

LEGAL NOTICE
INVITATION FOR REQUEST FOR PROPOSALS
THE CITY OF MERIDEN IS ACCEPTING SEALED PROPOSALS
FOR: RFP017-20 -Third Party Administration of a Self-Insurance Workers' Compensation Program
For City of Meriden, Safety and Risk

Proposals shall be submitted in the manner specified to the Purchasing Department, Room 210, City Hall, 142 East Main Street, Meriden, CT 06450-8022 until **4:00 PM** on **November 10, 2016**.

The City will be accepting proposals for Third Party Administration of a Self-insurance Workers' Compensation Program, which are to be submitted in nine (9) complete sets, together with general information on the firms, the firm's brochure, along with a resume of key personnel who will be responsible for the daily activities in the various fields of expertise required to accomplish the project.

Experienced firms or individuals interested in providing such services are encouraged to respond.

The successful firm shall ensure that any appropriate licenses or certifications required by the State of Connecticut are maintained for the duration of the project(s).

RFP documents are available on the City of Meriden website, www.cityofmeriden.org, Click on the Quick Links Bids, RFPs and Legal Notices. You may also email your request to purchasing@meridencct.gov.

Request for Proposals received after the date and time specified shall not be considered and shall be returned unopened.

The City of Meriden reserves the right to reject any or all Requests for Proposals and to accept any or all Requests for Proposals, if it is deemed to be in the best interest of the City of Meriden.

Wilma C. Petro, CPPB, C.P.M.,
Purchasing Officer
City of Meriden
Dated: October 14, 2016

Request for Proposal

RFP017-20

Third Party Administration of a Self-Insurance
Workers' Compensation Program

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RFP017-20
SECTION I
GENERAL INFORMATION

1. INTRODUCTION

These specifications are provided for the purpose of soliciting alternative proposals to administer workers' compensation claims for the City of Meriden, herein referred to as the City, effective July 1, 2017. It is intended that the term of the contract will be for three years subject to a satisfactory annual review.

2. BACKGROUND INFORMATION

The City has been self-insured since 1987 for workers' compensation benefits. There are 16 different bargaining units and approximately 1,500 employees.

The current third party administrator (TPA) is PMA, Inc. Workers Compensation services are handled by the Human Resources Director, in conjunction with the City Attorney. (Risk Manager) Our initial care medical providers are currently Yale Occupational Health and Concentra Medical Center.

A summary of loss data is enclosed as "Exhibit A." Individual claim data is available, if needed.

3. CLAIMS PHILOSOPHY

The City's claims management philosophy is as follows:

- Process all claims in accordance with the Connecticut Workers' Compensation Act.
- Provide the highest professional level of responsive claims handling, including regular on-going communication with injured employees from inception to disposition of a claim.
- Ensure that employees are advised of their workers' compensation benefits in a timely fashion.
- Provide prompt attention to all claims in an attempt to discourage unnecessary litigation.
- Encourage early recovery from injury and early return to work in either a light or modified position (Note: A program currently exists with each department).
- Identify and aggressively defend fraudulent or accelerated claims.
- Keep open communication between TPA, the City's Human Resources Director, claimants, medical providers, and safety and health consultants employed by the city.
- Actively pursue all possibilities of subrogation.

4. METHOD OF EVALUATION

The selection criteria will include the following:

- Conformance to specifications
- Demonstrated understanding of the Scope of Services
- Experience in administering a municipal workers' compensation program
- Qualification of the firm and experience of the key personnel and claims adjuster(s)
- Reputation of the firm, based on references
- Proposed fee for services
- Computer support and reports
- Ability to provide complete managed care program including PPO, bill review, utilization review, return to work standards, nurse case management, legal services and OSHA reporting, etc.

While cost will be an important consideration, The City of Meriden will not necessarily award the contract based on price alone. Each proposer will be given equal consideration, and the firm selected will be the one best suited to the City's needs after all factors have been weighed.

Proposers should be available for a 60-minute interview, if required during the selection process. The interview, if necessary, would involve members of the RFP committee and the proposing firm including the claims adjuster assigned to the account.

