

INVITATION TO RFP

Sealed RFPs, subject to the conditions contained herein, will be received by the ONEIDA WORKERS' COMPENSATION OFFICE until 4:30 P.M., local time on Friday, February 12, 2010 and then opened and read for:

Workers' Compensation Claims Administration Services

RFP- # 2010-005

Specifications MUST be RECEIVED from the Oneida County Workers' Compensation Office at 315-798-5688, or email lmilograno@ocgov.net, or mail request to Oneida County Workers' Compensation Office 10th Floor, 800 Park Avenue, Utica, NY 13501, or located on the Oneida County website at <http://www.ocgov.net> (public notice section.)

Copies of the described RFP may be examined at no expense at the Oneida County Workers' Compensation Office.

Sealed RFPs must be returned on the form furnished. The return envelope must be clearly marked with the RFP # and addressed to the Oneida County Workers' Compensation Office.

The owner reserves the right to reject any or all proposals received.

The County of Oneida, in order to promote its established Affirmative Action Plan, invites sealed bids from minority groups. This policy regarding sealed bids and contracts applies to all persons without regard to race, creed, color, national origin, age, sex or handicap.

Lynn Milograno
Worker's Compensation Office

Dated: Tuesday January 26, 2010

INTRODUCTION

I. INTRODUCTION

Oneida County is seeking a third-party administrator for the administration and operation of the Oneida County Self-Insurance Plan. This plan provides workers' compensation coverage for Oneida County employees, two cities, 25 towns, 18 villages, 48 volunteer fire and ambulance districts, Mohawk Valley Community College, Oneida Herkimer Solid Waste, and Cornell Cooperative Extension. Please indicate if the terms of your proposal would change if any of the municipalities cease to participate in the County's self-insurance program.

The County plan currently has approximately 5,200 employees. The Plan's workers' compensation claims history from January 1, 2005 through December 31, 2009 is as follows:

Year	Total Incurred	Incurred Indemnity	Incurred Medical	Paid to Date Indemnity	Paid to Date Medical	# of Claims	# of Open Claims
2005	2,246,593	1,392,066	854,527	1,065,056	761,459	411	17
2006	2,539,907	1,641,763	898,144	863,681	694,629	373	24
2007	2,579,267	1,609,734	969,533	676,107	639,291	296	38
2008	1,635,530	1,087,289	548,241	292,209	345,489	306	38
2009	2,481,193	1,660,407	820,786	164,272	276,106	258	108
Totals	11,482,490	7,391,259	4,091,231	3,061,325	2,716,974	1,644	225

If you have any questions, please contact the Workers' Compensation office at (315)798-5688 or email lmilograno@ocgov.net. The existing Contract for Claims Administration expired on June 30, 2009. The successful Contractor of this proposal will be required to coordinate the transition/transfer to open claims from the current Contractor.

II. SUBMISSION OF PROPOSALS

Information provided in these specifications is to be used only for purposes of preparing a proposal detailing costs of providing the services specified. Firms are expected to examine the complete Request for Proposal and failure to do so will be at the firm's risk. Each firm shall furnish the information required by the RFP. Failure to materially respond to every one or a combination of specified conditions may invalidate the proposal. Erasures or other changes must be initialed by the person signing the offer. Alternative proposals (for pricing on a basis different than that requested in these specifications) will receive consideration providing such alternatives are clearly explained.

Oneida County (hereinafter referred to as the County) reserves the right to reject any or all proposals or any portion thereof and to accept the proposal deemed most advantageous to the County. The County reserves the right to determine the successful firm, to waive minor irregularities and to make award of the contracts in the best interest of the County. Separate sealed proposals for Contract for Workers' Compensation Claims Administration Services will be received by Oneida County at the following address:

**Oneida County
Workers' Compensation Office
10th floor
800 Park Avenue
Utica, New York 13501**

Each proposal shall be identified on the face of its container as follows:

**PROPOSAL FOR:
Contract for Workers' Compensation Claims Administration Services**

FROM:

- A. Bidders must submit three (3) copies of their proposal, each with original signature (An original and two (2) copies of the proposal). Entries on the proposal shall be typed. All attachments must refer to the page number of the proposal. The proposal shall be stapled or otherwise bound.
- B. Each proposal must be signed by an officer of your company who can be held accountable for all representations.

