum qualifications for personnel handling CITY claims:

Position	Qualifications
Account Manager	Minimum of five (5) years’ experience in Workers’ Compensation public entity claims
Adjuster – Workers’ Compensation	Minimum of five (5) years’ experience handling Workers’ Compensation claims, preferably for Texas public entities.

5.3. CLAIMS ADMINISTRATION AND SUPPORT SERVICES

- 5.3.1. Workers’ Compensation claims shall be adjusted in accordance with the Texas Department of Insurance Division of Workers’ Compensation (TDI DWC) statutes, including determination of compensability of reported injuries and illnesses.
- 5.3.2. Determine eligibility for and authorize payment of medical benefits, as well as compensation for temporary and permanent disability, utilizing any medical sources or advisory boards as may be deemed necessary and desirable.
- 5.3.3. Develop and maintain adequate claim reserves and provide continuous review.
- 5.3.4. Maintain a complete electronic claim file for each incident that shall be available for review by the CITY at any time.
- 5.3.5. Electronically file all reports, forms, and documents as required by the TDI DWC.
- 5.3.6. Where appropriate, coordinate investigations with attorneys and/or adjusters of excess insurance carrier.
- 5.3.7. With the CITY’s approval, arrange for independent investigators or other experts to the extent deemed necessary.
- 5.3.8. Monitor the treatment programs recommended for employees by physicians, specialists, and other health care providers.
- 5.3.9. Provide narrative or analytical reports of major incidents quarterly.
- 5.3.10. Coordinate claims handling activities with the CITY’s Risk Management Department.
- 5.3.11. Issue payments on claims.
- 5.3.12. Investigate and pursue subrogation possibilities on the CITY’s behalf.

5.4. MANDATORY REQUIREMENTS

- 5.4.1. Each Proposer must be experienced in Public Entity Workers' Compensation claims handling.
- 5.4.2. Provide a toll-free telephone number for the CITY and claimants. Work and telephone hours for all services required in the RFP shall be 8:00 a.m. to 5 p.m. Central, Monday through Friday with the exception of coordinated closures or holidays. Proposer shall provide on-call staff information to contact when emergencies arise. This contact shall be available to CITY at all times, including during non-business hours.
- 5.4.3. Each Proposal shall include samples of the types of statistical data and loss reports Proposer will provide monthly.
- 5.4.4. The claim load of each adjuster should not exceed the following limits:

Workers' Compensation – Indemnity	No more than 150
Workers' Compensation – Medical Only	No more than 350
Workers' Compensation – Combined Indemnity and Medical	No more than 200

- 5.4.5. TPA must provide notification to all employees and service providers of any change in Workers' Compensation administration by CITY. This notification must include a statement indicating that all billing for CITY claims for all injuries subsequent to the Contract date should be submitted to the new administrator for processing.
- 5.4.6. The TPA shall ensure personal delivery of any documentation needed in order for any Required Medical Examination (RME) to be completed, at no additional cost to CITY.
- 5.4.7. The TPA shall prepare and submit IRS Forms 1099-Misc for all vendors and mail the forms to vendors. The TPA shall prepare and submit IRS 1099 data to CITY electronically no later than January 15 of each year.
- 5.4.8. The TPA shall be available for claims reporting on a 24-hour basis
- 5.4.9. Any duplicate payments or overpayments made due to TPA's oversight or negligence shall be the responsibility of the TPA; TPA shall reimburse CITY for same, within 30 days of notification. In addition, TPA shall provide CITY an overpayment report by type, reason, payee and fiscal year on a quarterly and annual basis.
- 5.4.10. Any Workers' Compensation claim to be controverted (denied) by TPA must be submitted in a caption report form to CITY Risk Management Department for review.
- 5.4.11. The CITY requires a fully-automated Management Information System (MIS) that provides state-of-the-art interactive features for claim reporting and ad hoc report and query capabilities. The TPA shall provide training on the use of the System as determined by the CITY's Risk Management Department. Responses to this RFP should describe the TPA's MIS capability to accommodate an adequate level of system access and desired system interactive features. The CITY shall also consider the effectiveness of a plan for continued operations and recovery and a formal disaster recovery plan if a system failure is experienced.
 - 5.4.11.1. The TPA may assume CITY employees have a standard personal computer. Additional computer hardware or software necessary to access the system shall be supplied by the TPA. TPA is responsible for maintaining equipment TPA provides to the CITY.
 - 5.4.11.2. System shall be accessible twenty-four (24) hours a day, seven (7) days a week. System shall be compatible with all operating systems. Any problems accessing system shall be corrected within 24 hours of notification.

5.4.11.3. The CITY owns all data on the MIS. The TPA shall retain and transfer all data to CITY or its designees at the conclusion of this contract or at any other time as directed by CITY at no additional cost.