SECTION II
SCOPE OF SERVICES

1. CLAIMS ADMINISTRATION

Services shall include the following:

- a. Examine all claims reported and determine if the claim is compensable under Connecticut Workers' Compensation laws.
- b. Establish contact with the employee's supervisor and the employee or Human Resources Director within forty-eight (48) hours of receipt of the alleged claim.
- c. Obtain and review all medical reports and medical bills related to the claim. Establish if the fees charged for medical services are reasonable and customary.
- d. Verify that the medical treatment provided is consistent with those required or billed.
- e. Calculate the disability compensation rate (also permanent-partial specific rates).
- f. Establish and maintain accurate case reserves for indemnity, medical, and allocated claims expenses.
- g. Data process all initial information within forty-eight (48) hours.
- h. Payments to claimants and providers will be made by the successful firm on behalf of the City. All cash flow provisions will be mutually agreed to between the City and the firm.
- i. Prepare, maintain and submit all required state and federal forms and notices including, but not limited to, 36, 42, 43, 44, voluntary agreements, WC-37, medical authorization, Second Injury Fund notices, and all OSHA logs and forms.
- J. With the approval of the City, arrange for independent medical examinations, rehabilitation services and activity surveillance when such procedures may be required.
- k. With the approval of the City, arrange for qualified legal representation throughout all workers' compensation proceedings (including hearings, stipulations and structured settlements) or work in conjunction with the Human Resources Director.
- l. Report claims to the excess carrier in accordance with policy requirements and monitor all recoveries due.
- m. Meet with the Human Resources Director and other appropriate City personnel on a quarterly basis to discuss the status of open claims, hearings, and other related Risk Management issues.
- n. The City, or its designated representative, is authorized to visit the Firm's processing and/or storage premises and have access to all data, including paper documents, microfilm, microfiche, and magnetically stored data which relate to services provided by the Firm and charged to the City.

- o. With the approval of the City, deny and or contest any questionable claim, settle any financially advantageous claim, execute any PPD VA with a value greater than \$10,000.00, assign any firm to handle the defense of a claim, assign surveillance and assign nursing case management to any claim.
- p. Have the capability to access Social Media as an investigatory tool.

2. LOSS ANALYSIS AND CLAIMS REPORTING

In the area of claim information, loss control information and general financial information, the firm shall have the capability to provide the following:

- a. A summary of losses for each policy year showing payments for indemnity, medical and other expenses, as well as total payments and outstanding reserves.
- b. A separate monthly summary (as above) for each department.
- c. A detailed case report by department showing all open claims with detail including status, claim number, name, loss description, occurrence date, paid-to-date, indemnity payments, medical payments, other (legal) fees and outstanding reserves (for each case).
- d. An excess carrier case report by year.
- e. Submit a check register detailing monthly financial activity including payments issued, payee, amount of check, type of payment, claim number and claimant name.
- f. An electronic file formatted in a current version of Microsoft Access containing all loss and financial information on each and every claim.
- g. On a quarterly basis, provide a loss report by occupation (without name), claim number, loss description and occurrence date.

3. FINANCIAL AND ACCOUNTING SERVICES

The firm must be able to provide the following:

- a. File all required reports and statements with the State of Connecticut.
- b. Prepare 1099 Forms for vendor services.
- c. Comply with GASB Statement 10 and other applicable regulations.

4. ADDITIONAL REQUIREMENTS

- a. The Firm shall provide on-line access, inquiry, and print capability through a windows compatible system.
- b. Provide advice and assistance to the City in developing procedures for and working with an initial medical care provider, an approved managed care network, and light duty policies.
- c. Provide assistance to the City's Human Resources Director and/or City Attorney in identifying and pursuing possible subrogation rights.
- d. The firm shall handle heart and hypertension claims in the same manner it handles workers' compensation claims.
- e. OSHA tracking, including report.

SECTION III

SUBMISSION OF PROPOSAL

Proposals should be submitted in a sealed envelope marked “**RFP017-20 Third Party Administration of a Self-Insurance Workers' Compensation Program**” to the Purchasing Office at the Meriden City Hall, 142 East Main Street, Meriden, CT 06450, no later than **4:00 P.M., November 10, 2016.**

One (1) original and eight (8) copies of sealed proposals must be received in the Purchasing Office by the date and time noted above. The City will reject proposals received after the date and time noted above. The City will not accept submissions by e-mail or fax. Proposers are solely responsible for ensuring timely delivery.

