

<b>FEE PER CLAIM - HANDLE TO CONCLUSION</b>	<b>Est. Claim Frequency</b>	<b>Per Claim Fee</b>	<b>Projected Service Fee</b>
<b>Workers' Compensation</b>			
WC Medical Only	179	\$177	\$31,683
WC Indemnity	97	\$1,298	\$125,906
Incidents - Workers' Compensation	11	\$52	\$572
<b>Total Workers' Compensation Fee Per Claim</b>	<b>287</b>		<b>\$158,161</b>
<b>ADMINISTRATIVE SERVICES</b>	<b>Quantity</b>	<b>Rate</b>	<b>Estimated Annual Fee</b>
<b>Administrative Services</b>			
Administration / Data Management			Included
<b>Total Administrative Services</b>			<b>\$0</b>
<b>TOTAL</b>			<b>\$158,161</b>

The designated WC Indemnity adjuster pending is capped at 150 active indemnity files.

This is year two of a three year agreement, with a 2% increase over expiring. Claim rates will increase by an additional 2% for service period 2019-2020.

**GBMCS - GB MEDICAL MANAGEMENT SERVICES**

<b>SERVICES</b>	<b>CHARGES</b>
<b>Fee Schedule (Bill Review / UCR /System Savings)</b>	\$9.50 Per Bill
<b>All Other Savings</b> <ul style="list-style-type: none"> <li>• Clinical Validation/Nurse Review (CV)</li> <li>• Preferred Provider Networks (PPO)</li> <li>• Out Of Network (OON)</li> <li>• Specialty Networks/Physical Therapy (PT)</li> </ul>	28 % of Savings 28 % of Savings 28 % of Savings 28 % of Savings
<b>Electronic Receipt of Medical Bills</b>	\$2 additional Per Bill in all applicable states
<b>Telephonic Case Management</b>	\$75 Medical Triage \$290 per Indemnity claim (each 30 days) \$130 per Medical Only claim (one time)
<b>Hospital Certification Program</b>	\$120 Inpatient Pre-Certification
<b>Utilization Review Program</b>	\$105 Outpatient Pre-Certification
<b>UR Physician Review</b>	\$270 per Review
<b>Medical Case Management and Vocational Rehabilitation - Hourly</b>	\$98 per hour plus expenses \$112 per hour - AK, CA, HI, NY
<b>Priority Care 365</b>	\$90 per call
<b>Medical Cost Projection (MCP) and Clinical Recommendations</b>	\$125 per Hour
<b>Pharmacy Benefit Management (PBM)</b>	Cost of prescriptions -- no charge for Bill Review or PPO reductions for PBM transactions
<b>Durable Medical Equipment (DME) Program</b>	Cost of medical equipment -- no charge for Bill Review or PPO reductions for Prospective DME transactions
<b>Dental Review Program</b>	Charged on a per review basis

Client and GB agree as follows: If another preferred managed care vendor other than Gallagher Bassett Managed Care Services is utilized, an administrative fee may apply in exchange for bona fide administrative services. The administrative services may include, but not be limited to overhead costs for the oversight and management of Managed Care vendors which includes the development and oversight of quality standards, development and maintenance of EDI interfaces and reports, and ensuring proper mandatory state compliance and reporting.

**OTHER SERVICES**

SERVICES	CHARGES
Fraud Prevention – Gallagher Bassett Investigative Services (GBIS)	
Special Fraud Investigations - SIU	\$85 per hour plus expenses
Outside Field Investigations	\$80 per hour plus expenses
Surveillance Investigations	\$80 per hour plus expenses
Targeted Field Investigations	\$80 per hour plus expenses
Targeted Database Searches	Rate per report
Self Service Database Searches	Rate per report
Gallagher Bassett Litigation Management Program (GBLMP)	
Invoice and Matter Management platform for adjusters/counsel	2% of net legal invoice (invoice net of disbursements and invoice review savings). Charged as discount off total payment remitted to counsel and will be reflected as an allocated expense on the claim file.
5 client licenses for Legal Analytics platform	
Attorney-led legal bill review	
Gallagher Bassett Compliance Solutions (GBCS)	
Workers' Compensation Medicare Set-Aside Allocation (WCMSA)	\$2,300 per allocation
Rush Fees (MSA completed within 5 business days)	\$450 per case
Liability Medicare Set-Aside Allocation (LMSA)	\$2,300 Fee
MSA Submission to CMS	\$850 Fee
Conditional Payment Research (CPR)	\$200 Flat Rate
Conditional Payment Negotiations (CPN)	\$375 Flat Rate
Secure Final Demand for Settlement (SFD)	\$250 Flat Rate
Bundled CP Resolution Services	\$700 Flat Rate
Medicare Eligibility Inquiry (MEI)	\$45 Flat Rate
SSDI Verification	\$175 Flat Rate
Release / Settlement Agreement Review	\$250 Flat Rate
Lien Resolution (Advantage Plan, Medicaid, Part D)	\$500 Flat Rate per Lien Resolution
Taxes	
Taxes	All applicable taxes will be added to the service fees where required