5.4.12. The CITY shall require the following services from the selected TPA:

5.4.12.1. A monthly summary of the claims checking account, listing all checks, vouchers, voided checks in numerical sequence stating date issued, claim number, claimant name, payee, amount, type of benefit paid, and benefit period.

5.4.12.2. Computer Loss Runs: A monthly computer-generated claims report and management summary shall be required by CITY Risk Management Department with a suggested format as follows:

5.4.12.2.1. A management summary (loss analysis) of all pending claims; reports of all claims by fiscal year (October 1 – September 31) by department, division, current month new claims, closed claims, all claims by date of injury by fiscal year, all claims by payment type, all claims with total incurred greater than \$10,000, all active claims, alpha order; all claims with payment in current month with payment detail in alpha order. Each department incurred, paid, and number of claims must be totaled by claim type. An average Work Day Index and Injury Incident Rate, calculated by department. Formats other than described above shall be considered in negotiation of the contract.

5.4.12.2.2. A loss control report that breaks down injuries by fiscal year by department, division, cause and type (nature), employee age, years of experience, body part affected, time of day, repeat offenders, etc. and showing the monthly trend for each category is also required on a monthly basis.

5.4.12.3. Provide details on types of reports TPA offers with samples. CITY wants the ability to run the reports on-line. Training costs should be included in proposals.

5.4.12.4. The TPA shall meet with the CITY Risk Management Department as follows:

5.4.12.4.1.1. Quarterly to review the status and/or handling of up to 25 claims selected by CITY

5.4.12.4.1.2. Annually to review all open claims and any other matters at the discretion of the CITY.

5.4.12.5. The TPA shall respond to any request made by the CITY within 8 business hours, and no later than 24 hours, from the time a request is made

5.4.12.6. The TPA shall include a description of the Proposer's policies and procedures to ensure and measure quality control and customer service with claimant.

5.4.12.7. The TPA is subject to periodic claims audits by internal CITY staff and/or an independent firm at the discretion of the CITY

5.4.12.8. Provide description of the on-line computer claims service and attach a sample copy of an on-line illustration or exhibit.

5.4.13. Claims Processing

5.4.13.1. Files will be created and assigned within one business day from receipt of the initial report.

5.4.13.2. Contact with claimant and CITY will be within one business day from receipt of initial report for all indemnity claims and within two business days for all bodily injury liability claims.

5.4.13.3. Upon knowledge of catastrophic claim, notification will be made immediately via telephone to the CITY. These types of claims include fatality, amputation,

serious burn, brain injury, multiple injuries. Senior TPA personnel are to handle catastrophic claims.

- 5.4.13.4.** Diaries will be established so each case is reviewed no less frequently than every 30 days, or more often if needed. Confirmation of review shall be documented.
- 5.4.13.5.** The TPA shall prepare and maintain files necessary for legal defense of claims and litigation
- 5.4.13.6.** The TPA or an outside agency approved by the CITY will audit medical bills for causal relationship and reasonableness of charges
- 5.4.13.7.** The TPA shall report all indemnity cases to the Index Bureau upon file creation, and a copy will be retained with the file at no cost to the CITY
- 5.4.13.8.** Medical-only claims will be reviewed for possible closure no less frequently than every 30 days.
- 5.4.13.9.** Where appropriate, the TPA will attend hearings, depositions, mediations, and other proceedings. All related expenses must be included in the TPA quoted fee, and the CITY will not pay additional expenses for TPA's attendance at such proceedings.
- 5.4.13.10.** Any authorized settlements shall include preparation and actuation of all necessary compromise and release agreements.
- 5.4.13.11.** The TPA shall aggressively pursue all subrogation opportunities, excess insurance reimbursements, and third party liens.
- 5.4.13.12.** The TPA will provide CITY periodic written reports along with any pertinent file information at least bi-monthly, on all claims reserved in excess of \$25,000. The TPA shall have the ability to submit reports electronically through the MIS.

5.4.14. Reserving

- 5.4.14.1.** Reserving will be estimated and maintained on the basis of most probable final cost. Reserves will be established and reviewed every 30 days.
- 5.4.14.2.** The basis for the initial reserve and any reserve revisions will be clearly documented for each file.
- 5.4.14.3.** Reserves will take into consideration the categories of indemnity, medical, rehabilitation and allocated expenses and all major subcategories of each.
- 5.4.14.4.** Changes in reserves must be accompanied by a TPA Supervisor's approval

5.4.15. Excess Reporting

- 5.4.15.1.** The TPA shall report to the Excess Insurance Carrier on the status of all files that meet the criteria of the policy provider(s). Such reporting will be conditioned upon CITY providing all necessary coverage and reporting criteria.

