



Request for Proposals

Workers' Compensation Third-Party Administrator

Proposals will be received until

12:00 Noon, Wednesday, September 18, 2019

IN

**Purchasing Department, City Hall Building, Suite 324
101 North Main Street, Suite 324 Winston-Salem, NC 27101**

ADVERTISEMENT FOR PROPOSALS

Sealed proposals endorsed **Workers' Compensation Third-Party Administrator** for the City of Winston-Salem will be received by the City/County Purchasing Department in Suite 324, City Hall Building, 101 North Main Street, Winston-Salem, NC **until 12:00 Noon, Wednesday, September 18, 2019**. Instructions for submitting proposals and/or receiving the complete RFP document specifications may be obtained during regular office hours at the same location, or by contacting Jerry Bates via email jerryjb@cityofws.org (Email is preferred) or phone 336-747-6939. The City reserves the right to reject any or all proposals.

Jerry Bates
Purchasing Director

This document IS NOT the complete proposal. To obtain the completed proposal specifications contact Jerry Bates via email jerryjb@cityofws.org, by phone 336-747-6939, or visit the Purchasing Department, City Hall Building, Suite 324, 101 North Main Street, Winston-Salem, NC during regular office hours.

SECTION I - INSTRUCTIONS TO PROPOSERS

INTRODUCTION:

This entire set of documents constitutes the RFP. The proposer must return the RFP with all information necessary to properly analyze the proposer's response in full, in the same numerical order in which it was issued. Proposer's notes, exceptions, and comments may be rendered on an attachment, provided the same format of this RFP text is followed.

Proposer Questions and Inquiries

Proposer Questions and Inquiries relative to this RFP must be submitted **in writing only** by **12:00 Noon, Tuesday, September 10, 2019**, to Jerry Bates, City/County Purchasing Director, 101 North Main Street, Winston-Salem, NC 27101 or e-mail: jerryjb@cityofws.org (**Email is preferred**), Fax: (336) 727-2443. The City will provide written responses to all inquiries received by this date, and responses will be made available to all recipients of this RFP. Any oral responses made by any representative of the City may not be relied upon. Any supplements or amendments to this RFP will be in writing and furnished to potential bidders.

RFP Response Submission

All proposals shall be returned in a sealed container or envelope containing one original proposal (please mark document as original) showing original signatures and seals and three (3) copies of the complete proposal marked Workers' Compensation Third-Party Administrator. Proposals must be submitted to the City/County Purchasing Department in Suite 324, City Hall Building, 101 North Main Street, Winston-Salem, NC, 27101, no later than **12:00 Noon, Wednesday, September 18, 2019**. **Late proposals will not be considered. Submittals will not be accepted by fax or electronic mail.**

The City will not be obligated for the expenses of any provider arising out of preparation and/or submittal of responses to this RFP. Any and all proposals to this RFP are to be prepared at the cost and expense of the respondents, with the express understanding that there may be no claims whatsoever for the reimbursement of any costs, damages, or expenses relating to this procurement from the City or any other party for any reason (including the cancellation of this RFP).

Proposals must be made in the official name of the individual, firm, or corporation under which the business is conducted (showing official business address) and must be signed in ink by a person duly authorized to legally bind the business entity submitting the proposal.

All proposals should be complete and carefully worded and must convey all of the information requested by the City. If errors or exceptions are found in the proposal, or if the proposal fails to conform to the requirements of the RFP, the City will be the sole judge as to whether that variance is significant enough to reject the proposal.

Proposals should be prepared simply and economically. All data, materials, and documentation shall be available in a clear, concise form. The City reserves the right to reproduce proposals for internal use in the evaluation process.

Proposers are expressly forbidden from contacting any other city employee or city of Winston-Salem elected official regarding this Request for Proposals. Any such outside contact may result in disqualification from the request for proposal process.

The City reserves the right to hold proposals open for a period of sixty days (60) days after due date before making awards.

