CITY OF JOPLIN
COUNCIL AGENDA ITEM

ITEM
Council Bill 2024-613 – An ordinance approving an agreement with Thomas McGee Group, Third Party Administrator (TPA) to provide workers' compensation and liability claims services for the City of Joplin.

MEETING DATE
June 3, 2024

ORIGINATING DEPT
Human Resources/Risk

ATTACHMENTS
CB 2024-613 and agreement for consulting services

REVIEWED BY
Department Head: Michelle Ducre; Finance Director: Leslie Haase; City Attorney: Peter Edwards; City Manager: Nicholas Edwards

SUMMARY
This Council Bill approves an agreement for claims services Third Party Administrator (TPA) for workers' compensation and liability claims processing for the City of Joplin, effective July 1, 2024 at midnight.

BACKGROUND
In March 2024, the City issued a renewal RFP for Third Party Administrator (TPA) claims service. Thomas McGee was selected as the new TPA.

In 2023, our total claims incurred were $8,272,963.09 and claims paid were $4,263,593.86. There are sixty-one (61) open claims (58 workers' compensation and 3 auto).

The annual TPA services annual fee is $10,000 for 2024, $10,000 for 2025, and $10,250 for 2026, and the per claim fee schedule is attached in "Exhibit A".

FUNDING SOURCE
These services are included in the FY 2024-2025 budget of the Workers Compensation Fund and Liability Insurance Fund.

RECOMMENDATION
Staff recommends approval of this council bill on first reading to begin claims transition from the current TPA (Brentwood) to Thomas McGee to begin July 1, 2024.

Exh. A

JOPLIN
MISSOURI

RFP TITLE: **Third Party Administrator Claims Services**

RFP: # 2024-RFP-10

DATE OF ISSUANCE:	**March 28, 2024**
QUESTIONS DUE:	**April 17, 2024 @ 10:00 a.m. to hr@joplinmo.org**
PROPOSAL DUE DATE:	**April 26, 2024 @ 10:00 a.m.**
SUBMIT TO:	**Human Resources - Joplin City Hall First Floor** **602 S. Main Street** **Joplin, Missouri 64801**

NOTICE TO BIDDERS

The City of Joplin, Missouri will accept sealed bid proposals until Friday, April 26, 2024, at 10:00 a.m. as set forth in the bid packet to PROCURE the following service:

Third Party Administrator Claims Services

The RFP is available from Michelle Ducre, Human Resources Director, by calling 417-624-0820 ext. 1210 or by emailing; hr@joplinmo.org . Any bids received after the specified deadline will not be considered.

The City reserves the right to evaluate all bids, to reject any or all bids and re-bid at a later date. The City may waive any irregularities in the bid or negotiate variances from specifications and make awards that are in the best interests of the City. The City will have final decision in all matters regarding acceptance of bids and issuance of awards.

The City encourages minority and female-owned businesses to submit bids on all City purchases.

Leslie Haase, CPA, CMA
Finance Director

Publication Date: **Thursday, Marh 28, 2024**

Notice to bidders

Bidders may submit a proposal for either workers' comp and liability claims or both. Proposals must be delivered by the deadline and to the location above in a **SEALED ENVELOPE** with the **RFP number/RFP Title** and **Firm's name and address clearly marked on the outside of the envelope**. Proposals received after the deadline or that fail to comply with RFP requirements expressed herein will be rejected. During the evaluation process, the City of Joplin reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors or omissions.

The City of Joplin reserves the right to cancel this RFP, or to reject any and all proposals, or any portion of any proposal, received in response to this RFP, upon its determination that such cancellation or rejection serves the best interests of the City. There is no expressed or implied obligation for the City of Joplin to reimburse firms for any expenses incurred in preparing or delivering proposals in response to this request.

The City also reserves the right to negotiate with selected firms regarding pricing and fee structures and all other aspects of the Proposals. All information included in a Proposal may be incorporated, at the City's sole option, into the contract **RFP TITLE: TPA Claims** to be entered into between the City and the successful Bidder (as hereinafter defined). Any contract awarded as a result of this RFP will be awarded without discrimination on the basis of race, color, religion, age, sex, sexual orientation, or national origin.

Any technical or administrative questions regarding this RFP shall be made in writing and directed by email to hr@joplinmo.org. All questions, answers, and/or addenda, as applicable, will be posted on the City's website at www.joplinmo.org (Upon entering the website click on Bids & Proposals Icon, click on the Bid Title to view all proposal details and document links). **It is the respondent's responsibility to check the website for addenda prior to submission of any proposal.**

MARK BID ENVELOPES: ***"Third Party Administrator Claims Services -#2024-RFP-10, 10:00 A.M., Friday, April 26, 2024"***

TIMELINE

The City intends to adhere to the schedule listed below as closely as possible and reserves the right to modify the schedule in the best interest of the City as required.

Publicize RFP	**March 28, 2024**
Questions	**April 17, 2024 @ 10:00 a.m. CST**
RFP Due Date	**April 26, 2024 @ 10:00 a.m. CST**
Interviews with Top Respondents	**Week of April 29th, 2024**
Execution of Contract	**May 20, 2024**
Transition of Claims	**Begin transition May 21, 2024**

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SECTION I – GENERAL INFORMATION

PURPOSE

The City of Joplin ("the City") is seeking proposals from qualified firms/providers to enter into a three-year contract for Third Party Claims Administration (TPA) services related to **Workers' Compensation** AND **Liability Claims** with an option to renew for two (2) additional years, each to be exercised separately. The City has the sole discretion to renew or not to renew each optional contract year. Please note that the City is self-funded.