III. TIMETABLE

- A. These specifications are to be released on or about January 22, 2010.
- B. **All bids are due in the Workers' Compensation Office no later than 4:30 p.m., February 12, 2010.** Proposals received after this time will not be considered. All submittals, associated costs and agreements shall remain valid for 150 days following the deadline date for submittals. All submittals become the property of the County upon receipt.
- C. Services are to be effective March 15, 2010.

IV. INTERPRETATION

Any explanation desired by a firm regarding the meaning or interpretation of any part of the RFP must be requested in writing by February 5, 2010. Any written information given to a firm concerning the RFP will be furnished to all firms as an addendum to the RFP.

V. TERMS OF CONTRACT

This Contract, if a Contract is awarded, shall be for a period of three years beginning on or about March 15, 2010 and ending on March 15, 2013, unless renewed under the provisions below.

This Contract, as executed, shall include the options to renew for two (2) additional one-year periods, with said options to be exercised solely at the County's discretion from March 15, 2013 until March 15, 2014 and from March 15, 2014 until March 15, 2015, progressively.

VI. QUOTATION OF FEES

The proposals shall quote fees in a manner that includes all costs for providing the services specified herein (including cost, if any, of any work incidental to and reasonably inferable from the scope described), all reasonable profit and overhead, and any other reasonable and incidental costs associated with performance of the service specified, including but not limited to the cost of utilizing the computer-based files and reports system specified herein.

Please disclose all fees related with medical bill reviews and what company you contract these services with.

Contractor will comply with all regulations under the Medicare, Medicaid and SCHIP Extension Act (MMSEA) Section 111 Mandatory Reporting. Please disclose all fees related with Section 111 Mandatory Reporting including uploading Section 111 files, downloading response files, updating RRE account information and monitoring file processing.

Please quote charge for WCB hearing representation.

The County will not pay any costs or expenses not included in the fee for the services required, and expects and requires the bidder to pay all such costs not included.

A unit price or a lump-sum price where indicated as the case may be, must be stated for each and every item, either typed or printed in ink. Any exception to the Request for Proposal pricing must be clearly indicated in writing and must be submitted as part of the proposal form. Failure to use the proposal form supplied with this Request for Proposal in making a proposal submission or alternate proposal will cause the proposal to be rejected.

The fee quotation shall be in the proposal fee summary and shall include any and all related costs for claims adjusting, administrative services, and computer services.

VII. WITHDRAWAL OF PROPOSALS

Bidders may withdraw their proposals at any time prior to the time specified at closing time for acceptance of proposals.

PART A

BASIC QUALIFICATIONS FOR THOSE SUBMITTING PROPOSALS

All those desiring to submit a proposal for workers' compensation claims administration service must meet the following basic qualifications:

1. Contractor will have a minimum of 10 years experience as a claims administration business.
2. Contractor will prepare checks, drafts for claims payment from a local claims office. Contractor is responsible for overpayment resulting from errors or misconduct.
3. Claims must be paid using an on-line automated computer system.
4. Data on all open claims (closed claims to be retained on-line for five years after which a hard copy file will be maintained). Files/cases are the property of the County and not the property of the Contractor or any of the Contractor's employees or subcontractors.
5. Describe the firm's ability to provide interactive capabilities in the County's office, including software training and computer connection.
6. Must be able to provide a minimum of the following reports as frequently as indicated. County will work with contractor to finalize formats. The costs for standard reports must be included in proposal.

REPORTS TO BE PROVIDED MONTHLY

Within five (5) working days of the close of the month, data will be accurate for the month. **Attach a copy of all reports you would provide on a monthly basis to your proposal.**

1. A copy of the monthly report.
2. A detailed report which will be summarized at each reporting level and County-wide.
3. Appropriate historical information as needed by the County to identify trends.
4. A detailed six-month payment history for each entity.
5. A detailed year end payment history for each entity.