**PROGRAM SPECIFIC TERMS AND CONDITIONS**

**1. Claim Count Reconciliation:**

- Estimate - Claims will be reconciled and billed at the 18th and 24th month and then every 12 months thereafter.

**2. Billing and Payment Terms:**

**3. Claim Pricing Terms:**

**Handle to Conclusion:**

Claims will be handled for the life of the file. There will be no additional per claim fees for existing claims except if it changes category.

**Additional Charges:**

There will be additional charges for ongoing Data Management (RISX-FACS®), RMIS users, Administration, Banking fees and monthly reports for as long as GB handles claims.

**4. Account Administration includes the following:**

- Account Management
- Detailed Status Reports All Lines of Business @ \$15,000
- Settlement Authority All Lines of Business @ \$10,000
- Claim Reporting
- Acknowledgement Letter to Injured Employee WC

**5. Claim Charges:** Claim and incident fees will be assessed on a per occurrence, per claimant, per line of coverage basis.

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**7.** Gallagher Bassett Services, Inc. will not pay a fee, commission, or rebate to any party for the privilege of presenting our proposal or in order to secure the awarding of any program to Gallagher Bassett Services, Inc.

**8.** Pricing is based on using GB Medical Management (GBMCS) or MedInsights for Bill Review, PPO, out-of-network, utilization review, telephonic case management, MSA and field case management.

**GENERAL CONTRACT TERMS AND CONDITIONS**

1. Independent Adjusters - If applicable, following any significant loss as a result of a single event (i.e., hurricane, tornado, flood, earthquake, etc.), GB reserves the right to retain outside resources (adjusters) when appropriate and those fees will be paid as an Allocated Expense off the file.
2. The pricing quoted in this Cost & Terms is based upon the data and information provided by Client, as well as existing legislative and regulatory requirements. Material inaccuracies or changes to the foregoing may require adjustments to the quoted pricing.
3. Taxes - All applicable taxes will be added to the service fees where required.
4. Allocated Expenses: Shall be your responsibility as applicable and shall include, but not be limited to:
  - Legal Fees
  - Legal Bill Review
  - Medical Examinations
  - Professional Photographs
  - Travel made at client's request
  - Costs for witness statements
  - Court reporter service, translation, and interpretation
  - Record retrieval and copying services (Including medical and legal)
  - Accident reconstruction
  - Experts' rehabilitation costs
  - Chemist
  - Fees for service of process
  - Collection cost payable to third parties on subrogation
  - Architects, contractors
  - Engineer
  - Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or loss which must have the explicit prior approval of the client
  - Police, fire, coroner, weather, or other such reports
  - Property damage appraisals
  - Vehicle appraisals (vehicle damage assessment)
  - SIU, surveillance and sub rosa investigation
  - Official documents and transcripts
  - Pre- and post-judgment interest paid
  - Outside Field Investigations
  - Subrogation at 15% of gross recovery
  - IndexBureau Reporting (excluding Medical Only)
  - Second Injury Fund Recovery
  - Data Intelligence Self-Service Reports
  - Medical Management - Medical Management services may include, but are not limited to:
    - Preferred provider organization networks
    - Utilization review services
    - Automated state fee scheduling
    - Light duty/return-to-work programs
    - Medical case management and Vocational rehabilitation network
    - Prospective injury management services
    - Hospital bill audit services

## **DEFINITIONS**

### **Incidents**

An Incident is a loss reported electronically through ClaimLine and/or the Web, or set up manually at the branch. GB will review the Incident and make a courtesy call (if necessary) to determine if it is a claim or Incident. GB will have full discretion in the determination and handling of these Incidents and/or their conversion into claim status.