Proposals are considered valid, and may not be withdrawn, cancelled or modified, for sixty (60) days after the opening date, to give the City sufficient time to review the proposals, investigate the proposers' qualifications, secure any required municipal approvals, and execute a binding contract with the successful proposer.

The firm shall be required to submit the information detailed below. The information shall be organized and assembled in the order presented to assist the City in reviewing all proposals received.

- a. Table of Contents to include clear identification of the material provided by section and number.
- b. A letter of transmittal indicating the firm's interest in providing the service and any other information that would assist the City in making a selection. This letter must be signed by a person legally authorized to bind the firm to a contract.
- c. A statement demonstrating understanding and your capability of providing the services of each section of the Scope of Services.
- d. A written description of the firm's qualifications and experience to provide the requested services.
- e. Completion of the Fee Proposal/Questionnaire and checklist.
- f. A current balance sheet, a certified financial statement, or equivalent information which indicates the financial position of the firm will be required from the successful Proposer.
- g. Statement disclosing any litigation pending against the company arising out of contracted services.
- h. Any conflict that might exist in providing this service.

QUESTIONS AND AMENDMENTS

No interpretation of the meaning of the Request for Proposal will be made to any proposer orally. Every request for such interpretation should be in writing, e-mailed to purchasing@meridencf.gov or faxed to 203-630-3852, and to be given consideration must be received at least seven (7) days prior to the date fixed for the opening of proposals. Any and all such interpretations and any supplementary instructions will be in the form of written addenda to the specifications which, if issued, will be posted on the City of Meriden website under Bids, RFPs and Legal Notices, not later than three (3) days prior to the date fixed for the opening of

proposals, failure of any proposer to receive such addenda or interpretation shall not relieve any proposer from any obligations under their proposals as submitted.

Each proposer is responsible for checking the website to determine if the City has issued any addenda and, if so, to complete its proposal in accordance with the RFP as modified by the addenda.

Proposers are prohibited from contacting any other City employee, officer or official concerning this RFP. A proposer's failure to comply with this requirement may result in disqualification.

ADDITIONAL INFORMATION

The City/MPS reserves the right, either before or after the opening of proposals, to ask any proposer to clarify its proposal or to submit additional information that the City in its sole discretion deems desirable.

COSTS FOR PREPARING PROPOSAL

Each proposer's costs incurred in developing its proposal are its sole responsibility, and the City shall have no liability for such costs.

OWNERSHIP OF PROPOSALS

All proposals submitted become the City's property and will not be returned to proposers.

FREEDOM OF INFORMATION ACT

All information submitted in a proposal or in response to a request for additional information is subject to disclosure under the Connecticut Freedom of Information. Proposers are encouraged **not** to include in their proposals any information which is proprietary a trade secret or otherwise confidential. All materials associated with this procurement process are subject to the terms of state laws defining freedom of information and privacy, and all rules, regulations and interpretations resulting from those laws.

PRESUMPTION OF PROPOSER'S FULL KNOWLEDGE

Each proposer is responsible for having read and understood each document in this RFP and any addenda issued by the City. A proposer's failure to have reviewed all information that is part of or applicable to this RFP, including but not only any addenda posted on the City's website, shall in no way relieve it from any aspect of its proposal or the obligations related thereto.

Each proposer is deemed to be familiar with and is required to comply with all federal, state and local laws, regulations, ordinances, codes and orders that in any manner relate to this RFP or the performance of the work described herein.

By submitting a proposal, each proposer represents that it has thoroughly examined and become familiar with the scope of work outlined in this RFP, and it is capable of performing the work to achieve the City's objectives. If applicable, each proposer shall visit the site, examine the areas and thoroughly familiarize itself with all conditions of the property before preparing its proposal.

TAX EXEMPTIONS

The City is exempt from the payment of federal excise taxes and Connecticut sales tax and use taxes. Such taxes must not be included in prices.

AWARD CRITERIA & SELECTION

The City reserves the right to correct, after proposer verification, any mistake in a proposal that is a clerical error, such as a price extension, decimal point error, etc. If any error exists in an extension of prices, the unit price shall prevail.

The City reserves the right to accept all or any part of a proposal, reject all proposals, and waive any informalities or non-material deficiencies in a proposal. The City also reserves the right, if applicable, to award the purchase of individual items under this RFP to any combination of separate proposals or proposers.