REQUIRED MINIMUM STANDARDS OF PERFORMANCE FOR

WORKERS COMPENSATION CLAIMS HANDLING

Provide an outline of your procedures as required.

PROMPT CONTACT WITH INJURED EMPLOYEE AND INVESTIGATION

Injured employees will be contacted personally or by telephone within 48 hours of receipt of notification of lost-time injury.

Investigations of all lost-time accidents will be conducted immediately upon receipt of notification. Said investigation will include, but is not limited to:

1. Confirmation of lost-time with the appropriate County department employing the injured employee to confirm the accident, as well as any additional facts about the same and develop further information from the department (e.g. witnesses, equipment/conditions involved).
2. Recorded statement of the injured employee. The statement will include, but is not limited to the following: a description of the accident, the nature of the injury (if specific, then the statement must confirm the injury to that member), witnesses, the treating physician, and previous injuries noting if they were compensable and, if so the amount of money paid.
3. Recorded statement of any witness to the accident.

The investigation of the incident/accident should be concluded within seven (7) days of receipt of lost-time notification.

All requirements of the New York Workers' Compensation Board must be followed. Documentation in the file will reflect the same. All statements, contact with witnesses/claimants/doctors and other investigations will be fully covered in written memorandum to the file.

RESERVES

All files must be reserved to reflect exposure based upon the injury in compliance with any applicable requirements of the New York State Workers' Compensation statute and regulations of injury. Explain your methodology of timing criteria when setting a reserve.

PART B

CONTRACTOR

Please answer the following questions regarding your ability to administer the workers' compensation claims for the County. Answers to all questions except for question #8 should apply to the specific claims adjusting location that would actually process Oneida County's claims should you be selected.

Name of Company	
Address	
Telephone Number	
Principal Account Coordinator/Contact	

Supervisors and Adjusters - Provide the following background information including years of experience and years with your company.

Clerical Support and Staff Levels

Company Qualifications

1. Principal Owner/Partners and Officers

2. Date Founded/Opened
3. Total number of Employees - full time
4. Total number of Employees - part time
5. Claim turnover counts/ratio
6. Number of public entity clients
7. Number of self-insured clients
8. Total number of clients

9. List four largest clients with address, phone number and contact person:
 - A.

 - B.

 - C.

 - D.

10. How many claims processing locations does your firm operate in the United States and where are they located.

11. Which claims processing locations will be associated with the Oneida County account.

12. Please indicate the size of this location in the following terms:
 - A. Number of contracted accounts served
 - B. Number of accounts served
 - C. Average numbers of workers' compensation claims served
 - D. Number of checks, drafts issued in past 12 months
 - E. Number of municipalities this office handles

13. Please furnish the following information regarding the top claims manager of the claims adjusting location from which Oneida County claims will be paid.
Name
Years of employment with your firm
Years of experience in insurance industry
Years of experience in workers' compensation claims administration
Years of experience in New York workers' compensation claims administration _____
Professional designations and/or degrees earned

14. Provide information regarding any on-going training for your employees.

15. Describe the work flow of claims.

16. Please describe your screening and follow-up system for the following:
Review of usual, customary and reasonable medical charges:

Duplicate billings:

17. How do you recognize and determine the need for specialist consultation and treatment?

18. How do you select physicians for independent medical exams?

19. How often do you request medical status reports from treating physicians?

20. Please state your firm's definition of a medical claim only.

21. Please use an attached sheet to provide an organizational chart for the specified claims processing location.

Management Information Systems (MIS)

1. Please describe the MIS workers' compensation system used by your firm.

2. How long have you used this computer system?

3. What procedures are in place to ensure accuracy of input data?

4. Please submit samples of each standard report generated by your proposed MIS workers' compensation system and explain below any additional Ad Hoc Reporting capability you could put at our disposal. Please describe the cost for additional reporting.

