

March 29, 2017

**BOARD OF COUNTY COMMISSIONERS
ORANGE COUNTY, FLORIDA**

RFP #Y17-1011-LC

**THIRD PARTY CLAIM ADMINISTRATION
AND MANAGED CARE SERVICES**

ADDENDUM NO. 1

This addendum is issued to provide clarifications/responses to questions received for the above referenced Request for Proposals.

1. Question: Please provide loss runs in excel format for the past 5 years by line of coverage.

Answer: See Attachment A, B, C and D at the following link:
<ftp://ftp.ocfl.net/divisions/purchasing/pub/Current%20Bids%20and%20RFPs%20-%20Large%20Files/Y17-1011-LC%20Addendum%20%231/>

2. Question: How many workers' compensation medical bills were processed per year for the past 3 years?

Answer: Approximately 9000 per year.

3. Question: Does the County pay the TPA for bill review services on a per bill basis or is that included in the annual fee?

Answer: In the bid it specifies a per bill basis with an additional payment based on % of savings above fee schedule.

4. Question: What is the current PPO savings fee percentage that the County pays the current TPA?

Answer: 30% of savings above fee schedule.

5. Question: What have been the PPO network savings amounts/reductions for each of the past 3 years?

Answer: PPO Network savings have been on average approximately \$200,000 annually.

6. Question: How much has the County paid the TPA in PPO fees for each of the past 3 years?

Answer: On average \$115,000 is paid annually for both the set fee and the savings fee schedule.

7. Question: Is all case management to be performed by the dedicated telephonic case managers?

Answer: Yes.

8. Question: Does the County or the TPA utilize field case management? If so, how many assignments were made per year for the past 3 years?

Answer: Rarely, the County employs a staff RN who will normally conduct any field visits necessary. We average less than one assignment a year and we have used an outside vendor.

9. Question: Are the charges for field case management included in the annual fee or are they additional, and paid as allocated expenses off the file?

Answer: See above.

10. Question: What company provided field case management during the current contract term?

Answer: The County used Rehabilitation Advisors.

11. Question: How much did the county pay in fees for field case management for each of the past 3 years?

Answer: See above.

12. Question: Are all TPA fees to be listed on the fee schedule form?

Answer: Yes.

13. Question: Does the County currently pay the TPA for any services not included in the annual fee, such as field adjusting services? If so, what is the frequency of field adjusting assignments and how much has been paid in the last 3 year? Is this service billed on a per claim or hourly basis?

Answer: The County has not used field adjusters. The County has a full staff of field safety analysts who will provide field work. If it is necessary to assign for a more in-depth investigation, the County uses SIU Central.

14.Question: Are there any fees payable to the TPA that the County will allow as additional charges, to be paid as allocated expenses?

Answer: No.

15.Question: How many County employees will need access to the proposer's RMIS?

Answer: Six (6).

16.Question: Whether companies from Outside USA can apply for this? (India or Canada)

Answer: Adjuster's must be resident adjusters that are licensed in the State of Florida and are familiar with Florida law including firefighter and police presumption. Since the RFP requires an on-call adjuster 24/7 a local office is preferred. Also the TPA is issuing payments on County check stock drawn on County bank accounts so there could be financial issues related to banks outside the U.S.

17.Question: Whether we need to come over there for meetings?

Answer: Yes, the local claims adjuster must be available to attend weekly Risk Management Committee meetings upon request. (Page 24 of RFP)

18.Question: Can we perform the tasks (related to RFP) outside USA?

Answer: No.

19.Question: Can we submit the proposals via email?

Answer: No, page 2 of the RFP specifically states:

Offers by e-mail, telephone, or fax shall not be accepted. An e-mailed or a faxed proposal shall be rejected as non-responsive regardless of where it is received.

20.Question: Provide a specific breakout of the 1100 WC claims by med only, record only and lost time for each of the past 4 yrs. Same request for all the other lines of business that generate the 300 non-WC claims/yrs.

