
Anywhere ISD

Request for Proposal

Workers' Compensation Fixed Cost Program

Package includes:

- Bid Specifications
- Underwriting Data
- Questionnaire
- Proposal Response Forms

Table of Contents

SECTION 1	3
General Information	3
General Conditions.....	3
Minimum Qualifications	4
SECTION 2	5
Underwriting Information	5
Payroll Summary	5
Claim History	5
Loss History for Past Five Years.....	6
Funding Options	6
Employer’s Liability	6
SECTION 3	7
Proposal Questionnaire	7
General	7
Claims Administration.....	7
Loss Prevention Services.....	9
Claim Reports.....	9
Financial Management.....	10
Reinsurance	10
SECTION 4	11
Proposal Response Forms	11
Company Information	11
Workers’ Compensation Pricing	12
Fully Funded Plan.....	12
Aggregate Deductible Plan	12
Alternative Option	12
Felony Conviction Notice.....	13
Conflict Of Interest Questionnaire	14
SECTION 5	15
Exhibits	15
Exhibit I – Detail Claims Report.....	15
Exhibit II – Severity Claims Report.....	15

SECTION 1

General Information

General Conditions

- A. The (School District, Appraisal District, Regional Education Service Center, Community College, Shared Service Arrangement {SSA}) (**hereafter referred to as Entity**) is requesting proposals for workers' compensation funding. The Entity currently purchases funding from _____.
- B. Proposers may quote several plan options as long as each option is fully explained. All relationships between the Proposer's company and any company offering funding options must be revealed, as well as any commission payments or fees that will be paid to the Proposer as a result of this bid award.
- C. Proposers are expected to examine the complete RFP document. Failure to do so will be at the Proposer's risk. Written questions about this RFP and requests for additional information shall be provided no later than _____ (5:00 p.m.) to the Purchasing Department, Attn: _____
_____ (address) _____,
Texas, (zip code) _____ or fax your request to (____) ____/____. The Entity will not respond to verbal inquiries.
- D. Proposers must submit one original and _____ copies (____ complete sets) of the proposal.
- E. Proposals will be received until _____ PM on _____, _____, at the Entity office.
The mailing address of this office is _____.
The physical location of this office is _____.
- F. Proposals must be plainly marked on the outside of the envelope: "SEALED PROPOSAL FOR WORKERS' COMPENSATION."
- G. The Entity reserves the right to accept or reject any or all proposals, waive any formalities and/or technicalities in the proposal and award the contract to best serve the interests of the Entity. The Entity may negotiate with Proposers as deemed advisable or necessary.
- H. All Proposals must be submitted on the **Proposal Forms** attached hereto, in accordance with all specified conditions. Funding shall be for one year beginning _____, and the rates quoted shall be guaranteed for that period. Multiple year proposals may be offered as an additional option and must be fully explained.

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- I. Any restrictions, deviations or other modifications which either restrict or broaden funding must be shown separately and explained in writing. Failure to attach any modifications or deviations to the specifications of this proposal will indicate the Proposer's acceptance of the specifications as written.
 - J. Proposers are required to submit specimen agreements/contracts the Entity will be required to sign in order to participate in the Proposer's program.
 - K. Due care and diligence have been used in the preparation of these specifications and the information contained herein is believed to be substantially correct. However, the responsibility for determining the full extent of the exposure and the verification of all information presented herein shall rest solely on the Proposer. The Entity and its representatives will not be responsible for any errors and omissions in the specifications nor for the failure on the part of the Proposer to determine the full extent of the exposures.
 - L. Quotations shall be based on the underwriting information furnished by the Entity. Loss data is believed to be correct but is not warranted. If inspections are required, please coordinate them through the Business Office by calling _____.
 - M. Background of the Entity: _____

Minimum Qualifications

- A. Proposers responding to this RFP must be licensed and/or authorized to do business in Texas and have at least 5 years experience in providing Texas workers' compensation funding. Proposer qualifications must be included as an exhibit to the proposal.
- B. Proposers must have an Errors and Omissions policy with a minimum limit of \$1,000,000 per occurrence, and attach proof thereof.

SECTION 2

Underwriting Information

Payroll Summary

Payroll Information By Fund Year and Classification Code						
Fund Year	Bus Drivers 7380	Police Officers 7720	Clerical 8810	Professional 8868	All Others 9101	Total Annual Payroll
2015/16 (estimated)						
2014/15 (estimated)						
2013/14 (audited)						
2012/13 (audited)						
2011/12 (audited)						
2010/11 (audited)						

Claim History

Fund Year	# of Record Only Claims	# of Medical Claims	# of Indemnity Claims	Experience Modifier	Total Paid Claim Amount	Total Incurred Claim Amount
2014/15 YTD						
2013/14						
2102/13						
2011/12						
2010/11						
2009/10						

Loss History for Past Five Years

Detail Claims Report

A currently valued five year Loss History Report, plus the current year current year to date, requested in this RFP is attached. See Exhibit I.

