

MISSISSIPPI DEPARTMENT
OF PUBLIC SAFETY

REQUEST FOR PROPOSAL FOR
THIRD PARTY CLAIMS ADMINISTRATION SERVICES

April 15, 2016

RFP 3120000674

INTRODUCTION

The Mississippi Department of Public Safety (MDPS) is seeking a third party claims administrator to service its Self-Insured Workers' Compensation Fund. The effective period for this contract will be a four year period beginning August 1, 2016, and ending July 31 2020, with an option to renew for one (1) additional year.

MDPS provides workers' compensation coverage to approximately 1,000 employees. Job descriptions range from law enforcement, clerical and maintenance to air pilots. MDPS utilizes the services of a Third Party Claims Administrator (TPA) to manage all claims related activities, including but not limited to, claims investigations, compensability determinations, claim and expense payments, litigation management, medical case management and internal as well as external reporting.

MDPS currently contracts with Corvel Enterprise Comp, Inc. for TPA services. The current contract expires on July 31, 2016.

SCOPE OF SERVICES

The primary function of the TPA will be the prompt and accurate adjudication of workers' compensation claims filed by the employees of the Department. TPA services will include claims investigations, compensability determinations, claim and expense payments, litigation management, medical case management and overall management of claim files to include completion and timely filing of reports required by the Mississippi Workers' Compensation Commission, as well as statistical and management reports to the Department.

A. CLAIMS ADMINISTRATION SERVICES

The TPA's duties and responsibilities with regard to claims administration services shall include, but not be limited to, the following:

1. Provide a dedicated claims unit composed of professionally trained, appropriately licensed claims staff to ensure excellence in all areas of services requested in this RFP and meeting the minimum experience requirements specified in the RFP;
2. Review all incident, claim and loss reports received from the Department and process each such claim or loss report to conclusion in accordance with applicable statutory and administrative regulations;
3. Conduct a thorough investigation of each reported incident, claim or loss to the extent necessary to determine the liabilities of MDPS;
4. In the event of notification of a claim or loss involving death of an employee or a serious injury with an estimated indemnity and medical reserve over \$25,000, make an on-site contact within 24 hours of the notice to the TPA of the claim;
5. Arrange for independent investigators, medical professionals or other experts, to the extent deemed necessary by the TPA, in connection with processing any claim. If it is mutually agreed necessary to assign an independent, third party claims investigator

- (fee adjuster) to handle a portion of the investigation, the fee for services of such fee adjuster will be paid by the TPA, not the Department, if those services are ones that the TPA staff is equally capable and qualified to handle. The fee adjuster will be mutually agreed upon and determined by geography and the type of claim/injury involved;
6. Process payment of medical and death benefits, temporary and permanent disability compensation and other appropriate losses and expenses. The TPA shall have the authority to compromise or settle any claim up to \$5,000. The TPA's authority to compromise or settle any claim or loss may be increased or decreased by the Department through written notification to the TPA at any time during the contract period;
 7. Perform reasonable and necessary administrative and clerical work in connection with claims or losses including the preparation of checks bearing the name of MDPS and drawn on the bank account established and maintained by the Department, monthly reconciliation of bank statements on said account, notification to the Department, as directed, of checks in excess of \$5,000;
 8. Comply with any and all claims administrative procedures of the Department;
 9. Administer the litigation process and assist attorneys in accordance with expected professional standards of claims handling. The Department will make all assignments of claims to attorneys;
 10. Broker excess workers' compensation insurance coverage if so requested by the Department;
 11. Notify and coordinate with excess insurers of all claims or losses with values that may exceed the Department's retention level and provide such excess insurers with necessary information on the current status of those claims made to the excess insurers;
 12. Monitor the treatment programs recommended for employees by physicians, specialists and other health care providers by reviewing all reports prepared by them and maintaining such contact with these providers as may be appropriate;
 13. Assist in arranging for rehabilitation or retraining of employees as appropriate. Included in this assistance is working with and advising the employee and the Department in "return to work" efforts;
 14. Maintain a current estimate of expected total cost of each claim or loss and provide for reserve calculation tracking (including initial reserve establishment and all subsequent changes) within the claim files;
 15. Furnish the Department selected loss and information reports in a format agreed to by the Department;
 16. Provide narrative reports of claims as requested by the Department;
 17. Provide read-only, on-line access to the Department, to include any required software, to all claims, both open and closed;

18. Provide medical cost containment services, to include access and channeling to PPO (services, supplies/equipment and pharmacy) networks and other preferred providers, medical bill review (fee scheduling and UCR) and provider fee negotiation. This may also include, as needed, hospital bill review and prompt payment negotiation;
19. Provide additional information, analysis, reports and services as may be requested by the Department;
20. Investigate and pursue all subrogation possibilities on behalf of the Department. All funds received from such subrogation collections shall be deposited in the designated bank account;
21. Investigate fraudulent claims and make referrals to appropriate authorities;
22. Meet with the Department when requested to review claims, settlements and program strategies;
23. Work with the Department in conducting, or assisting with, training/educational seminars as needed or requested by the Department.

B. INSTRUCTIONS TO PROPOSERS

PROPOSALS MUST BE RECEIVED AT THE MDPS PROCUREMENT OFFICE IN JACKSON, MISSISSIPPI, NO LATER THAN 10:00 AM April 15, 2016.

Proposals must be submitted in writing with appropriate certification signatures.

