



AGENDA MEMORANDUM

Future Item for the City Council Meeting of September 19, 2017
Action Item for the City Council Meeting of September 26, 2017

DATE: September 19, 2017

TO: Margie C. Rose, City Manager

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Workers' Compensation Third-Party Administrator Services

CAPTION:

Motion authorizing the City Manager or designee to execute a service agreement with York Risk Services Group, Inc. of Parsippany, New Jersey for workers' compensation third-party administrator services in accordance with Request for Proposal (RFP) No. 1133, based on best value for a total amount not to exceed \$132,000, budgeted in FY2017-18. The term of this agreement is for one year with option to extend for up to four additional one-year periods, subject to the sole discretion of the City, with a total potential multi-year amount of up to \$660,000.

PURPOSE:

This service provides administrative services of all of the City's workers' compensation claims.

BACKGROUND AND FINDINGS:

The City of Corpus Christi is self-insured for injuries that City employees suffer on the job as part of our workers' compensation program. The third-party administrator (TPA) is contracted to provide statutorily required workers' compensation benefits to City employees. The TPA is also responsible for the management of all services required in the administration of workers' compensation claims. Services include but are not limited to claims administration, investigation, bill review, pharmacy, case management, rehabilitation services, coordination of peer and designated doctor reviews and pre-authorization (pre-certification).

The TPA will store claims' data electronically, thus allowing Risk Management to generate

analytical reports which illustrate specific trends. The reports are used to identify the types of injuries that are occurring, the amount paid on injuries, high risk areas, training needs, etc.

ALTERNATIVES:

Not applicable.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures along with the State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY:

N/A

DEPARTMENTAL CLEARANCES:

Risk Management

FINANCIAL IMPACT:

☒ Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$0	\$660,000	\$660,000
Encumbered / Expended Amount			
This item	\$0	\$660,000	\$660,000
BALANCE	\$0	\$0	\$0

Fund(s): Liab/EB WC

Comments: The initial contract is for an amount not to exceed \$132,000, with a total potential multi-year amount of up to \$660,000. Funding will be requested during each budget year.

RECOMMENDATION:

Risk Management recommends approval to award a service contract to York Risk Services Group, Inc.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement
Evaluation Matrix