The City will accept the proposal that, all things considered, the City determines is in the best interests. Although price will be an important factor, it will not be the only basis for award. Due consideration may also be given to a proposer's experience, references, service, ability to respond promptly to requests, past performance, and other criteria relevant to the City's interests, including compliance with the procedural requirements stated in this RFP.

The City will not award the proposal to any business that or person who is in arrears or in default to the City with regard to any tax, debt, contract, security or any other obligation.



**PURCHASING DEPARTMENT
ROOM 210 CITY HALL
142 EAST MAIN STREET
MERIDEN, CONNECTICUT 06450-8022**

**WILMA C. PETRO, C.P.M.
PURCHASING OFFICER**

**PHONE: 203-630-4115
FAX: 203-630-3852**

Shall Be Submitted With Proposal

NON-COLLUSIVE PROPOSAL STATEMENT

PROPOSAL FOR: RFP017-20

The undersigned proposer, having fully informed themselves regarding the accuracy of the statements made herein certifies that;

1. The proposal has been arrived at by the proposer independently and has been submitted without collusion with, and without any agreement, understanding, or planned common course of action with any other vendor of materials, supplies, equipment or services described in the Request for Proposal, designed to limit independent proposals and;
2. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or agent of the Proposer or its surety on any bond furnished with the Proposal, and will not be communicated to any such person prior to the official opening of the Proposal.

The undersigned Proposer further certifies that this statement is executed for the purposes of inducing the City of Meriden to consider the Proposal and make an award in accordance therewith.

Legal Name of Proposer

Business Address

Please print: Name and Title of Person Authorized to Sign

Signature

Date

Phone Number & Ext.

Fax Number

E-mail address

SECTION IV

(Please answer in the order requested and number your responses.)

1. Furnish an organization chart indicating the position of the claims management unit.
2. Indicate the proposed personnel (including supervisory and management) who would be assigned to administer the City's program and give details regarding job title, experience and education, public entity experience and length of time with your firm.
3. List three references with at least one being a local public agency. Please give names, phone numbers and a brief description of services provided.
4. Provide the City with various options regarding the handling of open claims at the termination or expiration of the contract. If we select your firm for TPA services, how do you propose to handle the transition of files and at what cost at termination?
5. Please submit samples of each standard report generated.
6. Identify any outside firms used by your firm for investigations, rehabilitation, independent medical exams, Legal services, etc. and the fee charged by these agencies.

FEE PROPOSAL / QUESTIONNAIRE

(Please answer in the order requested and number your responses.)

1. Identify the fee per claim for medical-only incidents, and indemnity/lost time. Does a minimum fee apply? Also identify all other additional costs per claim. Identify fees for existing claims (run off), reopening of claims.
2. Please indicate for what period of time the above fees cover handling and services and what additional fees may be required.
3. Please indicate if there are additional fees for annual management service, monthly loss information, on-line access/hook-up, or computer usage.
4. Please indicate those service expenses, other than claim service fees, for which the City will be responsible.
5. Are there any other fees for services to be provided as outlined in the "Scope of Services", e.g., bill review; utilization review; telephone reporting; access to PPO network; PPO network filing fee, subrogation, loss control, etc.?

