

PROFESSIONAL SERVICES AGREEMENT NO. 6360

Workers' Compensation Third-Party Administrator Services

THIS **Workers' Compensation Third-Party Administrator Services Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and CAS-Claims Administrative Services, Inc., dba Claims Administrative Services, Inc. ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide Workers' Compensation Third-Party Administrator Services in response to Request for Bid/Proposal No. 6360 ("RFB/RFP"), which RFB/RFP includes the required scope of work and all specifications and which RFB/RFP and the Contractor's bid or proposal response, as applicable, are incorporated by reference in this Agreement as Exhibits 1 and 2, respectively, as if each were fully set out here in its entirety.

NOW, THEREFORE, City and Contractor agree as follows:

1. **Scope.** Contractor shall provide Workers' Compensation Third-Party Administrator Services ("Services") in accordance with the attached Scope of Work, as shown in Attachment A, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety, and in accordance with Exhibit 2.

2. **Term.**

(A) The term of this Agreement is three years beginning on the date provided in the Notice to Proceed from the Contract Administrator or the City's Procurement Division. The parties may mutually renew the term of this Agreement for up to two additional one-year periods ("Option Period(s)"), provided, the parties do so in writing prior to the expiration of the original term or the then-current Option Period.

(B) At the end of the Term of this Agreement or the final Option Period, the Agreement may, at the request of the City prior to expiration of the Term or final Option Period, continue on a month-to-month basis for up to six months with compensation set based on the amount listed in Attachment B for the Term or the final Option Period. The Contractor may opt out of this continuing term by providing notice to the City at least 30 days prior to the expiration of the Term or final Option Period. During the month-to-month term, either Party may terminate the Agreement upon 30 days' written notice to the other Party.

3. **Compensation and Payment.** This Agreement is for an amount not to exceed \$675,000.00, subject to approved extensions and changes. Payment will be made for Services performed and accepted by the City within 30 days of acceptance,

subject to receipt of an acceptable invoice. All pricing must be in accordance with the attached Bid/Pricing Schedule, as shown in Attachment B, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety. Invoices must be mailed to the following address with a copy provided to the Contract Administrator:

City of Corpus Christi
Attn: Accounts Payable
P.O. Box 9277
Corpus Christi, Texas 78469-9277

- 4. Contract Administrator.** The Contract Administrator designated by the City is responsible for approval of all phases of performance and operations under this Agreement, including deductions for non-performance and authorizations for payment. The City's Contract Administrator for this Agreement is as follows:

Gilbert Sanchez
Risk Management Div. – Legal Dept.
Phone: (361) 826-3739
Email: GilbertS2@cctexas.com

5. Insurance; Bonds; License.

(A) Before performance can begin under this Agreement, the Contractor must deliver a certificate of insurance ("COI"), as proof of the required insurance coverages, to the City's Risk Manager and the Contract Administrator. Additionally, the COI must state that the City will be given at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies. The City must be named as an additional insured. The City Attorney must be given copies of all insurance policies within 10 days of the City Manager's written request. Insurance requirements are as stated in Attachment C, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

(B) In the event that a payment bond, a performance bond, or both, are required of the Contractor to be provided to the City under this Agreement before performance can commence, the terms, conditions, and amounts required in the bonds and appropriate surety information are as included in the RFB/RFP or as may be added to Attachment C, and such content is incorporated here in this Agreement by reference as if each bond's terms, conditions, and amounts were fully set out here in its entirety.

(C) Prior to beginning Services and work, Contractor must provide evidence of any valid professional license necessary for the performance of the Services under this Agreement.

6. **Standard of Care.** Contractor warrants that all Services will be performed in accordance with the standard of care used by similarly situated professionals performing the same or similar Services under an identical kind of professional license, if a license is required.
7. **Quality/Quantity Adjustments.** Any Service quantities indicated on the Bid/Pricing Schedule are estimates only and do not obligate the City to order or accept more than the City's actual requirements nor do the estimates restrict the City from ordering less than its actual needs during the term of the Agreement and including any Option Period. Substitutions and deviations from the City's product requirements or specifications are prohibited without the prior written approval of the Contract Administrator.
8. **Non-Appropriation.** The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30th annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in said budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does not represent that this budget item will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.
9. **Independent Contractor.** Contractor will perform the Services and work required by this Agreement as an independent contractor and will furnish such professional Services in its own manner and method, and under no circumstances or conditions will any agent, servant, or employee of the Contractor be considered an employee of the City.
10. **Subcontractors.** In performing the Services, the Contractor may use subcontractors in connection with the work performed under this Agreement. When using subcontractors, however, the Contractor must obtain prior written approval from the Contract Administrator unless the subcontractors were named in the bid or proposal or in an attachment to this Agreement, as applicable. In using subcontractors, the Contractor is responsible for all their acts and omissions to the same extent as if the subcontractor and its employees were employees of the Contractor. All requirements set forth as part of this Agreement, including the necessity of providing a COI in advance to the City, are applicable to all subcontractors and their employees to the same extent as if the Contractor and its employees had performed the work. The City may, at the City's sole discretion, choose not to accept Services performed by a subcontractor that was not approved in accordance with this paragraph.
11. **Amendments.** This Agreement may be amended or modified only in writing executed by authorized representatives of both parties.