SECTION 2 - SCOPE OF WORK/TECHNICAL SPECIFICATIONS

2.1 SCOPE

Introduction

The City of Winston-Salem has approximately 2,500 full-time employees. The City is currently self-insured and self-administered for workers' compensation. The selected third-party administrator (TPA) will be expected to administer lost-time and some medical-only claims, as well as subrogation pertaining to those claims, for the City. At this time, the City plans to administer medical-only claims internally, although they will be reported to the TPA as record-only. The City will not be charged for reporting claims as record-only. Claim totals for the past three years are as follows:

	Compensation	Medical-Only
2017	31	368
2018	40	377
2019	41	411

The City will manage all claim reserving internally, for both lost-time and medical-only claims, and expects this to be reflected in the quoted fees. The TPA shall administer their claims while treating City claimants respectfully and as non-adversarial as possible given the circumstances, while working diligently to resolve claims with the best possible financial result to the City.

The City shall reserve the right to continue to utilize its existing medical bill review, legal, and case management vendors, and other vendors, although it will consider services offered by the TPA or the TPA's preferred vendors. Pre-authorization will be required for all case management and legal referrals. Authorization will also be required for claim denials and settlement authority.

Additional Requirements

TPA Profile: Responding TPAs shall provide an organizational profile that will assist the City in assessing the organization's qualifications, expertise, and competence, along with a list of preferred vendors including medical bill review, utilization review, physical therapy, diagnostic radiology, home health, durable medical equipment, transportation, translation, surveillance, legal, and case management vendors, as well as their rates, should the City choose to use them.

Claim Adjuster Profile: TPAs shall provide the City with a profile listing the qualification of the adjuster or adjusters they plan to assign to the City's account. An adjuster or adjusters with excellent customer service "soft skills" is preferred.

Services Offered: Responding TPAs shall provide a list of all services offered in addition to claims management, including the TPA's preferred provider network, prescription medication network, medical bill review, utilization review, legal services, risk control, and any other services offered. Responding TPAs shall include proposed fees for these services.

Claim Handling Standards: TPAs shall provide the City with documentation of their claim handling standards, as well as information regarding how claims professionals are held accountable for achieving those standards. The City reserves the right to include its own account handling standards.

Experience: Responding TPAs shall provide a list of clients, preferably public entities, with whom they are currently doing business, or have done business with in the past.

Proposed Fee Structure

Fee Quotes Should be submitted in a separate envelope. The City desires the most effective combination of price, performance, and quality possible within the constraints of its budget. **All price quotes must be firm and valid for 60 days following the proposal due date during the proposal evaluation process and the successful proposal remain fixed throughout the one year contract period.** Proposers should review the requirements of this RFP and address all services in this fee schedule that might reasonably be expected to support the project. Pricing must be inclusive of all expenses, including travel related expenses for recurring services. **Include a total cost to provide services, based on the consultant's fee schedule and the scope of work as outlined in this RFP for the initial two year term AND fees for any possible extension.** Indicate how the City will be invoiced for services. Proposers should endeavor to provide a comprehensive, fee schedule, as the City will not include compensation in the contract for items not addressed.

2.2 SELECTION PROCESS AND EVALUATION CRITERIA

A. SELECTION PROCESS

The City reserves the right to act as sole judge of the content of the proposals submitted for the City's evaluation/selection.

B. EVALUATION CRITERIA

Below is a description of the evaluation criteria that will be used to evaluate the proposals. To be deemed responsive, it is important for the firm's proposal to contain appropriate detail to demonstrate satisfaction of each criterion and compliance with the performance provisions outlined in this RFP. The proposal will be the primary source of information used in the evaluation process. Proposal must contain information specifically related to the proposed services requested in this RFP. Failure of any firm to submit information requested may result in the elimination of the proposal from further evaluation.