Answer:

Liability	Property	Lost Time	Med Only	Incident	General Liab.	Auto
2012-2013	36	265	478	292	172	38
2013-2014	25	270	478	247	138	61
2014-2015	32	240	530	203	103	63
2015-2016	62	247	471	227	109	61

21. Question: Provide a summary of the open claims by line of business and by claim type e.g. lost time, med only, bodily injury, property damage.

Answer:

Auto Liability	53 (combined BI/PD)
General Liability	BI-162PD-79 EPL-22
Workers' Compensation	MO-195 LT-371
1st Party Property	90

22. Question: Provide a diagram of all of your coverages/deductibles/retentions etc.?

Answer:

Our coverages can be found at this link on page 10
<http://www.orangecountyfl.net/Portals/0/Library/Vendor%20Services/docs/Annual%20Report%2015-16.pdf> (Also see Attachment E)

23. Question: Is there a basket aggregate for any of the coverages?

Answer:

Not familiar with this terminology. However, the link explains coverages and aggregates.

24. Question: Is there a pre proposal conference?

Answer:

No, there is not.

25. Question: Confirm that the Business Associates Agreement specific to HIPAA doesn't apply to this contract e.g.

Answer:

Yes. The TPA will have in its possession medical information on liability claims that is subject to HIPAA. Additionally, we frequently pull post-employment physical examinations for presumption claims. This information is also subject to HIPAA. So the agreement does apply, although it may not be applicable to all information.

26. Question: Confirm a office location in the county is not a requirement.

Answer:

That is correct.

27. Question: Confirm that your OSHA tool currently populates the report with lost work days (or is the county doing that piece?)

Answer: The TPA will supply the information for the OSHA 300 log.

28. Question: Confirm that the MBE/WBE services required may be allocated expenses charged back to the claims files instead of a % of the contract value paid out of the TPA contract value.

Answer: That is incorrect. The bid specifically states the County will have the right to choose all ancillary vendors. The TPA may not rely on allocated expense charges to meet the MWBE services.

29. Question: Confirm the need for dedicated property, EPL etc. adjusters it doesn't appear that the volume warrants it? The RFP says the county experiences 300 non-WC claims/year and 1100 wc claims/year, may we have a copy of the inforce contract (even if some is redacted) so we can see how the program is structured contractually

Answer: Property and EPL are handled by the liability staff. There are required to be dedicated but also expected.

ACKNOWLEDGEMENT OF ADDENDA

a. The proposer shall acknowledge receipt of this addendum by completing the applicable section in the solicitation or by completion of the acknowledgement information on the addendum. Either form of acknowledgement must be completed and returned not later than the date and time for receipt of the proposal.

b. Receipt acknowledged by:

Authorized Signer

Date Signed

Title

Name of Proposer

II. BACKGROUND AND OBJECTIVES

A. BACKGROUND

The County has a self-insurance program for workers compensation, general liability and automobile liability. The County pays claims from an earmarked fund and maintains financial reporting in accordance with GASB Statement No. 10 definitions.

Table II-1 shows the self-insured retention history.

**Table II-1
Self-Insured Retention History**

Claim Period(s) (1)	Workers Compensation (2)	General and Automobile Liability (3)	Aggregate (4)	Aggregate Limit (5)
1982/83	\$250,000	\$250,000	\$2,700,000	\$400,000
1983/84	250,000	250,000	2,400,000	1,000,000
1984/85	500,000	500,000	4,350,000	1,000,000
1985/86 and 1986/87	500,000	500,000	none	none
1987/88 to 1990/91	750,000	500,000	none	none
1991/92 and 1992/93	500,000	500,000	none	none
1993/94	750,000	none	none	none
1994/95 to 1998/99	500,000	none	none	none
1999/00	500,000	1,000,000	none	none
2000/01 and 2001/02	750,000	1,000,000	none	none
2002/03	1,000,000 plus 1,000,000 corridor	1,000,000	none	10,000,000
2003/04 to 2005/06	2,000,000	1,000,000	none	10,000,000
2006/07 and subsequent	2,000,000 Unlimited on April 1, 2014	1,000,000	none	20,000,000