The TPA is required to:

(1) manage the claims administration, analysis, reporting, and funding for the City and ensure compliance under Missouri State Statutes for work-related illnesses and injuries. This includes special provisions for law enforcement and firefighters. Services must include completing and filing the First Report of Injury with the State of Missouri, completing the annual ERM-6 report for submission to NCCI, and monitoring claims as required by Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 ("MMSEA").

(2) Provide claims adjusting, analysis and reporting services for general liability, property, casualty, and automobile claims.

This Request for Proposal is being released in accordance with the City's purchasing and procurement policies. Currently, the City uses Brentwood Services Administrators, Inc. as its TPA and their performance has been satisfactory to date.

BACKGROUND

Incorporated in 1873, the City of Joplin is located in the southwest corner of Missouri and is the State's fourth largest metropolitan area. Population growth within the City limits, which covers more than thirty square miles, continues to grow modestly while rapid growth is being experienced in the surrounding regional area. Joplin's actual population is 51,762 that swells to approximately 225,000 during the day. The City's fiscal year begins on November 1. The total annual budget of the City is approximately $140 million. The City currently employs approximately 617 full-time equivalent employees representing a total payroll of about $40 million. City employees work in fifteen distinct departments: City Manager's Office, City Clerk's Office, Communications, Legal, Human Resources, Finance, Information Technology, Municipal Court, Public Health Department, Planning, Development & Neighborhood Services, Convention & Visitor's Bureau, Public Works, Police, Fire, and Parks & Recreation.

SECTION II – EXISTING ENVIRONMENT

The City is self-insured for all lines of insurance. Our TPA manages all workers' comp claims, including filing the First Report of Injury (FROI) with the State of Missouri. The TPA also obtains budget and settlement authority for claims from our City Attorney and discusses claims settlement or negotiation recommendations with the City's retained workers' comp attorney.

For liability claims, two HR/Risk staff members manage small claims and the TPA handles large liability claims (over $5,000), and those involving rental cars. The City Attorney must approve all settlements and communications with claimant attorneys.

- Workers' comp. SIR level is $500,000 and for Police and Fire it is $750,000 with a $2,000,000 limit per occurrence. The City's 2023 experience mod rating is 1.31 and the new rating from NCCI is currently pending.

- For all liability policies the SIR is $850,000 with limits of $10,000 to $25,000,000

- The City carries property and liability coverage for: general, employee benefits, law enforcement, public entity management, public entity employment related practices, auto, auto physical damage, umbrella excess, medical facility professionals, fine arts, crime, cyber, drone, and aviation liability
- The City owns/operates a fleet of 280+ vehicles, 400 equipment, and 250 structures/locations
- City employees are permitted to drive personal vehicles on City business with City self-insurance being excess over any personal insurance carried by the employee

SECTION III – SCOPE OF WORK

SPECIFIC SERVICES

The selected respondent's solution shall perform the following:

WORKERS' COMPENSATION CLAIMS

- Provide 24/7 triage services for all claims to determine appropriate treatment. Currently, we use a service called First Nurse, and they receive the claims and provide the information to the TPA to complete and submit the First Report of Injury (FROI). The nurse triage service advises the employee (and supervisor) whether to self-treat or proceed to Occumed, Urgent Care or the Emergency room. The TPA must contact Human Resources (HR) for hire date and salary information needed to submit the FROI to the State of Missouri.

- Process wage payments to the injured employee, and coordinate payments with the City's payroll specialist

- Contact the injured employee to explain the workers' compensation claim process and ensure that they are provided all necessary and quality medical services in a managed care environment. Keep in touch with employee periodically throughout the claims process to minimize litigation

- Interview the injured employee, supervisor, any team members or witnesses, and Department Director. Identify and aggressively defend against fraudulent claims, including claims that can be determined to occur or be caused by non-work-related factors like hobbies, lifestyle, normal aging or body deterioration, or activities that pose no greater risk at home than at work. Advise HR, the City Attorney, and the City's Workers' Comp Attorney of findings

- Process claim related payments to medical providers; provide copy to City Risk Manager

- Provide the City with a monthly claims analysis and report(s) including a simple excel chart showing claims by department, dollar amount, and nature of injury. Prepare and send to HR annual NCCI and State of Missouri filing documents (ERM-6, WC-83, and WC-83) no later than January 15th

- Manage claims for early recovery from injury and early return to productive employment. Work with HR to coordinate alternative work assignments that adhere to medical restrictions. Assign nurse case managers for serious injury claims and those requiring loss time from work

- Comply with all state and federal laws, and City of Joplin policies. Maintain regular communication with the City Attorney for budget authority, and the City's Workers' Compensation Attorney regarding case updates and claims settlement

LIABILITY CLAIMS

Typically, Human Resources/Risk Management is required to handle claims, but since we do not have contracts for rental vehicles, alternative housing, nor adjusters, we occasionally send claims of this nature to the TPA to investigate and process. The City will retain some litigation management and restitution/recovery functions but may call upon the TPA to assist in these areas on a case-by-case basis.

SPECIFIC SERVICES – LIABILITY CLAIMS

The selected respondent's solution shall perform the following:

- Administer property and liability claims, negotiate claims settlement, and obtain authorization from City Attorney to settle claims
- Investigate claims and repair/replacement quotes to determine fraud, inflated quotes, whether there was previous damage to vehicles/property, or if claimant violated City ordinances, state or federal laws; assign adjuster to review claims and repair/replacement quotes
- At the direction of the City Attorney, contact claimants or their attorneys within five (5) business days of receipt of a claim and maintain contact with them until the claim is closed
- Arrange and pay for vehicle rentals, possibly hotel costs for temporary displacement caused by the City's damage to a residence (confer with the City Attorney to authorize)
- Subrogate claims with claimant's insurance company to recover medical and pain and suffering costs to the injured employee and City's property/vehicle losses; have subrogated funds sent to the City of Joplin HR/Risk Management Department
- Maintain a master file and report monthly claims analysis to the City; monitor available reserves and notify City of reserve balances; follow records retention laws; provide City with a monthly and annual claims report
- Install and/or utilize any necessary automated claims administration systems. Manage transfer of claims data records between existing and new TPA for open and closed claims, if needed
- Provide education/training resources to City staff regarding claims management and use of any web-based claims systems or portals
- Analyze settlement potential, including options and recommendations. Settlement authority forms should be completed and approved by City's Human Resources/Risk Department and City Attorney prior to being negotiated with claimant or attorney of claimant
- Prepare and submit settlement recommendations for approval by the City prior to commencing settlement negotiations
- Obtain fully executed release on all settlements and dismissals
- Ensure that adjusters are available to travel to City locations, as needed for meetings or in the event of a catastrophic loss event. No additional fees will be paid by the City for such arrangements
- Comply with all state and federal laws, and City of Joplin policies. Maintain regular communication with the City Attorney and Director of HR/Risk Management regarding claims updates and claims settlement, and file any required reports to the State or federal government
- Provide monthly analysis report on claims; offer recommendations for reducing claims
- Submit billing to the City on a monthly basis, including claims details

Respond to all Questions (if only bidding on workers' comp, answer only questions 1-13), if bidding on both workers'

comp and liability, also answer additional questions listed under Liability.

1. Provide a description of the organization including date founded, staff size, and a list of all workers' compensation and liability claims and consulting services offered by your organization, any subsidiaries (or subcontractors), and your parent company, as applicable.

2. What are your hours of operation? Is there a dedicated 24/7 claims/nurse triage service that informs employees how to treat or seek medical attention for injuries?

3. Furnish documents showing that your firm is licensed to provide services in the State of Missouri

4. Submit a copy of the most recent Statement on Standards for Attestation Engagements (SSAE) 16 audit

5. Outline the Account Manager and staff's experience, certifications, and education in workers' compensation and liability claims management. Include a description of their background in claims investigation, case management, claims adjudication and settlement.

6. Are all claims staff, insurance adjusters, and nurse case managers your agency's staff or a subcontractor? If subcontractor, provide the background on their company and staff. On average, how many clients/claims does each claims staff member manage. What is the staff's tenure in your organization and your staff turnover rate for the last three years? How frequently are Account Managers changed?

7. Describe the education and experience of your Nurse Case Manager(s). Provide a detailed explanation of the services, which are provided by the Case Manager. Is the Case Manager an employee of your facility or a subcontractor? Describe your philosophy on the use of Case Managers and the frequency of use of Case Managers in the past two (2) years.

8. What is the current caseload of the primary team that would be assigned to the City of Joplin? Describe how the TPA manages communication with the injured employee and the City's HR and legal team from claim submission to settlement. What is the turnaround time to respond to claims and inquiries, and to provide updates after medical appointments/treatments? How is billing handled?

9. Describe your experience with filing the First Report of Injury, monthly reporting (provide a sample report), and timely completion of annual state reports (WC-83 and WC-86) and the ERM-6 for NCCI workers' compensation experience mod rating – without being prompted by the employer to do so.

10. What is your practice regarding investigating whether workers' comp injuries may not have actually occurred in the course of doing work and what is your process for denying claims. What policy recommendations do you provide regarding workers' comp relating to Missouri statutes specific to law enforcement and firefighters?

11. Share your philosophy and practice regarding return to work and modified duty. How does your TPA assist municipalities/clients with facilitating both return to work and modified duty?

12. Provide a summary of your firm's security/catastrophic/business continuity plan and records storage/data encryption process? Describe how the City's claims data is securely stored and kept separate from other clients' claims data. Are your adjusters able to travel to loss sites if needed?

13. How does your firm handle the transition of claims files from our current TPA to your system if you are awarded the contract?

ADDITIONAL QUESTIONS FOR LIABILITY CLAIMS

1. Outline the liability claims experience of the Account Manager, supporting claims staff and adjusters. Include a description of their background in claims investigation, claims adjusting, claims adjudication/settlement.

2. Are all staff your agency's staff or a subcontractor? If subcontractor, provide the background on their company and staff. What is the staff's tenure in your organization and your staff turnover rate for the last three years?

3. Describe the claims system used and how the City staff can access to view claims documents and claims status. Can claims be filed 24/7 or what are hours that claims are received?

4. How does your team educate/inform the City Attorney and HR/Risk Management Staff about changes or proposed changes in statutes, rules and regulations affecting the City's responsibility under a legally self-insured General Liability Program?

5. What is your process for managing, negotiating, mediating, or otherwise assisting with claims investigation, denial, resolution/settlement? How does your firm assist the City Attorney in preparing/answering discovery, as requested?

6. On average, what is the caseload of any one adjuster, and how does your firm reduce turnover or frequent changes is claims staff?

7. Provide a summary of your firm's security/catastrophic/business continuity plan and records storage/data encryption process? Describe how the City's claims data is securely stored and kept separate from other clients' claims data. Are your adjusters able to travel to loss sites if needed?

8. How does your firm handle the transition of claims files from our current TPA to your system if you are awarded the contract?

9. Describe any services, training, or program enhancements your firm provides to the City staff.

PROPOSAL OUTLINE

Proposals shall not exceed twenty (20) pages excluding cover letter, cover page and reference letters.
The proposal shall include the following items and be organized in the manner specified below.
Please one (1) bound copy and 1 loose copy - include tabs and an index organizing the proposal content.

