THOMAS McGEE GROUP
A DIVISION OF RISK STRATEGIES

CITY OF INDEPENDENCE

Response to the Request for Third-Party Administrator for Workers' Compensation & Liability SIR Program

RFP#23091

October 17, 2023

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Thomas McGee Response to RFP 23091

Procurement Division
111 E Maple, PO Box 1019
Independence, MO 64051-0519

REQUEST FOR PROPOSAL 23091

Third-Party Administrator for works' compensation program

ATTENTION PROPOSER – COMPLETE AND RETURN WITH PROPOSAL

Proposing Firm Thomas McGee Group Phone Number 816-830-0073
(Please print or type)

Address 120 W. 12th Street, Suite 1000 City Kansas City State MO Zip 64105

Name of Authorized Agent John Charpie Email jcharpie@thomasmcgee.com

The only authorized source for Request for Proposal (RFP) forms, addenda, and information regarding this RFP is www.publicpurchase.com. Using RFP forms, addenda, and information not obtained from www.publicpurchase.com creates the risk of not receiving necessary information about the RFP that may eliminate your proposal from consideration.

Submit questions regarding this RFP online at www.publicpurchase.com by deadline in the RFP schedule.

Proposals shall be submitted online via www.publicpurchase.com by the date and time indicated. Paper, fax, or email responses will NOT be accepted and will not be returned to sender. Proposals are sealed in a virtual lockbox that can only be opened after the Request for Proposal (RFP) closing date and time, to maintain confidentiality of the proposal. All proposals are subject to the terms and conditions herein.

Submission of a proposal shall be deemed a firm offer and is not revocable within 120 days after response deadline.

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Narrative Responses

Please provide answers to the following questions in narrative form; do not include marketing materials as part of your response.

1. **Using your own loss data, are you able to outline trends and opportunities that your organization will attack to provide favorable outcomes for the City. (Answer length: no more than one page.)**

   We believe an understanding of the impact of work place injuries, not only from the financial impact to the city, but also the impact to the individual employees and their quality of life, is key to providing favorable outcomes for the City.

   This approach is done through an understanding of the historical cost drivers of the program by department and causes of injury. Since we work with most of the neighboring municipalities, Thomas McGee can provide benchmarking comparisons based on frequency and severity of loss and identify best practices used by other cities in the area.

   Once a claim does occur, we use the following approach in claims management. We pride ourselves in designing customized service programs specific to each client taking into account their philosophy and internal capabilities. To identify the specific requirements of the Client we develop standards and communication requirements unique to that client.

   There are several key elements that will be stressed in the future to continue to proactively find reductions in the City's cost of risk. Those elements include:

   1. Identifying significant cost drivers by departments or cause of loss.
   2. Potential review of cost allocations to each department.
   3. Orientation, training, and education of employees to further reduce the frequency of claims.
   4. Aggressive light duty/early return to work programs.
   5. Identification and pursuit of third party recoveries.
   6. Aggressive cost containment strategies involving the use of, and alternatives to, prescription drugs.
   7. Aggressively monitor and manage medical utilization which has increased dramatically in Missouri over the past several years driving up the medical component of claim costs.

   Our service requirements are designed around that capability and a sharing of medical management was designed into our standards. We further make on-going changes to a number of the health care specialists that had been used to incorporate better patient care,

better long term results and to more fully utilize the advantages of the preferred provider network being used by the City. Over the years the plan will be refined to take advantage of more cost-effective strategies new to the marketplace.

These are the cost drivers we see that can be further refined and exploited to continue to reduce costs. It is our continued commitment to work with the City to identify and develop strategies to reduce costs while not sacrificing patient care or recovery outcomes.

2. **Adjuster turnover is disruptive to the momentum of a claim. Outline the average tenure and adjuster turnover rate in Missouri for the office that will be assigned to the City. In addition, describe how your organization will ensure appropriate experience levels of staff designated to service this account. If possible, identify who would be assigned to the City as the claim adjuster identifying their current claims volume and maximum claim capacity. (Answer length: no more than one page.)**

The average tenure at Thomas McGee is over 7 years. The average tenure with the adjusting staff at Thomas McGee is 7 years. The claim manager has been associated with Thomas McGee for over 30 years, and the Department director has been with Thomas McGee for 14 years. This number includes the twelve people hired in 2018 when Thomas McGee expanded into the St. Louis area.