5. How frequently are reports sent to the County?

6. Will you provide tailored MIS reports according to the County's needs?
 Yes No

Special Programs

1. Describe any additional special programs or areas of emphasis that you think would be beneficial in helping us to understand your level of expertise.

2. Do you have a 1-800 claims reporting service? Do you have a 1-800 fax number? Do you have a 24-hour emergency number?
3. Would you attend town, village or city board meetings or any other meetings requested by any of the participating municipalities regarding your involvement as the third party administrator or for case reviews as requested? Would you send a representative if this meeting is not scheduled during normal business hours?

PART C

YOUR FIRM

Please answer the following questions regarding your firm:

1. Please furnish the following information regarding your firm's Employee Dishonesty Coverage and attach a copy of the policy:

Underwriter _____

Limit _____

Term _____ to _____

Policy Number _____

2. Please furnish the following information regarding your firm's Errors & Omissions coverage and attach a copy of the policy.

Insurer _____

Liability limit _____

Term _____ to _____

Policy Number _____

Commercial General Liability Insurance

Insurer _____

Liability limit _____

Term _____ to _____

Policy Number _____

Comprehensive Automobile Liability Insurer

Insurer _____

Liability Limit _____

Term _____

Policy Number _____

Workers' Compensation Insurer _____

3. Please attach a copy of all licenses and permits you are required to obtain in order to administer claims in New York.

4. Is your firm audited by an outside independent auditor?
_____ No (if not, attach explanation)
_____ Yes, as an independent entity
_____ Yes, as part of parent corporation

5. Has Fidelity Bond or Errors & Omissions coverage ever been refused, non-renewed or canceled? If yes, attach explanation.

6. Is your firm currently approved as a third-party administrator for any insurance carrier? If so, please furnish the information requested below.

<u>Name of Insurer</u>	<u>Lines of Insurance Administered</u>	<u>Amount of Authority</u>
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7. Has any insurance company ever withdrawn its authority? If so, please attach explanation.

8. Has any principal or employee of your firm ever been accused or convicted of mishandling or

misappropriating funds? If so, please attach explanation.

9. Do you subcontract any portion of the services you propose to furnish? If so please attach explanation.

10. Are you aware of any complaints filed with State Insurance Departments or other agencies regarding claims that you have paid or denied? If so, please attach explanation.

11. Do we have your permission to request an investigation of your firm's financial condition, reputation, etc? Yes No

12. Does your firm or do persons within your firm currently have claims or litigation against Oneida County? Yes No
If yes, please explain.

13. Is your firm or are persons within your firm currently involved in outstanding claims or litigation which would have bearing on the "responsibleness" of your bid? Yes No
If yes, please explain.

14. Please attach a copy of your firm's most recent financial statement. This should be an audited copy.

PART D

REQUIREMENTS

Examine on behalf of the County, its department or division, all reports of job-related injury to or job-related disease of County plan employees.

Maintain a hard-copy Claim File for each reported claim, which file shall be available to the County at all times for inspection. Each file shall contain all data pertinent to the claim to support its disposition.

Conduct the necessary investigation to determine the County's liability under the New York State Workers' Compensation Law. The County reserves the right to require additional investigation. Please describe your investigation procedures.

After a full and final investigation, decide on behalf of the County what benefits, if any, should be paid or rendered under the State Workers' Compensation Law for each reported claim. Notify the County, in writing of all denials, with specific basis for such, and the outcome of any investigation requested by the County.

Provide all forms necessary for the efficient operation of the self-insurance program. Prepare a file, or assist in preparing and filing, all legally required forms, documents and papers. Please describe your documentation procedures.

The authority to settle claims and to tender payment of funds in settlements of such claims will require prior approval by the municipality affected.

Pay compensation, medical expense and allocated loss expense out of funds provided by County. List funding options that would be available for money transfer.

Through utilization review, case management, and other cost containment means, monitor care and treatment and evaluate the propriety of medical treatment and the cost of same prior to the payment of medical and drug bills. Please describe your medical cost containment program. Indicate the percent of savings in New York State due to medical cost containment in prior years.