Severity Report of Workers' Compensation Claims in Excess of \$50,000

A currently valued five year Loss History Report, plus the current year to date, requested in this RFP is attached. See Exhibit II.

Funding Options

- Fully Funded plan with statutory limits
- Aggregate deductible plan
- Alternative option

Employer's Liability

Employer's Liability coverage is not required for public school districts per Section 504.002(a)(b), Texas Labor Code. The exemplary damage section, Section 408.001(b), Texas Labor Code of the Workers' Compensation Statute, is not applicable to "political subdivisions." Since this section does not apply, the District will require the carrier to provide a legal defense in order to have lawsuits of this type dismissed.

SECTION 3

Proposal Questionnaire

General

1. Please describe the governing structure of the program.
2. How are policy decisions and other operational matters determined for the program?
3. How many years has the Proposer been in the business of workers' compensation administration? In Texas?
4. Does the Proposer have its own staff, or are services provided by a broker or other third party vendors? List all providers associated with the Proposer and any associated relationships.
5. How many public entities does the Proposer serve? Of those public entities, how many Texas public educational entities does the Proposer serve?
6. Describe termination provisions and criteria.
7. Does the Proposer have legal counsel available for general legal questions regarding workers' compensation? If yes, what is the charge for this service? (i.e. per call, per hour)
8. Does the Proposer anticipate any mergers, transfer of company ownership, sale, management reorganization, or departure of key personnel within the next twelve-eighteen months that might affect the ability to carry out proposal obligations, if it results in a contract with the Entity?

Claims Administration

1. List the address and phone number of the claims office that will provide the administration of claims for Entity.
2. What options does the Proposer offer to receive claim reports outside of normal business hours?
3. Describe the quality control process provided for the administration of claims. Provide a description of the quality controls, checks and balances currently in place, including the approach to and frequency of internal audits.
4. Describe the Proposer's claims management philosophy, processes, and approach.
5. Describe the Proposer's investigative procedures. Provide information on criteria used, and type of experts used in the management of a claim.
6. Provide the qualifications and experience of Claims Adjusters, Supervisors, and Staff who will be assigned to our account.

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7. What is the Proposer's average claim load for an adjuster, supervisor, and manager? Please specify for record only, medical only, and indemnity claims.
 8. Will the Proposer's staff, Third Party Claims Adjusters, or Independent Adjusters adjust losses?
 9. Are cost containment services offered (i.e. bill review, utilization management)? If so, please describe.
 10. Is the Proposer a certified Utilization Review Agent? If the Proposer vends out Utilization Review, is the designated vendor a certified Utilization Review Agent?
 11. Does the bill review staff apply treatment guidelines to the bill? Is every bill specifically audited for relatedness, over coding, and correct coding?
 12. What method is the bill processing charged (i.e. per bill, per line, % of savings, or combination)?
 13. What savings does the Proposer anticipate on medical bill reimbursements? Are those savings measured from fee schedule dollars or from billed charges?
 14. List the name of the vendor to which the Proposer anticipates sub-contracting any additional services.
 15. How does the Proposer identify claims with subrogation potential and what procedures are used for recovery?
 16. Does the Proposer have a Pharmacy Benefit Manager (PBM)? If yes, please state the name of the PBM, any additional costs associated with it, a description of the services, and the average annual savings.
 17. Does the Proposer have a Provider Network (i.e. PPO)? If yes, please state the name of the network, any additional costs associated with it, and a description and the effectiveness of the services. If a percent of savings per bill is charged, what is the average percent of savings?
 18. Does the Proposer have a Return-To-Work Program? If yes, please describe.
 19. What were the Proposer's results of the Performance Based Oversight review by Texas Department of Insurance (TDI) – Department of Workers' Compensation (DWC) measuring timeliness and accuracy of claim data for 2007, 2009, 2010 and 2011?
 20. Does the program provide an Austin DWC representative? Is there a fee for DWC representative services? If yes, what is that fee? Is there a fee for the required filings at DWC, (i.e. PLN 11)? If yes, what is that fee?
 21. Has the Proposer been cited or been threatened with a citation within the last five years by State Regulators for violations of the State laws and implementing regulations? If yes, please explain. Please provide copies of any TDI-DWC audits (and the Proposer's answers to such audits) that the company may have been subjected to.

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22. Describe the method(s) utilized during the initial transition of moving to the new carrier and in educating Entity personnel in regard to changes and/or interpretation of the workers' compensation law.
 23. Should the Entity decide to term the plan, would the Proposer handle open claims? Also, please explain any financial obligations related to the termination of the plan.

