

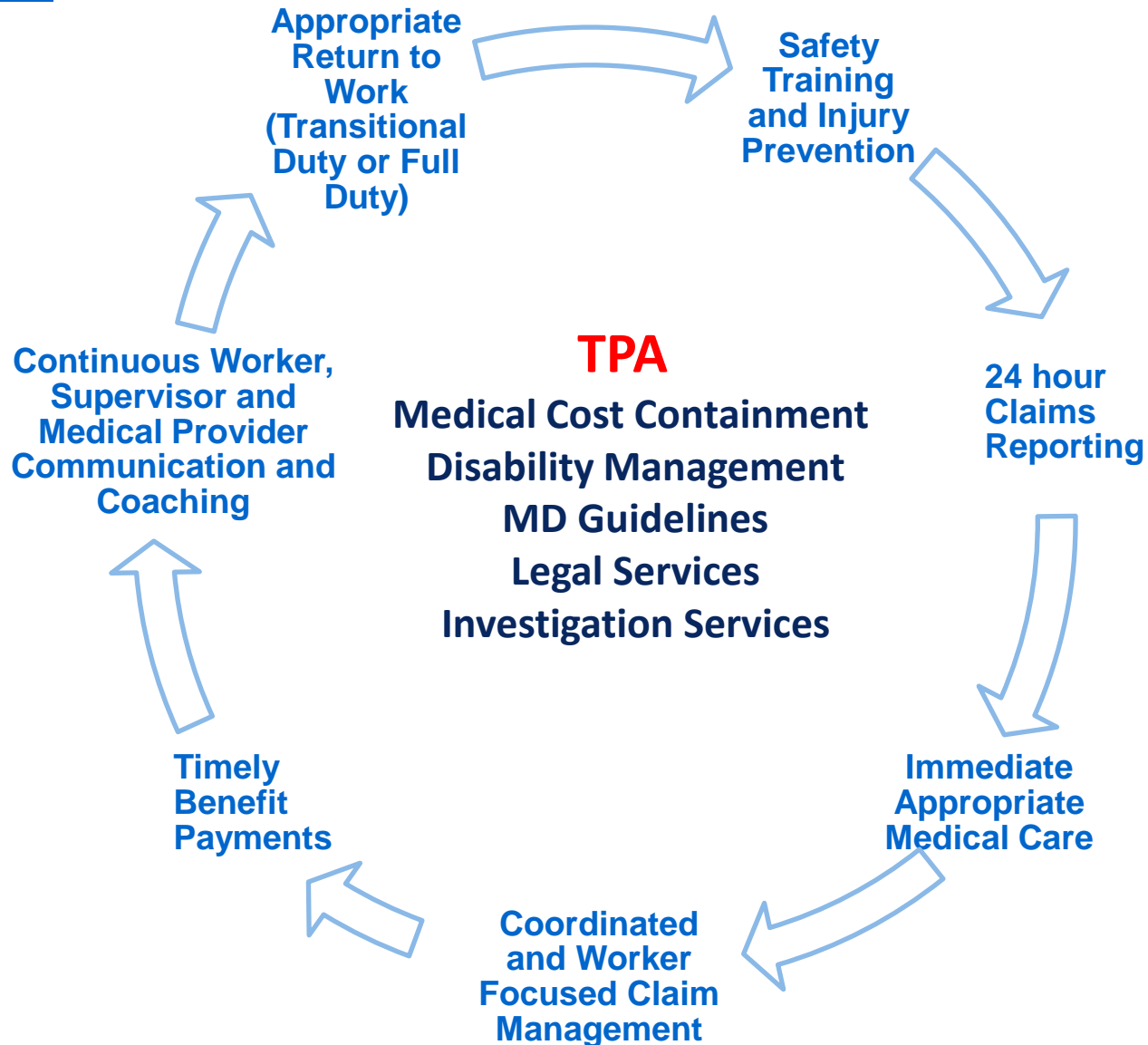
New Contract for Workers' Compensation Third Party Administrator

**Budget and Fiscal Affairs
Committee Brief**

September 8, 2015



WC Claims Management Model



Overview of Current Program

- ❖ FY2015 WC Claims costs \$16.5mil
 - ❖ FY15 claims: \$4.5 mil
 - ❖ Legacy Claims: \$12 mil
- ❖ Disability Management
 - ❖ MDGuidelines
 - ❖ Pro-Active Telephonic Case Management
 - ❖ Department Engagement in Transitional Duty
- ❖ Active Injury Investigation and Control

Evaluation Committee

Evaluators

- ❖ 10 representatives invited from 5 departments
- ❖ A representative from each union invited
- ❖ Marsh Risk Consulting

Voting Members

- ❖ HR – Risk Management
- ❖ HR – WC Team
- ❖ HR – Finance
- ❖ Legal

Proposal/TPA Recommendation Process

- ❖ Contract Expires November 30, 2015
- ❖ RFP electronically created
- ❖ RFP Released December 15, 2014
- ❖ Received 9 Proposals
- ❖ Committee Evaluations
 - ❖ 6 Proposer Interviews
 - ❖ 3 Finalists Validated and On-Site Visits made
- ❖ One TPA Recommendation

TPA Selection Criteria

- ❖ Municipality Experience
- ❖ TPA Management Experience
- ❖ Claims Adjudication
- ❖ Electronic Capabilities
- ❖ Customer Service
- ❖ Cost Containment
- ❖ Measurable Results
- ❖ Safety Services

Recommendation

Tristar Risk Management

- ❖ Texas Municipality Experience
- ❖ Chapter 143 Knowledge
- ❖ Knowledgeable and experienced management
- ❖ Telephonic Nurse Triage
- ❖ Exceptional Disability Management Outcomes
- ❖ Systematic Claims Consistency
- ❖ Meets MWBE Requirements
- ❖ Reporting Capabilities
- ❖ Best Claims Management Philosophy

Financials

FY	16	17	18	19	20
TPA Fee	\$2,014,703	\$2,014,703	\$2,094,696	\$2,094,696	%2,149,280
MWBE Fees	\$675,000	\$675,000	\$675,000	\$675,000	\$675,000
% MWBE	33%	33%	32%	32%	31%

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Thank You

**Human Resources
Risk Management**