- Submit Signed and completed Authorization Form – no digital signatures (only wet ink)
- Outline your company's background, insurance coverages, staff experience, and how your firm will execute the Scope of Work and general information regarding the firm and staff to be involved.
- Responses to the Questions for Workers' Comp and/or Liability
- Transition Schedule and Process
- Excel Spreadsheet Outlining Monthly and Annual Costs (include narrative about cost containment/caps and any anticipated fee increases)
- 4 Reference Letters/Statements (especially municipal clients with 600 employees)

AUTHORIZED RFP REPRESENTATIVE

Printed Name	Title
Company Name	
Company Mailing Address	
City, State, Zip	
Phone No.	Federal Employer ID No.
Fax No.	E-Mail Address
Circle one: Individual Partnership Corporation	
Licensed to do business in the State of Missouri? _____yes _____no	
Maintain a regular place of business in the State of Missouri? _____yes _____no	
Has current General Liability and Error and Omissions Insurance Coverage? ____yes _____no	

Circle Y or N

Y N Are Bidders, their affiliates, subsidiaries, officers, directors, employees, and any team members or subcontractor/TPAs who will do work relating to the Scope of Services listed in the RFP currently under investigation by any governmental agency /or in the past five (5) years been convicted of a felony, or found liable for any act prohibited by City, State or Federal law in any jurisdiction, including conspiracy, theft, bribery, extortion, collusion or any other unlawful action with respect to responding to any public contract?

Y N Are any Bidders, their affiliates, subsidiaries, officers, directors, employees, and all team members listed in the Proposal banned/excluded from any procurement or non-procurement programs with the City, State or Federal government?

Y N The company submitting this proposal certifies that it is being submitted without any collusion, communication, or agreement as to any matter relating to it with any other Respondent or competitor.

Y N Are any Bidders, their affiliates, subsidiaries, officers, directors, employees, and all team members listed in the Proposal related or doing business with any City official or City employee? **If yes, list the City official/employee and relation/business.**

_____ _____

Signature Date

COST / PRICING PROPOSAL

Please complete the excel spreadsheet below:

(a) Provide the **total cost for a three (3) year contract period** for TPA services for workers' compensation and liability claims management. Provide **monthly flat fee** for claims services.

(b) Cost shall full compensation for the TPA's professional services and shall include all administrative, travel and other costs required to manage everything outlined in the Scope of Work and all TPA/subcontracted services.

(c) The TPA(s)/subcontractors involved in this contract are strictly prohibited from receiving additional compensation/commissions. All additional compensation or commissions must be promptly returned to the City of Joplin.

(d) Failure to disclose third-party compensation agreements/understandings to the City may result in bid rejection or future contract termination.

(e) Costs and justification for recommended services outside the current scope.

(f) Provide a copy of your Professional Services Agreement or similar agreement that would best represent a contractual relationship between the Firm and the City. The City Attorney will review the Agreement. Additionally, the TPA agrees to protect, defend, hold harmless and indemnify the City, its officers, agents, and employees.

Service	Monthly Flat Rate	Cost for 3-year period
Claims Management: Workers' Compensation	$	$
Claims Management/Adjuster: Liability	$	$
Monthly and Annual Reporting including State and NCCI ERM-6	$	$
Nurse triage line/Nurse case manager	$	$
Meetings/Travel	No extra cost to City	
File/data transfer	$	$
Other: (Specify)	$	$
TOTAL	$	$

EVALUATION CRITERIA

PROPOSAL EVALUATION

By use of numerical and narrative scoring techniques, proposals will be evaluated by Joplin against the factors specified below on a 100-point scale. Finalists will be invited to an interview with the City, and the City will determine whether to award a new contract or retain the existing TPA. TPA will be required to attend a council meeting to finalize the award.

Criteria	Points
1. Company/Staff Expertise/References	20
2. Claims Management including meeting all qualifications criteria, System Security	25
3. Claims Services: 24/7 claims reporting, claims investigation and review, nurse case manager, reporting, subrogation, settlement	25
4. Costs / expenses	30

SELECTION PROCESS

- This request for proposal does not commit the City of Joplin to award a contract or to pay any costs incurred in the preparation of a proposal to this request. All proposals submitted in response to this request become the property of the City of Joplin. The City of Joplin reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with the selected respondents, the right to extend the contract for an additional period or to cancel in part or in its entirety the request for proposals, if it is in the best interests of the City to do so.

- A Selection Committee will evaluate all proposals received for completeness and the respondent's ability to meet all requirements as outlined in this proposal. The Committee will then short list the specific firms whose proposals best meet all criteria required and may conduct interviews with these firms. Upon completion of interviews, the Selection Committee will forward to the City Manager a list of firms recommended for further consideration.

- Based on the results of the interview process, the City Manager or his designee and City Attorney will review the Scope of Services, fee proposals, and other factors with the top-rated firm(s) and negotiate a specific agreement based on these discussions.

- The City Attorney will execute the contract for services with the TPA.

- TPA will work with the HR/Risk Director to implement or transition claims management and if needed, files transfer, set up, etc.

- Additional technical information may be requested from any respondent for clarification purposes, but in no way changes the original proposal submitted.

INSURANCE REQUIREMENTS / INDEMNIFICATION

The Respondent (TPA) shall, at its own expense and cost, obtain and keep in force during the entire duration of the Project or Work the following insurance coverages covering the Respondent and all of its agents, employees and sub-contractors and other providers of services and shall name the **City of Joplin and their employees and agents as an Additional Insured** on a primary and non-contributory basis to the Respondent's Liability policies. **These requirements shall be clearly stated in the remarks section on the Respondent's Certificate of Insurance (COI).** A Waiver of Subrogation shall be provided in favor of the City of Joplin and their employees and agents. The selected firm shall direct its Insurer to provide a Certificate of Insurance to the City for each of the aforementioned policies before any work is performed/continued. The awarded Respondent(s) will be responsible to provide written notice to the City 60 days prior to cancellation or non-renewal of any insurance policy.

