

**SECTION II**  
**Third Party Administration Services for**  
**Risk Management**  
**EVENT #1567**

**SCOPE OF WORK**

**2.0 Purpose:** The City of Savannah (the “City”) is seeking proposals from qualified firms to provide third party administration (TPA) services to ensure the prompt and equitable disposition of all Workers’ Compensation and Auto Liability claims. The City is seeking a quality claims service provider who is technically proficient, automated, flexible and effective with competitive pricing.

**2.1 Scope of Services:** The successful proposer shall provide the following services at a minimum:

**2.2 Overview:** The population of the City is approximately 138,000, with 2,600 municipal employees. In addition to providing governmental services, the City also operates an extensive Water and Wastewater Utility System.

The City is committed to a strong, pro-active safety and loss prevention program directed by the City’s Loss Control Coordinator and various active safety committees throughout the organization.

City-wide insurance and loss prevention activities are directed by the Risk Management Administrator, who reports to the Human Resources, Director.

The City is self-funded for all lines of coverage with the exception of Property and Excess Employer’s Liability for the worker’s compensation program. The City is a certified self-insured in the State of Georgia. The City utilizes the services of a third party claim administrator to assist in the delivery of services for this program and to ensure that it complies with all applicable state statutes.

**2.3 Risk Management:** The City’s Risk and Insurance Management Department has a staff of four (4) professionals, an administrator, claims analyst, one (1) loss control coordinator, and three (3) technicians. The administrator directs and oversees all workers compensation, automobile and general liability claims. This includes managing TPA and broker relationships, directing outside counsel, and coordinating in-house resources. The claims analyst and technicians work with the TPA and the day-to-day oversight and claims handling processes.

**2.4 Third Party Administration:** The City is looking to partner with a TPA that is committed to customer service. This TPA should have an understanding of the City’s business and a dedication to managing and caring for our employees in a

professional matter. The successful TPA will be committed to meeting or exceeding its best practices guidelines and will be continually looking for opportunities to improve processes even when such opportunities are not identified by the City. The TPA must utilize experienced claims adjusters who are effectively trained in all aspects of claim management including the information systems platform. The staff administering claims must maintain a mutually agreed upon caseload. Adjusters must have a demonstrated ability to effectively manage the claims in a timely and efficient fashion. The TPA must have demonstrated success in establishing a working relationship with an experienced, responsive, problem solving and dedicated Account Executive that will be attentive to our account needs.

**2.5 Proposal Format:** Proposals shall be submitted in the following format and include the following information.

- 1) **Account Management Structure** – Provide the contact information and resume of the proposed account manager for this program. Describe the specific roles and responsibilities of this individual and how these (1) benefit the City of Savannah and (2) how they differentiate you from your competitors.
- 2) **Quality initiatives** – Outline your company’s internal quality control initiatives to include the qualifications of the auditing staff, content utilized for the quality audits being performed, frequency of reviews/audits, what percentage of the City’s annual frequency will be reviewed and whether the results will be shared with the City. This section should also outline your company’s best practices for supervisory review and direction, the ratio of supervisors to adjusters and what percent, if any, of the City’s annual frequency will be reviewed by the account manager for compliance with best practices.
- 3) **Industry Segmentation** - Please outline your company’s experience with major public entities comparable to the City and describe in detail how your partnership has assisted in the overall reduction of their cost of risk.
- 4) **Loss Data** – Included with this RFP is loss analysis data for the City to assist you with submitting your proposal (See Attachment B). Please provide detail on how you would structure this program based on the City’s data. Please be specific to include which office locations would administer the claims, along with any recommendations you may have from an account management perspective based on your causal analysis of the loss data.
- 5) **Analytics** - Outline your company’s capabilities in providing relevant benchmarking data, claims analysis and other dynamic tools to support program administration.

- 6) **Managed Care** – Based on the loss data provided, please outline your recommendations for managed care services. Please be specific with respect to medical severity reviews, when nurse case management will review the files, the assignment process for nurse case management, etc.
- 7) **Implementation** - Describe the process, with time frames, for implementation should you be the successful candidate. Please include any team members that would assist in this process, along with the number of implementations that have been completed by each team member.
- 8) **Medical Bill Review/PPO** - Included with this RFP is a list of the top ten medical providers utilized by the City (See Exhibit A). Please review and advise (1) which medical providers are in your PPO and (2) the aggregate percentage discount that will be obtained through the continued use of these medical providers. Please list your company's 2011 and 2012 aggregate savings for medical bill review to include the total # of bills processed, the total billed, total paid and total savings amounts sorted by network and non-network providers. Please include a proportion of savings chart/table showing what percentage of the overall savings was from FS/U&C, PPO, duplicate charges and savings below FS/U&C and PPO.
- 9) **Claims Handling Specifications Questionnaire**– Included with this RFP is a list of claims handling specifications. (See Attachment A). Please respond as appropriate to the specifications.
- 10) **Fee Proposals** per instructions in Section III signed by responsible party.
- 11) **References:** Please provide the name, address and phone number of at least three current accounts and at least three references including name, address and phone number of past accounts.
- 12) **Proposed Schedule of Minority and Women owned Business Participation and Non-Discrimination Statement.**

