



REQUEST FOR PROPOSAL (RFP# 16500A)

**FOR TPA SERVICES
MONOLINE-WORKERS COMPENSATION**

REQUEST FOR PROPOSAL

Date of Issue: October 29, 2015

Proposal Closing Date: November 19, 2015 at 2:00 p.m.

Proposal to be returned PRIOR TO time and date above.

Requests for Clarification must be submitted no later than:
November 12, 2015 at 3:00 p.m.



Arthur J. Gallagher & Co.

RETURN TO:

Arthur J. Gallagher

Attention: Kendall Trump

6399 S. Fiddler's Green Circle, Suite 200

Greenwood Village, CO 80111

Email: Kendall_Trump@ajg.com

Denver Water

1600 W 12th Ave,
Denver, CO 80204

Request for Proposal

Proposals will be received by Arthur J. Gallagher & Co. on behalf of Denver Water,

Arthur J. Gallagher & Co.
Attention: Kendall Trump
6399 S. Fiddler's Green Circle, Suite 200
Greenwood Village, CO 80111
or by email
Email: Kendall_Trump@ajg.com
by November 19, 2015 at 2:00 p.m.

Any proposals received after the above closing time shall be returned unopened.

Awards will be made within a reasonable time after the closing of the RFP. Specifications, information and requirements of this RFP are enclosed.

General Instructions

Proposal Form: This bid/proposal must be submitted at vendor's expense to the above address (or email) on or before the time and date of the bid/proposal closing. **Late bids/proposals will not be accepted.** No oral, telephonic, telegraphic or facsimile responses to request for proposals or modifications of any bid will be considered. Signature indicates agreement to comply with all terms, conditions, requirements and instructions of this bid/proposal as stated or implied herein. Signature indicates agreement to furnish the proposed materials, supplies, products, equipment and/or services in strict accordance with the conditions, requirements and specifications herein. Any alteration or erasure by the vendor in this proposal may constitute cause for rejection.

Complete Response: All responses to the Request for Proposal must be marked with RFP# 16500A – TPA Services for Monoline Workers Compensation. Bidders must respond in each and every question and in the order given herein. Each participating vendor shall provide all of the information requested and any additional information needed for a clear understanding of how all services will be performed. Accuracy of the proposal is the responsibility of the bidder.

Clarification: All requests for clarification or questions regarding the RFP shall be submitted to the contact below by November 12, 2015 at 3:00 p.m.

**All questions regarding the RFP must be submitted in writing via-e-mail to:
Kendall Trump at kendall_trump@ajg.com**

Term: The initial agreement term shall be three to five years. Denver Water (with Arthur J. Gallagher) reserves the right to renew and extend the executed agreement(s) pertaining to all prices, terms, conditions, and specifications upon mutual agreement between them and the selected bidder.

Denver Water is not requesting insurance quotations at this time and expressly prohibits prospective brokers from quoting or approaching carriers at this time. The selected Broker will be required to place insurance coverage effective 2/1/2016.

General Information

Introduction to Denver Water:

Denver Water is a municipal corporation and a political subdivision of the State of Colorado, under the control of a five-member Board appointed by the Mayor of Denver. As such, it is governed by the Denver Charter and other laws applicable to governmental entities. The Denver Charter grants the Board all the powers of the City and County of Denver including those granted by the Constitution and by the law of the State of Colorado and by the Charter. Specifically, the Charter gives the Board complete charge and control of a water works system and plant for supplying the City and County of Denver and its inhabitants with water for all uses and purposes.

It is the largest municipal public utility in Colorado, serving water to more than one million people, about one-quarter of the state's population. Denver Water is non-union and has approximately 1,100 employees. Its administration complex is located at 1600 West 12th Avenue, Denver, Colorado 80204.

Denver Water's Workers Compensation Program:

Denver Water has a robust Workers' Compensation program which includes an Onsite Occupational Health & Wellness Clinic with an Occupational Health Physician, Physician Assistant and Nursing staff who's role is to case manage claims. We also have a proactive return to work program with transitional work for employees with restrictions.

Requirements

We would request that the vendor supplement the claims management as well as have a discounted network for services to include diagnostics, rehabilitation and pharmacy. We would also expect the vendor to have a "first fill" type pharmacy program for employees to access medication needs at the time of the injury. In house legal services & claims processing is also a must for continuity of care. Candidates need experience working with governmental entities; Experience working with utilities is a plus.

Background Information

Average Workers' Compensation Volume (For calculation purposes)

Average Claims over 5 years: 105
Average Medical Only over 5 years: 91
Average Lost Time over 5 years: 16
Record Only: 13

Proposal Format

General

1. Provide a brief description of the firm, including a list of claim offices that would handle the locations for this client.
2. Provide information concerning your firm's experience handling claims for a public entity, and if possible, for utilities. What are the unique characteristics encountered in claims handling for this type of account?
3. What is the percentage of claims handled for Workers Compensation?
4. Describe the quality control management methods that are used by your firm? Provide a copy of your Best Practices, if available.
5. For WC coverage, state the minimum amount of settlement authority you wish to retain.
6. How are Special Claim Handling Instructions set up and administered to ensure compliance?
7. How are claim audits/ reviews conducted with your firm? How many are allowed within the course of a year?
8. How would you propose handling the overall administration of this account within your company? Describe the role and responsibilities of the assigned Account Manager.
9. Describe how your company will communicate with the client, both informally and formally.
10. Provide information about your claims reporting system, including any toll free telephonic or electronic (Internet) systems available. Will your claims reporting system interface with Peoplesoft to receive claim notices?
11. Identify the following individuals associated with this program:
 - a. senior executive ultimately responsible
 - b. proposed Account Manager
 - c. RMIS Representative
12. List the carriers you are approved to work with:

Staffing

1. Provide a list of all technical, supervisory and managerial personnel who will be involved in the handling of claims and administration of the program, including bio or resumes which describe experience and qualifications.
2. For WC coverage, describe a staffing plan which includes claims handling (examiners), field investigations, fraud investigation, claims supervision, clerical and other support personnel. For Workers Compensation, please include information pertaining to medical management, cost control. Note that the client handles most nurse case management in-house.
3. What is the ratio of supervisory to technical personnel?
4. What is the ratio of technical to support personnel?

5. For WC coverage, what are the average caseloads (per accident or occurrence) for claim handlers? What controls are in place to ensure caseloads don't exceed a specific number at any given time?
6. Does supervisory staff handle a caseload?
7. What is the average tenure with your company for supervisory and technical personnel?
8. What is your turnover rate for supervisory and technical personnel during the past three years?
9. What type of training/ continuing education is offered to your technical personnel?
10. Provide information relating to employee performance criteria, describing how staff is evaluated and supervised?
11. Will you allow the client and/or their broker to interview prospective technical and supervisory personnel? State whether this can be done at the inception of the program and if a change is required during the contract term?
12. Describe the availability of bilingual claims handlers in the proposed claim handling office(s)?
13. Will you commit in writing that temporary employees will not be used to handle claims for this client?
14. Do you have in-house legal or a panel counsel?
15. Do you have a "first fill" type program? Please describe.

Claims Procedures

1. For Workers Compensation, describe the procedures and strategies used by your company with respect to the claims handling process. Include within this section details concerning:
 - timely assignment of claims
 - investigations (including fraud)
 - surveillance
 - communication with injured workers and third party claimants
 - timely payment of benefits to injured workers
 - determination of compensability
 - claim denials
 - evaluation of liability and damages
 - reserving criteria, philosophy and supervisory controls (provide sample of reserve calculation worksheets)
 - diary system
 - medical management, utilization review and cost control
 - litigation management and cost control, including ADR
 - subrogation
 - settlement authority requests
 - reporting to file and client
 - payments to claimants and outside vendors
2. Please describe your company's capabilities with respect to accessing Workers Compensation medical provider networks in Colorado.

RMIS/ Data Management

1. Describe your company's web based interface for the client? What type of claim information and data is available? Is it real-time? What training is available? What training is available to the client within your pricing structure?
2. Describe the RMIS options available and specifically address if the system will interface with Peoplesoft.
3. Provide information concerning the frequency and type of RMIS reports, turnaround time and the availability of customized or ad-hoc reports.
4. Provide information regarding the ability of your RMIS system to provide:
 - a. historical point-in-time reports
 - b. cause of injury, nature of injury and body part reports
 - c. medical management and savings reports
 - d. loss triangle analysis reports
 - e. number of lost time days report
5. Describe your site code structure, including sub-levels, and provide a sample.
6. How is claims data verified for accuracy? What is the turnaround time for corrections?
7. What type of internal RMIS reports are used for tracking timeliness of payments, closing ratios, diary and other supervisory functions?
8. Provide information about Help Desk availability, including specific days and times during the entire week (including weekends).
9. Describe how 1099 and Index Bureau Filing are completed?
10. Does your company have a plan formulated with respect to assisting clients with compliance of Section 111 Mandatory Medicare Secondary Payer provisions to be implemented in the near future?

Financial/Trust Account

1. Provide information about the trust account/banking options available, including specific information relating to loss fund amount requirements.
2. Describe the security/audit procedures in place at your company to ensure the fiduciary responsibility required.

Pricing

1. Provide pricing options for the following:
 - a. new claims handling and administration on a life of claim fee per claim basis
 - b. include any special pricing available for:
 - incident only claims
 - Enhanced Medical Only claims
 - litigated vs. non-litigated (WC claims)
 - multiple claimants from a single occurrence
 - c. medical management, medical cost containment and utilization review services
 - provide bill review pricing options: 1- price per line 2- flat fee per bill 3- percentage of savings

- d. field investigation
 - e. RMIS/ Data Management services, including on-line capability
 - f. Performance guarantee programs, including sample of proposed criteria and proposed bonus/ penalties
 - g. any other charges outside the claims handling and administration services such as Section 111 Medicare reporting
2. Provide your company's definition of allocated expenses.

Other

1. Provide a list (including contact name, address and telephone number) of three current clients and one former client who have terminated services with your firm during the past two years. **Preference should be given for references that have been associated with the specific claim handling office(s) that would be assigned for this program.** References should include clients using your firm for Workers Compensation TPA services.
2. Will it be possible to visit a claims office, including an RMIS system demonstration?
3. Please advise whether your company will assume responsibility for electronic transmission of claims data to insurer per their requirements.
4. Please advise whether your company will assume responsibility for reporting of claims to excess insurers pursuant to their reporting requirements.
5. Provide a sample Claim Service Agreement, including cancellation clause.
6. Provide evidence of Professional Liability/E&O insurance coverage.