

**City of Union City Requests Additional Proposals From Individuals or Firms
Interested in Serving as “Administrator of Self-Insured Workers’ Compensation
Programs and Network Access for tail claims” to the City of Union City For One
Year from
July 1, 2014 to June 30, 2015**

Introduction

Pursuant to the Fair and Open Process described under N.J.S.A. 19:44A-1, et seq., the City seeks Requests for Proposals (“RFP”) for the Administration of Self-Insured Workers Compensation Program and Network Access (Administrative Services) for a one year contract period. This administration is for tail workers compensation claims. The City estimates that there are currently 14 tail claims. All candidates (“Entity”) are required to comply with N.J.S.A. 10:5-31 et seq and N.J.A.C. 17:27 as amended. (Affirmative Action). The successful candidate must have significant experience in providing administration of workers compensation programs and network access to urban municipalities. The successful candidate will provide the City with services related, but not necessarily limited to:

A. The Entity agrees to provide the following services:

1. To review all of the City of Union City’s (hereinafter referred to as “City”) Report of Claim Forms submitted by the City in which the dates of injury fall during the term of this Agreement and to institute such investigation as to the circumstances of each case dictate;
2. To establish and maintain estimated reserve figures for each claim file and to consult with the City with respect to the payment of any case in which the estimated reserves are initially, or which in the course of developments, exceed the Entity’s Discretionary Settlement Authority Limit;
3. To maintain claim files for each reported claim throughout the life of the claim and to retain all closed files for a period of two (2) years following closing of the file. The City shall be permitted to review any open or closed claim during the Entity’s normal business hours with reasonable notice. The Entity agrees that all claim files are the property of the City;
4. To transmit to the City a list of all medical/indemnity benefits and allocated expenses and/or all claim expenses, awards, etc., to be paid, the total of which represents the amount that the City shall immediately make available in its City Trust Account;
5. To issue checks in payment of benefits, awards, and allocated expenses. Said checks to be paid from an account maintained by City at a bank of its choice and any fee or charges in connection with said account shall be the responsibility of the City;
6. To notify the City and Excess Carrier of any specific claim that may involve the City’s Excess Carrier. The Entity will comply with all reasonable claim reporting requirements of the Excess Carrier. The City shall be solely responsible for providing notice to the Excess Carrier if the Excess Carrier's contract requires such of the City;

7. To indemnify and save harmless the City from and against all losses, claims, demands, payments, suits, actions, recoveries and judgments of every nature and description brought or recoverable against it by reason of any error or omission of the Entity, its agents or employees, in the performance of the services or consequence of any negligence or carelessness of said Entity, its agents or employees, unless the complaint of actions of the Entity were taken due to the specific direction of the City;
8. Attendance of Entity claims representative at any regularly scheduled City claims meetings to review claims;
9. The Entity will provide necessary subrogation services, within claims management fee, excluding the cost of litigation services, as well as, present at any informal claims hearings when necessary, at no additional cost to the City.
10. The Entity will notify City and seek approval for any claim when expected value exceeds Discretionary Settlement Authority Limit stated in this request for qualifications, and where legal support is recommended;
11. The Entity will maintain records of attorneys make recommendations and cooperate with the City's defense regarding lawsuits or hearings involving the subject exposures.
12. The Entity will monitor all claims referred to defense counsel and will keep the City advised on a continuing basis as to the status of the litigated cases, any settlement proposals or recommendations, and the actual and anticipated cost relating to said legal defense. The City reserves the right to direct and control the assignment of counsel as to any subject exposure. This includes, but it is not limited to, the assignment of City attorneys as counsel or co-counsel in any given matter;
13. The Entity will make recommendations to the City regarding risk management and will have a representative available to the City for purposes of establishing, conducting, and coordinating a successful risk management program;
14. The Entity agrees to furnish the City with all claim forms necessary for proper claims administration;
15. The Entity agrees to furnish the City, after the end of each month during which services are performed under this contract, a report, by line of coverage, showing the number of open/closed claims, by loss year, including payment and outstanding reserves for each contract year. The Entity shall make all reasonable efforts and take measures to mail such reports to the City during the period of the 10th through the 15th of the following month.

