

## NOTICE: REQUEST FOR PROPOSALS

NOTICE IS HEREBY GIVEN that the City of Alameda will receive sealed Proposals up to the hour of 5:00 p.m. on Monday, April 19, 2021, for Workers' Compensation Claims Administration Services.

The Request For Proposal for furnishing to the City of all labor, materials, machinery, tools and equipment necessary for the work may be had by any prospective service provider upon application to City Hall, 2263 Santa Clara Avenue, Room 380, Alameda, California, 94501; telephone: (510) 747-4800. For questions regarding the RFP, please contact Rina Winston at (510) 747-4750.

Proposals must be presented to the City Clerk, City Hall, 2263 Santa Clara Avenue, Room 380, Alameda, California, 94501, under sealed cover and plainly marked on the outside, "Workers' Compensation Claims Administration Services," or similar designation. Electronic proposals in PDF format shall be emailed to [lweisiger@alamedaca.gov](mailto:lweisiger@alamedaca.gov) with the email subject line stating "Workers' Compensation TPA Proposal." For questions regarding submission of the RFP at City Hall, please contact the City Clerk at (510) 747-4800.

Contract, if awarded, will be to the responsible service provider who submits the proposal which ranks highest based on selection criteria. The right is reserved to reject any or all proposals. The Alameda City Council encourages all contractors and other businesses providing services to the City to hire Alameda residents, pursuant to the City Resolution No. 12278.

For further information, please visit: <https://www.alamedaca.gov/BUSINESS/Bid-on-City-Contracts/Workers-Comp-TPA-RFP>

LARA WEISIGER  
City Clerk

**CITY OF ALAMEDA  
REQUEST FOR PROPOSAL  
WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES**

**I. OBJECTIVES**

The City of Alameda, (“**CITY**”), is soliciting proposals from qualified third party administrators, (“**TPA**”), for administration of the CITY's self-insured workers' compensation program. The CITY is looking for a TPA that will reduce the cost and duration of workers' compensation claims, process claims in a timely and professional manner, actively pursue subrogation, help return injured employees back to work, assist with lost time calculations and injury reporting, and maintain strong communications with the injured worker and the CITY. The CITY will award the service agreement based on considerations including price, qualifications, experience, and responsiveness to this RFP. The agreement's duration will be for three years, with two additional one-year options at the CITY's sole discretion to exercise.

**II. BACKGROUND**

The CITY is a full-service city located in Alameda County, California. The CITY's public safety departments include the Police Department and Fire Department. Other CITY departments include Public Works, Recreation and Parks, Alameda Municipal Power, and others.

The CITY employs approximately 504 full-time employees and 359 non full-time employees. Full-time employees and eligible non full-time employees are members of the Public Employees Retirement System (PERS). The CITY's public safety personnel are afforded the salary continuation under Labor Code §4850.

The CITY's total payroll (salaries) for Fiscal Year 2019-20 was approximately \$66,749,465.05. The CITY's estimated total payroll (salaries) for Fiscal Year 2020-21 is approximately \$67,179,710.00.

The CITY is currently a member of the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX) for the purpose of obtaining excess workers' compensation coverage. Under this arrangement, the CITY maintains a self-insured retention of \$500,000.00 and excess coverage with statutory limits.

The CITY has been self-insured since March 1, 1993. Its workers' compensation program is currently administered by Sedgwick, headquartered in Memphis, TN. Sedgwick acquired York Risk Services Group, Inc., the CITY's prior workers' compensation TPA, in July 2019. Exhibit 1 is the CITY's 2020 Public Self Insurer Annual Report to the State of California.

The CITY's Risk Manager, within the City Attorney's Office, is responsible for the management of the CITY's workers' compensation program, including administration of the TPA contract. Risk Management will coordinate the workers' compensation program with the TPA, including reporting of injuries; facilitating employee contact; providing lost time and salary information; training for managers, supervisors, and employees; return to work programs; claimant service evaluations; and maintenance of the CITY's workers' compensation claims files and expenses.