5.4.16. File Documentation

- 5.4.16.1.** All indemnity files will contain a thorough completed reserve analysis.
- 5.4.16.2.** The TPA will document all file activity, including telephone conversations or personal meetings and diary reviews, reflecting the date & time, individuals involved, content of discussion and plan of action.
- 5.4.16.3.** Specific direction on the investigation and handling of all claims will be established within one business day from receipt of the initial report and clearly evidenced within the file.
- 5.4.16.4.** The TPA shall document the basis for acceptance or denial of all claims.
- 5.4.16.5.** The TPA shall document in the case file all correspondence from the TPA to other parties and from other parties to the TPA, including the CITY's Risk

Management department, other CITY staff, the Excess Carrier, the injured employee, or any other interested parties. Copies of all correspondence must accompany the file.

EVALUATION FACTORS

6. Evaluation Factors

6.1. Economic evaluation of the Proposed Fee Schedule

6.2. Responsiveness to the RFP

- 6.2.1. Requested information included and thoroughness of response
- 6.2.2. Understanding and acceptance of the scope of services
- 6.2.3. Acceptance of the RFP and Contract requirements
- 6.2.4. Clarity and conciseness of the response

6.3. Proposer's capability to provide the services requested and information contained in Attachment A

- 6.3.1. Background of Proposer and support personnel, including professional qualifications
- 6.3.2. Relevant experience of the Proposer
- 6.3.3. Specific experience with public entity clients, especially municipalities
- 6.3.4. Other resources, including the total number of employees; number and location of offices.
- 6.3.5. References and experience in the Texas public sector

6.4. Selection and Award Criteria

- 6.4.1. Selection shall be based on the responsible Vendor(s) whose proposal is determined to be **the best value to the CITY**, considering the relative importance of the evaluation criteria listed in Section 5.
- 6.4.2. The CITY reserves the right to award contracts to **one or more vendors** submitting the best overall proposal deemed to best represent the desires and needs of the CITY; however, it is the CITY's desire to contract with only one Vendor for all services outlined in the RFP.
- 6.4.3. The CITY reserves the right to accept any proposal **in its entirety or in part**, whichever in the CITY's opinion best serves the interest of the CITY.
- 6.4.4. The rates, fees, etc., negotiated with the selected vendor(s) shall not change if the CITY elects not to participate, or cancels participation after initial award.
- 6.4.5. The CITY reserves the right to require oral presentations by senior management of the firm who has the ability to answer all questions fully regarding their proposal.
- 6.4.6. The CITY reserves the right to negotiate with any or all Vendors regarding their proposals.
- 6.4.7. This RFP **does not commit** the CITY to award a contract, issue a Purchase Order, or pay any costs incurred in the preparation of a proposal in response to this request.
- 6.4.8. The CITY does not discriminate on the basis of race, color, national origin, gender, religion, age disability or any other protected class, in employment or in the provision of service.

PROPOSAL FORMAT REQUIREMENTS

Proposal Format Requirements

- 6.5.** One (1) original, six (6) copies and one (1) electronic version of all submission materials shall be provided. Proposals must be received in sealed envelopes clearly marked with the proposal number, closing date and company submitting the proposal. Any proposal received after the time and date listed above, regardless of the mode of delivery, shall be returned unopened.
- 6.6.** CITY requires comprehensive responses to every section within this RFP. To facilitate the review of the response, Firms shall follow the described proposal format. The intent of the proposal format requirements is to expedite review and evaluation. It is not the intent to constrain firms with regard to content, but to assure the specific requirements set forth in this RFP are addressed in a uniform manner amenable to review and evaluation.
- 6.7.** The Proposer's completed Proposal pages in Attachment A of this RFP are the main source of evaluation for the Proposal. Along with the Proposal pages, Proposals should include a description of additional claims and support services Proposer offers and wants to propose in a written presentation form. All Proposers are encouraged to include any other information they believe will enhance their opportunity to be awarded a Contract.
- 6.8.** A proposal from a Proposer for Claims Administration should include the following:
- 6.8.1.** The location of offices and hours staffed, number of professional staff members, attorneys, claims adjusters, etc. Provide the names of principal owners, partners and/or officers.
 - 6.8.2.** The CITY prefers Proposals to indicate who is primarily responsible for the management and supervision of CITY accounts. This individual should be at least an account manager whose duties are primarily the supervision of claim files. The account manager and the names of any adjusters or examiners assigned to the handling of CITY files should be included with details on length of service and areas of expertise.
 - 6.8.3.** Include information regarding the average and maximum number of files the claims adjusters and/or examining personnel must handle at the office assigned to handle CITY claims.
 - 6.8.4.** Advise as to whether or not the designated claims personnel on the CITY account will also be involved in on-site investigations and other outside claims-adjusting functions. If so, provide detail as to when and who would perform these outside functions and the time frame.
 - 6.8.5.** Advise how frequently the diary system allows claims supervisors to review open claims
 - 6.8.6.** Describe the formal program for managing lawsuits and litigation expense
 - 6.8.7.** If the firm has a formal claims procedure and performance manual, provide a sample
 - 6.8.8.** Are standard forms other than State forms used in the Proposer's claims process? If yes, you may be asked to provide copies of those forms.
 - 6.8.9.** Provide a fixed cost per claim as well as a flat rate cost for:
 - 6.8.9.1.** Workers' Compensation (identify separate rates for report only, medical only, and indemnity)
 - 6.8.9.2.** Provide a not-to-exceed maximum annual fee for any and all Workers' Compensation
 - 6.8.10.** Specify whether fees include your firm performing all the necessary and required State filings
 - 6.8.11.** Indicate the types of allocated claims expenses not included in your per claim cost
 - 6.8.12.** Include a list of local and Texas public entity references. Along with your references, include a list that is representative of your clients. References will be contacted as part of the evaluation process
 - 6.8.13.** Quote a flat fee for handling pending Workers' Compensation claims from the current Contractor
 - 6.8.14.** Advise specifically as to how and at what cost you would handle CITY claims "runoff" in the event of a discontinuance of your services

