

CHATHAM COUNTY PURCHASING DEPARTMENT

ADDENDUM NO. 1 TO RFP #15-0017-7

**FOR: THIRD PARTY ADMINISTRATOR (TPA) – WORKER’S COMPENSATION**

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**PLEASE SEE THE FOLLOWING ADDITIONS, CLARIFICATIONS AND/OR CHANGES:**

1. **Question:** Ref. Section 3.7 Format of Responses – Does the County require 1 original, 5 copies and 1 electronic version of proposal documents?  
**Response:** Yes, please follow proposal format.
  
2. **Question:** Ref. Time – If a decision is reached quickly (presumably mid-May to end of May), and a new TPA is selected it would allow only 30 days to transition data by July 1<sup>st</sup> ... is that your thinking?  
**Response:** Yes.
  
3. **Question:** Ref. Section 2.11 Insurance Provisions, General – In requesting insurance coverages to be documented, can proposers acknowledge their coverage limits in a schedule as part of their proposal? Then, if selected, provide the agreed Certificates of Insurance for coverages prior to the effective date of the Agreement?  
**Response:** Yes
  
4. **Question:** Ref. Section 5.2.27 GA Subsequent Injury Trust Fund (GSITFGF) – pursuit of recoveries, Does the County want proposers to perform recovery functions from the GSITF going forward?  
**Response:** No.
  
5. **Question:** Ref. Section 5.1 Claims Counts – Regarding Medical Bill Review element (calendar years 2013 and 2014 individually), please provide following:
  - Total Number of Medical Bills for each Year
  - Total Amount Billed for each Year
  - Total Amount Paid for each Year
  - Which Network(s) is (are) currently being used to review the County’s medical bills?**Response:** The responses to this question are yearly averages from Fiscal Years 2009-2014 with 2014 listed as a stand-alone year.

Average Number of Medical Bills FY 2009-2014 – 1239 Bills  
Average Amount Billed for FY 2009 – 2014- \$1,119,721  
Average after reductions to fee schedule and bill review- \$461,156  
Average savings after bill review-\$86,769

Number of Medical Bills FY 2014– 2016 Bills reviewed  
Amount Billed for FY 2014 - \$1,948,762  
Amount after reductions to fee schedule and bill review- \$844,490

Savings after bill review-\$134,035

Networks:

Prescription: Preferred Medical Network

Bill Review: Coventry Workers Comp Services.

6. **Question:** Ref. Costing Proposal – Are proposers only allowed to propose a percentage of savings below State Fee Schedule? Will the County allow a minimal charge per bill for any costs to reduce to State Fee Schedule?  
**Response:** Yes - All proposers should use the revised fee proposal sheet which does not allow for a minimum per bill charge.
7. **Question:** Which insurer currently provides the County's Specific Excess of Loss coverage? Does the County utilize a Broker to place this coverage or will the TPA potentially be responsible for placement of the Excess of Loss coverage?  
**Response:** Safety National provides the excess coverage (this information was provided in the RFP). Our Broker will be responsible for the placement of the coverage.
8. **Question:** Ref. CLAIMS COUNTS - Will the County consider defining the basis for annual claim counts? Can proposers provide pricing for overages?  
**Response:** There is not an accurate way of defining claims count. Please base your proposal on the 5 year claims history.
9. **Question:** Ref. Run-off Claims, Lost Time Claims, Medical Claims – numbers are provided for 5 years are indicated - is that all of them?  
**Response:** As of the end of Fiscal Year 2014 there were 92 total open claims. We are requesting a per claim quote for run off claims.
10. **Question:** Ref. Section 5.2.1 - If proven to be the most effective choice for Chatham County, will a TPA located outside Chatham County be given equal opportunity for this contract?  
**Response:** Please refer to the proposal. The proposal defines the evaluation process.
11. **Question:** Ref. Section 5.2.27 – How does your current SITF process work with Reimbursement Consultants, Inc? Are you currently under any type of contract with them; if so, where are the terms? Does the incumbent currently handle any of your third-party recoveries?  
**Response:** Reimbursement Consultants review the files that qualify for SITF. RC then presents the charges to the SITF. Payment is then processed and sent directly to Chatham County. The County is under a contract with RC. The terms are not available at this time. The incumbent TPA will be expected to handle third party recoveries.
12. **Question:** Would the County define the TPA's adjuster staff assigned to the county? ( i.e. 1 Indemnity adjuster, 1 MO adjuster, etc)  
**Response:** No. The TPA would define their staffing. However, the County wants (a) dedicated adjuster(s) on the account.

13. **Question:** What is the current TPA's pricing structure, per claim or flat rate and what are the current contract rates?

**Response:** The current structure is a flat rate pricing structure.

14. **Question:** Can the County supply the average annual bill review volume for the WC program?

a. Total billed charges by provider?

b. Total paid to providers after the bill review service reviewed the bill?

**Response: The responses to this question are yearly averages from Fiscal Years 2009-2014 with 2014 listed as a stand-alone year.**

Average Number of Medical Bills FY 2009-2014 – 1239 Bills

Average Amount Billed for FY 2009 – 2014- \$1,119,721

Average after reductions to fee schedule and bill review- \$461,156

Average savings after bill review-\$86,769

Number of Medical Bills FY 2014– 2016 Bills reviewed

Amount Billed for FY 2014 - \$1,948,762

Amount after reductions to fee schedule and bill review- \$844,490

Savings after bill review-\$134,035

15. **Question:** Is the County currently paying a per bill or per line charge for your Bill Review service in addition to the percentage of savings? If so, what is the per bill or per line charge?