- 12. Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
- 13. Taxes.** The Contractor covenants to pay payroll taxes, Medicare taxes, FICA taxes, unemployment taxes and all other applicable taxes. Upon request, the City Manager shall be provided proof of payment of these taxes within 15 days of such request.
- 14. Notice.** Any notice required under this Agreement must be given by fax, hand delivery, or certified mail, postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day after postmark if sent by certified mail. Notice must be sent as follows:

IF TO CITY:

City of Corpus Christi
Attn: Gilbert Sanchez, Risk Manager
Legal Dept. - Risk Management Div.
1201 Leopard St., Corpus Christi, TX 78401
Phone: (361) 826-3739
Fax: (361) 826-3697

IF TO CONTRACTOR:

CAS-Claims Administrative Services, Inc.
Attn: Dan Campbell, Executive Vice President
501 Shelley Dr., Tyler, TX 75701
Phone: (903) 509-8485 ext. 5745
Fax: (903) 509-1888

- 15. CONTRACTOR SHALL FULLY INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY OF CORPUS CHRISTI AND ITS OFFICERS, EMPLOYEES AND AGENTS ("INDEMNITEES") FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, CLAIMS, DEMANDS, SUITS, AND CAUSES OF ACTION OF WHATEVER NATURE, CHARACTER, OR DESCRIPTION ON ACCOUNT OF PERSONAL INJURIES, PROPERTY LOSS, OR DAMAGE, OR ANY OTHER KIND OF INJURY, LOSS, OR DAMAGE, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, ATTORNEYS' FEES AND EXPERT WITNESS FEES, WHICH ARISE OR ARE CLAIMED TO ARISE OUT OF OR IN CONNECTION WITH A BREACH OF THIS AGREEMENT OR THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR OR RESULTS FROM THE NEGLIGENT ACT, OMISSION, MISCONDUCT, OR FAULT OF THE CONTRACTOR OR ITS EMPLOYEES OR AGENTS. CONTRACTOR MUST, AT ITS OWN EXPENSE, INVESTIGATE ALL CLAIMS AND DEMANDS, ATTEND TO THEIR SETTLEMENT OR OTHER DISPOSITION, DEFEND ALL ACTIONS BASED THEREON WITH**

COUNSEL SATISFACTORY TO THE CITY ATTORNEY, AND PAY ALL CHARGES OF ATTORNEYS AND ALL OTHER COSTS AND EXPENSES OF ANY KIND ARISING OR RESULTING FROM ANY SAID LIABILITY, DAMAGE, LOSS, CLAIMS, DEMANDS, SUITS, OR ACTIONS. THE INDEMNIFICATION OBLIGATIONS OF CONTRACTOR UNDER THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

16. Termination.

(A) The City may terminate this Agreement for Contractor's failure to comply with any of the terms of this Agreement. The City must give the Contractor written notice of the breach and set out a reasonable opportunity to cure. If the Contractor has not cured within the cure period, the City may terminate this Agreement immediately thereafter.

(B) Alternatively, the City may terminate this Agreement for convenience upon 30 days advance written notice to the Contractor. The City may also terminate this Agreement upon 24 hours written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement.

17. Limitation of Liability. The Contractor's maximum liability under this Agreement is limited to the total amount of errors and omissions coverage stated in Attachment C to this Agreement. In no event shall the Contractor be liable for incidental, consequential, or special damages.

18. Assignment. No assignment of this Agreement by the Contractor, or of any right or interest contained herein, is effective unless the City Manager first gives written consent to such assignment. The performance of this Agreement by the Contractor is of the essence of this Agreement, and the City Manager's right to withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.

19. Severability. Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to applicable law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.

20. Order of Precedence. In the event of any conflicts or inconsistencies between this Agreement, its attachments, and exhibits, such conflicts and inconsistencies will be resolved by reference to the documents in the following order of priority:

- A. this Agreement (excluding attachments and exhibits);
- B. its attachments;

- C. the bid solicitation document including any addenda (Exhibit 1); then,
- D. the Contractor's bid response (Exhibit 2).