Insurance shall be written with insurance carriers approved in the State of Missouri and with a minimum Best's Rating of A-VIII with all policies written on an occurrence form basis. In addition, all carriers are subject to approval by the City. Minimum Limits and requirements are stated below:

1) Worker's Compensation Insurance:

- Statutory Coverage per State of Missouri Requirements
- Employer's Liability with limits of $1,000,000 each accident/$1,000,000 disease-policy limit/$1,000,000 disease each employee
- A Waiver of Subrogation shall be provided in favor of the City of Joplin and their employees and agents

2) Commercial General Liability:

- Including Premises & Operations, Products and Completed Operations, Personal and Advertising Injury, Contractual Liability, and Independent Contractors.
- Limits of Liability for Bodily Injury and Building Damage not less than $5,000,000 per occurrence/$10,000,000 Annual Aggregate
- A Waiver of Subrogation shall be provided in favor of the City of Joplin and their employees and agents

3) Automobile Insurance:

- Including all owned, hired, borrowed and non-owned vehicles
- Evidence of Combined Single Limit of Liability for Bodily Injury and Building Damage: Per Accident $1,000,000

4) Errors and Omissions Liability or Professional Services Liability Policy

- Provide Errors and Omissions Liability or Professional Services Liability Policy for a minimum Limit of Liability of no less than $50,000,000.
- The respondent agrees to maintain continuous professional liability coverage for the entire duration of this Project and shall provide for an Extended Reporting Period in which to report claims for seven (7) years following the conclusion of the Project.

5) Data Breach Liability:

- $5,000,000 Occurrence/$25,000,000 Annual Aggregate involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion/cyber extortion, extra expense, and network security.

INDEMNIFICATION

To the fullest extent permitted by law, the selected firm shall indemnify and hold harmless the City and their employees and agents consultants, agents, and employees from and against all claims, damages, losses and expenses, direct, indirect or consequential (including but not limited to fees and charges of engineers, attorneys and other professionals and court and arbitration costs) to the extent arising out of or resulting from the performance of the Respondent's work, provided that such claim, damage, loss or expense is caused in whole or in part by any negligent act or omission by the Respondent, or breach of its obligations herein or by any person or organization directly or indirectly employed or engaged by the Respondent to perform or furnish either of the services, or anyone for whose acts the Respondent may be liable.

MARK BID ENVELOPES: ***"Third Party Administrator Claims Services -#2024-RFP-10, 10:00 A.M., Friday, April 26, 2024"***

THOMAS McGEE GROUP
A DIVISION OF RISK STRATEGIES

Exhibit A: Fee & Service Summary

City of Joplin | Effective: 6/1/2024

Thomas McGee, L.C. will provide all of the following services on a fixed claim fee basis for the period of 6/1/2024 thru 5/30/2027.

	2024/25	2025/26	2026/27
Medical Only Claims	$170	$170	$175
Lost Time/Managed Med Claims	$1050	$1050	$1075
Record Only	$50	$50	$50
General Liability Claims	$700	$700	$750
Property Claims	$500	$500	$525
Auto Liability Claim s	$700	$700	$750
Public Officials/Police Professional Claims	$850	$850	$875
Administration (Annual)	$10,000	$10,000	$10,250
Take Over Claims (one time)	$3,000		
Data Conversion (one time)	$3,000		

1) Medical Only claims are defined as claims administered by a Thomas McGee Claim Technician which meet the following criteria:
    - Medical payments do not exceed $2,500
    - No payments are made for Indemnity/Lost Time or Vocational Rehabilitation
    - No settlement authority is required
2) Managed Medical claims are defined as claims exceeding $2,500 in medical payments and will be handled by the Thomas McGee adjuster and include claims being denied, require recorded statements, claims involving potential fraud and subrogation or at the request of the City.
3) Administrative Fee includes anticipated Travel Expenses to comply with regular meetings and claim reviews.

All claim services described in our response and administrative services shown on the following page will be applicable under this fee structure option.

SERVICES:

- We will provide claims administration / adjusting for "medical only" and "indemnity" claims.
- We will provide recordkeeping on all "incident reports".
- We will investigate, adjust and otherwise administer all claims in accordance with Thomas McGee's professional judgement and Best Practices.
- We will assist you each year with your renewal for qualification with the State.
- We will assist in the filing of State reports, such as reports of injury, commencement of benefits forms, and other various forms that may be required by the State, that fall under the purview of this Agreement.
- We will maintain complete records of all CLIENT business for which Thomas McGee is responsible hereunder during the Term of this Agreement. Upon termination of this Agreement, Thomas McGee shall release all CLIENT records to CLIENT.

- We will provide you monthly loss runs formatted to fit your business needs. In addition, we will provide quarterly loss runs and electronic data to applicable excess carriers and year-end 1099 forms.
- We will meet you regularly on any claim(s) that exceed $10,000 in value to insure you are aware of all the facts and direction the claim will take.
- We will manage any litigation that may come up with an attorney of your choice.
- We will aggressively pursue any opportunities for recovery from third parties upon your approval to do so.
- We will report claims to the Center of Medicare Services per requirements of Section 111.
- Any costs associated with the management of claims imposed by State or Federal regulatory changes have not been included in this Agreement. Any additional costs imposed by State or Federal regulatory changes will be in addition to the fees quoted herein. Thomas McGee will invoice the CLIENT for any additional fees due to regulatory requirement changes during the term of this Agreement.
- The fees stated above do not include the transfer of electronic data out of our claims management system. Costs associated with the electronic movement of data are considered to be ancillary services and will be quoted separately based upon the specific requirements of the project.
- The Missouri Division of Workers Compensation requires all employers to report all claims and all expenses associated with Workers Compensation injuries including internally charged expenses. CLIENT will be responsible for all such reporting. Failure to completely report this information may be considered fraud by the Department and subject to fines, or other penalties. Thomas McGee will not be responsible in any manner and you will indemnify McGee for your failure to fully report claims and claim expenses to Thomas McGee in a complete and timely manner.

