

# PURCHASING DEPARTMENT SPECIAL BID OPENING

TUESDAY, June 12, 2018 AT 3:00 P.M.  
CITY HALL IN ROOM 104

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Type of meeting: **SPECIAL**

## AGENDA

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. NEW BUSINESS:

OPEN BID # 38-54: Workers' Compensation Third Party Administration

4. OLD BUSINESS:

5. ADJOURNMENT

Received for Record

6/5/18

At

4 H. 57 H.

M. and Recorded by

[Signature]

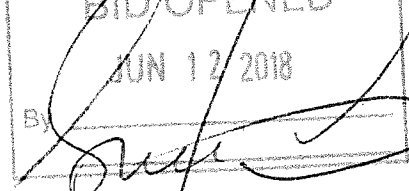
Ass't Town Clerk



# Cost of Services

## Annual Flat Fee

*Claims Strategies*

*Total Annual Flat Fee - One Year Agreement		\$55,000
*Total Annual Flat Fee - Three Year Agreement		\$50,000
One-time fee for existing open claims		Waived

### Investigation

Information with Integrity	\$63.00 per hour
Information Connection Unlimited	\$54.00 per hour
DigiStream New England	\$695 (half day) \$1,095 (full day)

### Rehabilitation

Windham Group	\$125 per hour
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### Medical Bill Review

Flat Fee	\$6.25 per bill
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### Legal Services

Claim Strategies assists in negotiating fees

### Loss Control

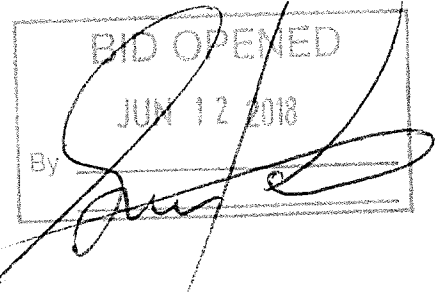
Hettrick Cyr & Associates	\$125 per hour
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### Technology

Claims Portal Access	\$100 per month
Online Reporting	\$25 per month

\*Please note that the above fees do not include any extraordinary costs which may be involved in the initial account set-up, implementation, data conversion or customization of our standard program.

PMA Co.



**COST PROPOSAL**

**Yearly Flat Rate (all services included) \$39,000  
Per Claim:**

a. Indemnity claims	Included in Flat Rate
b. Medical Only Claims	Included in Flat Rate
c. Record Only Claims	Included in Flat Rate
d. H&H Claims	Included in Flat Rate
e. Managed Care and Medical Case Management Services	See Allocated Expenses
f. Medical Cos Management Services; Bill Review; Utilization Review, etc.	See Allocated Expenses
g. Risk Management Information Systems	See Allocated Expenses
h. Loss Control Services	\$130 per hour
i. Recovery Agent (Conditional Payment Notices/CMS-Centers for Medicare & Medicaid Services)	See Allocated Expenses

Describe how you propose to bill the City for services. Provide details of any other fees, charges or costs that are not included above.

Fees will be invoiced quarterly. All Allocated Expense fees are charged as an expense to the claim file. Loss Control Services can be charged monthly as used or invoiced quarterly with the fees if purchased as a planned service.

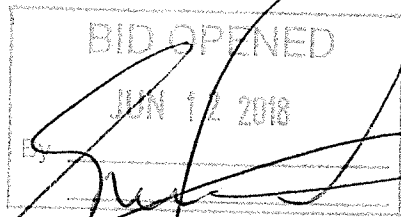
Include with your cost proposal a sample of any service contract you propose for the City.

See sample contract in exhibit section.

**Allocated Expenses**

Service	Cost/Hour
Telephonic Case Management	\$98 per hour
Field Case Management	\$98 per hour
Medical Bill Review (Re-pricing to state fee scheduled)	\$8.25 per bill
PPO/Network Medical Bill Reductions	28% of network savings below fee schedule
Hospital Bill Review	28% of network savings below fee schedule
Prescriptions	28% of network savings below fee schedule
Rx Dispensing Fee	\$3.00 per fill
Rehabilitative Nurse Services	\$95 per hour
Independent Medical Exam	\$225, plus physician cost
Utilization Peer Review	\$125 per review
Utilization Review (concurrent or Prospective)	\$95 per hour
Medical Consultant (Physician) Review	\$300 per review
Medicare Section 111 Reporting Fee	\$8 per claim
Medicare/Medicaid Conditional Lien Review	Cost of the vendor
Legal Services	Cost of preferred counsel
ISO Index	\$7.90 - \$13.10 depending upon search method and services
Risk Control Services	\$130 per hour