- 21. Certificate of Interested Parties.** Contractor agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and to complete Form 1295 "Certificate of Interested Parties" as part of this Agreement if required by said statute.
- 22. Governing Law.** Contractor agrees to comply with all federal, Texas, and City laws in the performance of this Agreement. The applicable law for any legal disputes arising out of this Agreement is the law of the State of Texas, and such forum for such disputes is the appropriate district or county court in Nueces County, Texas. In accordance with Chapter 2271, Texas Government Code, Contractor verifies that Contractor does not boycott Israel and will not boycott Israel during the term of this agreement. In accordance with Chapter 2274, Texas Government Code, Contractor verifies that Contractor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or fire trade association. In accordance with Chapter 2276, Texas Government Code, Contractor verifies that Contractor does not boycott energy companies and will not boycott energy companies during the term of this agreement.
- 23. Public Information Act Requirements.** This paragraph applies only to agreements that have a stated expenditure of at least \$1,000,000 or that result in the expenditure of at least \$1,000,000 by the City. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the Contractor agrees that the contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.
- 24. Entire Agreement.** This Agreement constitutes the entire agreement between the parties concerning the subject matter of this Agreement and supersedes all prior negotiations, arrangements, agreements and understandings, either oral or written, between the parties.

CONTRACTOR

Signature: 
Daniel Campbell (Jun 20, 2025 13:41 CDT)

Printed Name: _____

Title: Executive Vice President

Date: _____

CITY OF CORPUS CHRISTI

Sergio Villasana
Director of Finance & Procurement

Date: _____

Attached and Incorporated by Reference:

Attachment A: Scope of Work
Attachment B: Fee/Bid/Pricing Schedule
Attachment C: Insurance and Bond Requirements
Attachment D: Warranty Requirements

Incorporated by Reference Only:

Exhibit 1: RFB/RFP No. 6360
Exhibit 2: Contractor's Bid/Proposal Response

Attachment A - Scope of Work

1.1. General Requirements

- A. The City of Corpus Christi is seeking qualified Contractor/Third-Party Administrator (TPA) to provide professional claim services to the Risk Management Division for its self-funded workers' compensation program. The City has administered its self-funded program for over 20 years and is currently contracted with Tristar for TPA services in full compliance with the State's Governmental Accounting Standards (GASB 10) requirements.

The City's Managed Care Provider workers' compensation injuries is Injury Management Organization (IMO) contracted by TRISTAR under its 504 network.

- B. The City of Corpus is a home-rule city which operates under the Council Manager form of government. The City provides a full range of municipal service as prescribed by statute or charter. These services include police, fire and emergency medical services, parks and recreational facilities, library services, street maintenance and construction, public improvements, water and wastewater utilities, solid waste and landfill, marina, airport operations and gas utilities services and systems. The City of Corpus Christi employs 3,433 full-time employees, 30 part-time, and 145 City temporary/seasonal. This number reflects 479 firefighters and 488 police officers.
- C. The City of Corpus Christi's self-retention for workers' compensation is \$1,000,000. The City's excess carrier provides the excess workers' compensation policy up to statutory limits.
- D. The Contractor must provide a broad representation of medical providers in its proposed workers' compensation health care network, to include vetted treating physicians, clinics, specialists, physical therapists, rehabilitation services, and pharmacies.
- E. The City of Corpus Christi maintains the right to bundle or unbundle services proposed in the RFP.
- F. The Contractor shall indemnify, defend, and hold harmless the City of Corpus Christi from all fines and penalties levied against the City, TPA, or TPA subcontractors for TPA's failure to comply with federal and state

requirements. In no way will selected TPA pass cost on to the City or cause the City to be responsible for fines or fees levied against the TPA or any subcontractor.

- G. The TPA will indemnify the City of Corpus Christi for all overpayments and duplicate payments. Any overpayments and duplicate payments must immediately be reimbursed to the City.
- H. The TPA shall prepare and file with appropriate state agencies the forms required for the City to maintain its qualifications as a self-insured political subdivision, as authorized under the State Labor Code, Chapter 504, unless otherwise advised by the Safety and Risk Manager.
- I. The TPA will assume the role and responsibilities of the City's Reporting and Recovery Agent pursuant to the Medicare, Medicaid, SCHIP Extension Act (MMSEA) 2007 42 USCA Section 1395, amended. The TPA will prepare and submit all queries and quarterly reports to the Center for Medicare and Medicaid Services (CMS) in accordance with the (MMSEA) act at no additional cost to the City including, but not limited to:
 - 1. Timely responding to each Conditional Payment Notice (CPN) and each Conditional Payment Letter (CPL) and Conditional Payment Response (CPR) received from the Conditional Repayment Center (CRC) and take all necessary actions accordingly.
 - 2. Timely investigate and respond to each recovery demand letter issued by the CRC and take all necessary action thereto.
 - 3. Investigate all notices and demands received from the CRC to determine whether the claims listing of all line items and services paid are related to the City employee workers' compensation claim.
 - 4. Timely dispute any line item and services that are not related to City of Corpus Christi employees.
 - 5. Handle negotiations with either the Benefits Coordination Recovery Center or the CRC as appropriate.
 - 6. Submit payment when appropriate and take all necessary actions thereto.
 - 7. Keep City apprised of all CPNs, CPLs, and appeals with action taken.