### **III. ESTIMATED TIMETABLE**

The CITY anticipates following the following timetable:

- Issuance of the Request for Proposals (RFP): March 22, 2021
- Last day to submit questions regarding the RFP: March 29, 2021
- Answers to RFP questions posted: April 6, 2021
- Deadline for Receipt of Proposals by CITY: April 19, 2021
- Review of Proposals and Notification of Oral Interviews: April 20-26, 2021 (estimated)
- Oral Interviews and Presentations: May 3-6, 2021 (estimated)
- Negotiations: May 7-31, 2021 (estimated)
- Submission of Proposed Service Agreement to City Council: June 1, 2021 (estimated)
- Contract Start-Up: July 1, 2021

The CITY reserves the right to cancel and/or modify the above dates at any time.

### **IV. SCOPE OF WORK**

The CITY is interested in obtaining a TPA who will be able to favorably respond to the following performance objectives:

#### **1. Staffing**

The TPA is responsible for providing sufficient and competent staffing to fulfill the contractual requirements. The CITY will require at least one senior claims examiner assigned to its account. The senior examiner(s) will be State Certified, have at least five (5) years of indemnity claims experience, three (3) years of which includes public agency experience with public safety officers. Each examiner shall have an average caseload not to exceed 150 open indemnity claims. Claims assistants shall have an average caseload not to

exceed 200 open medical only claims. The supervisor shall have a caseload not to exceed 75 open indemnity claims.

2. Forms

The TPA shall provide all forms necessary for the processing of benefits or claims information including the Employer's Report of Injury, Division of Workers' Compensation ("**DWC**") Form 1, medical service orders, return to work slips, lost time information reports, vouchers, checks, and other related forms. These forms shall be provided electronically upon request. The cost of providing these forms shall be included within the contract price.

3. Claim File Set Up and Diary Review

Upon receipt of the Employer's Report of Injury, the TPA will prepare an individual claim file within one working day for each claim.

Initial investigation shall be completed within 14 days from the day of receipt of each claim, with additional time for further investigation as reasonably needed.

Initial plan of action shall be clearly documented in the claim file within 14 days from receipt of the claim. The claim file shall include notes regarding potential exposure, disposition plan, financial transactions, and other relevant information.

All claim files shall be reviewed at least every thirty (30) days for active claims and at least every six (6) months for claims that have settled but are open for the employee's future medical care. The examiner shall distinguish the regular diary review from routine file documentation in an electronic system accessible to CITY. The supervisor shall monitor the diary reviews by printing a "No Activity" report each month to identify any files that have fallen off the diary system.

4. Employer Contact

The TPA shall immediately request the Employer's Report of Injury form when or if the Doctor's First Report of Injury is received first.

If the DWC Form 1 has not been received by the TPA within one to two days after receiving the Employer's Report of Injury, the examiner will contact the CITY to ensure that the DWC Form 1 was given to the employee within one working day of knowledge of the injury. If a DWC Form 1 had not been given to the injured employee, the TPA shall immediately send the DWC Form 1 directly to the employee.

The TPA shall contact the CITY within twenty-four (24) hours of receipt of notice of a claim. Such contact with the CITY shall be documented in an electronic system accessible to CITY.

Upon knowledge of a catastrophic claim, the TPA shall immediately notify Risk Management.

The TPA shall report to the CITY on each open indemnity claim, every ninety (90) days. Such report shall include the examiner's plan of action for the future handling of the claim.

By January 1 and July 1 of each year, written status reports on all open indemnity claims will be provided to the CITY.

#### 5. Employee Contact

In all non-litigated lost time cases where the employee has not returned to work, telephone or personal contact will be established with the injured employee within twenty-four (24) hours of receipt of notice of claim. Such contact will continue as often as necessary, but at least monthly. Such contact with the employee shall be documented in an electronic system accessible to CITY.

Return phone calls to employees will be accomplished within twenty-four (24) hours. All correspondence from employees will be responded to within five (5) days of receipt.