We have successfully retained 100% of our supervisory and technical staff. We have experienced a 10% turnover in our support staff and three adjusters have either retired or left the adjusting field.

Another important consideration and part of our success was the implementation of an internal training program in 2005. This program has resulted in nearly 50% of our adjusting staff to be developed from our entry-level claim technician position to an adjuster level.

This program allows for technical training based on self-insured client standards and not that of insurance companies. It has also resulted in Thomas McGee being prepared for the next generation of talented associates as senior associates retire.

3. **The City and its outside risk management consultant is involved in every aspect of every claim and requires constant communication and consultation about claim activity. Discuss how your organization will monitor communication levels between**

stakeholders to service this account and ensure a high level of satisfaction for the City. (Answer length: no more than one page.)

Our claims management philosophy is to keep all stakeholders fully informed of the status of the claim throughout the life span of the claim. This is achieved by frequent communications by phone, e-mail or access to our claims system. Our approach is to determine compensability as quickly as possible to establish the plan of action on the claims. Once determined, manage the claim in a timely and cost-effective manner to return the employee to active duty as quickly as possible while keeping the cost of the claim as low as possible.

Throughout the process, all parties are kept in the loop and aware of the claim status (three-point contact). Employee/employer relationships are considered highly important which includes the identified stakeholders. Our objective is to enhance that relationship throughout the process. Below we explain how we put this philosophy into practice.

When a claim is reported to Thomas McGee, we establish a claim file within 24 hours of receipt. At the time of set-up, we establish initial case reserves based on the preliminary information. Our first objective will be to determine compensability. This can be a relatively easy task to one that requires investigation and recorded statements. Assuming the claim is compensable; we will send a letter to the claimant and copy the client that a claim has been received, the name of the adjuster and the claim number. If the case is serious or may require lost time, we will make direct contact with the claimant as well. We develop a diary on all claims every 30 days to review the claim.

Medical only claims are expected to be completed in 90 days. Medical only claims open more than 90 days are automatically reviewed by the Claim Supervisor. Throughout the process, we keep in contact with the medical provider, claimant, and the client. Claim reserves are monitored every 30 days until the 90-day mark is reached. Claims going beyond 90 days are pended for review automatically every 60 days thereafter.

We meet with the client every quarter to review open claims. Depending on the number of claims, the review can last from 1 to 3 hours and cover only large claims (defined by the client), or all open claims.

When a claim is ready for settlement, we contact the client to discuss and request approval. Even claims falling within our settlement authority are usually discussed prior to an offer being made. After a settlement is reached and all bills have been received, the claim is closed.

Medical Only claims are defined as claims administered by a Thomas McGee Claim Technician which meet the following criteria:

- Medical payments do not exceed $5,000
- No payments are made for Indemnity/Lost Time or Vocational Rehabilitation
- No settlement authority is required
- No question of compensability requiring recorded statements and potential claim denial.

4. **Reserve appropriateness is extremely important to the City. Please discuss the ways you ensure that reserves are managed in a timely and appropriate manner and then communicated to the City. (Answer length: no more than one page.)**

Thomas McGee's adjusters will consider reserves under a "probable ultimate cost" philosophy. This method contemplates reasonably foreseeable consequences of an injury based upon the adjuster's experience and current medical documentation. Subsequent reserve changes will be made as the claim develops.

We have seen this approach remove some of the large variances seen in many insurance companies or TPA's approach. In many cases, the Loss Development Factors for Thomas McGee clients are 10 points lower in the first year and 15 – 20 points lower in subsequent years

Initial reserves must be established upon claim intake and assignment based on preliminary information. Reserve changes based on facts must be made as soon as practicable, or within 30 days, of claim receipt.

Our Claims Management Best Practices has a strong emphasis on Reserving Practices that include:

Philosophy - Adjusters will consider reserves under a "probable ultimate cost" philosophy. This method contemplates reasonably foreseeable consequences of an injury based upon the adjuster's experience and current medical documentation. Subsequent reserve changes will be made as the claim develops.

Documentation:

- Initial Reserves – Initial reserves will be set at the time the claim is entered. Adjusters will set a "probable cost" reserve following completion of the investigation process or no later than 10 business days from the assignment.