WORK Comp Trust

# COST OF SERVICES

07/01/18 – 06/30/19	07/01/19 – 06/30/20	07/01/20 – 06/30/21	Optional Years	
			07/01/21 – 06/30/22	07/01/22 – 06/30/23
\$59,000	\$59,000	\$59,000	\$59,000	\$59,000

Fee based on approximately 35 medical only claims and 20 lost time/HH claims annually, as well as 62 current open claims.

Annual fee to be billed in two equal installments July 1 and January 1.

Services include claims management, managed care & cost containment, loss control, MMSEA reporting and recovery services, program administration, **medical bill processing and utilization review:**

## CLAIMS ADMINISTRATION

- Handling of Workers' Compensation and H& H claims per life of contract
- Meetings with your organization to review claims and program as frequently as requested
- Claim investigation and ongoing claim management
- Payment processing
- 1-800 telephone reporting or online reporting
- Excess Insurance reporting and monitoring
- Pursuit of subrogation and Second Injury Fund recoveries
- Return to work meetings
- Setting Expectations program
- Early Intervention Program
- Special Investigation Unit
- Representation by Hearing Officer at informal hearings
- Fraud Program including reporting to the Index Bureau
- Management reports using our Report Center
- Return to Work Specialist

## MANAGED CARE & COST CONTAINMENT

- Establishment, communication and implementation of state-approved Medical Care Plan
- Provider Network customized to meet your needs with discounted pricing and provider profiling
- Pharmacy Program and Network with discounted pricing
- Nurse Case Management for non-catastrophic cases as needed
- Direct contracted relationships with Providers
- Medical Bill Review - Includes proprietary bill review software, professional coder on staff, and provider relations director to evaluate and determine necessary changes to continually maximize cost containment. *Previously an unbundled service – City averages 700 bills per year*
- Utilization Review - physical therapy, chiropractic care, hospitalization, surgery and pain management as needed. *Previously an unbundled service – City averages 400 reviews per year*

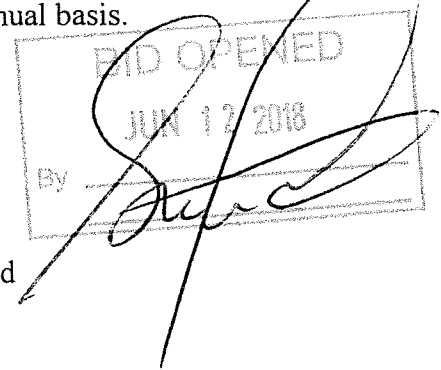
Work Comp Trust

#### LOSS CONTROL SERVICES

- 40 hours included per contract year
- Review, analyze and report Loss Control recommendations on an annual basis.

#### PROGRAM ADMINISTRATION

- Online access via the Internet to management reports and file status
- Ongoing program review, monitoring and evaluation
- Annual Executive Summary Report
- Employee /supervisor/department communication meetings as needed
- Preparation of 1099's for vendors
- SCHIP (MMSEA) Reporting
- SCHIP (MMSEA) Recovery Agent Assignment



#### FEES TO BE ALLOCATED TO THE CLAIMS FILES:

*Your organization will have pre-approval over the utilization of these services.*

- Attorney fees – actual cost
- Surveillance fees – actual cost
- Independent Medical Examinations – actual cost
- Expert Fees – actual cost
- Vocational rehabilitation consultants – actual cost + 10%
- Catastrophic Nurse Case Management - actual cost + 10% (all other nurse case management is included)
- CMS Conditional payment requests - \$300

#### OTHER FEES

- Proprietary PPO discounts – 25% of savings

The Trust does not charge any additional fees for annual management service, monthly loss information, on-line access/hook-up or computer usage, network access or access to our medical director or consultants. There is no minimum fee.

#### OTHER SERVICES AVAILABLE

- Loss Control Services - \$100 per hour for additional services or negotiated rate
- Record Only Claim - \$50 each
- Customized Reports - \$100 per hour

**As always, the real expense in Workers' Compensation is as a result of the loss experience which is greatly impacted by the experience and quality of the claims staff and the associated cost containment programs that are in place.**