#### 6. Reserves

Reserves shall be established based upon the ultimate probable cost of each claim and clearly identified and separated for Medical, Indemnity, and Expenses. All reserve categories shall be reviewed each time the file comes up on diary. Such review shall be indicated in an electronic system accessible to CITY. The TPA shall document the basis for each reserve calculation.

#### 7. Medical Administration

The TPA shall select a panel of general practitioners, specialists, hospitals, and emergency treatment facilities to which injured employees should be referred, as approved by the CITY, and the TPA shall regularly review and update the panel.

The physician's office will be contacted within five (5) days of notice of claim. The TPA shall monitor treatment programs for injured or ill employees, including review of all medical reports to ensure appropriate medical care, reasonable

fees, utilization review certification, and determine need for specialty evaluations. The TPA shall make all necessary medical appointments and ensure that all necessary medical reports are provided to the Primary Treating Physician or consulting doctor.

In addition, the TPA shall ensure that the treating doctor is complying with the requirements of Title 8, California Code of Regulations (CCR) Section 9785 and file petition to remove treating doctors who fail to comply.

The TPA shall integrate managed care services, including but not limited to: Medical Provider Network, Utilization Review, Telephonic Case Management, and Field Case Management products/services. It shall be the TPA's responsibility to assure that utilization review and/or managed care services adhere to all of the requirements and deadlines as mandated by the State Labor Code and DWC.

#### 8. Medical Payments

Medical bills will be matched to the file, reviewed for correctness, adjusted to the contracted rate or fee schedule and paid within thirty (30) Days unless there is a supportable dispute. The assigned examiner will have ultimate responsibility for approving or disputing payment of medical bills.

#### 9. Investigation

The TPA shall evaluate claims to determine if the claim is a result of Arising Out of Employment/during the Course of Employment ("AOE/COE") upon receipt of the claim. The TPA shall coordinate further investigation of claims, when necessary and appropriate, with licensed investigators.

The TPA shall subscribe to the Index Bureau. The examiner shall request a report from the Index Bureau on all new indemnity claims. Subsequent requests should be made every six to twelve months thereafter on all active indemnity claims.

All use of investigators for AOE/COE and sub-rosa investigations shall be approved by the CITY in advance of the assignment. The CITY shall be kept informed on the scope and results of all investigations.

#### 10. Compensability

The compensability determination (accept claim, deny claim, or delay acceptance pending the results of additional investigation) and the reasons for such determination will be made and documented in the file within three (3) working days of the receipt of the notification of the loss, unless CITY

authorizes additional time for further investigation. Delay of benefit letters shall be mailed in compliance with the Division of Industrial Relations' guidelines.

In no case shall a final compensability decision be extended beyond ninety (90) days from the CITY's knowledge of the claim. Claim denials must be authorized by CITY prior to issue of any such denial.

11. Provision of Benefits

The TPA shall provide all compensation and medical benefits in a timely manner and in compliance with the statutory requirements of the California Labor Code. The TPA shall compute and pay temporary disability benefits to injured employees based upon earnings information and authorized disability periods. The TPA shall review, compute, and pay all informal ratings, death benefits, findings and awards, life pensions, or compromise and release settlements. However, all such benefits shall be paid by the TPA from a trust account established by the CITY.

12. Initial Indemnity Payment

The initial indemnity payment or voucher will be issued and mailed to the injured employee together with a properly completed DWC A within fourteen (14) days of the first day of disability. All indemnity payments or vouchers subsequent to the first payment shall be verified and issued in compliance with labor codes and State regulations.

13. Subsequent Indemnity Payments

All indemnity payments or vouchers subsequent to the first payment will be verified, except for obvious long-term disability, and issued in compliance with Labor Code Section 4651.

14. Return to Work

The TPA shall seek meaningful work restrictions from physicians and provide guidance to CITY in evaluating employee's ability to return to work, and/or recommend further treatment. The TPA shall provide assistance to the CITY in establishing a modified work program which is appropriate for injured employees while recovering and prior to their return to regular duties.

The TPA shall ensure employees are returned to full or modified employment at the earliest possible date.