- 90 Day Review – A mandatory review will be conducted at 90 days following the entry of the claim. A diary note is required under the Adjuster Text. The note should indicate a 90-day review as well as justification for any reserve changes. If changes are not required, a note should indicate no change is necessary.
- Yearly Review – An additional required reserve review is due on the anniversary date of injury on any open claims. A note is required in the Adjuster Text. The note should indicate an annual review as well as justification for any reserve changes. If changes are not required, a note should indicate no change is necessary.
- General File Review (WC) – Documentation of reserve changes are required during the file where a major change occurs. A note is required in the Plan of Action 60 day diary requirement regardless if a reserve change is necessary.

a. How are claim reserves established when there will likely be a MSA

Reserves are set at the probable ultimate cost. This method contemplates reasonably foreseeable consequences of an injury based upon the adjuster's experience and current medical documentation. Therefore, if we see medical documentation that MMI will not close out medical for the injury, reserves will reflect future medical expectations. Using the medical records and doctor recommendations, the reserves will reflect known expected future medical. Once we have a professional MSA opinion, reserves will reflect the expected accepted MSA allocations.

b. Do you reserve for likely weekly benefits or a lump sum present value

If we continue to negotiate and our exposure is not definitive, we tend to reserve at a present value. If negotiations hit a wall and we are expected to go to the Division on award, we will discuss with the client the likely possibility of award and reserve appropriately. We have been successful at negotiating claims at or below PTD and believe that counsel provides ample information on negotiations and our exposure as we move through the litigation process.

5. The City uses CompPBM as the Pharmacy Benefit Management Services for the WC program – briefly confirm working relationship and coordination of information with this firm. Identify other PBM's you may suggest the City of Independence to consider in the future. (Answer length: no more than one page.)

Thomas McGee works with CompPBM and has had success with their partnership on City of Independence. Thomas McGee also works with myMatrixx, the WC PBM division of Express Scripts in to provide a comprehensive pharmacy benefit management program for some of our clients.

Since we began working with myMatrixx (Express Scripts), our adjusters have successfully reduced pharmacy costs. We have also achieved a 90% utilization of generic prescriptions and a 28% reduction in Opioid prescriptions.

There are many automated processes that will help your claims team process routine charges, but also flag claims that require closer review. At the pharmacy, there are also alerts that include dollar and quantity limits, early refill rates, potential drug interaction, duplications, and prior authorization requirements for certain prescriptions.

Thomas McGee's clients follow the following steps when an injury requiring a prescription occurs:

1. Injury is reported to the employer and a "First Fill" card is given to the injured worker;
2. The injured worker takes the card and prescription to pharmacy;
3. Pharmacy processes card and prescription;
4. Pharmacy bills PBM
5. PBM bills the client through Thomas McGee if a claim is accepted.

When the claim is approved:

1. PBM mails a Retail Drug Card to the injured worker;
2. The injured worker can access the PBM through their Smartphone app to monitor their approval process;
3. The card provides direction to pharmacists on eligibility, billing information and drug utilization review.

For those injuries that require long term prescriptions, the PBM's have a home delivery program that provides longer-term solutions and greater discounts.

6. **The City of Independence uses Gini L. Toyne & Associates as the Nurse Case Manager services for the WC program (similar services are also being solicited for a 1/1/24 inceptin with 4 one-year options for the City) – briefly confirm working relationship and coordination of information with this firm. Identify other local Nurse Case Management services you may suggest the City of Independence to consider in the future or if your firm has such a dedicated person/department. (Answer length: no more than one page.)**

We historically have had Toyne & Associates in our offices regularly to discuss the appropriateness of case management on specific cases. We do not use case management in all cases. It has been our experience this procedure typically drives up costs without a realistic return on investment. It is our opinion that selected cases meeting our internal protocols for case management significantly increases outcomes and return on money invested. The City certainly can direct this activity, as they deem necessary. It is our policy not to utilize case management without prior approval from the client.

We use several case management firms including G. Toyne & Associates, Ohara Group, Stubbe, and Genex. We are also open to using other firms as appropriate.

7. Identify medical professional services fee discounts utilized – if using a PPO provider network, or if repricing is internal with a per line or per claim charge. Be as specific as possible (Answer length: no more than one page.)

Thomas McGee has worked with CompBR in the development of a seamless bill review/ Managed Care Plan for workers' compensation cost containment. CompBR is a robust network and has direct contracts with medical providers in the region. These direct contracts assure the greatest discounts and are leveraged with the buying power of other self insured organizations in the region.

