

Proposal Evaluation Summary

Third Party Administrator for Workers' Compensation Program – RFP #PUR1216-146

Proposals opened March 16, 2017

Evaluators: Yvonne Aubrey, City Risk Manager; Stuart Haker, Consultant

Proposals received in alphabetical order:

Firm Name	Location
Bernie Lowe & Associates, Inc.	Ankeny, IA
CCMSI	West Des Moines, IA
CorVel Corporation	West Des Moines, IA
EMC Risk Services, LLC	Des Moines, IA
PMA Management Corporation	St. Louis Park, MN

Top three ranked firms in alphabetical order:

1. CorVel Corporation

Criteria	Points
Qualifications and Experience	400
Proposed Cost (see page 2)	240
Responsiveness	120
Total Evaluation Points	760

Facts:

- Currently handle bill review and check writing for the City of Cedar Rapids; familiar with Iowa workers' compensation requirements
- 85 and 411 claims are not currently handled separately but process can be changed through special handling instructions
- Average caseload is 135 per adjuster; adjusters are located in Kansas City; the City would be assigned a designated Iowa adjuster
- Financial proposal is within competitive range
- Submitted a thorough and detailed written proposal

2. EMC Risk Services, LLC

Criteria	Points
Qualifications and Experience	450
Proposed Cost (see page 2)	270
Responsiveness	180
Total Evaluation Points	900

Facts:

- Extensive experience with Iowa workers' compensation claims and legal environment as TPA for several other Iowa municipalities including Des Moines, West Des Moines, Ames and Iowa City
- Very well versed in differences between 85 and 411 claims and have separate adjusters in place for handling of claims
- Training of staff is Iowa specific; the City would be assigned a designated rep that is 100% Iowa focused
- Financial proposal is within competitive range
- Thorough and detailed written proposal and well organized presentation for the interview process

3. PMA Management Corporation

Criteria	Points
Qualifications and Experience	350
Proposed Cost (see page 2)	300
Responsiveness	180
Total Evaluation Points	830

PMA, cont.

Facts:

- Extensive experience with public entities and with Iowa work comp but have not worked with other public entities in Iowa
- Same adjusters handle both 411 and 85 claims
- Average caseload is 122 per adjuster; most calls are routed to a call center in Allentown, PA to free up adjusters to focus on managing claims; the Iowa adjuster is located in Minneapolis
- Financial proposal is very competitive
- Detailed proposal and interview presentation highlighting holistic approach

Recommendation for Award:

The evaluation team scored the top ranked proposals and EMC Risk Services, LLC was rated as the top proposal. A resolution will be presented to the City Council on June 13, 2017 recommending that the contract be awarded to EMC Risk Services, LLC.

Financial Submittals:

Service Description (as requested in RFP)	EMC	PMA	CorVel	CCMSI
New Indemnity Claims Fee (lifetime management)	\$1,075	\$775	\$1,150	\$1,400
New Medical Only Claims Fee (lifetime management)	\$229	\$115	\$150	\$150
New Incident/Record Only Claims (lifetime management)	\$35	\$25	\$40	
Open claims takeover cost (Indemnity/Medical/Incident)	\$545	\$350/\$100	\$650/\$125	\$585
Cost from incident to medical	\$194	\$90	\$110	No charge
Cost from medical to indemnity	\$866	\$660	\$1,000	\$585
Data Conversion	Included	Included	Included	\$125/hr
EDI reporting to State of Iowa	Included	Included	Included	Avg \$30
EDI reporting to Medicare Secondary (CMS), ongoing	Included	Included	Included	\$25/hit
Subrogation (% of recovery)	18%	No charge	25%	15%
Field service/investigation	\$85/hr	\$85/hr	As billed	As billed
Litigation management (% of gross legal charges reviewed)	Included	Included	2.5%	Included
Retrospective review	As billed	\$95/hr	\$92/hr	As billed
Pre-authorization review (nurse only)	As billed	\$95/hr	\$139/hr	As billed
Pre-authorization review (physician)	As billed	\$95/hr	\$139/hr	As billed
Nurse case management (telephonic)	\$110/hr	\$95/hr	\$92/hr	As billed
Nurse case management (field)	\$110/hr	\$95/hr	\$92/hr	As billed
Vocational case management	As billed	\$95/hr	\$125/hr	As billed
Bill review (both medical and hospital)	\$7/bill 24% of savings	\$8.25/bill 29% of savings	\$4/bill 23% of savings	\$11/bill 33% of savings
Pharmacy RX Program	\$7/bill 33% of savings	\$8.25/bill 29% of savings	Brand (AWP-4%+\$4.50 fee) Generic (AWP-8%+\$4.50 fee)	33% of savings
Independent Medical Exam	As billed		\$450	As billed
Physician Peer Review Coordination	As billed		\$200/hr	As billed
Included in all proposals for no additional charge: Secondary (CMS), check printing/writing, banking fees, ACH/bank clearing house, photocopying transcriptions, preparation of 1099s, generating IS reports,				

Other Fees	EMC	PMA	CorVel	CCMSI
Annual Administration Fees			\$15,000	\$7,500
Annual Maintenance Fee	\$4,600	\$8,000		
One-Time Implementation Fee	\$1,600		\$10,000	

Financial proposal submitted by Bernie Lowe & Associates was not responsive to format requested.