



## HUMAN RESOURCES DEPARTMENT

DATE: August 19, 2020

TO: Dr. Damien Pattenaude, Superintendent

FROM: Debi L. Christensen, Assistant Superintendent of Human Resources

FOR BOARD DATE: August 26, 2020

**AGENDA ITEM:**

The District's current Third-Party Administrator has been providing workers' compensation claims support to the District for 20 plus years. The District decided to undergo a formal solicitation process to fully consider all options, which could include replacing the current long-standing contract.

The Request for Proposal (RFP) process allowed the District to seek qualified firms, whereby allowing outside companies the opportunity to provide information on their newest, modernized services and systems in support of our Human Resources Department and District. RFP LP1920-1 was formally advertised and published June 11 and 15, 2020. Evaluators scored two responsible and responsive proposals and both firms were selected for interviews. One firm, TriStar Insurance Group was found to be the best suited Third-Party Administrator to conduct and support staff regarding such claims. The evaluators were impressed by TriStar's staffing, as well as their tech-savvy, detailed and data-oriented platform. We believe this will support our desire to shift to an electronic process rather than the existing manual process.

**DISTRICT PRIORITIES:** Removing barriers & supporting students.

**BUDGET IMPLICATION:** Included in current budget, no additional budget capacity required.

**RECOMMENDATION:** Award TriStar Insurance Group to conduct and support Third-Party Administration-Workers' Comp Claims.

**ATTACHMENTS:** Summary of evaluation process

I have reviewed and recommend approval of this request:



Assistant Superintendent of Human Resources



Date

**SERVICE | EXCELLENCE | EQUITY**

**REQUEST FOR PROPOSAL**  
**Third-Party Administration, Workers Comp**  
**RFP LP1920-01**  
**SUMMARY OF EVALUATION PROCESS**

Responsible and Responsive Check List Formally Advertised June 11 and June 15, 2020 Participating Vendors →	Eberle Vivian (Average Score 77.7)	TriStar Group (Average Score 84.7)
Intent Letter received on-time	Yes	Yes
Submittal: Original received on-time	Yes	Yes
Submittal: 4 copies and 1 flash drive	Yes	Yes
Bid Form - Pricing and Pricing Questionnaire	Yes	Yes
Bid Form -Experience Questionnaire	Yes	Yes
Bid Form - References	Yes	Yes
Bid Form - Signature Page	Yes	Yes
Business Entity Info (W9, licensing, certifications)	Yes	Yes
Evidence of Insurance by Certificate of Insurance	Yes, it will require some minor edits	Yes, good
Standard TPA Agreement	Yes Between Helmsman Management Services LLC	Yes Claims Service Agreement (A) Banking and Funding (B) Information Services (C) Preferred Provider Specialty Services ((D) Utilization Management Services €
Reporting Software	iComp (proprietary, with WA in mind)	TRISTAR Connect Risk Management Information System (RMIS) (has Three main features)
Report Examples	Yes	Yes
<b>PRICING:</b>		
1 Flat Fee Option Cost	\$76,880.00	\$57,397.00
Not to exceed cap	\$76,880.00	\$57,397.00
2 Per claim costs: Indemnity claim fee	\$1,250.00	\$1,175.00
Per claim costs: Medical only fee	\$300.00	\$175.00
Per claim costs: Reporting only Fee	\$40.00	\$0.00
Added: Life of claim option/bill review fee, per bill	\$9.95	
Added: Enhanced PPO savings over & above fee schedule	27%	
Added: Bill Review Savings sheet	for 2018-2019 Reviews	
3 Optional fee payment schedule: Annual	\$76,880.00	\$57,397.00
Optional fee payment schedule: Quarterly	\$19,220.00	\$14,249.00
Optional fee payment schedule: Monthly	\$6,406.67	\$4,783.00
4 Annual Renewals: Year two (2)	CPI+ 2%	3%
Annual Renewals: Year two (3)	CPI+ 2%	3%
Annual Renewals: Year two (4)	CPI+ 2%	3%
Annual Renewals: Year two (5)	CPI+ 2%	3%
<b>PRICING QUESTIONS</b>		
1 Apart from one-time date conversion fee, misc. costs?	One annual fee , nothing further.	None, other than if RSD uses RMIS system, a one time fee for programming downloads of data into District's RMIS

2	Financial incentives/adjustments?	Fees are 100% predictable	For reduced claim frequency and severity of 10% based on 5-yr running average, firm shall lower its annual fee 10%.
3	Additional fees for reporting?	No	No
4	Any additional fees for 24/7 services?	No	No
5	Fees outside of basic fees?	No, other than flat fee and particular claim fees. See details.	Yes. Adj. of medical invoices. If district takes advantage of other services listed.
6	Misc. costs?	No. Fees are part of overhead	No
7	Outside investigation fee?	Paid directly from the file under such services were rendered	Uses outside investigation services with prior approval from district, by claim-to-claim basis and are pass-thru expense with no income to the TPA.
8	How claims runoff charged?	Generally handles on a life-of-contract basis, but would negotiate costs to handle runoff as separate fee.	TPA will absorb claims runoff, assuming the approximated # of open indemnity claims.
9	Additional Services?	Their fees cover everything	A menu of additional services attached to submittal. (two pages - 33 and 34)
	Additional Services?	Attendance at benefit fairs	
	Additional Services?	No limit to # of claim reviews	
	Additional Services?	Ad-hoc reports at short notice	
	Additional Services?	WA State Audit response	
	Additional Pricing Comment	of contract basis. L & I will only send official notices to one TPA.	District staff may also produce unlimited "canned" and district generated ad-hoc reports.
	<b>EVALUATORS</b>	<b>Points out of 100</b>	<b>Points out of 100</b>
	Debi Christensen, Assist. Superintendent of HR	77	80
	Ryan Rudolph, Workers Comp & Leave Coord.	76	84
	Jason Franklin, Exec. Dir. Business Services	80	90
	<b>EVALUATORS-Step 2 - Subsequent to Interviews</b>	<b>Points out of 5</b>	<b>Points out of 5</b>
	Debi Christensen, Assist. Superintendent of HR	3	4
	Ryan Rudolph, Workers Comp & Leave Coord.	4	4
	Jason Franklin, Exec. Dir. Business Services	3	4
	Average Score	3.3	4
	<b>Award Recommendation</b>		<b>TriStar Insurance Group</b>