Discounts are calculated based on charges of service provided. The charge is re-priced to the contracted amount and a fee of 25% of savings is paid to CompBR. The net savings to our clients are typically between 40 and 55%.

CompBR Overview

Clients obtain access to the region's leading PPO network for all its membership provider needs. Under the proposed managed care plan, clients have access to over 9,000 physicians and 250 hospitals and surgery centers, along with hundreds of ancillary providers across the entire membership territory. The participating network providers offer the highest level of quality care at the greatest cost savings available, reducing workers' compensation health care costs and directly benefiting operational expenditures.

All discounts generated under the Managed Care Plan represent negotiated contractual arrangements with providers; no usual and customary or non-contractual discounts will be applied.

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EDI Implementation
The Managed Care Plan employs a state-of-the-art Electronic Data Interchange (EDI) between Thomas McGee and the PPO network and bill review process, ensuring increased accuracy and timely bill payments. In all cases, the timeliness and accuracy of the bill review and PPO discounting processes will be stressed to accommodate the expectations of our clients.

48 Hour Bill Review Turn Around
The Managed Care Plan will provide a review of all medical billings within 48 hours of receipt of bill from the client. In many cases this review will occur within 24 hours of receipt. Noted exceptions to this time frame are complex surgical or hospital bills that may require more extensive notation or explanation from the provider.

Reports
The Managed Care Plan will supply the following reports to clients at no additional cost:

Explanation of Benefit (EOB) reports accompanying each bill that is reviewed. The EOB will fully define the original billing and explain any reductions or changes in the bill review process. A report labeled "Explanation of Review" is attached to the billing and forwarded to the specified party of the client. An additional copy will be generated to explain the review to the provider.

Claimant Detail Reports are supplied on a monthly and annual basis to the client. These reports outline complete bill review activity for the period specified. This report summarizes all bill review services for our client broken down by employee in alphabetical order with sub-total and total account activity.

In addition, reports will be provided on both a monthly and annual basis (or at any time upon request) which detail the effectiveness of the managed care services. Reports available include:

a) Summary by Provider Name
b) Summary by Patient Name
c) Analysis by Diagnosis Code
d) Analysis by Procedure
e) Procedure by Provider

Such reports have proven instrumental in enhancing an organization's ability to analyze their risk and take appropriate actions to mitigate and control related medical costs.

Mandatory State Reporting
The Managed Care Plan provides clients quarterly self-insured compliance data to the state of Missouri at no charge.

8. **The excess insurance is currently written by Safety National and brokered by Lockton on a fee basis. Confirm your firm is an approved WC TPA for Safety National. Current SIR level is $1,500,000 per accident (Answer length: no more than one page.)**

Thomas McGee is an approved TPA and works closely with Safety National on numerous similar programs. Additionally, as a large regional TPA, we work closely with the Excess carriers on claim management initiatives that include large data extracts to the carrier and providing access to the claim system for review by the carriers' claim analysts.

9. **Note Anticipated termination fees in any projected service agreement.**

We don't charge termination fees.

10. **Short summary of the TPA's RMIS system, including the number of access accounts that the City may maintain. The City requests access for HR, Finance and Risk Management. Note added cost for additional RMIS users. (Answer length: no more than 5 pages with examples.)**

Monthly loss information shall include:

- **List of all open and closed claims, per policy period**
- **Paid and reserve amounts per claim**
- **Summary per policy period, including number of claims and costs**
- **Monthly checks register of paid bills**

Quarterly loss information is to include:

- **Summary of all losses by type and location**
- **Calendar year summary including payments, reserves, number of indemnity and medical claims.**