Provide expert medical review and brief written narrative report for all medical claims in excess of \$5,000 sent to the County.

At the direction of the County work with County preferred provider organizations and pharmaceutical arrangements.

Provide a fee schedule audit of all medical bills against the State-prescribed fee schedule.

Manage all necessary investigation and payment of claims if the employee moves to another state.

When appropriate, coordinate case management and coordinate timely referrals of claimants of the New York Rehabilitation Commission. Please describe when you normally consider rehabilitation services and what forms you currently use.

Manage all pre-hearing, hearing and post-hearing procedures before the New York Workers' Compensation Commission or the Hearing Examiners for same. Legal counsel shall handle all benefit review conferences and contested case hearing before the New York Workers' Compensation Commission. Explain your process for managing hearing, lawsuits and litigation. Please describe the degree to which monitoring and interacting with attorneys are included in the basic costs.

The County reserves the right to assign outside counsel to represent the County at Workers' Compensation hearings at the County's expense.

Attend legal proceedings and provide medical/legal evaluation or review as requested by the County.

Obtain and prepare all relevant information necessary to litigation once an appeal from the order of the New York State Workers' Compensation Board has been filed.

Work with County-employed experts, when necessary, in the course of claims investigation and hearing and trial preparation.

Investigate as to legal liability and determine the lawful beneficiaries in cases involving fatal claims.

Indicate the extent to which hearing costs, court cost and other associated expenses are included in the service fee or if these costs and expenses are charged to the individual claim files.

Provide the County with all materials, reports and assistance necessary for the recovery of subrogation claims. The Contractor shall advise the County in writing of any claims upon which subrogation would be proper. In such subrogation claims, the Contractor shall provide to the County Attorney's Office or their designated representatives the following information:

1. The specific factual basis upon which such subrogation claim is recommended;
2. The name of the individual, business concern and/or their agent/representative of such individual or business concern

upon whom a subrogation claim should be initiated, and;

3. Prompt and complete disclosure of the full extent of the Oneida County subrogation interest, such to include a monthly summary of benefits paid and salary benefits distributed.

Consult with and advise the County on any matter, including but not limited to loss prevention, employee safety and administrative policies, arising in connection with the business of the County which involves the subject matter of this Contract. All such matters shall be handled through the person (or persons) designated by the County.

Provide other additional services as requested, or as required by sections of this Contract.

Furnish all required completed certificates of insurance prior to execution of the contract.

File 15-8 and 25A claims with the New York Workers' Compensation Board.

PART E

PROPOSAL FEE SUMMARY

Bidders must complete one of the following Proposal Fee summaries. Bidders may complete all three if you desire to offer different pricing options. Since the contractor will take over all open lost-time claims as of March 15, 2010, please state what fees would be for such claims if different than those stated for new claims.

ALTERNATE #1

Please indicate the annual fees for the services requested in this Request for Proposal.

SERVICE YEAR	1	2	3	4	5
Ident Only					
Medical Only					
Law Indemnity					
Existing Indemnity					

Indicate any changes that are in addition to the above and specify any qualifications or exceptions to the specifications of this Request for Proposal:

Proposal submitted by:

Signature of authorized corporate officer:

Date: _____

PROPSAL FEE SUMMARY

ALTERNATE #2

Please indicate the onetime fee for the life of the claim

SERVICE YEAR	1	2	3	4	5
dent Only					
Medical Only					
w Indemnity					
Existing Indemnity					

Indicate any changes that are in addition to the above and specify any qualifications or exceptions to the specifications of this Request for Proposal.

Proposal submitted by:

Signature of authorized corporate officer:

Date:

PROPSAL FEE SUMMARY

ALTERNATE #3

Please indicate the alternative pricing schedule (at discretion of bidder)

Specify any qualifications or exceptions to the specifications of this Request for Proposal:

Proposal submitted by:

Signature of authorized corporate officer:

Date: _____