- J. The Loss information is in Exhibit A, through fiscal year 2024.
- K. Notwithstanding the existence of mutual options, the contractor has indicated it will honor pricing for these services totaling \$225,000 (\$210,000-CAS/\$15,000-IMO) annually for up to a total of five years effective October 1, 2025.

1.2 Scope of Work

A. Workers' Compensation TPA Program Requirements/Responsibilities

1. The Contractor shall assign an account team to be available 90 days prior to the start of the contract to ensure a smooth transition with the current Contractor. The team is expected to be responsive daily to the City's administrative needs and data reporting needs.
2. The Contractor's account team must include:
 - a. One senior account executive with at least 5 years' public entity experience.
 - b. One dedicated senior workers' compensation adjuster to handle indemnity claims with at least five years of experience in workers' compensation, with experience in insurance matters for municipalities handling no more than 150 open indemnity claims.
 - c. One qualified, dedicated medical only claims adjuster handling maximum of 300 medical only claims.
 - d. One claims supervisor with at least 10 years supervisory public entity experience.
 - e. All dedicated adjusters to the City of Corpus Christi account shall maintain proper adjuster licensing requirements as required by the Texas Department of Insurance.

Also, it is equally important to provide a list of back-up personnel detailing, title, position, license and other designations should this be required. Contractor will replace any member of the account team who has departed for any reason with a permanent replacement named no later than 30 days after separation with equal or greater experience.

3. The Contractor shall provide a list of all servicing personnel on this account with a current resume of the designated adjuster(s) and backup adjuster who will handle City claims. Any additional personnel to be involved in City claims handling at a later date should have a resume submitted for prior consultation with the City.
4. In the event an assigned adjuster be unable to perform the assigned duties satisfactorily as determined by the City, immediate replacement of such adjuster is required. The City's Risk Manager will be consulted in decisions regarding adjusters who will be handling City claims.
5. The Contractor's hours of operation will be Monday through Friday 8:00 a.m. to 5:00 p.m.
6. The Contractor will collect and report data as required by federal, State and local authorities, for the purpose of income filings for those claim payments made by the Contractor and in accordance to best claims adjusting practice.
7. The Contractor shall provide a full range of workers' compensation claims administration services in accordance with all requirements of the Texas Labor Code, Texas Insurance Code, Texas Department of Insurance Administrative Rules, and the Texas Workers' Compensation Act.
8. All administrative fines, fees and legal expenses levied by the Texas Department of Insurance, or any other regulatory body for any matters under the Contractor's control for failure to comply with the Texas Workers' Compensation Act and related rules shall be handled and paid by the Contractor.
9. The Contractor shall follow all rules applicable to HIPPA and any other similar law.
10. The Contractor shall act as the City's designated Reporting Agency for Section 111: Mandatory Reporting for Medicare and Medicaid Extension Act of 2007.

B. Medical Cost Containment must include the following services within their 504 Network and shall treat employees in accordance with the Official Disability Guideline:

1. Medical Case Management
2. Utilization review (prospective, concurrent, retrospective and pre-procedure)
3. Pre-authorization services
4. Medical bill audits
5. Rehabilitation services and work hardening services
6. Vocational case management services
7. Telephonic case management
8. On-line computer services
9. Impairment ratings/review
10. Run-off (per-claim basis)
11. Run-in (per-claim basis)
12. Re-opened prior (per-claim basis)
13. Peer review
14. Attendance at mediation hearings
15. Surveillance

C. Pharmacy Benefit Management (PBM) must include the following services

1. Audit and pay pharmacy bills in accordance to TDI-DWC fee guidelines or special discounts negotiated with the providers.
2. Provide bill review, utilization review (prospective, concurrent, retrospective, pre-procedure) peer review, pre-authorization, and other workers' compensation PBM services as requested and approved by the City for non-network claims.

3. Implement early medication intervention protocols where medication peer panel reviews are done.
4. Monitor appropriateness of prescription(s) necessity, and continuation prescription use in relation to the compensable injury.
5. Review pharmacy bills for irregularities, overlapping dates of service, unrelated fees, and upcoding.
6. Comply with all rules and regulations promulgated by the Commissioner of Workers' Compensation and all requirements pursuant to the Texas Workers' Compensation statute.
7. Provide monthly reporting, analysis, trends and improvement opportunities.

D. Risk Management Information System Requirements (RMIS)

1. The Contractor will provide an on-line, web/cloud based computer claims services and tracking system to the City that includes, but is not limited to, diary narrative, supervisor and adjuster notes, and electronic access to claims files. The claims system must have a standard statistical reporting package.
2. The Contractor must identify and proceed to correct any problems of inoperative software immediately upon notification by the City.
3. The claims system must be capable of generating IRS Form 1099 to vendors and service providers as required by the Internal Revenue Code. The Contractor will forward the Forms 1099 as required by applicable law to the IRS electronically or magnetically based on IRS guidelines.
4. The claims system must be able to provide special/customized reports, and the City must be provided access to all claims data with the capability to generate its own reports when needed. The claim breakdown is to include, but not be limited to department; accident type; worker's compensation class code, claimant age, gender and occupation; claim severity; line of coverage; claimant experience level; time of day, week and year of accident; and type of equipment involved.