The TPA shall consult frequently with the CITY in those cases where the injury residuals might involve permanent work restrictions and/or retirement potential.

The TPA shall promptly communicate with the CITY, not longer than 48 hours after receipt, any return to work letters, changes to a claimant's work restrictions, and permanent work restrictions.

15. Transportation Expense

Claimed transportation reimbursement will be mailed within five (5) days of the receipt of the claim for reimbursement. Advance travel expense payments will be mailed to the injured employee ten (10) days prior to the anticipated date of travel.

16. Permanent Disability

The TPA shall explain and assist injured employees in completing the necessary forms to obtain a permanent disability rating.

The TPA shall determine the extent and degree of permanent disability, utilizing as necessary and desirable, consultative ratings from the California Division of Workers' Compensation - Disability Evaluation Unit. The TPA must ensure apportionment is addressed in all claims involving permanent disability. The TPA shall arrange for an informal disability rating whenever possible to avoid Workers' Compensation Appeals Board litigation.

All permanent disability benefit notices shall be sent to the employee as required by the Labor Code.

17. Litigated Cases

The CITY reserves the right to select its own legal counsel. The TPA agrees to contract directly with said legal counsel and provide all necessary and reasonable assistance thereafter.

When defense counsel is not necessary, the TPA shall work closely with the applicant's attorney in informal disposition of litigated cases. All assignments to outside counsel will be done with the CITY's authorization and consent. In conjunction with the CITY, the TPA shall monitor the outside counsel's progress. The TPA shall audit all bills before payment.

Settlement proposals directed to the CITY shall be forwarded by the TPA or defense counsel in a concise and clear written form with a reason(s) for such recommendation. All preparation for a trial shall involve the CITY so that all



material evidence and witnesses are utilized to obtain a favorable result for the defense.

The supervisor or the examiner shall attend Workers' Compensation Appeals Board hearings, rehabilitation hearings, meetings with defense counsel, and meetings with member cities' staff, departments, and employee groups as necessary and as requested to do so.

18. Settlements

The TPA shall act as liaison among claimants, CITY, and attorneys in the resolution of claims. The TPA shall obtain the CITY's authorization on all settlement proposals or stipulations. All requests for settlement authority shall include a written claim summary, estimate of permanent disability, and the defense counsel's comments and recommendations, if any. The TPA is also responsible for evaluating panel counsel services and identifying and reporting problems or poor performance with panel counsel.

19. Subrogation

In all cases where a third party is responsible for the injury to the employee, the TPA will send a letter to the CITY indicating they will pursue subrogation unless instructed otherwise by the CITY. When subrogation is to be pursued, the third party shall be contacted within ten (10) days with notification of the CITY's right to subrogation and the recovery of certain claim expenses. If the third party is a governmental entity, a claim shall be filed with the governing board within six (6) months of the injury or notice of injury.

Periodic contact shall be made with the responsible party and/or insurer to provide notification of the amount of the estimated recovery to which the CITY will be entitled.

If the injured worker brings a civil action against the party responsible for the injury, the TPA shall consult with the CITY about the value of the subrogation claim and other considerations. Upon receipt of the CITY's authorization, subrogation counsel shall be assigned to file a Lien or a Complaint in Intervention in the civil action.

Whenever practical and with the authority of the CITY, the TPA should take advantage of any settlement in a civil action by attempting to settle the workers' compensation claim by means of a third party compromise and release. If such attempt does not succeed, then every effort should be made through the WCAB to offset claim expenses through a credit against the proceeds from the injured worker's civil action.

20. Vocational Rehabilitation

TPA shall ensure that CITY meets its obligations to provide vocational rehabilitation services (for injuries occurring on/after January 1, 1994) or supplemental job displacement benefits (for injuries occurring on/after January 1, 2004).

21. Claim Reconciliation

All claim files shall be reconciled to ensure all medical, indemnity, and expense payments have been made correctly. The reconciliation should verify that payments were made to the correct provider, in the correct amount, and from the correct claim file. The physical file should be verified with the computer information. All open claim files shall be reconciled 1) any time there is a change from one benefit to another (e.g., from temporary disability to permanent disability), 2) when ten indemnity checks have been issued, or 3) at least annually. Proof of the reconciliation should remain in the claim file.

