

# Audit and Accountability Committee



## Post Solicitation Briefing for Self Insured Workers' Compensation Third Party Claims Administration, Related Services and Claims Administration Software

Date: November 15, 2021

Presented by: Debra Ojo, Director, Office of Risk Management

# Solicitation Overview

## Project Overview

The City receives an average of 1,278 workers' compensation claims annually. The City retains the services of a Third-Party Administrator (TPA) to oversee and process these claims. The TPA is responsible for claims management, which involves the investigation, adjusting and payment of claims; medical cost containment, which involves bill review, utilization review and peer review of claims; pharmacy benefit management, which involves audit and payment of pharmacy bills in accordance with Texas Department of Insurance fee guidelines and negotiation of special pharmacy discounts; and Risk Management Information System (RIMS) Services, which provides a claims platform for the City's internal liability claims handling.

### Solicitation Type

- RFP

### Estimated Value

- \$7.8 Million

### Proposed Term

- 3 years with 2, 1-year options

# Recommended Award

RFP for Self Insured Worker's Compensation Third Party Claims Administration, Related Services & Claims Administration Software (21-033; 6100013700)  Score Summary *FINAL EVALUATION October 19, 2021				
	Maximum Points	Cannon Cochran Management Services, Inc. 2 E. Main Street Suite 208 Danville, IL 61832	Claims Administrative Services, Inc. 501 Shelley Drive Tyler, TX 75701	Sedgwick Claims Management Services, Inc. 8125 Sedgwick Way Memphis, TN 38121
A - Experience, Background, Qualifications	25	20.57	16.71	16.14
B - Proposed Plan	20	17.14	13.86	15.71
A - B Sub-Total	45	37.71	30.57	31.85
C - Price	20	13.84	20.00	18.43
D - SBEDA - SBE Prime Contract Program	10	0.00	0.00	0.00
D - SBEDA - M/WBE Prime Contract Program	10	0.00	0.00	0.00
E - Local Preference Program	10	0.00	0.00	0.00
F - Veteran-Owned Small Business Preference Program	5	0.00	0.00	0.00
TOTAL SCORE	100	51.55	50.57	50.28
RANK BASED ON TOTAL SCORE		1	2	3

\*One evaluation meeting held with interviews and scoring completed.

Injury Management Organization, Inc. submitted a response for Cost Containment only that was scored by consensus and award for cost containment service only was not recommended.

# Due Diligence

## Finance and Audit Departments – Due Diligence Results

Number of vendors notified:	115
Number of vendors at pre-submittal conference:	7
Number of responses received:	6 (1 proposal deemed non-responsive for failure to meet the 16% M/WBE subcontracting requirement; 1 proposal deemed non-responsive for failure to submit the required pricing information)
Results of Minimum Requirements Review	No Material Findings
Results of Due Diligence Review	No Material Findings