

REQUEST FOR PROPOSAL FOR THIRD PARTY ADMINISTRATION CITY OF STOCKTON SELF-INSURED WORKERS' COMPENSATION PROGRAM

PLEASE ANSWER THE FOLLOWING QUESTIONS:

MOST ANSWERS WILL BE BRIEF. IF MORE SPACE IS NEEDED FOR YOUR ANSWER, YOU MAY ATTACH ADDITIONAL SHEETS.

1. Are you willing and **able to provide** all of the services as listed in the **Scope of Services** portion of the RFP?

_____ Yes _____ No
Please list any services you cannot provide.

2. ORGANIZATION

A. **How long** has your firm administered Workers' Compensation claims for self-insured employers?

B. Has your organization been known by any **other names** within the last ten years?

_____ Yes _____ No
If yes, please explain:

C. Provide your organization's latest **financial statement** and the type of organization (i.e. corporation, partnership, etc.)

Please attach

D. Is your organization anticipating any **expansion or reorganization** within the next year?

_____ Yes _____ No
If yes, please explain:

E. Provide an **outline/flowchart of your organizational structure**, listing departments, number of employees and departmental responsibilities.

Please attach

F. Provide a resume of qualifications for:

Please attach

- Chief Executive Officer
- Individual responsible for Computer Operations
- Manager of the facility (office) which would be responsible for the City of Stockton account
- Individual who would be your organization's liaison with the City of Stockton during the transition process

G. Please disclose any and all parties utilized by your firm for claims related services and with whom you have a regular working relationship.

Please attach

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2. (Continued)

H. *Indicate if your firm has a current Disaster Recover plan and manual outlining your process and plan to ensure your ability to continue to function in the event of a catastrophic event and when it was most recently updated (the City may request to review the document).*

_____ Yes _____ No

I. *Indicate if your firm has established and tested your internal financial and data security procedures describing your security systems for safeguarding client data and funds. Provide a copy of the most recent certification or audit result of your systems by an outside auditor.*

_____ Yes _____ No
Please attach

J. *Describe any innovative cost control mechanisms you are using which have proven to be effective for your clients*

_____ Yes _____ No
If yes, please explain:

K. *Comment on any policies and procedures your firm uses or proposes using, which will minimize the potential for claims fraud. Does your firm have an 800 number for reporting fraud?*

Please attach

L. *Does your firm provide safety and loss control services? If yes, explain services and provide fee schedule. Does your firm contract out for these services, or are these services provided in-house? If services are contracted out, does your firm receive commissions and/or any other type of compensation from the companies used?*

_____ Yes _____ No
If yes, please explain:

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3. OFFICE LOCATION & STATISTICS FOR FACILITY

- A. *Indicate the physical location of the claims processing facility which would handle/process claims for the City of Stockton.*
- B. *If you do not have an office within the City of Stockton, would you be willing to open a **local office in Stockton**, to service the City of Stockton employees?*
- C. *Are you willing to provide a **1-800 number** for employees to utilize when calling your office long distance?*

_____ Yes _____ No

_____ Yes _____ No

PLEASE ANSWER D THROUGH P BELOW, PROVIDING INFORMATION FOR THE OFFICE LOCATION WHICH WOULD HANDLE THE CITY OF STOCKTON ACCOUNT:

D. *List two accounts which you have acquired within the last three years at this location.*

1. *Client Name:
Contact Person:
Address:
Telephone Number:*

2. *Client Name:
Contact Person:
Address:
Telephone Number:*

E. *List two accounts which have been terminated by the client within the last three years at this location. Indicate the reason for termination.*

1. *Client Name:
Contact Person:
Address:
Telephone Number:
Reason for Termination:*

2. *Client Name:
Contact Person:
Address:
Telephone Number:
Reason for Termination:*

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3. (continued)

Please attach list with:

F. List all public agencies you have handled at this location.

*Client Name:
Contact Person:
Address:
Telephone Number:*

G. How many self-insured **clients** were handled at this location during 2008?

H. Indicate the total number of **employees** assigned to this location.

I. Indicate the total number of **claims examiners** assigned to this location.

_____ 2007
_____ 2008

J. Indicate how many claims examiners were **hired** at this location during 2007 and 2008.

_____ 2007
_____ 2008

K. Indicate how many claims examiners were **separated**, for any reason, at this location during 2007 and 2008.

L. When was this location **last audited** by the state O.B.A.E. Unit?

M. Please attach a copy of the firm's two most recent outside claim audits. Client and claimant information should be blacked out.