22. Excess Coverage

All cases meeting the special reporting criteria established by the CITY'S excess carrier shall be promptly reported as required.

23. Award Payment

Payments on awards, computations, or compromise and release agreements will be issued within ten (10) days following receipt of the appropriate document.

24. Penalties

The CITY will be advised of the assessment of any penalty for delayed payment and the reason thereof and the TPA's plans for payment of such penalty within five (5) days of assessment.

25. Case Closure

The TPA shall close all claims on which all medical and compensation benefits have been provided within a reasonable amount of time. Claim files shall not be allowed to go without examiner attention for a period of time longer than three (3) months. Medical only claims shall not remain open longer than six months without good cause.

Medical only cases must be closed within sixty (60) days from the date the letter went to employee indicating there is no permanent disability.

The TPA will monitor stipulated cases with future medical provisions. Reserves for future medical will be reviewed semi-annually and adjusted according to use.

26. Loss Runs

The loss run shall be issued by the 15<sup>th</sup> of the month following the closing date. Any corrections that are requested to be made to the loss run shall be made within thirty (30) days. The loss run generated shall contain the minimum:

- a. A management summary of all pending claims; report of all claims by current fiscal year by department; current month new claims; closed claims; all claims by date of injury by fiscal year' all claims by payment type; all active claims, alphabetical order; all claims with payment in current month with payment detail in alphabetical order by department. Claim information shall include, location of injury department, a brief description, paid and reserve amounts.
- b. A fiscal year end recapitulation report providing the information referenced in subsection 26.a above, and a "repeater" report listing all claims filed by each employee.

Requests for status of claims generated by the CITY shall be provided as soon as is practical.

The TPA will provide reports on an ad hoc basis as requested by the CITY.

27. Claims Reporting

The TPA shall maintain all loss information and provide scheduled reporting that may include, but is not limited to:

- Detailed listing and/or summary of all open and closed claims;
- Listing of first aid only claims;
- Claims cost detail;
- Claims by department and/or location;
- Claim trends;
- Check register; and
- OSHA reports.

The TPA shall also generate customized report at CITY's request.

28. OSHA 300 Log

The TPA shall maintain all loss information as required for the Occupational Safety and Health Administration ("**OSHA**") 300 Log and Summary of Occupational Injuries and Illnesses. The TPA shall prepare and submit a complete OSHA 300 log for the CITY on or before January 30 of each year.

29. Record Retention

All claim files are the property of the CITY. As such, they shall be maintained in accordance with statutory time requirements and the CITY's Record Retention Policy, and shall not be destroyed without the written permission of the CITY.

The TPA shall also maintain all financial Data, supporting documents, and all other records relating to performance and billing for a period in accordance with state and federal law, a minimum retention period being no less than four (4) years. The retention period starts from the date of the submission of the final payment request. The TPA shall also protect Data adequately against fire or other damage.

30. Claim Supervision

The TPA shall provide supervisory staff who will regularly review the work product of the claims examiners. The supervisor shall review at least ten percent (10%) of each examiner's case load each month to ensure each examiner is following the performance standards outlined in this RFP. In addition, the supervisor shall conduct a regular quarterly review of all open indemnity claims with reserves in excess of \$50,000 and all problem or complex claims.

The supervisor will meet at least quarterly with the CITY to evaluate open indemnity claims, including litigated cases. The purpose of the meeting shall be to outline losses and identify problems, examine reserves, identify current trends, discuss relevant changes in the Labor Code, apply new case law to existing claims, discuss the need for improving or altering claims management, and make recommendations for improvements in communications between the TPA and the CITY.

31. Availability of Personnel

The TPA shall at all times, have one or more of the examiners assigned to the CITY's unit, or in their absence, the supervisor, office manager, or an Officer of

the TPA shall be available by telephone for emergencies through a 24-hour emergency telephone number.