**2.6 Basis of Award:** Proposals will be evaluated according to the following criteria and weight at a minimum:

- a) Specialized Experience and Technical Competence (30 points)
- b) Program Management, Coordination and Quality Assurance (20 points)
- c) Capacity and Functionality of Claims Management Information System (20 points)
- d) Fees (20 points)
- e) MWBE Participation goals (10 points)

Proposals shall be evaluated by a Selection Committee. The Selection

Committee may, at its option, request any or all proposers to interview with the Selection committee.

**2.7 Copies:** One (1) unbound, printed and signed original, one (1) electronic copy on CD or jump drive, and five (5) identical, printed copies of the proposal and supporting documents must be submitted in response to the RFP. All responses must relate to the specifications as outlined.

**2.8 Contacts:** Proposers must submit proposals in accordance with the instructions contained in this RFP. All requested information must be submitted with the proposal. Instructions for preparation and submission of proposals are contained in this package. All questions regarding this request for proposal should be submitted in writing and emailed to the person listed on the summary event page and below:

Joy M. Kerkhoff, Purchasing Director  
(912) 651-6427  
Email: [jkerkhoff@savannahga.gov](mailto:jkerkhoff@savannahga.gov)

Louisa Browne  
Risk Management  
(912) 651-6404  
Email: [lbrowne@savannahga.gov](mailto:lbrowne@savannahga.gov)

**2.9 Minority/Woman Business Enterprise Goals:** The City of Savannah has established a 22 % M/WBE goal for this project. The breakdown is as follows: 17% MBE, 4% Women Participation.

**2.10 Qualifications:** Each proposer shall submit a summary of their qualifications and experience. Additional information such as agency brochures, resumes, etc. may be submitted as appropriate.

**2.8 Term of Contract:** The City of Savannah anticipates the initial term of the awarded agreement shall be for one year from date of award with the option to extend the agreement for up to four additional consecutive one-year terms. Implementation will occur the first month of the initial term.

The City of Savannah reserves the option to extend the agreement for the optional extension periods. These extensions will be based upon acceptable vendor performance, and will be at the prices and/or rates and fees to be negotiated for the applicable optional extension period, subject to the terms and conditions of the executed agreement.

**2.9 Fees:** Proposer shall submit fees based on the detailed listing in Section 3 of the RFP. Fee proposals submitted must be the proposer's best and final offer. No clarification to fees will be requested after the closing date of the RFP.

### SECTION III

#### FEE PROPOSAL

I have read and understand the requirements of this request for proposal RFP Event #1567 and agree to provide the required services in accordance with this proposal and all attachments, exhibits, etc. The proposed fee shall include all labor, material and equipment to provide the services as outlined including any travel or per diem expenses and any other miscellaneous expense involved. The fee for providing the required service is:

***ALL PROPOSERS MUST BE REGISTERED SUPPLIERS ON THE CITY'S WEBSITE. PLEASE REGISTER AT WWW.SAVANNAHGA.GOV.***

#### **Pricing**

Pricing must include a listing of those allocated charges not included in your pricing. A detailed written explanation of your offer can be provided to support your position or plan. Complete parts I, II, and III.

#### **Part I: Claims Administration of New Claims and Runoff Claims.**

Propose the rate per claim for the initial term of the anticipated agreement, for each claim type below, for new claims, existing claims and runoff claims.

*New Claims.* The historical claims counts set forth in the appendices are a good indication of the future claims counts. Pricing quoted must be for "life of claim" services, also known as "cradle to grave" services in that a per claims charge is incurred one time and the claim is handled until closure.

*Runoff Claims.* The selected TPA may be required to accept and manage all existing claims, both open and closed, from the incumbent TPA. The selected TPA may be required to accept all existing claims, open and closed, for a period going back as far as 1999 or later.