Please attach

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4. STAFFING FOR CITY ACCOUNT

A. Are you willing to assign **dedicated** claims examiners and assistants to handle this account?

___ Yes ___ No
Briefly discuss your proposed approach.

B. Are you willing to staff enough experienced **claims examiners** to ensure an average caseload of no more than **150 claims** per examiner?

___ Yes ___ No

C. Are you willing to provide only claims examiners who have been **certified by the State of California** to administer a self-insured Workers' Compensation Program?

___ Yes ___ No

D. Do you anticipate hiring **additional** claims examiners in order to service this account?

Number to be hired: _____

E. If you know which existing claims examiners would be assigned to this account, please provide their resume showing experience, education, etc.

Please attach

F. How many **claims assistants** would you assign to the account?

Number to be assigned: _____

G. What **tasks** would be assigned to the claims assistant?

Please attach

H. In regards to **continuing education**, are you willing to provide a minimum of **16 hours per quarter** of ongoing Workers' Compensation training for all claims examiners in order to keep them abreast of recent industry trends and progressive claims handling practices? This may include outside or internal seminars, classes, workshops, legal updates, etc.

___ Yes ___ No

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5. SYSTEM CAPABILITIES

- A. Describe the **extent** to which your claims processing system is **automated**.
- B. Indicate the **type of system and software** your organization currently utilizes and the year it was implemented.
- C. Can an employer **transmit** Employer Report (Form 5020) to your system **electronically**?
- D. Are you willing and able to provide the City of Stockton Workers' Compensation Analyst with **claim system software and access** via internet to your system for claim information, e-mail, notes, etc.?
- E. Does your organization have **Internet** access?
- F. Provide a list and sample/description of the basic types of **management reports** routinely produced by your system and provided to clients in connection with the administration of a plan.
- G. Provide a list of additional or **special reports** available upon request.

___ Yes ___ No

___ Yes ___ No

___ Yes ___ No

Please attach list/samples

6. MEDICAL BILL REVIEW/PRICING SERVICES

- A. The City of Stockton currently utilizes its third party administrator for Workers' Compensation medical bill review/pricing services. Does your organization work with outside vendors for medical review of bills?
- B. Does your organization provide medical bill review/pricing services via an internal program or subsidiary/affiliated entity?
- C. Describe your firm's managed care/medical cost-containment program including, but not limited to, disability tracking, managing and reporting, PPO networks, case management services, utilization review, bill reviews, etc.

___ Yes ___ No
If yes, please explain

___ Yes ___ No
If yes, please explain

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6. (Continued)

D. Indicate which services are owned, in whole or part, by your firm, and which services are contracted out. If services are contracted out, does your firm receive commissions and/or any other type of compensation from the companies used? Indicate fees/charges for services.

If yes, please explain

7. PERFORMANCE STANDARDS

Are you willing to incorporate performance standards into a portion of your administrative fees?

___ **Yes** ___ **No**

8. EXCESS INSURANCE

Provide information on two excess insurance carriers you have worked with who can provide a reference.

1. *Company Name:
Contact Person:
Address:
Telephone Number:*

2. *Company Name:
Contact Person:
Address:
Telephone Number:*

9. CASE MANAGEMENT

Indicate how Case Management services for catastrophic/chronic illness/injuries are provided. Do you provide internally through a Registered Nurse or utilize an outside Case Management agency?

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10. Please provide a format sample of the following forms/letters:

- *Delay letter*
- *Beginning TD notice (letter)*
- *Sample letter to QME*

Please attach

11. IMPLEMENTATION

A. *If your organization is selected, are you able to assume claims administration, effective **September 1, 2009**?*

Yes No

B. *Describe your Transition Plan. Keep in mind, this is a mid-year transition and the new administrator would be required to assume "run-in" claim processing. Plan should include the following areas:*

Please attach

- *Key contacts at your firm responsible for the transition; definition of your firm's transition responsibilities*
- *Plan for communication between the old TPA and your firm prior to and following the transfer of claims*
- *Plan for how your firm will account for open and closed claims, payment of benefits on cases and mail delivery procedures*
- *Coordination of notification letters to vendors, counsel and claimants*
- *Notification to the State and other relevant agencies and/or excess carriers*
- *Identification of key cases prior to transfer (cases set for hearing/trial, settlement payments)*
- *Coordination of mail delivery post-transition*
- *Providing transition status reports to Human Resources Department*

C. *Data as ASCII text in a .csv format from the current administrator's system will be downloaded and provided to the new administrator by standard data transfer procedure or optical media.*

Yes No

Is your system capable of receiving and assimilating this data?

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12. Describe any features that distinguish your organization from other T.P.A.'s.

*_____ Yes _____ No
If no, please discuss your proposed approach*