CERTIFICATION/AUTHORIZATION/ACKNOWLEDGEMENT FORM

CERTIFICATION and AUTHORIZATION

The undersigned certifies that he/she has read and fully understands this Request for Proposals, and has full knowledge of the scope, quantity, and quality of the services to be furnished, and intends to adhere to the provisions described herein. The undersigned also affirms he/she is duly authorized to submit this proposal, that this proposal has not been prepared in collusion with any other Vendor, and the contents of this proposal have not been communicated to any other Vendor before the official opening of this proposal. Additionally, the undersigned affirms that the Contractor is willing to sign the enclosed Standard Form of Agreement (if applicable).

Signed by: _____ Title: _____ Date: _____

Typed name: _____ Official Company Name _____

Phone No. _____ Fax No. _____

Bid Address: _____
P. O. Box or Street City State Zip

Order Address: _____
P. O. Box or Street City State Zip

Remit Address: _____
P. O. Box or Street City State Zip

Email: _____ Federal Tax ID No: _____

DUNS No: _____

END OF RFP # 13-18

Please let us know how you received notice of RFP # 13-18:

_____ Newspaper advertisement

_____ E-mail notification from the City of Wichita Falls

_____ Other: _____

ATTACHMENT A
VENDOR QUESTIONNAIRE

CITY OF WICHITA FALLS, TEXAS

PROPOSAL FORM WORKERS' COMPENSATION THIRD PARTY CLAIMS ADMINISTRATION SERVICES

Firm Name: _____

Address of Service Office: _____

Telephone No. _____ Fax No.: _____

Office Hours: _____ Date established: _____

Principal Contact for this Proposal: _____

PRICING

CITY is requesting proposals with the cost distributed on a "per file" set up with a maximum annual not-to-exceed fee. The proposal must indicate whether it is "life of claim" or "life of contract" basis. A file is to be defined as per occurrence, regardless of the number of claimants involved in the same occurrence. In the case of indemnity claims under the Workers' Compensation system, an indemnity file shall be defined as an occurrence in which an employee has lost eight (8) calendar days of work, or when medical exceeds \$5,000. Each Proposer is also requested to submit a flat annual fee for any and all claims. Each Proposer shall provide pricing that reflects the total bottom line fee for all lines of claims. All claims costs and related expenses shall be projected by the Proposer and included in the quoted fee.

Firms may submit proposals for additional services. Those services must be adequately described and any additional costs must be clearly specified.

CLAIMS ADMINISTRATION

Please answer the following questions regarding your ability to administer Workers' Compensation Claims for the CITY. Answers to all questions, except Item 8, should apply to the specific claims adjusting location that would actually process CITY claims should your firm be selected.

COMPANY QUALIFICATIONS

(Note: If a national or regional company, respond ONLY for the local branch/office that would handle CITY's account.)