### **Workers' Compensation - Medical Only Claims**

A medical only claim is a work-related Claim that meets the following criteria: (i) payments for either indemnity or vocational rehabilitation were not required, (ii) the Claim has not become contested or in suit, (iii) investigation to determine compensability or subrogation requirements was not required, (iv) no loss notices, captioned reports, client meetings (other than routine meetings where the claim is listed and noted) or settlement authority approvals were required, and (v) payments on the Claim have not exceeded \$4000 or 180 days.

### **Workers' Compensation - Indemnity Claims**

An indemnity claim is a Workers' Compensation claim that is not a Medical Only Claim.



**MAYOR AND ALDERMEN OF THE CITY  
OF SAVANNAH**

01/01/2018-01/01/2019

<b>FEE PER CLAIM - HANDLE TO CONCLUSION</b>	<b>Est. Claim Frequency</b>	<b>Per Claim Fee</b>	<b>Projected Service Fee</b>
<b>Liability</b>			
Auto Liability/Bodily Injury	44	\$506	\$22,264
Auto Liability/Property Damage	144	\$506	\$72,864
Incidents - Liability	414	\$52	\$21,528
<b>Total Liability Fee Per Claim</b>	<b>602</b>		<b>\$116,656</b>
<b>ADMINISTRATIVE SERVICES</b>	<b>Quantity</b>	<b>Rate</b>	<b>Estimated Annual Fee</b>
<b>Administrative Services</b>			
Administration / Data Management			Included
<b>Total Administrative Services</b>			<b>\$0</b>
<b>TOTAL</b>			<b>\$116,656</b>

Upon mutual agreement we are extending the program at one year intervals. For service period 2019-2020 the per claim rates will increase 2%.

**OTHER SERVICES**

SERVICES	CHARGES
RMIS - Additional Users	\$1,040 per user
OSHA Reporting	\$4,500 per year (Includes set-up, OSHA access & unlimited OSHA Logs and summaries)
Fraud Prevention – Gallagher Bassett Investigative Services (GBIS)	
Special Fraud Investigations - SIU	\$85 per hour plus expenses
Outside Field Investigations	\$80 per hour plus expenses
Surveillance Investigations	\$80 per hour plus expenses
Targeted Field Investigations	\$80 per hour plus expenses
Targeted Database Searches	Rate per report
Self Service Database Searches	Rate per report
Gallagher Bassett Litigation Management Program (GBLMP)	
Invoice and Matter Management platform for adjusters/counsel	2% of net legal invoice (invoice net of disbursements and invoice review savings). Charged as an additional expense, funded by the client and will be reflected as an allocated expense on the claim file.
5 client licenses for Legal Analytics platform	
Attorney-led legal bill review	
Gallagher Bassett Compliance Solutions (GBCS)	
Workers' Compensation Medicare Set-Aside Allocation (WCMSA)	\$2,300 per allocation
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Medicare Eligibility Inquiry (MEI)	\$45 Flat Rate
SSDI Verification	\$175 Flat Rate
Release / Settlement Agreement Review	\$250 Flat Rate
Lien Resolution (Advantage Plan, Medicaid, Part D)	\$500 Flat Rate per Lien Resolution
Taxes	
Taxes	All applicable taxes will be added to the service fees where required



**PROGRAM SPECIFIC TERMS AND CONDITIONS**

**1. Claim Count Reconciliation:**

- Estimate - Claims will be reconciled and billed at the 18th and 24th month and then every 12 months thereafter.

**2. Billing and Payment Terms:** Fees will be billed Monthly during the service period.

**3. Claim Pricing Terms:**

**Handle to Conclusion:**

Claims will be handled for the life of the file. There will be no additional per claim fees for existing claims except if it changes category.

**Additional Charges:**

There will be additional charges for ongoing Data Management (RISX-FACS®), RMIS users, Administration, Banking fees and monthly reports for as long as GB handles claims.

**4. Account Administration includes the following:**

- Account Management
- Detailed Status Reports All Lines of Business @ \$15,000
- Settlement Authority All Lines of Business @ \$10,000
- 2 Standard Meeting(s) Included
- 2 Claim Review(s) - Telephonic
- Claim Reporting
- Loss Fund Account Mgmt/Banking Services (SIMMS)
- 0 RMIS User(s) - Full Access Additional User(s)
- Acknowledgement Letter to Claimant Liab
- Data Transfer to Carrier(s)

**5. Claim Charges:** Claim and incident fees will be assessed on a per occurrence, per claimant, per line of coverage basis.