The TPA shall ensure' at least one or more of the examiners assigned to the CITY's unit is on call and available to the CITY every business day throughout the term of the contract period.

In the event of a leave of absence for any reason, vacation, or termination of an examiner assigned to the CITY's account, the CITY shall be immediately notified, and the examiner's position shall be backfilled by another employed examiner, or a temporary employee within five (5) working days.

The CITY acknowledges that the TPA reserves the right to employ an examiner of their choosing. However, in the event of a vacancy of an examiner on the CITY's account, the CITY shall be allowed to review the resumes of and interview the finalists for the position, and be consulted prior to the TPA's final selection.

32. Examiner Training

The TPA shall ensure each claims examiner handling the CITY's claims will receive continuing education training each year. TPA shall annually certify this in writing.

33. Member Services

The TPA shall provide special on-site training services annually to personnel from the CITY to ensure that the people within the CITY who process workers' compensation claims are effectively carrying out the procedures required for a successful program. A copy of the claims manual should be readily available for review by the appropriate CITY staff or representative.

The TPA shall require its examiners or other TPA personnel, as necessary, to attend the CITY's regularly scheduled quarterly meetings to report on the general state of the program since the last meeting and on any particular cases of interest to the CITY.

The TPA shall require one of the dedicated unit examiners to meet with CITY personnel, at the CITY's location, at least once annually to review program procedures regarding workers' compensation reporting requirements and other program matters that require the timely participation of the CITY's personnel.

The TPA shall require an examiner to be available and readily respond to CITY's request for assistance with problem cases, including on-site visits to the CITY.

The TPA shall provide the CITY with information regarding statutes, proposed changes to statutes, and changes to the rules and regulations affecting the CITY and its responsibility to its excess coverage pool.

The TPA shall assist the CITY in recommending and developing policies and procedures in areas such as pre-employment physicals, work restrictions, and disability retirement, as required by the CITY.

34. Employee Services

As required, the TPA will develop, for review by the CITY, materials which will provide information and guidance to CITY employees regarding workers' compensation and the self-insurance program.

As required, the TPA will meet with and assist injured employees in resolving problems that arise from injury or illness claims.

35. Risk Management Information System

The TPA's Risk Management Information System shall be an internet-based claims system with access 24 hours a day, seven days a week, to review claim files and generate reports in real time. The system should be able to export claims data to word documents and excel spreadsheets. There shall be processes that ensure data integrity and claimant confidentiality.

All costs associated with the purchase, installation, data transfer, and training will be the responsibility of the TPA. The TPA shall provide user training and product support for any new system for the length of the contract.

**V. INSURANCE REQUIREMENTS**

The proposal must include the name of the TPA's insurance carrier, the policy coverages and limits, and expiration dates.

The successful TPA shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the TPA, his/her agents, representatives, employees, or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73), covering Comprehensive General Liability and Insurance Services Office form number GL 0404, covering Broad Form Comprehensive General liability; or Insurance Services Office Commercial General Liability coverage ("Occurrence" Form CG 0001).
2. Insurance Services Office Form No. CA 0001, covering Automobile Liability, Code 1 (any auto) or Code 8, 9 if no owned autos.
3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employer's Liability insurance.

**B. Minimum Limits of Insurance**

TPA shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the TPA or the general aggregate limit shall be twice the required occurrence limit. Such insurance shall include the CITY, its officers, agents, employees and volunteers as additional insureds. Such insurance shall provide thirty (30) days notice of intent to cancel or non-renewal to the CITY. Such insurance shall be subject to a deductible or self-insured as agreed to by the CITY. Upon execution of this Agreement, TPA shall provide the CITY with a certificate of insurance evidencing that such general liability insurance has been obtained and is in full force and effect. In addition to the certificate of insurance and upon request by the CITY, TPA shall provide to the CITY a certified copy of the insurance policy or policies upon request.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage. If Automobile Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the TPA or the general aggregate limit shall be twice the required occurrence limit. Such insurance shall include the CITY, its officers, agents, employees and volunteers as additional insureds. Such insurance shall provide thirty (30) days notice of intent to cancel or non-renewal to the CITY. Such insurance shall be subject to a deductible or self-insured retention as agreed to by the CITY. Upon execution of this Agreement, TPA shall provide the CITY with a certificate of insurance evidencing that such automobile liability insurance has been obtained and is in full force and effect. In addition to the certificate of insurance and upon request by the CITY, TPA shall

provide to the CITY a certified copy of the insurance policy or policies upon request.

3. Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of \$1,000,000 per accident. Upon execution of this Agreement and upon renewal of such coverage, the TPA shall provide the CITY with a certificate of insurance evidencing that such Workers' Compensation and Employer's Liability insurance has been obtained and is in full force and effect. In addition to the certificate of insurance and upon request by the CITY, the TPA shall provide to the CITY a certified copy of the insurance policy or policies upon request.
4. Errors and Omissions: \$1,000,000 per occurrence and \$2,000,000 aggregate, and shall not be subject to a deductible and/or self-insured retention of greater than \$100,000. The TPA shall maintain errors and omission insurance applying to all claims arising out of an occurrence or events during the term of the insurance and made during, or subsequent to, the term of this Agreement. Such insurance shall apply whether the claim arises out of the operations of the TPA, its officers, employees, consultants, agents, or anyone else acting, directly or indirectly, on behalf of any of the foregoing. Such insurance shall be severable and, except as respects the limits of liability and self-insured retention, apply to each insured as if no other insureds exist. Such coverage shall provide thirty (30) days' notice of intent to cancel or non-renewal to the CITY. Upon execution of this Agreement and upon renewal of such coverage, the TPA shall provide the CITY with a certificate of insurance evidencing that such errors and omissions insurance has been obtained and is in full force and effect. In addition to the certificate of insurance and upon request by the CITY, the TPA shall provide to the CITY a certified copy of the insurance policy or policies upon request.
5. Employee Dishonesty: \$1,000,000 to include comprehensive employee dishonesty, disappearance, theft, and forgery or alteration coverage in a form and issued by an insurance or bonding company or companies acceptable to the CITY. Such insurance shall not have a deductible greater than \$1,000 any one claim. Upon execution of this AGREEMENT, the TPA shall provide the CITY with a certificate of insurance evidencing that such insurance has been obtained and is in full force and effect. Such coverage shall provide thirty (30) days notice of intent to cancel or non-renewal to the CITY.

C. Acceptability of Insurers



Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:XV.

D. Verification of Coverage

The TPA shall furnish the CITY with an original certificate and amendatory endorsements affecting coverage required by this clause. The endorsements should be on forms provided by the CITY, or on other than the CITY's forms, provided those endorsements or policies conform to the requirements stated in this clause. All certificates and endorsements are required to be received and approved by the CITY before work commences.

**VI. SELECTION CRITERIA**

The selection criteria to be used to select the successful bidder will include, but is not limited to, the following:

- A. Established record of consistent professional service and reputation within the industry
- B. High quality references from public entities, particularly full service municipalities
- C. Staffing and experience levels
- D. Cost effectiveness of medical and legal cost containment services and activities
- E. Overall cost-benefit advantages

**VII. INSTRUCTIONS FOR PREPARING WRITTEN PROPOSAL**

Please respond to this Request for Proposal in the following manner:

- A. References and Experience
  - 1. Please give a brief description of your firm including:
    - Names and background of principal owners, partners, or officers including a resume detailing experience,
    - Length of time the firm has been in business of administering workers' compensation claims,
    - Number of offices and locations,
    - Office that would service the CITY's claims, and