5. Should a claims data conversion be required, Contractor shall accurately convert all claims data and electronic imaging from the system of the current vendor into useable claims files and provide the City access to all data no longer than one month from the beginning of the contract period.
6. The claims system must allow the City to enter the first report of injury electronically. The City will designate its authorized personnel by department and Contractor shall be updated monthly.
7. All claims are to be electronic/paperless.
8. The Contractor shall scan and attach all claim documents to the electronic claim. Physical storage for historical workers' compensation claim files must be provided.
9. The Contractor must have a comprehensive business continuity/disaster plan for data recovery in order to continue daily operations.
10. The Contractor will utilize the same injury codes, classification codes and departmental codes as the City's current system and recommended by the City's payroll consultant.

E. Banking/Fund Requirements

1. The City will make funds available that the Contractor may draw from for indemnity and medical claims and/or loss or expense payments. The City will hold all funds for outstanding claims and reserves. A loss fund will be maintained in an amount agreeable to the Contractor and to the City.
2. All payments made shall be made by issuance of checks from the designated City-administered checking account established at the City's depository bank. The Contractor shall electronically transmit a check register to the City's Financial Services Department on a monthly basis. Such check register shall be transmitted by the Contractor no later than the second business day of the month following the month to which the check register refers. Weekly check runs, flash reports and new claims report shall be made in timely fashion and submitted to the budget analyst and Risk Manager every Monday morning prior to 12:00 p.m.
3. The Contractor shall transmit, via email, the check number, check amount and date of the check to the City's depository before a

check is mailed. In lieu of issuing stop payment requests, the Contractor shall void the check with the City's depository so that the request to deny payment remains in effect indefinitely. For each voided check the Contractor shall transmit to the City's depository via electronic file transfer the check number, check amount and the date of the check.

4. The City shall be responsible for balancing and reconciling this account monthly, including processing of all unclaimed checks.
5. The Contractor will advise the City at least quarterly on the status of outstanding checks so that the Contractor may determine whether payment(s) to any payee should be voided and reissued or be processed as unclaimed property.
6. Duplicate payments of any type which are unrecovered by the Contractor shall be reimbursed to the City by the Contractor.
7. The Contractor will furnish the City with monthly summaries of the bank account and expenditures, including a list of all checks, vouchers and voided checks, in numerical sequence. The summaries must include the following:
 - a) Claimant Name and Claim Number
 - b) Date of Issue
 - c) Amount
 - d) Payee
 - e) Type of Benefit Paid
 - f) Benefit Period
8. The Contractor will review open reserves with the City's Risk Manager monthly.
9. The Contractor will be subject to the approval of the excess workers' compensation insurance company, if requested by the excess insurer, as maybe applicable.

F. Claims Administration

1. The Contractor will provide claims reporting services on a 24-hour basis.
2. Contractor shall contact the claimant and create a file within one working day from receipt of the initial report.
3. The Contractor agrees to use investigative forms provided by the City, or otherwise may furnish the forms to the City as may be necessary.
4. The Contractor will investigate, reserve, adjust, settle or decline all reported claims in accordance with state workers' compensation statutes and best claims adjusting practices.
5. All claims reported under the contract, including records only, medical only, indemnity claims, and subrogation will be administered until fully settled, regardless of the period of time involved or required, in accordance with the fee structures indicated in the contract for services. Approval of the City's Risk Manager is required before discounting any subrogation lien.
6. Contesting the decision of any hearing officer requires the approval of the City's Risk Manager.
7. The Contractor shall assign a reported claim to an adjuster within 24 hours of the Contractor's receipt of notice of injury.
8. The assigned adjuster will contact, or attempt to contact, all claimants within 24 hours of receiving notice of claim assignment.
9. The Contractor will contact the injured employee's department and medical provider within two business days of notification of an injury.
10. The Contractor will obtain recorded statements from claimants within two (2) business days of notification of injury. In addition, the Contractor will obtain recorded statements from any witness when there is any lost time involved in the claim.
11. The Contractor will advise the City prior to denying any claim or prior to final disposition of any claim settlement that is outside the settlement authority granted to the Contractor by the City. Any request for settlement authority or declinations will be submitted in writing to the City with the following information:
 - a) A description of the facts and nature of the incident