Proposals should be organized as follows:

1. Introduction
2. Minimum TPA Requirements (See Section C)
3. Statement of Compliance & Prospective Contractor's Clause (See Section E)
4. RFP Questionnaire (See Section F)
5. Cost Quotation Form (See Section D)
6. Resumes for key staff
7. Any additional information not specifically requested

All information requested is considered important. The information contained in your response to this RFP will be used by the Department in determining whether or not you will be selected. The proposal the Department selects will be a working document. As such, the Department will consider the proposal an integral part of any final contract and will expect that all representations made in the proposal will be honored. All documentation submitted in response to this RFP and any subsequent requests for information pertaining to this RFP shall become the property of the Department and will not be returned to the proposer.

FAILURE TO PROVIDE ALL REQUESTED INFORMATION MAY RESULT IN DISQUALIFICATION OF YOUR PROPOSAL.

IMPORTANT DATES: THE DEPARTMENT RESERVES THE RIGHT TO ADJUST THIS SCHEDULE

03/25/16 RFP RELEASED

04/01/16 FINAL DAY FOR QUESTIONS & INTENT TO PROPOSE TO BE RECEIVED

04/08/16 RESPONSES TO QUESTIONS RELEASED

04/15/16 PROPOSALS DUE TO DEPARTMENT

05/02/16 VENDOR SELECTED

Proposals must be received in the Department Procurement office by 10:00AM April 15, 2016. Any proposal received after the deadline will not be accepted.

Proposers should submit ten (10) copies of their proposal and one (1) soft copy preferably in Word format or PDF on CD to the following address;

Sonya Toaster
MDPS PROCUREMENT
1900 E. WOODROW WILSON BLVD.
JACKSON, MISSISSIPPE 39216

Proposers must submit all **signed** proposals in a **sealed envelope** or package.

Questions regarding the proposal should be submitted in writing by electronic means (email) only to Sonya Toaster at Stoaster@mdps.state.ms.us.

Written questions or clarifications will be accepted by email from 8:00 a.m. local time, Friday, March 25, 2016 until Friday, April 1, 2016 5:00 p.m. local time to stoaster@dps.ms.gov. No further inquiries will be accepted after that time.

Answers to written questions or clarifications will be provided by email no later than 5:00 p.m. local time, Friday, April 8, 2016. If it is determined that an amendment to the RFP will be issued, it will be provided by email with sufficient time to respond to the RFP.

DURATION OF PROPOSAL

Within the Introduction section of the proposal it shall be stated that the proposal is valid for at least 180 days subsequent the date of submission. The proposal shall become part of the contract in the event that the contract is awarded to your organization.

FEE QUOTATIONS

The Department will not pay any commissions or brokerage fees for securing or executing the services outlined in this RFP. Therefore, all proposed fees should be not of commissions, service fees or finders' fees.

PROPOSAL EVALUATION

Vendors whose proposals are received by the deadline, meet the minimum TPA vendor requirements listed in Section D, and receive a passing score for any contract conditions will be evaluated further. The following areas of consideration will be used in the proposal evaluation and the selection of a vendor for contract negotiation. Areas are listed in order of their relative importance.

- a. Ability to provide TPA services for workers' compensation programs of similar size and/or complexity as the MDPS as reflected by technical training and education, general experience, specific experience in providing the required services, and the qualifications and abilities of personnel proposed to be assigned to perform the services (Experience and Qualifications)- (WEIGHT/SCORE-20%)
- b. Pricing- the competitiveness of the proposed fees. (WEIGHT/SCORE-25%)
- c. Plan for Performing the required services (Questionnaire Responsiveness listed in Section F) - the quality and completeness of responses to the questionnaire and other information requests in this RFP, including compliance with any subsequent information requests. (WEIGHT/SCORE-20%)
- d. Terms and Conditions- acceptance of terms and conditions as referenced throughout this RFP. (WEIGHT/SCORE-5%)
- e. Record of past performance of similar work (Reference) - will be contacted at the Mississippi Department of Public Safety's discretion in order to verify an acceptable level of performance, customer satisfaction and a track record of successfully providing excess insurance brokering services for workers' compensation programs of similar size and/or complexity as the Mississippi Department of Public Safety. (WEIGHT/SCORE-15%)
- f. Personnel, equipment, and facilities to perform the services currently available or demonstrated to be made available at the time of contracting. (WEIGHT/SCORE-15%)

C. MINIMUM TPA VENDOR REQUIREMENTS

The following proposal requirements are mandatory. Failure to meet any of these proposal criteria will result in the disqualification of the proposal submitted by your organization.

Respond by restating each vendor qualification and document how your organization meets these minimum criteria:

1. Currently provide workers' compensation TPA services to at least one large client with 1,000 or more employees. Provide the client name, address, contact, title, phone number, email address, size of group and number of years the contract has been in place with your organization.
2. Minimum of five (5) years experience as of July 1, 2015, as an organization providing the type and scope of TPA services to be procured through this competitive process.
3. Claims manager to be assigned to this account must have a minimum of ten (10) years experience in investigation, evaluation and settlement negotiation of workers' compensation claims, as well as a minimum of five (5) years claims supervisory experience in workers' compensation.
4. Properly licensed to provide the services requested by this RFP.
5. The selected vendor must currently have, or be willing to open within three (3) months of the award of this contract, a claims office within the State of Mississippi. (Section 71-3-125, MCA)

D. COST QUOTATION

Please complete the following "Cost Quotation" form. Rates for each of the five (5) years must be included. In addition to the guaranteed flat rate for TPA services described in this RFP, you may list additional services for which you have the technical capability and expertise to provide to the Mississippi Department of Public Safety. You should provide the respective guaranteed fees for any additional service listed.