ADMINISTRATIVE SERVICES INCLUDE:

- Calculation and consultation of Ultimate Loss Costs
- Account set-up and maintenance
- Excess carrier claim reporting
- Access to on-line loss reports
- Unlimited number of Internet Claim Reporting Access
- Completion of annual 1099 reports
- Claim reviews as needed
- Individualized Claim Manual
- Development of individualized reports to monitor program progress
- On-line viewing of claim files
- Costs associated with Indexing with the Insurance Service Office (ISO)
- Reporting of claims in compliance with Section 111 of the Center for Medicare Services

IN WITNESS WHEREOF, the parties have caused this agreement to be executed on their behalf by the undersigned duly authorized persons.

BY: _____ Date: _____
City of Joplin

BY: _____ Date: _____
Thomas McGee, L.C.

Human Resources & Risk Management
602 S Main Street
Joplin, Missouri 64801
417-624-0820
HR@JoplinMo.org

Council Bill 2024-613

NARRATIVE

SELECTION OF THIRD-PARTY ADMINISTRATOR (TPA) SERVICES

Via a three-member committee, to include the Assistant City Attorney, Thomas McGee has been selected as the recommended candidate for the City's third-party administrator to handle liability and worker's compensation claims. The following points were the deciding factors for the selection:

1. This TPA has over 100 years of experience, and their focus on municipalities has granted them over 33 municipal partners within the Midwest region.
2. Communication with employees throughout the claim also includes text option to notify employees of appointments and easy accessibility to claims adjusters.
3. Services will include a dedicated account manager and claims team with significant claims experience.
4. The approach to claims handling and the philosophy behind it are aligned with our goals and expectations. This includes an approach designed for reviewing and closing claims and providing recommendations to reduce employee injuries.
5. Access to a claims portal will provide real-time updates and information to be viewed or analyzed by legal and access. This will include the ability to enter and track information directly and allow for better communication regarding claims status and settlements.

CB 2024-613 - TPA Cost Comparison

	2024-2025		2025-2026		2026-2027	
WORKERS COMP (WC)	**Brentwood**	**Thomas McGee**	**Brentwood**	**Thomas McGee**	**Brentwood**	**Thomas McGee**
	per claim					
Indemnity (lost time) claims	$1,050	$1,050	$1,085	$1,050	$1,120	$1,075
Medical only claims	$190	$170	$200	$170	$210	$175
Incident only (telephone case management)	$60.00	$50	$65	$50	$70.0	$50
Nurse triage	$130.00	$95	Will be billed by Nursing Triage Service			
Status upgrade from info only to med only	$122.50	Thomas McGee audits claims and makes adjustments or refunds based on the difference between the original claim fee and corrected claim fee.				
Upgrade from prior period med only to indemnity	$845					
Upgrade from med only to indemnity	$820					
Nurse triage to indemnity	$942.50					
Downgrade from med only to nurse triage	($100)					
Downgrade from indemnity to med only	($800)					
Downgrade from indemnity to info only	($900)					
Downgrade from med only to info only	($100)					
LIABILITY						
General liability claims	$750	$700	$775	$700	$800	$750
Property claims	$750	$500	$775	$500	$800	$525
Auto liability claims (bodily injury)	$700	$700	$775	$700	$800	$750
Auto liability claims (property damage only)	$700		$725		$750	
Public Officials/Police Professional liability claims	$800	$850	$800	$850	$825	$875
Incident only	$52.50	Thomas McGee audits claims and makes adjustments or refunds based on the difference between the original claim fee and corrected claim fee.				
Upgrade auto paid claims unbilled	$300					
Delete	($600)					
Auto property to physical damage	($300)					
Claims system 2 users free, $500 for add'l): Attys	$1,000	**included**	$1,000	**included**	$1,000	**included**
Annual administration fee	$5,600	$10,000	$5,770	$10,000	$5,950	$10,250
Take over claims (**one time fee**) Thomas McGee	N/A	$3,000				
Data conversion (**one time fee**) Thomas McGee		$3,000				
Fees 2024-2027	$12,013	$16,000	$11,970	$14,020	$11,325	$14,450
OTHER						
2023 claim fees paid (Brentwood only)	$41,107.50	N/A				
2023 Actual Annual admin fee paid (Brentwood only)	$5,250					

TOTAL OVERALL SCORES

	Brentwood	Thomas McGee
Andrea	75	100
Michelle	75	95
Tiffany	50	95
TOTAL	**200**	**290**
See attached score sheets		

Three Year Costs

Claims Mgmt	Brentwood	Thomas McGee	
Admin Fee	$17,320	$30,250	
WC	$75,879	$62,025	
Liability	$35,844	$39,775	
Nurse Triage	$390	$285	estimates based on current rates
CMS Reporting	$17,320	Part of Admin fee	
Meetings Travel	No Charge		
Files/Data Transfer	N/A	$6,000	one time charge only to transfer files from Brentwood
Claims System	$3,000	Part of Admin fee	
	$146,753	$138,335	

AGREEMENT
FOR CONSULTING SERVICES

THIS AGREEMENT is made and entered into this _____ day of June, 2024, by and between the **City of Joplin, Missouri**, a Missouri Municipal Corporation, hereinafter referred to as "City," and **Thomas McGee Group**, hereinafter referred to as "Consultant," and with City and Consultant being referred to collectively as "the Parties."