Loss Prevention Services

1. Attach a description of loss prevention services provided. Include a recent example of a loss prevention service completed by the Proposer's firm.
2. Describe any charges for the use of these services.
3. Describe the Proposer's philosophy on loss prevention.
4. List the name of the loss prevention representative(s) who will make scheduled appointments to the Entity. Indicate the frequency or schedule for these appointments.
5. Where is this loss prevention representative located?
6. Include a biography of the loss prevention representative(s) who would be assigned to our account.
7. Describe the specific risk management materials/resources that are available to Entity. Indicate the additional charges, if any.
8. Describe the specific education and training provided to Entity personnel. Indicate additional charges, if any.

Claim Reports

1. Describe the types of standard reports that are available to Entity for analyzing claims. Attach samples and list any additional charges for these reports.
2. Please describe the frequency of these reports.
3. Are ad-hoc reports available on request? Is there a charge for ad-hoc reports?
4. What is the turnaround time for special reports when requested?

Financial Management

1. Provide a copy of the Proposer's most recent audited financial statement.
2. Are the program's financial statements prepared in adherence with GAAP, GASB, GASB 10, and FASB? If not, please explain.
3. How does the Proposer fund and reserve for ultimate claim cost? Is an independent actuary used?
4. Does the Proposer's program include an assessment feature? If yes, please explain in detail.
5. State the length of time for which this proposal is guaranteed. Will any contributions, premiums, rates or fees change mid-year or mid-contract? Outline the proposal dates of the contract.
6. Please indicate how Entity will be billed.

Reinsurance

1. Please indicate the name and address of the excess stop loss carrier or reinsurer for the Proposer's program.
2. List the carrier's financial ratings. If they are not rated, please explain why.
A.M. Best: _____
3. Indicate the terms, limits, and reinsurance of the program's excess stop loss coverage.

SECTION 4

Proposal Response Forms

Company Information

Name of company: _____

Phone number: _____

Facsimile number: _____

Address: _____

Primary business: _____

Type of company:
(corp., partnership, etc.): _____

Year started in business: _____

Number of years administering
workers' compensation in Texas: _____

Number of years administering
workers' compensation for
public educational entities: _____

Proposers must include in the proposal a notice as to whether the person submitting the bid or an owner or operator of the business entity has been convicted of a felony and the description of the conduct resulting in the conviction. The contract may be terminated if it is determined that the person or business entity failed to give notice or misrepresented the conduct resulting in the conviction.

The Proposer, in compliance with the invitation for proposal on workers' compensation funding, having examined the specifications and being familiar with all conditions in the specifications, hereby proposes to provide the services in accordance with the proposal documents on the attached response sheets.

"The undersigned affirms that they are duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this proposal in collusion with any other Proposer, and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal."

Having reviewed the specifications, we have complied with all requirements and conditions except as noted on the attachment labeled "Deviations."

Signature and title of authorized representative

Proposing Company

Date

Workers' Compensation Pricing

Fully Funded Plan

	Rates	Contribution/Premium
7380: Bus Drivers	_____	\$ _____
7720: Police	_____	\$ _____
8810: Clerical	_____	\$ _____
8868: Professional	_____	\$ _____
9101: All Others	_____	\$ _____
Total Cost:		\$ _____

Aggregate Deductible Plan

Fixed Cost /Admin Fee:	\$ _____
Aggregate Claims Liability:	\$ _____
Total Maximum Liability:	\$ _____

Alternative Option

Description of Plan:

Fees:	\$ _____
Total Cost:	\$ _____

Felony Conviction Notice

State of Texas Legislative Senate Bill No. 1, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony."

Subsection (b) states "a school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract."

THIS NOTICE IS NOT REQUIRED OF A PUBLICLY-HELD CORPORATION

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

VENDOR'S NAME: _____

AUTHORIZED COMPANY OFFICIAL'S NAME (PRINTED): _____

- A. My firm is a publicly held corporation; therefore, this reporting requirement is not applicable.

Signature of Company Official: _____

- B. My firm is neither owned nor operated by anyone who has been convicted of a felony:

Signature of Company Official: _____

- C. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon(s): _____

Detail of Conviction(s): _____

Signature of Company Official: _____

Conflict Of Interest Questionnaire

For vendor or other person doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Governmental Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY

Date Received

1. **Name of person who has a business relationship with local governmental entity.**

2. **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3. **Name of local government officer with whom filer has employment or business relationship.**

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

Yes No NA

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes No NA

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

Yes No NA

D. Describe each employment or business relationship with the local government officer named in this section.

4.

Signature of person doing business with the governmental entity

Date

SECTION 5

Exhibits

Exhibit I – Detail Claims Report

Detail Claims Report of Workers' Compensation Claims

(Insert a currently valued loss history report for the last five years, plus the current year to date)

Exhibit II – Severity Claims Report

Severity Report of Workers' Compensation Claims in Excess of \$50,000

(Insert a currently valued loss history report for the last five years plus the current year to date)