

Purchasing Summary

EVENT # 6494	TITLE: Workers' Compensation Administration Services	ESTIMATED COST OF: \$235,005
TYPE OF PROCUREMENT: RFP	ANNUAL CONTRACT <input checked="" type="checkbox"/> ANNUAL MAINTENANCE AGREEMENT <input type="checkbox"/>	ONE TIME PURCHASE <input type="checkbox"/>
CONTRACT TERM (IF APPLICABLE) Contract expires 02/24/2022		
DBE (IF APPLICABLE) N/A		
MATRIX (IF APPLICABLE)		

NOTES

Recommend renewal of annual contract for Third Party Administrator Adjusting Services for workers' compensation and auto liability claims with Gallagher Bassett(D) for up to \$235,005. The estimated amount includes a 2% increase per the approval of the original contract award in December 2018. However, even with the 2% fee per claim increase, the estimated cost of the contract reduced nearly \$ 35,000.00 due to recent years with lower claim counts and higher closure rates. Gallagher Bassett Services has produced great results in regard to claims handling and closure rates. The City of Savannah has its highest claim closure rate in a 10-year span. Gallagher Bassett's services are continuously needed to control workers' compensation costs for employees injured on the job and auto liability costs associated with City vehicles involved in collisions.

The method used for this procurement was the request for proposal, which evaluates criteria in addition to cost. Proposals were evaluated based on experience and technical competence, program management, coordination and quality assurance, capacity and functionality of claims management information systems, local participation and fees.

The original contract was awarded and approved by Council in December 2018. This is the second of four renewals.

Recommend Approval.