SECTION V
ATTACHMENTS

EXHIBIT A LOSS SUMMARY

EXHIBIT B INSURANCE REQUIREMENTS

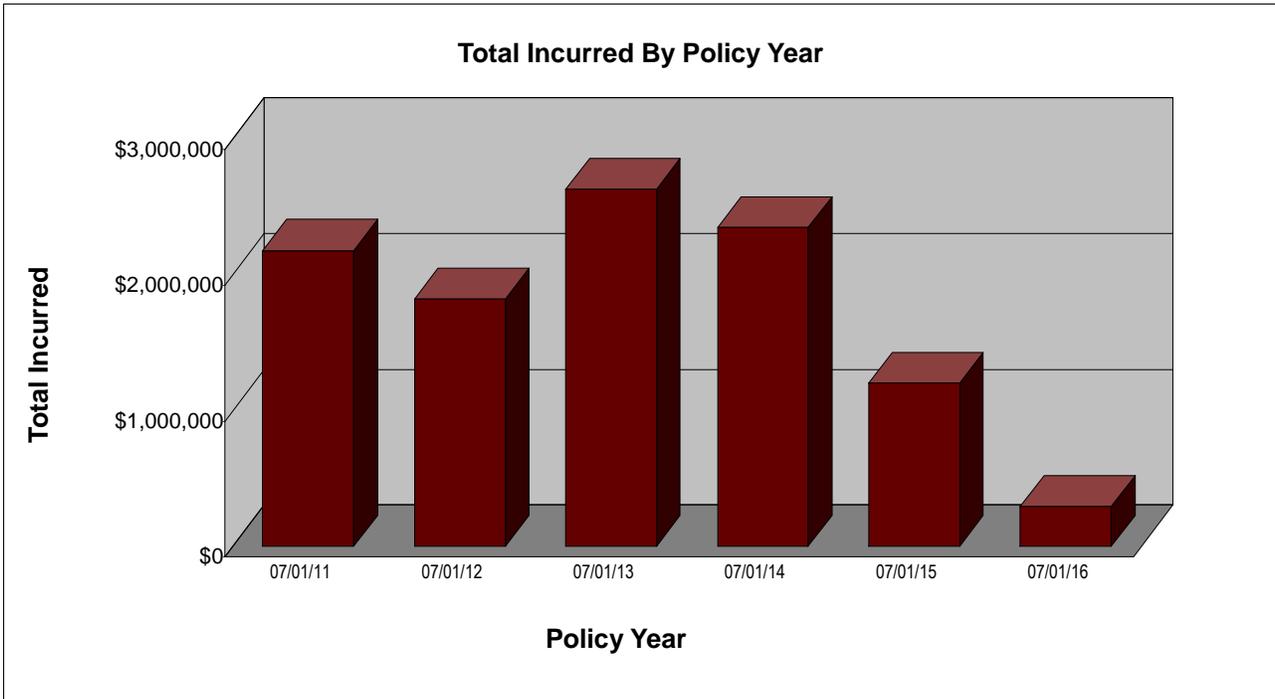
CITY OF MERIDEN

0457358

Loss Summary by Policy Year

Accident Dates 7/01/11 To 10/01/16

Eff Date	Exp Date	LT Claims	MO Claims	RO Claims	Total Claims	Total Incurred	Total Paid	Total Reserve
07/01/11	07/01/12	49	299	0	348	\$2,179,703	\$1,937,249	\$242,449
07/01/12	07/01/13	44	301	1	346	\$1,823,506	\$1,612,683	\$210,813
07/01/13	07/01/14	65	315	21	401	\$2,629,748	\$2,024,999	\$604,735
07/01/14	07/01/15	43	303	10	356	\$2,349,054	\$1,736,914	\$612,127
07/01/15	07/01/16	32	290	9	331	\$1,202,572	\$690,484	\$512,084
07/01/16	07/01/17	11	70	9	90	\$295,657	\$72,400	\$223,250
		244	1,578	50	1,872	\$10,480,240	\$8,074,729	\$2,405,458



CITY OF MERIDEN

0457358

Loss Summary by Policy Year

Accident Dates 7/01/13 To 10/01/16

Eff Date	Exp Date	LT Claims	MO Claims	RO Claims	Total Claims	Total Incurred	Total Paid	Total Reserve
07/01/13	07/01/14	65	315	21	401	\$2,629,748	\$2,024,999	\$604,735
07/01/14	07/01/15	43	303	10	356	\$2,349,054	\$1,736,914	\$612,127
07/01/15	07/01/16	32	290	9	331	\$1,202,572	\$690,484	\$512,084
07/01/16	07/01/17	11	70	9	90	\$295,657	\$72,400	\$223,250
		151	978	49	1,178	\$6,477,031	\$4,524,797	\$1,952,197