1. Principal Owner/Owners/Partners/Officers _____
2. Date Founded/Opened _____
3. Total number of full-time employees _____
 - a. Total # of employees who have left the company in the past 12 months _____
_____ % of total workers
 - b. Total # of adjusters who have left the company in the past 12 months _____
_____ % of total adjusters employed
 - c. Total # of managers and executives who have left the company in the past 12 months _____
_____ % of total adjusters employed
 - d. Are you aware of any pending buy-outs, mergers, acquisitions and/or changes in TPA/staff? _____
4. Number of public entity clients _____ % of total clientele

5. Total number of clients: _____
6. List four (4) similar size or larger Texas public entity clients, including name, address, telephone number and contact person. Please indicate length of relationship:
- a. _____

 - b. _____

 - c. _____

 - d. _____

7. List the three (3) most recent Texas public entity clients that did not renew their contracts for your services, including name, address, telephone number and contact person:
- a. _____

 - b. _____

 - c. _____

 - d. _____

8. How many claims processing locations does your firm operate in Texas? _____
9. Which claims processing locations will be associated with the CITY's account? _____
10. Indicate the size of the claims processing location in the following terms:
- a. Number of accounts served _____
 - b. Average number of claims opened each month _____
 - c. Average number of claims handled by an adjuster per month _____
 - d. Average number of claims processed each month _____
 - e. Number of public entities this office handles _____
11. Furnish the following information regarding the number of personnel at this location only, and their experience. Classify each employee in only one job category listed below, so the total will be the total employees assigned to the location that will provide services to the CITY. Choose the job category that best describes the function of the employees involved. If all categories are inadequate to describe the function of an employee or a group of employees, create and describe your own category.

Claims Experience (in years)

Job Category	Number of Employees	Most Experienced Employee	Least Experienced Employee	Average Experience of Employees	Texas Experience
Clerical Support					
Billing & Premium collection & accounting					
Licensed Claims Adjusters					
- Workers' Compensation Hearing Representative					
- Supervisors					
Claims Technical Referral and/or Support (not assigned directly to processing claims, i.e., cost containment, quality control, audit, etc.					
IT Professionals					
Other (Describe)					
TOTALS					

12. Furnish the following information regarding the claims manager of the claim adjusting location from which CITY claims shall be paid:

Name: _____

- a. Years of employment with this firm _____
- b. Years of experience in insurance industry _____
- c. Years of experience in Workers' Compensation Claims Administration _____
- d. Professional designations and/or degrees earned _____

13. Furnish the following information regarding the Texas Department of Insurance hearing professional who would handle this account:

Name: _____

- a. Years of employment with this firm _____
- b. Years of experience in insurance industry _____
- c. Years of Texas Workers' Compensation experience _____
- d. Years of hearing experience _____
- e. Professional designations and/or degrees earned _____

14. Attach an Organizational Chart for the specified claims processing location. Please include a block for each separate function included in the operation, including any special units that exist. Label each unit with its function, number of employees, and unit name, if any. If there are several claims processing units, please indicate the unit that would be involved in the CITY's account.

15. Indicate your standards for claims assignment/workload for each adjuster: _____

16. Compare your actual performance for the 12 months ending December 31, 2017 to standard. If your firm is selected, you may be asked for support for your comparison. _____

17. Provide the following statistics regarding your operation as of December 31, 2017:

- a. Claims on hand _____
- b. Claims requiring medical-only payments _____
- c. Total claims requiring compensation payments _____
- d. Open/active claims _____
- e. Number of claims opened each month _____
- f. Number of claims closed each month _____
- g. Number of TDI hearings each month _____

18. Provide information regarding any on-going training your employees who will service this account will be required to complete satisfactorily. Indicate if CITY personnel may attend this training and at what cost, if any:

19. Describe the workflow of claims presented by CITY for handling: _____

20. Describe your process for case management medical review for active claims in which a claimant has received treatment for a period of greater than six weeks:

21. Do you have the ability to provide telephonic and field case management nurses? If so, please describe:

22. Please describe your customer service philosophy and policies/procedures as it relates to contact with the claimant:

23. Are you able to provide written and spoken communication to claimants in Spanish, if needed? ___ Yes or ___ No

24. If adjuster's caseload is greater than the total required by CITY, as defined in Section V, would your firm reduce the number to not exceed the total active files per adjuster as defined in Section V? _____ Yes or No

25. If yes, how would this be accomplished? _____

26. Describe your screen and follow-up for the following:

a. Review of usual, customary and reasonable medical charges: _____

b. Duplicate billings and duplicate payments: _____

c. Duplicate claims filed against employer's major medical plan or other insurance carriers: _____

d. Selection of physician for independent medical exam: _____

e. Peer review or other means of reporting suspected medical malpractice: _____

f. Overpayment of benefits: _____

27. Describe your quality control program and attach your written internal control procedures. CITY minimum required standards are indicated in Attachments B & C. _____

Can you comply with minimum standards? _____

28. Has anyone filed a complaint with the Texas Department of Insurance concerning your organization?
Yes or No

If yes, please explain: _____

29. Describe your documentation procedure for handling customer complaints: _____

30. Describe your system for managing telephone calls: _____

31. Describe your internal audit procedures for the claims office. Include the frequency of the audits, who performs them, and what percentage of claims are audited: _____

