



MODESTO CITY SCHOOLS

Purchasing Department

426 Locust Street
Modesto, CA 95351
(209) 574-1613

RFP NO. 20-4731

THIRD PARTY WORKERS' COMPENSATION (W/C) ADMINISTRATIVE SERVICES

A D D E N D U M I

(Posted March 23, 2020)

THE FOLLOWING CHANGE SHALL BE MADE TO THE RFP DOCUMENTS WITH ALL OTHER CONDITIONS REMAINING UNCHANGED:

REMOVE:

Please submit one (1) unbound original plus three (3) copies of its proposal by date and time at the location specified below.

Firm shall submit one (1) unbound original plus three (3) copies of its proposal by date and time at the location specified above.

Modesto City Schools will not accept proposals submitted by fax or email!

REPLACE WITH:

Proposals may be sent in the following format:

- a. By email to mcsbids@mcs4kids.com; or
- b. By US mail, UPS, FedEx; or
- c. Hand delivery

If sending hard copy by mail or hand delivery, include one (1) copy on electronic media, either a flash drive or CD. The proposal must be in a sealed envelope with the proposal name and number clearly identified on the outside of the envelope. If sending by email only, the subject line must state the name and number of the proposal.

THE FOLLOWING INFORMATION SHALL BE ADDED TO THE RFP DOCUMENTS WITH ALL OTHER CONDITIONS REMAINING UNCHANGED:

Questions/Answers:

**Note: Questions that were received and are same or very similar seeking same information, and where the Modesto City Schools' ("MCS," or "the District") response is the same, have been grouped together. The answer is stated once rather than repeated multiples times and is applicable to each question that is typed directly above the answer in blue.*

- Q. Regarding the RFP for workers' compensation, at present there is a requirement to turn in printed copies as well as electronic submission. In light of school closures and COVID 19 prevention measures is the district considering requesting electronic submission only?
- Q. In light of recent events surrounding the Corona Virus will MCS still require a hard copy of this proposal?
- A. Please see the revised submittal requirement addressed on page 1 of this Addendum.
- Q. Request for 10 Year Loss Runs of all Open and Closed claims, valued as of 12/31/19
- Q. Request for Report showing the count of all open Indemnity and Medical Only claims, valued as of 12/31/19.
- Q. Can you provide a Loss Run?
- A. Please see Attachment #1A and B.
- Q. Please provide a copy of your last SIP Annual Report.
- A. Please see Attachment #2
- Q. Please provide recent SIP report or loss data to support he expected annual claim frequency.
- A. Please see the attached Claim Summary by Year (Attachment #3). The attachment shows the last three complete fiscal years for claims by entry date.
- Q. Who is you current TPA?
- Q. What vendor is currently providing Third Party Workers' Compensation (W/C) Administrative Services to Modesto City Schools?
- A. Pegasus Risk Management
- Q. Who is the excess carrier for MCS?
- A. Safety National
- Q. Is this bid for TPA services only?
- A. No
- Q. Should pricing be included for any ancillary services like medical management or bill review?
- A. Yes
- Q. How many bills are sent to bill review annually?
- A. Approximately 3700 bills came to Bill Review last year.

Q. Does MCS use an MPN?

A. No

Q. Please describe the claims staffing structure for MCS with the incumbent.

A. One full time Senior Examiner, her assistant, and one half-time Future Medical person.

Q. Are examiners dedicated or designated to MCS?

Q. Does the Pool prefer a dedicated claims examiner for claims handling?

A. Examiners are dedicated. MCS believes that such dedication provides examiner continuity for its W/C claims.

Q. Does MCS have any caseload requirements?

Q. Does MCS have a preferred caseload maximum for indemnity/medical only examiners?

A. Although the current TPA's Best Practices set an internal guideline of 130 maximum cases per adjuster, MCS hasn't set a maximum case load. A dedicated Senior Adjuster handles all incoming claims (IND and MO) until they are transferred to an FM Representative.

Q. What is the current open claim inventory?

Q. Can you provide the total number of pending claims broken down by IN, MO, FM?

Q. Please provide the count of your current open inventory for Indemnity claims and Medical Only claims.

Q. Please provide current open claim count separated by indemnity, future medical, medical only.

A. Indemnity: 83 Future Medical: 76 Medical Only: 23

Q. Will the selected firm be required to assume open claims at time of contract inception?

A. Yes

Q. Who currently provides bill review and UR services? What are their fees?

A. Bill Review: Status Bill Review -- \$8.50/bill + \$0.75 for e-bills

UR: Status Medical Management:

- Field Case Management: \$85.00/hour
- Telephonic: \$65.00/hour
- UR (Nurse Review): \$90.00/hour
- Concurrent Review: \$95.00/hour

Q. Will the TPA select the vendors to use for bill review and UR?

A. Yes

Q. Does MCS have its own bank account that the TPA writes checks off of or will the TPA maintain a trust account?

A. TPA will maintain a trust account

Q. How are claims currently reported to CMS? How are fees paid for reporting?

A. The TPA uses an internal module to report claims to CMS without any charge to Modesto City Schools.

Q. Can we provide financial information separate from the Proposal to maintain confidentiality?

A. Yes

Q. What is the RFP evaluation criteria?

A. The responses to the 13 questions asked under the Proposal Content and Format section will be evaluated and used in the District's determination.

Q. How many subrogation cases do you expect the vendor will handle per year?

A: The opportunity for subrogation in workers' compensation cases arises in a small number of cases, although each claim is reviewed for its presence. The number of actual cases is estimated to be <30 cases per year.

Q. Is the existing program a bundled, or unbundled program? What services are covered in the existing program?

A. A bundled program is preferred, as historically the selected TPA has utilized subsidiary companies to perform these services.

Q. Should the proposal include cost for other "loss prevention services"? If so, what was UR volume? What was Bill volume?

A. Yes. UR Bill volume – UR: <100/average per year; Bill Review: 3700.

Consultant's Company Name _____

Signature _____

Printed Signature _____

Date _____

A COPY OF THIS ADDENDUM MUST BE SIGNED AND RETURNED WITH YOUR PROPOSAL. FAILURE TO RETURN A SIGNED COPY MAY DEEM YOUR PROPOSAL NON-RESPONSIVE.