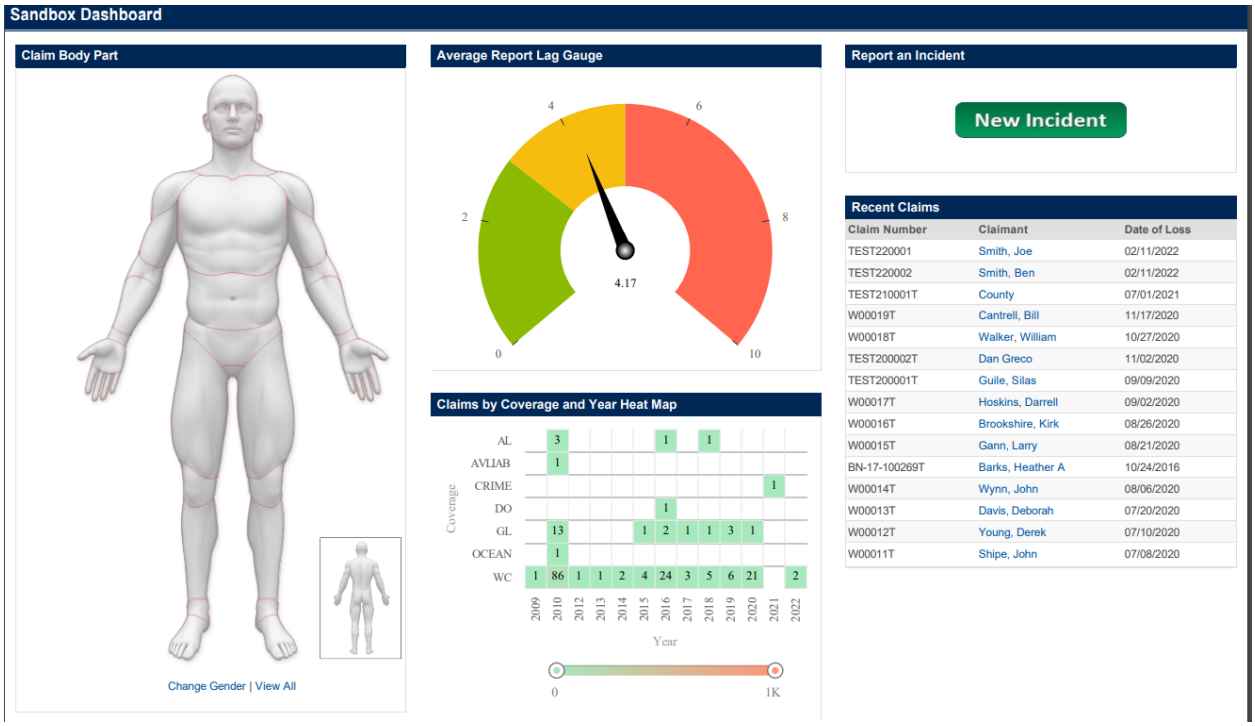
Identify computer services you provide, such as: "on-line" or "dial-up" access by the City's designated representatives regarding claim status review, including

ability to create and download custom loss reports. Note any cost associated with this optional service (if any). Please identify ability to receive uploaded electronic files to begin the first report of injury. Please identify the file options you can provide for electronic file transfer from respondent to City legal team for litigated files (in an organized manner; i.e., claim, provider, date).

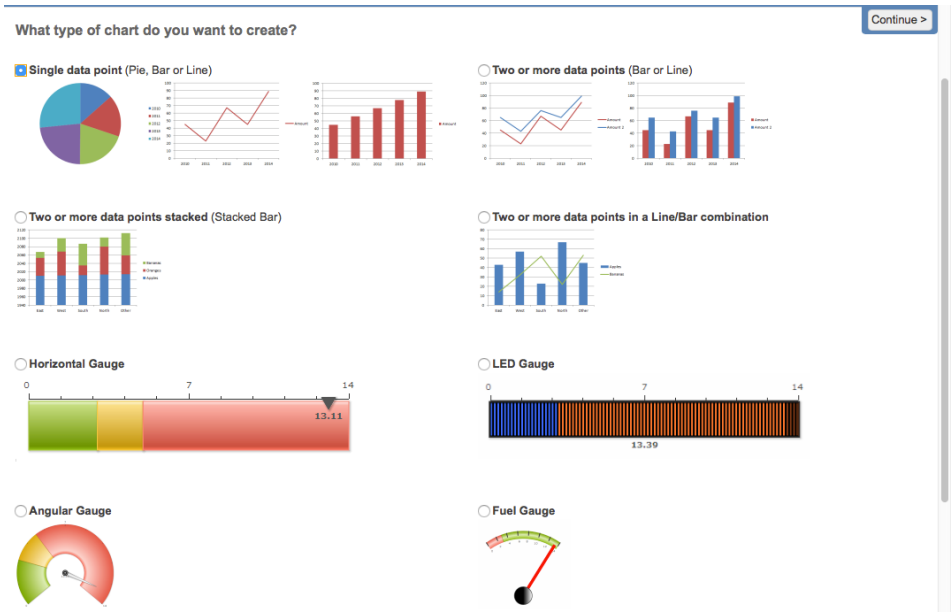
Origami Risk has been voted the best RMIS in a global survey by Advisen and was the leader in nearly all categories surveyed.