32. How frequently does your diary system allow claims supervisory personnel to review open claims? _____

33. How are reserves established and monitored? _____

34. How are allocated expenses monitored and adjusted? _____

35. Is your MIS a true web-based system accessible anywhere with proper authority? Yes or No

36. Does your MIS have the capability for scanning documents and photographs into the system? Yes or No

37. Describe contractual options for the years following culmination of the initial contractual agreement: _____

38. Will you subcontract any portion of the services you propose to furnish? Yes or No

If yes, give full details: _____

39. Are you aware of any complaints filed with the Texas Department of Insurance or other agencies regarding claims you have paid or denied? Yes or No. If yes, give full details: _____

40. Do we have permission to request an investigation of your firm's financial condition, reputation, etc? Yes or No

41. Does your firm or do persons within your firm currently have claims or litigation against the CITY? Yes or No

If yes, please explain in detail. _____

42. Is your firm, or are persons within your firm, currently involved in outstanding claims or litigation that would have bearing on your bid? Yes or No. If yes, please explain: _____

43. Attach a copy of all licenses and permits you are required to obtain in order to administer claims in Texas.

44. Is your firm audited by an outside independent auditor?

_____ Yes, as an independent entity

_____ Yes, as part of a parent corporation

_____ No. Please explain.

45. Has Fidelity Bond or Errors & Omissions coverage ever been refused, non-renewed, or canceled? Yes or No

If yes, please explain: _____

46. Is your firm currently approved as a Third Party Administrator for any insurance carrier? Yes or No

If yes, please furnish the information requested below:

Name of Insurer _____

Lines of Insurance Administered _____

Amount of Authority _____

47. Has any insurance company ever withdrawn its authority? Yes or No. If yes, please explain: _____

48. Has any principal or employee of your firm ever been accused or convicted of mishandling or misappropriating funds? Yes or No. If yes, please explain: _____

ADJUSTER QUALIFICATIONS (Complete for each adjuster and supervisor who will service CITY account)

1. Adjuster's Name: _____

Adjuster's Address: _____

2. Years of Workers' Compensation adjusting experience: _____

3. Years of public entity adjusting experience: _____

4. Length of adjusting service with your firm: _____

5. Type of adjusting (i.e., inside/outside/public etc.) _____

6. Current number of claims handled per month by type:
 PHC, BRC and CCH _____ Liability _____
 Medical only _____
 Lost time _____
 Denials _____
7. List Adjuster's license, include categories, and expiration date: _____
8. Languages of fluency (indicate spoken and/or written): _____
9. Attach Adjuster's resume

INSURANCE

Answer the following questions regarding your firm:

1. Employee fidelity bond:
 Underwriter: _____
 Bond Amount: _____
 Term: From _____ To _____
 Policy Number _____
2. Professional Liability Coverage:
 Employee fidelity bond:
 Insurer: _____
 Liability Limit: _____
 Term: From _____ To _____
 Policy Number _____
3. Commercial General Liability Insurance
 Insurer: _____
 Liability Limit: _____
 Term: From _____ To _____
 Policy Number: _____
4. Business Automobile Liability
 Insurer: _____
 Liability Limit _____
 Term: From _____ To _____
 Policy Number: _____
5. Workers' Compensation
 Insurer: _____
 Liability Limit: _____
 Term: From _____ To _____
 Policy Number _____

Do fees included in your proposed fee schedule include handling of a claim after suit is filed? Yes or No

Are the fees proposed in fee schedule for "life of claim" pricing? Yes or No

Are the fees proposed in fee schedule for or "life of Contract" pricing? Yes or No

Explain: _____

ATTACHMENT B

MINIMUM CLAIMS STANDARDS

I. PROCESSING

- a. Files shall be created and assigned within one working day from receipt of initial report.
- b. Contact with Workers' Compensation claimant shall be within one working day from receipt of initial report, either by telephone call or by sending a contact letter.
- c. Diaries shall be established so each case is reviewed at least every 30 days, or as needed. Confirmation of review shall be documented.
- d. Payments shall be made promptly and in accordance with Workers' Compensation statutes.
- e. TPA or outside agency approved by the CITY shall audit medical bills for causal relationship and reasonableness of charges.
- f. All indemnity cases shall be reported to the Index Bureau upon file creation and a copy shall be retained with the file, at no cost to CITY.
- g. Medical-only claims shall be reviewed for possible closure no less frequently than every 30 days.
- h. Copies of all written correspondence from the TPA to/from other parties shall be provided to CITY Risk Management Department or designee upon request.