- b) A description of the damages and/or injuries
 - c) An evaluation of the incident
 - d) The claimant's demand
 - e) The amount for which authority is requested
12. The City will reserve the right to direct the handling of any claim or to take over the handling of any claim at any time during the life of the service agreement and/or the life of the claim only when necessary.
 13. The Contractor will monitor medical treatment of injured employees and obtain appropriate medical reports.
 14. On all claims reserved in excess of \$50,000, periodic written reports, at least bi-monthly, will be provided by the Contractor/TPA to City accompanied by any pertinent file materials. As an alternative, Contractor/TPA shall have the ability to submit reports electronically through the Information System (IS).
 15. The Contractor will keep all open claims on a current diary system, which provides for periodic review by the assigned adjuster. Each file shall be reviewed and updates as necessary, but not less than once every 30 days.
 16. The Contractor will audit medical, hospital and miscellaneous invoices prior to approving for payment.
 17. The City will retain the right to select its own medical service providers, as well as others utilized for special claims handling procedures, inclusive of internal medical resources; i.e., nurse practitioners.
 18. The Contractor will authorize medical treatment and indemnity benefits considered related, customary and necessary, issue checks or authorize payments for treatment and benefits. The payment of indemnity and medical benefits must be in accordance with the express authorization issued by the City to the Contractor.
 19. The Contractor will conduct an on-site investigation of any claim at the request of the City within 24 hours of receiving the first notice of loss. At the discretion of the City, claims with severe loss potential will be investigated on the same day the claim is reported.

20. The Contractor will prepare and provide the City with narrative reports for serious or contested injuries, when appropriate and as requested by the City.
21. The Contractor will be alert and aggressively pursue subrogation, excess insurance reimbursement and third-party liens and make every effort to secure and pursue the City's rights of recovery.
22. The Contractor shall prepare and maintain files necessary for legal defense of claims or litigation.
23. The Contractor shall report all indemnity claims to the Index Bureau upon file creation at no charge to the City with a copy to the file.
24. The Contractor will negotiate settlement with injured employees, their attorney or representatives within the discretionary settlement authority.
25. The Contractor will consult with the City and defense attorneys in the settlement of litigated claims, and provide and monitor files for the defense and outcome of these litigated claims.
26. The Contractor may assist in the recommendation and selection of defense attorney(s); however, the City will retain the right to select the attorney(s) it chooses.
27. The Contractor will be available to assist in the development and/or implementation of written procedures and instructions to assure quality and ongoing operation of the City's claims management program.
28. Medical Claims shall be reviewed by the handling claims adjuster and supervisor every 30 days for possible closure.
29. Reserves will be reviewed by Claims Supervisor every 90 days and adjusted according to claim development.
30. Reserves for death benefit claims shall be approved by the Safety and Risk Manager.
31. Approval from the Safety and Risk Manager will be required for surveillance, life expectancy plans and vocational rehabilitation.

32. Contractor shall adhere by the Salary Continuation policies of the City for Police and Fire uniformed personnel.
33. Contractor shall notify and provide the injured employee with an explanation of Temporary Benefits (TIBS), Impairment Income Benefits (IIBS), Supplemental Income Benefits, Lifetime Income Benefits (LIBS) and Death Income Benefits (DIBS) as applicable.
34. Contractor shall request review of all impairment ratings over 10% and notify the City of all impairment ratings above 15%.
35. Contractor shall allow the City the opportunity to participate in regular training sessions or seminars held for its servicing personnel.
36. Upon expiration or termination of the contract resulting from this RFP, within 30 days of the City's request, at no additional cost to the City, the current Contractor shall provide the new Contractor with all data requested by the City.
37. Contractor will meet with the City's Safety and Risk Manager at a location of the City's choosing at least quarterly to review the status and/or handling of all open claims and any other matters at the discretion of the City. An annual stewardship meeting will also be conducted.
38. Contractor shall cooperate and comply with the City, the City's Insurance Broker of Record, City Liability claims adjusters/attorneys, the excess insurance carrier and Actuarial Consultant. Contractor shall respond to inquiries within one business day.
39. The Contractor will notify the City's Risk Manager via email within 48 hours that a Benefit Review Conference or Contested Case Hearing has been scheduled.

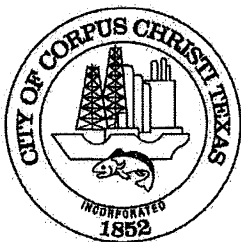
1.3 Quality Control

- A. Contractor must have policies and procedures in place to ensure and measure internal quality control. The policies and procedures should address all aspects of the claims handling process, including, but not limited to:
 1. Claims adjuster/supervisor caseloads for employers' liability and workers' compensation
 2. Claims file documentation requirements

3. Web-based training program upon request
 4. Investigation and communication
 5. Initial contact with injured employee
 6. Recorded statements
 7. Reserving guidelines
 8. Frequency of reviews of open claim reserves
 9. Diary system maintained for all claim activities
 10. Frequency of supervisor's review of each adjuster's claim files
 11. Frequency of follow-up contacts with workers' compensation lost-timeclaimants
 12. Subrogation procedures
 13. Litigation/attorney management
 14. Expense controls of other vendors
 15. Special investigation or surveillance procedures
 16. Compliance with excess insurance reporting requirements
 17. General client servicing requirements and guidelines
 18. Index bureau query and reporting guidelines
- B. Contractor will furnish administration with best practice operation manuals, including instructions and forms within 30 days following the effective date of the awarded contract.