Auto physical damage includes pursuit of subrogation only. This service is billed as time and expense, at the higher rate of \$75 or 15% of gross recovery

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## **GENERAL CONTRACT TERMS AND CONDITIONS**

1. **Independent Adjusters** - If applicable, following any significant loss as a result of a single event (i.e., hurricane, tornado, flood, earthquake, etc.), GB reserves the right to retain outside resources (adjusters) when appropriate and those fees will be paid as an Allocated Expense off the file.
2. The pricing quoted in this Cost & Terms is based upon the data and information provided by Client, as well as existing legislative and regulatory requirements. Material inaccuracies or changes to the foregoing may require adjustments to the quoted pricing.
3. **Taxes** - All applicable taxes will be added to the service fees where required.
4. **Allocated Expenses:** Shall be your responsibility as applicable and shall include, but not be limited to:
  - Legal Fees
  - Legal Bill Review
  - Medical Examinations
  - Professional Photographs
  - Travel made at client's request
  - Costs for witness statements
  - Court reporter service, translation, and interpretation
  - Record retrieval and copying services (Including medical and legal)
  - Accident reconstruction
  - Experts' rehabilitation costs
  - Chemist
  - Fees for service of process
  - Collection cost payable to third parties on subrogation
  - Architects, contractors
  - Engineer
  - Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or loss which must have the explicit prior approval of the client
  - Police, fire, coroner, weather, or other such reports
  - Property damage appraisals
  - Vehicle appraisals (vehicle damage assessment)
  - SIU, surveillance and sub rosa investigation
  - Official documents and transcripts
  - Pre- and post-judgment interest paid
  - Outside Field Investigations
  - Subrogation at 15% of gross recovery
  - IndexBureau Reporting (excluding Medical Only)
  - Second Injury Fund Recovery
  - Data Intelligence Self-Service Reports
  - Medical Management - Medical Management services may include, but are not limited to:
    - Preferred provider organization networks
    - Utilization review services
    - Automated state fee scheduling
    - Light duty/return-to-work programs
    - Medical case management and Vocational rehabilitation network
    - Prospective injury management services
    - Hospital bill audit services

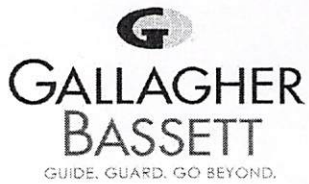
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### **Liability Claims**

Investigate, evaluate and adjudicate all third-party claims for which you may be legally obligated. Third-party claims will be managed and administered in accordance with our product guidelines.



**MAYOR AND ALDERMEN OF THE CITY  
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01/01/2018-01/01/2019

ADMINISTRATIVE SERVICES	Quantity	Rate	Estimated Annual Fee
<b>Administrative Services</b>			
Administration / Data Management			\$21,802
OSHA Reporting	1	\$4,500	\$4,500
Total Administrative Services			\$26,302
TOTAL			\$26,302



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01/01/2018-01/01/2019

**OTHER SERVICES**

SERVICES	CHARGES
RMIS - Additional Users	\$1,040 per user
OSHA Reporting	\$4,500 per year (Includes set-up, OSHA access & unlimited OSHA Logs and summaries)
<b>Taxes</b>	
Taxes	All applicable taxes will be added to the service fees where required

**PROGRAM SPECIFIC TERMS AND CONDITIONS**

**1. Claim Count Reconciliation:**

- Estimate - Fees will be reconciled and billed against the initial deposit No reconciliation.

**2. Billing and Payment Terms:** Fees will be billed Annually during the service period.

**3. Claim Pricing Terms:**

**Additional Charges:**

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- 2 Claim Review(s) - Telephonic
- Claim Reporting
- Loss Fund Account Mgmt/Banking Services (SIMMS)
- 0 RMIS User(s) - Full Access Included
- 3 RMIS User(s) - Full Access Additional User(s)
- Standard Analytics Reports
- Acknowledgement Letter to Injured Employee WC
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- Annual OSHA Services
- Data Transfer to Carrier(s)

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  - Medical Management - Medical Management services may include, but are not limited to:
    - Preferred provider organization networks
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    - Automated state fee scheduling
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    - Medical case management and Vocational rehabilitation network
    - Prospective injury management services
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