WITNESSETH:

WHEREAS, City desires to retain a professional Third Party Administrator (TPA) to provide claims services for workers' compensation, general liability, auto, property, and professional liability claims for the City of Joplin, as described in City's Request for Proposal, attached hereto and incorporated by reference as Exhibit A; and

WHEREAS, Consultant desires to provide professional claims services pursuant to the terms of this agreement, as described in Consultant's Response to City's Request for Proposal, attached hereto and incorporated by reference as Exhibit B; and

WHEREAS, City has selected Consultant as the lowest and best bidder based on full consideration of all factors, preferences, and conditions deemed applicable by City.

NOW, THEREFORE, in exchange for valuable consideration each received from the other, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. Scope of Work and Payment.

a. City agrees to engage Consultant for performance, and Consultant agrees to perform, the scope of services, duties and responsibilities described in Exhibits A and B within the time specified therein. Specifically, Consultant shall serve as City's Third Party Administrator (TPA) for an initial three (3) year period. The contract period shall begin on or about July 1, 2024, and shall end on August 31, 2027, unless extended by the parties in a signed written agreement. The parties agree that this agreement may be extended for up to two (2) additional years.

b. The services of Consultant shall commence only as authorized in writing by City and shall be undertaken and completed as promised by Consultant as described in Exhibits A and B.

c. City agrees to pay Consultant in accordance with the prices and terms set forth in Exhibits A and B for work authorized by City upon presentation of proper invoice and inspection by City of work completed by Consultant. Specifically, City agrees to pay Consultant $10,000.00 annually in 2024 and 2025 then $10,250 in 2026, plus claims management service fees to be billed on a monthly basis. Consultant shall invoice the City annually for the administrative consulting fee, and each month for claims services. For any partial year under this agreement, the City shall be billed monthly. The City will also maintain claims reserve funds account and maintain

adequate funds available from which Thomas McGee may draw from at any time to pay for claims, losses and/or allocated loss expense payments.

d. All information, data, and reports as are existing, available, and necessary for the carrying out of the work, shall be furnished to Consultant without charge, and the Parties shall cooperate with each other in every way possible in carrying out the scope of services.

e. Consultant shall fully coordinate its activities in the performance of this contract with the activities of City.

f. Consultant represents that Consultant will secure the following at Consultant's own expense: all personnel required to perform the services called for under this contract by Consultant. Such personnel shall not be employees of or have any contractual relationship with City except as employees of Consultant. All the services required hereunder will be performed by Consultant or under Consultant's direct supervision and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services. None of the work or services covered by this contract shall be subcontracted without the written approval of City.

g. The Consultant shall maintain and retain custody of claims records and make available to the City access to claims and reports through its online claims portal. As a condition of such access, the City shall be responsible to maintain confidentiality and protection of claims information viewed/obtained through such software. Should this agreement be terminated or non-renewed, Consultant shall transfer records to the City and/or new TPA as outlined in Exhibit B.

h. The City shall furnish the Consultant with a copy of its workers' compensation and liability insurance policies within thirty (30) days of its procurement to enable the Consultant to provide claims information to insurance carriers.

2. Amendments. The covenants and obligations herein contained are the full and complete terms of this Agreement, and no alteration, amendments, or changes to such terms shall be binding unless first reduced to writing and executed with the same formality as this Agreement.

3. Assignment. This Agreement, including payment hereunder, shall not be sub-let, assigned, or otherwise disposed of, except with the prior written consent of the City.

4. Attorney's Fees and Expenses. If City files suit in order to enforce any term of this Agreement and is the prevailing party, Consultant shall be liable for City's reasonable attorney's fees and expenses. In no event shall City be liable for Consultant's reasonable attorney's fees and expenses.

5. Choice of Law and Venue. This Agreement has been made, and its validity, performance and effect shall be determined, in accordance with the laws of the State of Missouri and venue for litigation between the parties shall be solely and exclusively in Jasper County, Missouri.

6. Compliance with Laws. Consultant shall observe and comply with all Federal, State, and local laws and ordinances that affect those employed or engaged by it on the project, or the material or equipment used, or the conduct of the work, and shall procure all necessary licenses, permits, and insurance.

7. Confidentiality. Any reports, data, or similar information given to or prepared or assembled by the Consultant under this contract which the City requests to be kept as confidential shall not be made available to any individual or organization by the Consultant without prior written approval of the City.

8. Consequential Damages. In no event shall City be liable to Contractor for special, indirect, or consequential damages.

9. Contract Documents. The contract documents shall consist of the following: this Agreement, City's Request for Proposal, and Consultant's Response to City's Request for Proposal. In the event of conflict between the contract documents, this Agreement will prevail. In the event of conflict between City's Request for Proposal and Consultant's Response to City's Request for Proposal, City's Request for Proposal will prevail.

10. Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Facsimile signatures shall be given the same force and effect as original signatures.

11. Entire Agreement. This Agreement (including any Exhibits) contains the entire understanding of the parties with respect to the subject matter hereof. It may not be altered or amended except by an agreement in writing signed by both parties.

12. Ethics. Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, gift, or contingent fee.

13. Fiduciary Duty. Consultant owes a fiduciary duty to City, including the duty of care and the duty of loyalty. Consultant shall act in the best interest of City.

14. Headings. The headings of paragraphs in this Agreement are for convenience only. The headings form no part of this Agreement and shall not affect its interpretation.

15. Indemnification. Consultant hereby assumes all risk of, and responsibility for, and agrees to indemnify and save harmless City, from and against any and all claims, demands, suits, actions, recoveries, judgments, costs, and expenses, including reasonable attorney's fees and expenses, therewith made, brought or obtained on account of the loss of life or property or injury or damage to the person or property of any person or persons whomsoever, whether such person or persons be Consultant, its agents or employees, or City, its agents or employees, or any third-person in any way connected with the parties hereto, which loss of life or property, or injury or

damage to persons or property, shall be due to, or arise out of, result from, or be in any way connected with, this Agreement, except to the extent arising from or caused by the sole or gross negligence or willful misconduct of City, its agents or employees.