**Response:** The County is only paying a percent of savings.

16. **Question:** Can the County provide the total costs of the WC program for 2014?

**Response:** No. The total cost involves salaries of employees, benefits and settlements. Please refer to the proposal for the cost for the last 5 years.

17. **Question:** How many SITF claims do you currently have?

**Response:** 10 Claimants with 11 claims.

18. **Question:** Ref. Section 4.5.6 - Please verify the total number of references required in six (6) or can the references overlap?

**Response:** We are looking for 5 total references. Please see question 27 for the revised wording of the requirements.

19. **Question:** Please provide estimated number of medical bills paid on Chatham County claims during the past calendar or fiscal year.

**Response:** There were 2016 bills reviewed in the past fiscal year.

20. **Question:** What amount was paid in medical bill review charges during each of the last 3 years?

**Response:** 30% of the savings below fee schedule.

21. **Question:** What is the current billing structure for Medical Bill Review? Is there a percentage of savings as well as a per bill or per line charge?  
**Response:** There is only a percentage of savings charge for the bill review process. There is not an allowance for a per line charge in addition to the percent of savings.
22. **Question:** How many claims were referred for nurse case management during each of the last 3 years?  
**Response:** That information is not available at this time. We refer on an as needed basis.
23. **Question:** Section 5.8 - Is the county looking for the TPA to provide loss control services? If so, please describe what services are requested.  
**Response:** Please refer to the proposal. The County is asking what services you provide.
24. **Question:** Is the incumbent TPA completing the OSHA 300 log for Chatham County presently?  
**Response:** Yes.
25. **Question:** Does the County utilize an outside defense firm to handle workers' compensation litigation? If so, what firm(s) is/are used?  
**Response:** No. The County Attorney handles and directs all of the litigation.
26. **CHANGE:** Section 4.5.6 shall read:  
"Provide a minimum of **three (3) references** of current or past clients, with 1500 to 2000 employees who have employed your services within the last five (5) years, **and two (2) references** of current government clients, with 1500 to 2000 employees for who you furnish(ed) claim administration services to within the last two years **with one (1) of the two governmental references being from a Georgia client.**"
27. **ADDITION:** Access to claim information: The County would like for 5-10 people to have access to the claims information. This is negotiable. Currently the Risk Manager is the only person with access to the claim notes.
28. **CHANGE:** REVISED Fee Proposal Form is attached. All proposers must use revised fee proposal form.

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**PROPOSAL DUE DATE HAS BEEN EXTENDED  
TO 5:00PM, May 19, 2015**

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**PROPOSER IS RESPONSIBLE FOR MAKING THE NECESSARY CHANGES.**

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May 8, 2015

DATE

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MARGARET H. JOYNER  
PURCHASING AGENT  
CHATHAM COUNTY

A handwritten signature in black ink, appearing to read "Margaret H. Joyner", written over a horizontal line. The signature is cursive and extends to the right of the line.

**REQUEST FOR PROPOSAL  
CHATHAM COUNTY, GEORGIA**

**REVISED FEE PROPOSAL FORM**

**RFP NO. 15-0017-7**

**THIRD PARTY ADMINISTRATOR (TPA) - WORKER'S COMPENSATION**

I have read and understand the requirements of this proposal, RFP #15-0017-7, and agree to provide the required services in accordance with this proposal, and all other attachments, exhibits, etc. I agree to furnish the Services as described in RFP #15-0017-7, for the fee listed below. I understand that the County will not be responsible for the reimbursement of any costs not specifically set forth in this proposal. In addition, the County reserves the right to accept any part or all of the fee schedule and to negotiate any charges contained herein unless qualified otherwise.

<b>CHATHAM COUNTY, GEORGIA WORKERS' COMPENSATION FEE SCHEDULE</b>		
<b>ITEM</b>	<b>DESCRIPTION</b>	<b>Annual Cost</b>
A.	Medical Only	\$
	Lost-time	\$
	<b>Subtotal Section A</b>	\$
B.	Incident/Report Only	\$
	<b>Subtotal Section B</b>	\$
C.	Annual Administrative Fee	\$
D.	Data Conversion Fee (First Year Only)	\$
	<b>Total (A+B+C+D)</b>	\$
E.	Annual Cost	
	Annual Cost Year One	\$
	Annual Cost Year Two	\$
	Annual Cost Year Three	\$
	Annual Cost Year Four	\$
	Annual Cost Year Five	\$
	<b>Full Term Contract Cost (Years 1-5)</b>	\$
	<b>Additional Services</b>	
F.	Medical Bill Review (% of Savings)	
G.	Run-off Claims	\$
	Medical Only	\$
	Lost-time	\$

	Incident/Report Only	\$
	<b>Optional Fees for Services</b>	
H.	OSHA 300 Log	\$
I.	Medicare Set-Aside	\$
J.	Loss Control	\$

FEE TO BE BASED ON LUMP SUM COST PER YEAR:

Year 1: 2015/2016 \_\_\_\_\_ /Total

Year 2: 2016/2017 \_\_\_\_\_ /Total

Year 3: 2017/2018 \_\_\_\_\_ /Total

Year 4: 2018/2019 \_\_\_\_\_ /Total

Year 5: 2019/2020 \_\_\_\_\_ /Total

FIRM NAME: \_\_\_\_\_

PROPOSER: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

E-MAIL: \_\_\_\_\_