- Office that would service the CITY for loss data or functions other than claims adjusting.
2. Identify the personnel (including supervisory and management) who would be assigned to administer the CITY's claims. In addition, provide detailed responses to the following:
    - a. The position each individual occupies,
    - b. The education, years, and type of experience of each (Please attach a resume or curriculum vitae ),
    - c. The experience each has adjusting California public agency claims, and municipal government (city or county) claims in particular,
    - d. The length of time each has been with the firm.
    - e. The percentage of time each is in the office versus the field,
    - f. The job duties of each outside the office, and
    - g. The caseload for every person assigned to handle any portion of the CITY's claims.
  3. Provide a list of clients for which similar types of claims-related services are currently provided, preferably in the Northern California area. Please include the name, title, and phone number of three people, in three different companies, other than the CITY, whom the CITY can contact to discuss the bidder's performance.
  4. Provide a list of clients who have elected to contract with other TPAs during the past 24 months.
- B. Identify any owned ancillary services.
  - C. Please quote an annual fee for each of the three years of the contract, as well as an annual fee for the optional years if they are exercised.
  - D. Please indicate whether the bidder can comply with the Scope of Work as outlined in Section IV above.
  - E. Please describe any services not previously covered which you believe may be of particular value to the CITY.
  - F. The proposal must indicate that the TPA agrees to be bound by the proposal and shall enter into a contract to provide services in a form as approved by the CITY. Sample contract is attached as Exhibit 2.

- G. The proposal must be valid for one hundred and twenty (120) calendar days from the final submission date of bids.
- H. Submit a cover letter that contains the name, title, address and telephone number of the individual(s) with authority to bind the proposal during the period in which the CITY is evaluating the proposal. The bidder shall also identify the legal form of the firm, i.e., sole proprietor, partnership, corporation, etc. If the firm is a corporation, the cover letter shall identify the state in which the firm was incorporated. The cover letter shall be signed by a principal of the firm or other person fully authorized to act on behalf of the firm.
- I. Samples of computer-generated reports must accompany the proposal.
- J. A user guideline, outlining the processing of a Workers' Compensation claim from notice of injury to decision by the Workers' Compensation Appeals Board, must be provided in the proposal
- K. It is expected that there will be approximately 174 open indemnity files, and 2 open "medical only" files that may be transferred to the new TPA. The TPA must state whether or not the cost of handling these existing open files are included in the annual fee quoted above. If not, then TPA shall indicate the costs for these existing open files.
- L. Please describe a transition plan for the CITY'S existing open and closed files, including the timeline and logistics for transfer of both electronic data and physical files. The transition plan should describe a methodology to ensure continuity of care and service for existing claimants. The transition plan should also include a description of information required from the CITY or its current TPA for transition purposes.
- M. The TPAs whose proposals are selected as finalists for consideration may be asked to appear at their own expense, before an evaluation panel to discuss their proposal. The CITY may request the appearance be done through virtual video conference. Please indicate whether this is acceptable.

The CITY will not be bound by oral explanations or instructions given at any time during the review process or after the award. CITY reserves the right to reject any and all proposals, to award the service agreement in whole or in part, and to negotiate terms of service prior to entering into a service agreement.

Proposals and all other information and documents submitted in response to this RFP are subject to the California Public Records Act, which generally mandates the disclosure

City of Alameda  
Request for Proposal  
March 22, 2021

of documents in the possession of the CITY upon the request of any person, unless the content of the document falls within a specific exemption category.

Submit copies of your Proposal and any other information concerning your services by 5:00 p.m., on April 16, 2021, to the address shown below.

Late proposals will be rejected. All proposals whether selected or rejected shall become the property of the CITY. Costs of preparation of proposals will be borne solely by the bidder. Proposals may not be submitted by fax machine.

The CITY may modify this RFP, before the date scheduled for submission of proposals, by issuance of an addendum to all parties who have been furnished the RFP for the purpose of submitting a proposal.

Proposals will be accepted at:

City Clerk  
City of Alameda  
2263 Santa Clara Avenue, Room 380  
Alameda, CA 94501  
CLERK@alamedaca.gov

Questions concerning this Request for Proposal should be addressed in writing to:

Rina Winston  
City of Alameda  
2263 Santa Clara Avenue, Room 280  
Alameda, CA 94501  
rwinston@alamedacityattorney.org

***END OF REQUEST FOR PROPOSAL***