<b>TYPE OF CLAIM</b>	<b>New Claims</b>	<b>Runoff Claims</b>
Worker's Compensation	<b><i>Flat Fixed Fee for Life of the Claim</i></b>	
Lost Time		
Medical Only		
Incident Only		
Subsequent Injury Trust Fund		

<b>TYPE OF CLAIM</b>	<b>New Claims</b>	<b>Runoff Claims</b>
Automobile Liability	<i>Flat Fixed Fee for Life of the Claim</i>	
Property Damage Claim		
Bodily Injury Claim		
Combined PD/BI		
Subrogation: Provide % of Recovery		
Incident Only		

## **PART II: DATA CONVERSION OF RUNOFF CLAIMS.**

Propose the data conversion rate per transfer of claims files for the initial term of the anticipated agreement, for each claim type for runoff claims. The rate should be based off of the historical number of claims, by type and location, set forth in the appendices provided.

The selected TPA will accept and electronic transfer of data for existing claims including: payment and reserve transactions, claims activity notes and claims data. The integrity of this data must be assured during the transfer process, and the ability to report historical valuations must be preserved.

- Data Conversion Rate: \$\_\_\_\_\_ Flat Fee Per Transfer Of A Runoff Claims File.

## **Part III: Other Allocated Costs.**

Propose the flat fee or rate, as applicable, for each of the following. The selected TPA contractor shall not invoice the client nor shall the client pay for review of any duplicated bill reviews.

- PPO Network: \$\_\_\_\_\_ Flat fee per non-duplicated bill review.
- Medical Bill Review: \$\_\_\_\_\_ Flat fee per non-duplicated bill review, or \$\_\_\_\_\_ flat fee per billed line item.
- Hospital bill audit: \$\_\_\_\_\_ Flat fee per non-duplicated bill review, or \$\_\_\_\_\_ flat fee per billed line item.
- Utilization review: \$\_\_\_\_\_ Per review, including pre-certification and concurrent ur during hospitalization.
- Telephonic case management: \$\_\_\_\_\_ Flat fee per claim.
- Field case management: \$\_\_\_\_\_ Per hour.
- Peer review: \$\_\_\_\_\_ per half-hour, to be billed in 15-minute increments.
- Administrative Fee: Annual flat fee of \$\_\_\_\_ ; OR

Percentage \_\_\_\_\_% of \_\_\_\_What? \_\_\_\_\_

- RMIS Fees: \$\_\_\_\_\_ Per Id or flat annual fee of \$\_\_\_\_\_ regardless of users. Please Outline Any Additional Fees Associated With Access To Your System And Report Writing Capabilities.
- Describe any other RMIS systems/reports, etc. and fees for each.
- Expected annual fee per claim increase of %\_\_\_\_\_after initial contract year.

**SUBMITTED BY:** \_\_\_\_\_

**PROPOSER:** \_\_\_\_\_

**SIGNED:** \_\_\_\_\_

**NAME (PRINT):** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**CITY/STATE:** \_\_\_\_\_ **ZIP** \_\_\_\_\_

**TELEPHONE:** ( \_\_\_\_\_ ) \_\_\_\_\_  
Area Code

**FAX:** ( \_\_\_\_\_ ) \_\_\_\_\_  
Area Code

**INDICATE MINORITY OWNERSHIP STATUS OF BIDDER (FOR STATISTICAL PURPOSES ONLY):**  
**CHECK ONE:**

- \_\_\_\_\_ **NON-MINORITY OWNED**
- \_\_\_\_\_ **AFRICAN AMERICAN**
- \_\_\_\_\_ **HISPANIC**
- \_\_\_\_\_ **WOMAN (non-minority)**

- \_\_\_\_\_ **ASIAN AMERICAN**
- \_\_\_\_\_ **AMERICAN INDIAN**
- \_\_\_\_\_ **OTHER MINORITY Describe** \_\_\_\_\_

## NON-DISCRIMINATION STATEMENT

The proposer certifies that:

- (1) No person shall be excluded from participation in, denied the benefit of, or otherwise discriminated against on the basis of race, color, national origin, or gender in connection with any bid submitted to the City of Savannah or the performance of any contract resulting therefrom;
- (2) That it is and shall be the policy of this Company to provide equal opportunity to all business persons seeking to contract or otherwise interested in contracting with this Company, including those companies owned and controlled by racial minorities, cultural minorities, and women;
- (3) In connection herewith, We acknowledge and warrant that this Company has been made aware of, understands and agrees to take affirmative action to provide such companies with the maximum practicable opportunities to do business with this Company;
- (4) That this promise of non-discrimination as made and set forth herein shall be continuing in nature and shall remain in full force and effect without interruption;
- (5) That the promises of non-discrimination as made and set forth herein shall be and are hereby deemed to be made as part of and incorporated by reference into any contract or portion thereof which this Company may hereafter obtain and;
- (6) That the failure of this Company to satisfactorily discharge any of the promises of non-discrimination as made and set forth herein shall constitute a material breach of contract entitling the City of Savannah to declare the contract in default and to exercise any and all applicable rights and remedies including but not limited to cancellation of the contract, termination of the contract, suspension and debarment from future contracting opportunities, and withholding and or forfeiture of compensation due and owing on a contract.