II. RESERVING

- a. Reserving shall be estimated and maintained on the basis of most probable final cost and documented by dated and initialed reserve worksheets. Reserves shall be established and reviewed every 30 days.
- b. With the exception of medical-only claims, reserve worksheets shall be completed for all initial and revised incurred loss estimates.
- c. Reserve worksheets shall take into consideration the categories of indemnity, medical, rehabilitation, and allocated expenses, and all major sub-categories of each.
- d. Changes in reserves require a supervisor's approval.

III. EXCESS REPORTING

- a. The excess insurer shall be reported to, on a specific excess basis only, on the status of all files that meet the criteria of the policy providers. Such reporting shall be conditioned upon CITY providing all necessary reporting criteria.

IV. FILE DOCUMENTATION

- a. Thoroughly completed reserve worksheets shall be contained within all indemnity and bodily injury files.
- b. All file activity, including telephone conversations or personal meetings and diary reviews, shall be clearly documented to reflect the date, individuals involved, content of discussion, and plan of action.
- c. Specific direction on the investigation and handling of all indemnity and bodily injury cases shall be established within one working day from receipt of the initial report and clearly evidenced within the file. All claims shall have a recorded statement from claimant as part of the file documentation.
- d. TPA's basis for acceptance or denial shall be clearly documented.
- e. Copies of all correspondence, including reports to the CITY Risk Management department or designee, and reports to excess carriers, shall be documented in the file.
- f. All files should utilize a checklist.

V. INVESTIGATION AND CASE MANAGEMENT

- a. Initial contact with the claimant shall be accomplished or attempted prior to the initial Workers' Compensation indemnity payment unless the claimant has returned to work. All contacts and attempts to make contact shall be fully documented. Claim profiles shall be prepared on all claimants with two (2) or more prior Workers' Compensation indemnity claims. Adjuster shall actively work with medical professionals, employee, and the CITY, to enhance CITY return-to-work and limited duty programs.
- b. Before all initial payments of temporary income benefits (TIBS), and unless a medical report has been received, the medical provider facility shall be contacted to establish extent of injury, causal relationship to the alleged incident, and estimated return-to-work date.
- c. Statements shall be secured from the claimant, supervisor, witnesses, any other pertinent parties, and CITY Risk Management Department, within three (3) working days of receipt of initial report, whenever possible.
- d. Medical reports shall be obtained, or the medical provider contacted for reports, as frequently as needed for verification of continuing indemnity payments.
- e. Approval by CITY shall be obtained before each indemnity payment to confirm continued disability, provide status information, and discuss availability of modified duty and part-time work.
- f. Contact shall be maintained with a temporarily disabled employee and the employee's supervisor or other designated person no less frequently than weekly, to maintain rapport and to monitor medical progress, return-to-work status, and modified duties.

- g. Surveillance should be considered, following authorization by CITY, where length or extent of disability is questioned. Outside investigation services, such as a private investigator, shall be employed only where necessary and approved by CITY. Documentation of assignment shall include specific reasons for referral. Direction and control shall be exercised over the investigator's activities.
- h. Independent medical examinations shall be scheduled with qualified -approved physicians in cases where treatment, length of disability, or extent of permanent impairment assigned is in question. Appointment letters shall attach copies of all medical reports, relevant information concerning the case, job information, and detailed description of opinions being sought. This shall include coordination with the case manager.
- i. Pertinent past medical records shall be secured and apportionment addressed in all cases, before final resolution of permanent partial disability. Impairment Income Benefits (IIBS) or Supplemental Income Benefits (SIBS).
- j. Vocational rehabilitation shall be administered where approved by CITY.
- k. TPA shall select appropriate Cost Containment Vendor and services shall be paid as an allocated loss adjustment expense by TPA. CITY prefers Cost Containment Services provider not be a wholly-owned subsidiary of the TPA.
- l. Benefit payments shall comply with maximum medical improvement and impairment/supplemental income benefits of the Texas Department of Insurance statutes. The TPA's Workers' Compensation manager shall approve these payments and this information shall be submitted to the Risk Management department or designee for review/comment in a timely manner.
- m. Where not already reported verbally, in writing, or via electronic means, as time permits for authorization, a written analysis of all proposed settlements by stipulation or compromise shall be provided to CITY Risk Management or designee for review and authorization.
- n. Case Management shall be assigned according to criteria established by CITY and TPA, and cost charged to the file.
- o. Case Management costs shall be tracked, with a quarterly report provided to CITY by TPA.
- p. Adjuster or designee shall attend all Workers' Compensation hearings. Fee Schedule costs include all preparation time and costs for attending these hearings.