- **M/WBE Commitment:** Proposer's efforts to comply with all the terms and conditions of the City of Winston-Salem's Minority and Women Business Enterprise (M/WBE) Program through award of subcontracts to minority and women-owned business enterprises and utilization of minority and women owned business enterprise suppliers to the fullest extent consistent with the efficient performance of this contract.
- **Location of Business** - "Location of Business: (A) Presence in Winston-Salem: Proposer must have a physical office within the corporate limits Winston-Salem (PO Box does not qualify). For proposals submitted to a City/County joint department, a physical office within Forsyth County is acceptable. (B) Presence in North Carolina: In order to determine a proposer's presence or presence/location within the State of North Carolina, the proposer or at least one of the proposer's employees must have a physical office location in North Carolina and the proposer must submit under confidential cover with his/her proposal, evidence that as the employer, the proposer has paid payroll taxes in North Carolina for at least one employee, (i.e. North Carolina Income Tax Withholding Form). Said employee(s) must work in an office, which may be an office physically located within the employee's home in North Carolina. If it is a home office in North Carolina, then the proposer must also submit with his/her proposal, evidence of a valid home occupation permit for said office, or evidence that said home office is not in violation of any zoning requirements in the event the applicable city does not require a home occupation permit."
- **Price Value:** The value provided by the proposer given the proposer's fee levels.
- **Reference List Of Governmental Clients**
- **Onboarding process:** The City of Winston-Salem plans to continue to manage medical-only claims internally. Our preference would be to refer all lost-time claims out immediately to our TPA. Any medical-only claims that meet certain criteria, in terms of cost or potential PPD, would also be referred to the TPA. The City would also, over time, begin transferring pending lost-time claims to

the TPA. We expect there to be 20-25 of these cases that would be referred to the TPA over time. We would prefer a system by which the City could continue to manage medical-only claims, handling all aspects including medical bill management, while the TPA manages those aspects for the lost-time claims. Please describe how your firm would help us achieve that goal, as well as any other recommendations you might have.

- **Qualifications and Experience-** Describe your firm and provide a statement of the organization’s qualifications for performing the requested services. Proposers should submit at least three (3) references, for similar services performed within the past five (5) years, preferably with governmental entities. Also, please provide the qualification of the adjuster or adjusters who would be assigned to the City’s account.

C. EVALUATION PROCESS

Proposals will be evaluated for quality, completeness, and price value to the City of Winston-Salem by an Evaluation Panel. Selection shall be made from all offers deemed to be fully qualified and best suited among those submitting proposals based on the evaluation of factors included in the RFP, including price. Price shall be considered, but need not be the sole determining factor. The Evaluation Panel may cancel this RFP or reject proposals at any time prior to an award and is not required to furnish a statement of the reason why a particular proposal was not deemed the most advantageous.

The City reserves the right, as part of the selection process, to request on-site (or virtual) demonstrations and/or presentations. In the event that such demonstrations or presentations take place, proposers will be selected for this process based on scores derived from the scoring matrix, which includes M/WBE participation, local availability, and all other applicable criteria. The scoring of the demonstration or presentation must be based upon the criteria from one or more of the original evaluation factors. After the demonstrations or presentations, each proposer will then be re-graded on the same criteria. The number of proposers chosen to take place in the demonstration/presentation process is subject to administrative discretion.

The recommendation for award will be submitted by the City’s Risk Management Division and presented to the City Manager for contract approval.

The following weighted scale will be utilized by the Evaluation Panel to evaluate and score each proposal:

The following “Weighted Scale” will be used to evaluate each proposal

Evaluation Criteria	Weight
MBWE commitment	20.00
Distance from City of Winston-Salem	20.00
Price value	20.00
Reference list of governmental clients	15.00
Onboarding process	15.00
Qualifications and experience	10.00

This document IS NOT the complete proposal. To obtain the completed proposal specifications contact Jerry Bates via email jerryjb@cityofws.org, by phone 336-747-6939, or visit the Purchasing Department, City Hall Building, Suite 324, 101 North Main Street, Winston-Salem, NC during regular office hours.