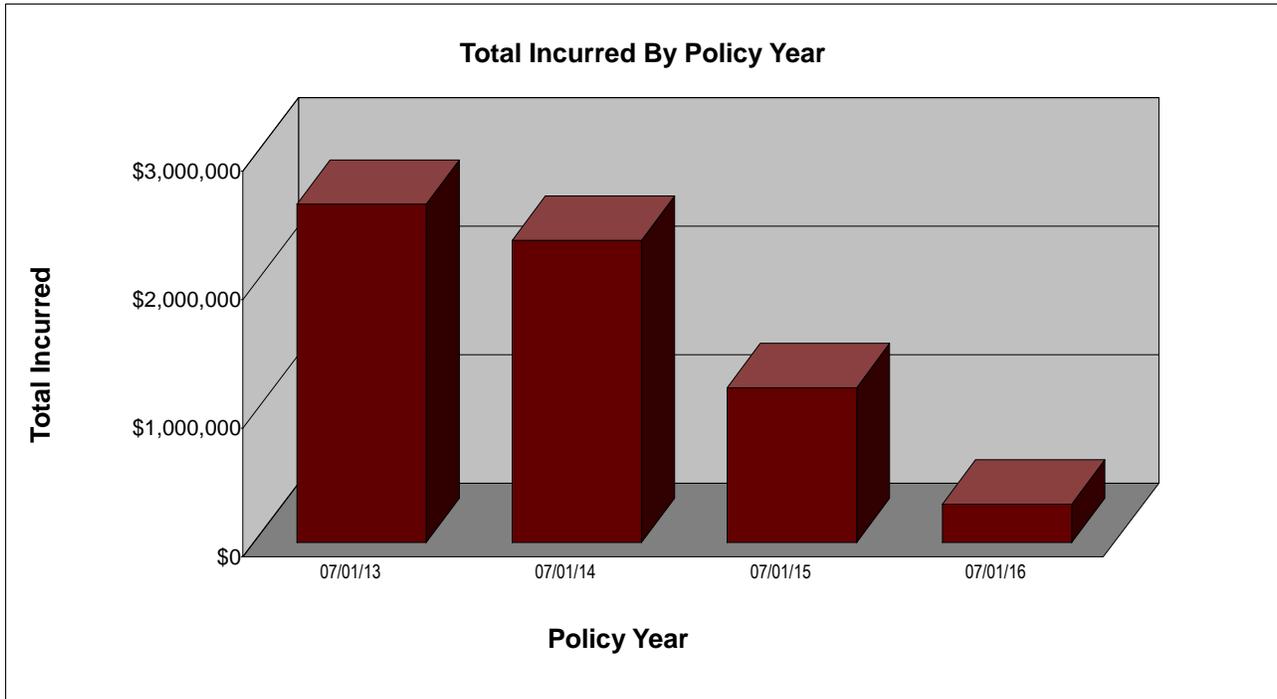


EXHIBIT "B"

INSURANCE REQUIREMENTS

Contractor shall agree to maintain in force at all times during the contract the following minimum coverages and shall name the City Meriden as an Additional Insured on a primary and non-contributory basis to all policies except Workers Compensation and Professional Liability. All policies except Professional Liability should also include a Waiver of Subrogation. Insurance shall be written with Carriers approved in the State of Connecticut and with a minimum AM Best's Rating of "A-" VIII. In addition, all Carriers are subject to approval by the City of Meriden.

(Minimum Limits)

General Liability	Each Occurrence	\$1,000,000
	General Aggregate	\$2,000,000
	Products/Completed Operations Aggregate	\$2,000,000
Auto Liability	Combined Single Limit	
	Each Accident	\$1,000,000
Professional Liability	Each Claim or Occurrence	\$5,000,000
	Aggregate	\$5,000,000
Umbrella (Excess Liability) Follow Form	Each Occurrence	\$1,000,000
	Aggregate	\$1,000,000

If any policy is written on a "Claims Made" basis, the policy must be continually renewed for a minimum of two (2) years from the completion date of this contract. If the policy is replaced and/or the retroactive date is changed, then the expiring policy must be endorsed to extend the reporting period for claims for the policy in effect during the contract for two (2) years from the completion date.

Workers' Compensation and Employers' Liability	WC Statutory Limits	
	EL Each Accident	\$500,000
	EL Disease Each Employee	\$500,000
	EL Disease Policy Limit	\$500,000

Original, completed Certificates of Insurance must be presented to the City of Meriden prior to contract issuance. Contractor agrees to provide replacement/renewal certificates at least 60 days prior to the expiration date of the policies.

The firm provides that its insurance coverage is primary and that any insurance or self-insurance maintained by the City, its officers, agents, servants, and employees shall be excess of the firm's insurance and shall not contribute to it.