16. Independent Contractor. This Agreement does not create an employer-employee relationship between the parties. Consultant is an independent contractor and is not entitled to any benefits including health, dental, vision, disability, life, and unemployment insurance, worker's compensation coverage, and LAGERS. Consultant is an independent contractor and not an employee for all purposes including the application of the Fair Labor Standards Act Minimum Wage and Overtime Payments, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, and the provisions of the Internal Revenue Code, Missouri Revenue and Taxation Laws, and Missouri's Worker Compensation Laws and Unemployment Insurance Laws.

17. Insurance. Thomas McGee shall maintain for itself general liability, automobile liability, workers' compensation, fidelity bond, and errors and omissions insurance coverage, as may be customary in the industry, but in no event, less than the limits required by law.

18. Intellectual Property. Any information, know-how, data, results, inventions, and any associated intellectual property, that is made, discovered, created, invented, or generated by Consultant in any activities or work under this Agreement shall be owned by City.

19. Non-Appropriation. Notwithstanding any provision herein to the contrary, City is obligated only to make the payments set forth in the attached contract as may lawfully be made from funds budgeted and appropriated for that purpose during City's then current fiscal year at the discretion of City. If no funds are appropriated or otherwise made legally available to make the required payments for this Agreement during the next occurring fiscal year (an "Event of Nonappropriation"), this Agreement will terminate at the end of the then current fiscal year as if terminated expressly. The failure or inability of City to appropriate funds for this Agreement in any subsequent fiscal year shall not be deemed a breach of this Agreement by any party.

20. Notices. All notices required or permitted hereinunder and required to be in writing may be given by first class mail addressed to City and Consultant at the addresses as follows:

City of Joplin, Missouri
ATTN: HR
602 S. Main St.
Joplin, MO 64801

Thomas McGee Group
ATTN: John Charpie
120 W. 12th Street, Suite 1000
Kansas City, MO 64105

The date of delivery of any notice given by mail shall be the date falling on the second full day after the day of its mailing.

21. Records and Audits. The Consultant shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the City to assure proper accounting for all project funds. These records will be made available for audit purposes to the

City or any authorized representative and will be retained for three years after the expiration of this Contract.

22. Representations. The signatories hereto represent and warrant that they have read this Agreement, that they are fully authorized in the capacities shown, that they understand the terms of this Agreement, and that they are executing the same voluntarily and solely for the consideration described herein.

23. Severability. If any of the provisions of this Agreement shall be construed to be invalid or illegal, the legality or validity of the other provisions of this Agreement shall not be effected thereby. Any illegal or invalid provision of this Agreement shall be severable and any other provisions shall remain in full force and effect.

24. Termination. If, through any cause, Consultant shall fail to fulfill in a timely and proper manner Consultant's obligations under this contract, or if Consultant shall violate any of the covenants, agreements, or stipulations of this contract, City shall thereupon have the right to terminate this contract by giving written notice to Consultant of such termination and specifying the effective date thereof, at least five (5) days before the effective day of such termination. City may, without cause, terminate this contract upon thirty (30) day's prior written notice. In either such event, all finished or unfinished documents, data, studies, reports, or other materials prepared by the Consultant shall, at the option of City, become its property. Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed. Notwithstanding the above, Consultant shall not be relieved of liability to City for damages sustained by City by virtue of any such breach of the contract by Consultant.

25. Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the parties and their respective successors and permitted assigns.

26. Unauthorized Aliens. That pursuant to Missouri Revised Statute Sections 285.525 through 285.555, if this contract exceeds the amount of $5,000.00 and Consultant is associated with a business entity, Consultant shall provide an acceptable notarized affidavit stating that the associated business entity is enrolled in and participates in a federal work authorization program with respect to the employees working in connection with the contracted services, and that said business entity does not knowingly employ any person who is an unauthorized alien in connection with the contracted services. Additionally, Consultant must provide documentation for said business entity evidencing current enrollment in a federal work authorization program.

27. Waiver. Waiver of any provision of this Agreement or breach of this Agreement shall not thereafter be deemed to be a consent by the waiving party to any further waiver, modification or breach by the other party, whether new or continuing, of the same or any other covenant, condition or provision of this Agreement. Failure by one of the parties to this Agreement to assert its rights for any breach of this Agreement shall not be deemed a waiver of such rights.

IN WITNESS WHEREOF, the Parties have hereunto set their hands the date first above written.

CITY OF JOPLIN, MISSOURI

Nicholas Edwards, City Manager

ATTEST:

Holly Nagy, City Clerk

THOMAS MCGEE GROUP

By: John Charpie
Its: authorized signatory

COUNCIL BILL NO. 2024-613 ORDINANCE NO.

AN ORDINANCE approving an agreement with Thomas McGee Group, Third Party Administrator (TPA) to provide workers' compensation and liability claims services for the City of Joplin; authorizing the City Manager to execute said Contract by and on behalf of the City of Joplin.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, as follows:

Section 1. That purchase of workers compensation and liability claims services for the City of Joplin, as outlined in the detailed cost breakdown from Thomas McGee, Third Party Administrator (TPA), a true and accurate copy of said costs being attached hereto and incorporated herein by reference as Exhibit "A" and service agreement Exhibit "B" be, and the same is, hereby approved.

Section 2. That the City Manager, or his designee, is hereby authorized and directed to execute said Third Party Administrator Renewal Proposal Acceptance Contract/Purchase Order by and on behalf of the City of Joplin, Missouri.

PASSED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, this _____ day

of _____, 2024, by a _____vote.

_____
Keenan T. Cortez, Sr., Mayor

ATTEST:

_____
Holly Nagy, City Clerk

APPROVED AS TO FORM:

_____
Peter C. Edwards, City Attorney