VI. LITIGATION MANAGEMENT

- a. Legal Counsel shall be selected on the basis of legal expertise and experience handling Workers' Compensation cases. CITY Risk Management shall be contacted for agreement and authorization to utilize selected counsel.
- b. Upon referral, a letter shall be directed to defense counsel outlining case history, status, and work to be performed. TPA shall provide file copies to defense counsel.
- c. Legal payments shall be applied to the files, and TPA shall provide CITY a quarterly report of Legal expenses.

ATTACHMENT C

CLAIMS EXPERIENCE

WORKERS' COMPENSATION CLAIMS EXPERIENCE						
	FY12	FY13	FY14	FY15	FY16	FY17
# of Report Only	1	0	1	1	7	0
# Medical Only	139	119	128	126	160	89
# Indemnity	41	32	30	18	26	19
# Open	2	2	0	2	7	9
# Closed	179	149	159	143	186	99
Payment to date	1,734,111.41	646,857.14	491,646.63	481,563.67	1,086,822.70	527,350.03
Open Reserves	159,648.27	9,533.87	0	2,098.83	347,019.15	166,908.65
Recovery	41,064.22	5,906.14	39,221.28	3,336.55	6,550.16	29,397.88
Total:	\$1,852,695.46	650,484.87	452,425.35	480,325.95	1,427,291.69	664,860.80

ATTACHMENT D

PRICING/FEE SCHEDULE

City is requesting proposals with a flat annual fee for all claims and/or the cost distributed on a “per file” with a maximum annual not-to-exceed fee for all claims.

Proposer will provide pricing that reflects the total bottom line fee for all lines of claims. All claims costs and related expenses will be projected by the Proposer and included in the fee(s) quoted.

In the Workers’ Compensation system, an indemnity file is defined as an occurrence in which an employee has lost eight (8) or more calendar days from work, or when an impairment rating is received.

Proposals for additional services must be described adequately and any additional costs must be clearly specified in this Pricing/Fee Schedule.

General questions:

1. Are the fees proposed in Fee Schedule for life of the claim or life of the contract pricing? Explain
2. Do you include the cost for EDI reports to TDI in your claims fee? If not, what is your charge and how is it charged? Per claim? Per filing? If per filing, based on similar accounts, how many average filings do you do per claim? Expected cost per claim?
3. Is ISO Claim Search included in the claim fee? Indicate if there are separate fees for filing the request and receiving/forwarding the report.
4. Do you charge separately for subrogation? How are the charges calculated?
5. Is there a set-up fee for BRC?
6. Are there separate fees for managing litigated files?
7. Is Medicare reporting included in your claim fee? If not, what is the charge and how will it be applied?
8. Pharmacy Benefit Management: Does the TPA charge a fee for each bill processed? If yes, how much?
9. Bill review fees: Does your stated bill review include a comparison to the ODG for compliance? Are there other charges beyond the base bill review for nurse reviews or for hospital bills or complex bills?
10. Do you charge additional fees for the processing of complex claims? How is a complex claim defined?
11. On what basis will a “medical only” or “record only” change categories, and an additional fee be charged? By what means will you notify the CITY of the additional fees?
12. Describe contractual options for the years following the initial year of the agreement (year one) and for the years following culmination of the contractual agreement (three years)?

ATTACHMENT D

PRICING/FEE SCHEDULE (continued)

Must be completed and returned. Failure to complete may result in rejection of proposal.

Option 1 – FLAT ANNUAL FIXED CLAIM FEE PRICING						
	Year One	Year Two	Year Three	Comments		
Proposed Pricing						
Option 2 – PER FILE CLAIM FEE PRICING						
Claims Administration	Fee Per Claim	Allocated Expenses				Comments
Workers' Compensation						
- Record only						
- Medical only						
- Indemnity						
Flat Annual Fixed Fee Option						
Additional Fees						
	Fee Per Claim	Fee Per Hour				Flat Fee
Open Claim Take Over Costs						
Data Conversion						
On-line computer services						
RMIS System & Services						
Annual Administration Fee						
Attending TDI Hearings						
Subrogation						
Medicare Secondary Reporting						
Run-off costs						
Bill Audits						
Field Services/Investigation						
Medical Case Management						
Vocational Case Management						
Utilization Review (nurse only)						
Utilization Review (physician)						
Rehabilitation Services						
Use of PPO Networks						
Pharmacy RX Program						
SWIB						
Physician Peer Review Coordination						
Independent Medical Exams						

Nurse Case Management (telephonic)			
Nurse Case Management (field)			
Preparation of 1099s			
ACH/Bank Clearinghouse			
Photocopying, Phone Charges			
Transcriptions			
Generating ISO Reports			
Concurrent/Retrospective Reviews			
Check printing/check writing, etc.			
Additional Fees not included above (give details)			

ATTACHMENT E

STANDARD FORM OF AGREEMENT