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Signature

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Title



**PROPOSED SCHEDULE OF M/WBE PARTICIPATION**

Name of Bidder/Proposer: \_\_\_\_\_ Bid No. \_\_\_\_\_  
 Project Title \_\_\_\_\_

Name of M/WBE Participant	Name of Majority Owner	Telephone	Address (City, State)	Type of Work Sub-Contracted	Estimated Sub-contract Value	MBE or WBE
					%	
					%	
					%	
					%	

MBE Participation Value: \_\_\_\_\_ %      Women Participation Value: \_\_\_\_\_ %

**Joint Venture Disclosure**

If the prime bidder is a joint venture, please describe below the nature of the joint venture and level of work and financial participation to be provided by the Minority/Female joint venture firm.

Joint Venture Firms	Level of Work	Financial Participation

Printed name (company officer or representative): \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Note: The Minority/Woman-Owned Business Office is available to identify qualified M/WBE's. Please contact the Office at (912) 651-3653. This form may be copied as needed. The City of Savannah has also posted a list of registered M/WBE's on its website @ [www.savannahga.gov](http://www.savannahga.gov).

## **Exhibits and Attachments**

Exhibit A – Panel of Physician’s List & Frequently Used Medical Providers

Attachment A – Claims Handling Specifications (Excel attachment)

Attachment B - Loss Data (Excel Attachment) for Workers Compensation  
and Automobile Liability

Attachment C – Panel Card

**Exhibit A**

**City of Savannah Panel of Physicians**

St. Joseph's Candler Health Ctr.  
Thomas Danello, M.D.  
William Kehler, M.D.  
4704 Augusta Road  
Garden City, GA 31408  
(912) 966-2366 Phone  
(912) 964-0594 Fax

Industrial Medicine  
George Haberman, M.D.  
John D. Carson, M.D.  
1903 Abercorn Street  
Savannah, GA 31401  
(912) 232-5169 Phone  
(912) 232-0048 Fax

St. Joseph's/ Candler  
Immediate Care Midtown  
361 Commercial Drive  
Savannah, GA 31406  
(912) 355-6221 Phone  
(912) 355-6914 Fax

Chatham Orthopedic Assoc.  
4425 Paulsen Street  
Savannah, GA 31405  
(912) 525-1312 Phone  
(912) 525-1320 Fax

Stephen C. Allen, M.D.  
Orthopedics/ Sports Medicine  
200 Commercial Ct, Suite 1  
Savannah, GA 31406  
(912) 692-0770 Phone  
(912) 692-0660 Fax

Southeastern Orthopedic Center  
210 East DeRenne Avenue  
Savannah, GA 31406  
(912) 644-5300 Phone  
(912) 644-6190 Fax

Georgia Institute  
For Plastic Surgery  
5361 Reynolds Street  
Savannah, GA 31405  
(912) 355-8000

Ophthalmology Associates  
2 Jackson Boulevard  
Savannah, GA 31405  
(912) 352-7941

Ricky Timms, M.D.  
310 Eisenhower Drive  
Building 3  
Savannah, GA 31406  
(912) 354-2104

## Exhibit A

### Frequently Used Medical Providers

Coastal Therapy  
1 E. Jackson Boulevard  
Savannah, GA 31045  
(912) 351-2224

Georgia Emergency Associates  
5 Executive Circle  
Savannah, GA 31406  
(912) 691-1533

Savannah Radiologist P.C.  
1 Johnston Street Suite 12  
Savannah, GA 31405  
(912) 352-9729

Atlantic Radiology Associates, LLC  
4700 Waters Avenue  
Savannah, GA 31404  
(912) 355-7088

Chatham Radiologists  
5354 Reynolds Street  
Savannah, GA 31405  
(912) 355-3642

St. Joseph's Hospital  
340 Eisenhower Dr. Building 1200  
Savannah, GA 31406  
(912) 352-0777

Candler Hospital  
5353 Reynolds Street  
Savannah, GA 31405  
(912) 819-6000

Memorial Medical Center  
4700 Waters Avenue  
Savannah, GA 31404  
(912) 350-8000