1.4 Quality Assurance

The Contractor will be subject to periodic claims audits by an independent firm at the discretion of the City. The purpose of such an audit is to measure compliance with the agreed-upon claims administration servicing standards desired by the City.



Attachment B - Bid/Pricing Schedule

CITY OF CORPUS CHRISTI

Pricing Form

CONTRACTS AND PROCUREMENT

RFP No. 6360

Workers' Compensation Third-Party Administrator Services

PAGE 1 OF 2

DATE: 4/16/2025

CAS-Claims Administrative Services

PROPOSER

[Signature]
AUTHORIZED SIGNATURE

1. Refer to "Instructions to Proposers" and Contract Terms and Conditions before completing proposal.
2. Provide your best price for each item.
3. In submitting this proposal, Proposer certifies that:
 - a. The prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other Proposer or competitor, for the purpose of restricting competition with regard to prices.
 - b. Proposer is an Equal Opportunity Employer; and the Disclosure of Interest information on file with City's Contracts and Procurement office, pursuant to the Code of Ordinances, is current and true.
 - c. Proposer has incorporated any changes issue through Addenda to the RFP in this pricing.

*504 Network Pricing Option

Item	Description	Unit	Fee
Workers' Compensation			
1	Indemnity	Per claim	\$ Quoting flat fee
2	Medical - Only	Per claim	\$ Quoting flat fee
3	Report - Only	Per claim	\$ Quoting flat fee
Run-Off Cost			
4	Indemnity	Per claim	\$ Quoting flat fee
5	Medical - Only	Per claim	\$ Quoting flat fee
6	Other	Per claim	\$ Quoting flat fee
Run-In Cost			
7	Indemnity	Per claim	\$ Quoting flat fee
8	Medical - Only	Per claim	\$ Quoting flat fee
9	Other	Per claim	\$ Quoting flat fee
10	Medical Case Management	Per claim	\$95.00/100 + Mileage
11	Utilization Review Services	Per claim	\$170
12	Medical Bill Audits	Per claim	\$9.50 \$9.00 1
13	Use of 504 Physician Panel Network	Per claim	\$350* includes 3 hours of TCM \$150*
14	Rehabilitation Services	Per claim	\$95

Item	Description	Unit	Fee
15	Vocational Case Management Services	Per claim	\$95.00
16	Return to Work/Medical Provider Programs	Per claim	\$Included in Access Fee
17	Online Computer Services	Per claim	\$Included
18	Attending DWC Hearings(BRC and CCH)	Per claim	\$See Note
19	Attending Mediation Hearings	Per claim	\$At Cost
20	Impairment Rating Review	Per claim	\$350
21	Pursuing Subrogation	Per claim	\$See Note
22	Re-open prior claims	Per claim	\$Quoting flat fee
23	Peer Review	Per claim	\$270 + provider fee
24	Attorney Fees	Per claim	\$At cost
25	Precertification	Per claim	\$Included in UR Fee
	Administrative Fee	12 months	\$Quoting flat fee
Optional Flat Annual Fee (in lieu of all costs and fees shown above)			\$210,000 for items 1-9

Additional Cost Containment Services Offered

E-Intelemed Early Intervention \$150.00 per call

Retrospective Review \$165.00 per request

IRO \$170.00 per request

DD's and RME's \$375.00 per request

Liability Medical Assessments Cost as quoted above + 2% of Medical Cost Savings Not to Exceed\$1,000)

Pharmacy Benefit Manager: 9% of savings

*The assigned adjuster will handle BRC and CCH hearings at no additional cost. For more complex cases that require and attorney, the file will be charged at cost.

*The majority of cases are handled in-house by the CAS Adjuster at no additional cost. For more complex cases, an outside vendor or attorney may be hired at a percentage of recovery, which is allocated to the file at cost.

Option 1-504 With IMO

CAS is confident that we can provide your injured employees the best possible services while simultaneously controlling costs by utilizing a comprehensive, custom-designed self-insured program. CAS' efforts to accomplish this goal are driven by taking a preemptive approach to safety and claims handling. This approach has resulted in the successful retention of 98% of our clients since program inception.