16. The Entity is a Preferred Provider Organization. In this regard, the Entity, has contracted with Preferred Providers (hereinafter, "Participating Providers") to provide medical and related services at pre-negotiated fees to the covered individuals of the City. The City will have access to those pre-negotiated fees for medical and related services delivered to such employees by Participating Providers in the network. The Entity represents that it has thoroughly researched and developed the know how and technology to comply with specific state laws to reimburse providers for fees and services as they are related to injuries sustained at work and that it has made provisions and it will obtain necessary updates on medical payments and make necessary changes in payments as outlined in specific sections of fee schedule regulations and usual, customary and- reasonable fees in order to perform the services stated herein.

During the term of this agreement, the Entity agrees to provide the following services related to Network Access:

- a) Establishment and maintenance of an adequate network of hospitals, physicians, laboratories and other appropriate facilities available 24 hours a day, seven days a week.
- b) Provide access, to individuals covered under the City, to the Entity network for the treatment of work related injuries and health conditions.
- c) Perform Health care provider and facility credentialing.
- d) Require complete medical documentation of all provider bills.
- e) Reprice providers bills by applying the current "Entity" discount schedule rates to all billings from Participating Providers for work injury and health condition related medical services provided to individuals covered by the City.
- f) Furnish the City or its' designee with an explanation of benefits (EOB) indicating the approved payment for services rendered.
- g) Provide informational savings reports on claims handled in a manner acceptable to the City.
- h) Meet, as needed, with the City, or its' designee or member authorities to ensure and maintain strong communication and working relationships.

B. The City agrees to provide the following to the Entity:

1. That it shall promptly report all claims to the Entity except those cases which are to be handled by City's own staff; To make sufficient funds available to the Entity to pay claims and allocated expenses on behalf of the City. It is expressly understood that the Entity shall not, under any circumstances, advance its own funds to pay losses or allocated expenses hereunder or to perform any services hereunder if the City fails to provide adequate funds as herein set forth;

2. To remit to the Entity quarterly payment(s) representing the annual Administration Fee for the contract period of one year from award of contract up to a maximum of 150 claims per year.
3. The City, agrees to pay the Entity all related fees for Claims Administration and Network Access by the fifteenth (15th) day of the month following receipt of the Entity's billing and;
4. To grant full and complete authority and control to the Entity in all matters pertaining to the settlement of claims within the Discretionary Settlement Authority Limit and;
5. To indemnify, defend and hold the Entity, its agents or employees, harmless in the event the Entity, acting at the specific direction of the City, becomes liable to any other parties and;
6. To assume the defense of any action on behalf of the Entity, its agents or employees, if any of them are named as a defendant(s) in any action: (a) where the plaintiff(s) cause of action involves a claim hereunder; and (b) where there are no allegations of errors, omissions, torts, intentional torts or other negligence on the part of the Entity.
7. It is understood that in order to be entitled to discounts, the City, must provide timely payment of medical bills. The City shall not hold the Entity responsible for hospital and provider discounts, if any, medical necessary emergency services rendered to covered individual in the amount calculated by the Entity based on the discount schedule, usual and customary charges or negotiated rates, as applicable. Payment by the City of any claims shall not be final if medical provider, the Entity, or employer shall discover an error, mistake in coding, overpayment, or underpayment with respect to any such payment or claim within ninety (90) days after said payment.

GENERAL SPECIFICATIONS

Each candidate shall submit proof of business registration with the New Jersey Division of Taxation (P.L. 2004, C.57).

The successful candidate shall be required to comply with the following insurance requirements:

- a. The Contractor shall be required to carry full insurance including comprehensive general liability; workman's compensation insurance; which shall cover all operations of the Contractor, its employees, agents and servants hereunder, and; motor vehicle and equipment used by the Contractor in connection with the Contractor's operations under the Contract; Contractor shall provide professional liability (errors& omissions) insurance for claims arising from any negligent performance of contractors'

services pursuant to the agreement in the amount of \$1,000,000 per claim. Said insurance, by endorsement, shall fully protect the City of Union City from liability.

- b. Certificates naming the City of Union City as an additional named insured, and evidencing such insurance coverage, shall be filed with the City Clerk prior to the commencement of operations hereunder by the Contractor.

The following Certificates of Insurance must be furnished:

- I. Worker's Compensation;
Part Two – Statutory

- II. Comprehensive General Liability:
 - A. Minimum limits: \$1,000,000.00;
Combined Single Limit Coverage to include: Premise / Operations; Independent Contractors; Product / Completed Operations; Contractual; Personal Injury; Broad Form Property Damage; City of Union City as additional insured.

 - B: Comprehensive General Liability must be maintained for at least one year after completion of the contract and its acceptance by the City of Union City.

- III. Professional Liability Insurance (Errors & Omissions)
 - A. Contractor shall provide professional liability (errors& omissions) insurance for claims arising from any negligent performance of contractors' services pursuant to the agreement in the amount of \$1,000,000 per claim.

The certificate of insurance shall designate the City of Union City as an additional insured and shall contain a thirty (30) day notice of cancellation whereby the City Clerk will be provided with a written notification of cancellation. Said insurance must be paid for a minimum of six (6) months into the contract period at the time of the contract.

It is understood and agreed that the Contractor is an independent Contractor and not an employee of the City of Union City.

The Contractor agrees to indemnify and hold harmless the City of Union City, the Board of Commissioners of the City of Union City, and all of its officers, agents and employees of and from any and all liability for damages for injury to person and property, including death and against and from all suits and actions and all costs, damages and change of whatsoever kind of nature, including attorneys' fees to which the City of Union City maybe put for or on account of any injury or alleged injury to person,

including death, or property, resulting from the performance of the Contractor's operations under this Contract, or by or in consequence of any neglect or omission on the part of the Contractor in the performance of operations under the Contract, whether such operations, or in the absence thereof, be by the Contractor or anyone directly or indirectly employed by the Contractor.

The Contractor shall hold the City of Union City harmless for damages to the Contractor's Equipment utilized during the term of this Contract.

Programs of self-insurance are not acceptable.

Professional Information and Qualifications

Copies of this standardized submission requirements and selection criteria are on file and available from the Office of the City Clerk. Each interested candidate shall submit the following information:

1. Name of firm or individual;
2. Address of principal place of business and all other offices and corresponding telephone and fax numbers. Please note specifically which consultants will be assigned to work with the City;
3. Description of candidate's education, experience, qualifications, number of years with the firm and a description of their experience with projects similar to those described above;
4. Experience related to providing the same services for municipalities;
5. At least four (4) references, three (3) of which must have knowledge of your service to public entities;
6. The candidate's ability to provide the services in a timely fashion (including staffing, familiarity and location of key staff);
7. Cost details, including the hourly rates of each of the individuals who will perform the services and the time estimates for each individual, all expenses, and where appropriate, total cost of "not to exceed" amount; and
8. Any other information which the interested firm deems relevant.
9. Statement of corporate ownership (c.52:25-24.2)

Selection Criteria

The selection criteria used in awarding a contract or agreement for the services as described herein shall include:

1. Qualifications of the individuals who will perform the tasks and the degree of their respective participation;
2. Experience and references;
3. Ability to perform the task in a timely fashion, including staffing and familiarity with the subject matter; and
4. Cost competitiveness.

Submission Requirements

Sealed RFPs will be publicly opened by the Union City Clerk in his offices at Union City Hall, 3715 Palisade Avenue, Union City, at 11:00 a.m. on July 22, 2014. The RFP must be received no later than 11:00 a.m. on July 22, 2014 by:

Dominick Cantatore, Acting City Clerk
City of Union City
3715 Palisade Avenue
Union City, New Jersey 07087

Please submit one original and two (2) copies of the RFP. Use white 8 ½" x 11" paper.