SERVICES & FEES	
Annual Flat Fee	\$210,000
Bill Review	\$9.00 per bill
Annual Administration Fee	\$15,000
504 Healthcare Network	\$150 \$400 per claim filed

PRICING INCLUDES

- | | | |
|---|--|--|
| <ul style="list-style-type: none"> ✓ Claim Setup ✓ Initial contact with claimant ✓ Initial contact with insured ✓ Initial contact with doctor ✓ Faxes ✓ Photocopying ✓ Photographs ✓ Telephone ✓ Mail ✓ Filing of 1099's ✓ Airfare, except extraordinary ✓ Loss runs ✓ Optimum Care Program ✓ Setting IME appointments ✓ Administering benefits timely ✓ Annual reports | <ul style="list-style-type: none"> ✓ Check stock & Issuing checks ✓ Regular meetings with client ✓ Reports ✓ Litigation management ✓ Travel expenses ✓ Communication with employee ✓ Mileage, except extraordinary ✓ Express mail, except extraordinary ✓ Obtain records, except extraordinary ✓ Communication with doctor ✓ Visits by adjuster ✓ Recorded statements ✓ Filing state forms timely ✓ Subrogation management | <ul style="list-style-type: none"> ✓ Answering WC legal questions ✓ Supervisor review of claims ✓ Monitoring medical treatment ✓ Reviewing claims with clients ✓ Excess carrier reporting ✓ Compliance with EDI Requirements for Insurance Carrier 504 Network Admin Includes: ✓ Network Access ✓ TCM for Medical Only & Lost Time Claims ✓ Complaint Process ✓ Appeal Process ✓ TDI Data Call ✓ Quality Improvement Plan ✓ Provide Direct Credentialing/Contracting |
|---|--|--|

ALLOCATED EXPENSES

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> ✓ Attorney fees ✓ Court costs ✓ Medial opinions ✓ Independent Medical Examination ✓ Cost of surveillance ✓ Cost of employing experts' testimony ✓ Witness fees ✓ Witness travel expenses ✓ Interest paid as result of litigation | <ul style="list-style-type: none"> ✓ Cost for obtaining/copying of public/medical records ✓ Cost for photography, preparation of maps, diagrams, or physical analysis ✓ Cost for property damage appraisal fees ✓ Cost for auto damage appraisal fees ✓ Cost associated with bank account or its' maintenance | <ul style="list-style-type: none"> ✓ Extraordinary travel expenses incurred by CAS ✓ Cost associated with occupational rehabilitation ✓ Medical case management ✓ Pre-authorization or utilization ✓ Peer Review ✓ Risk Services ✓ Subrogation recovery (% of recovery) ✓ Specialty bill review |
|--|--|---|

Attachment C - Insurance Requirements

- A. Contractor must not commence work under this agreement until all insurance required herein has been obtained and approved by the City's Risk Manager. Contractor must not allow any subcontractor to commence work until all similar insurance required of the subcontractor has been so obtained.
- B. Contractor must furnish to the City's Risk Manager and Contract Administrator, two (2) copies of Certificates of Insurance with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. The City must be listed as an additional insured for the General Liability and Auto Liability policies **by endorsement**, and a waiver of subrogation is required on all applicable policies. **Endorsements** must be provided with Certificate of Insurance. Project name and/or number must be listed in Description Box of COI.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-written day notice of cancellation, required on all certificates or by applicable policy endorsements.	Bodily Injury and Property Damage Per occurrence - aggregate
PROFESSIONAL LIABILITY (Errors and Omissions)	\$1,000,000 Per Claim (Defense costs not included in face value of the policy) If claims made policy, retro date must be prior to inception of agreement, have extended reporting period provisions and identify any limitations regarding who is insured.
CRIME/EMPLOYEE DISHONESTY Contractor shall name the City of Corpus Christi, Texas as Loss Payee	\$1,000,000 Per Occurrence

Additional Requirements -

- A. The Professional liability and Crime coverage through a licensed insurance company must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers'

compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Contractor will be promptly met. An All States endorsement shall be required if Contractor is not domiciled in the State of Texas.

- B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.
- C. Contractor shall be required to submit replacement Certificate of Insurance to City at the address provided below within ten days of any change made by the Contractor or as requested by the City. Contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Management
P.O. Box 9277
Corpus Christi, TX 78469-9277

- D. **Contractor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**
 - 1. List the City and its officers, officials, employees, and volunteers, as additional insureds by endorsement with regard to operations, completed operations and activities of or on behalf of the named insured performed under contract with the City, with the exception of the workers' compensation policy.
 - 2. Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
 - 3. Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
 - 4. Provide 30 calendar days advance written notice directly to City of any cancellation, non-renewal, material change or

termination in coverage and not less than ten calendar days advance written notice for nonpayment of premium.

- E. Within five calendar days of a cancellation, non-renewal, material change or termination of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- F. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this contract.
- H. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by the City of Corpus Christi for liability arising out of operations under this contract.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

2025 Insurance Requirements Exhibit
Legal Dept./Risk Management
Worker's Compensation TPA Services
2/3/2025 Risk Management – Legal Dept.

Attachment D - Warranty Requirements

"No warranty required for this Agreement."