Risk Dashboards

Origami Risk's dashboards provide a great deal of flexibility in delivering powerful analytics to each user. With the ability to create user specific dashboards, defined by the detailed filtering capabilities utilized throughout Origami, users have the ability to automate their own workflow by driving the most critical information directly to their home screen.



While Origami comes standard with 75+ dashboard widget templates, Origami also provides a tool to build custom widgets on the fly…

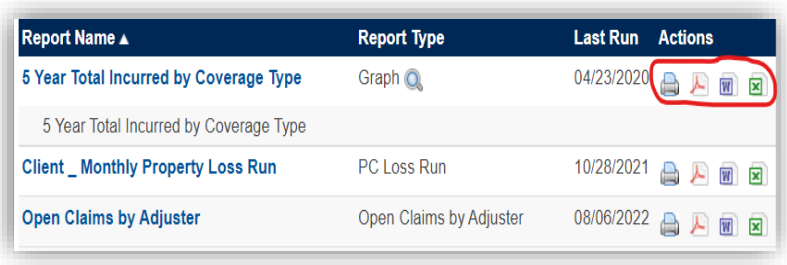


Reporting Tools

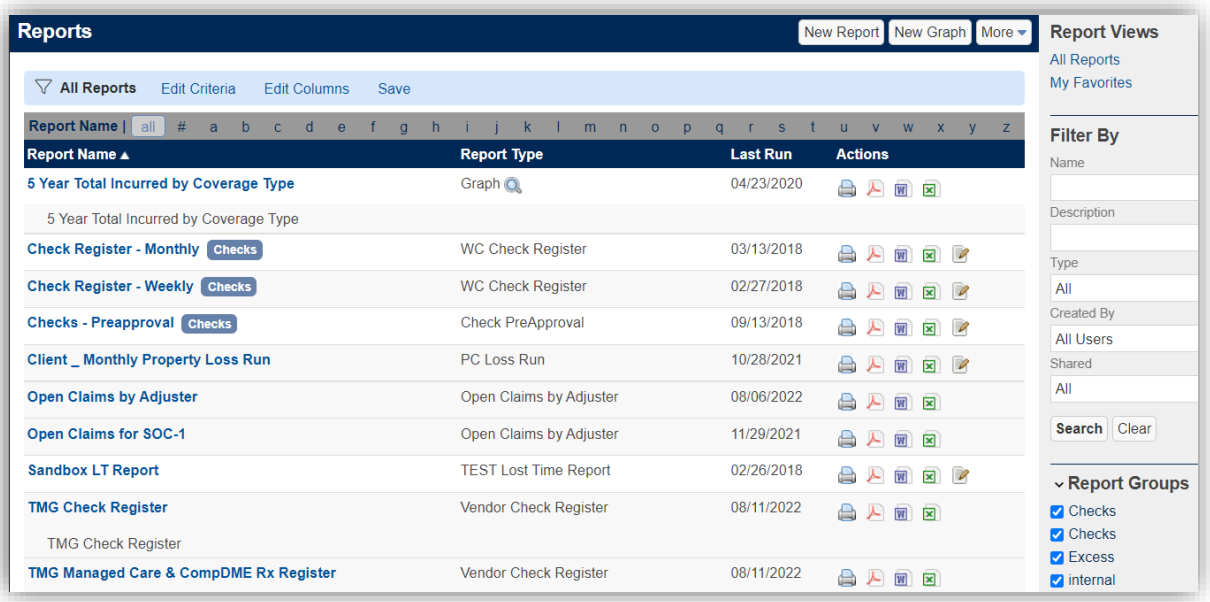
One of the most popular features of the Origami Risk system is its easy to use and intuitive reporting interface. Any data tracked in Origami Risk can be included in reports designed by clients, with great flexibility. This would include jurisdictionally mandated reports as well.

All of the reporting tools in Origami are available via the standard user interface, without the need for a complicated design and query tools. Creating a new report is as simple as choosing a report template and selecting a few filtering, grouping, and other display options. The system lets users preview their reports before saving their work, and once a report is saved it can easily be viewed and/or modified via the Reports screens, or scheduled for automated delivery.

When the "Reports" link in the main navigation bar is clicked, a list of all saved reports is displayed. Specific details about the design of any report in this list may be viewed by clicking directly on the name of the report.



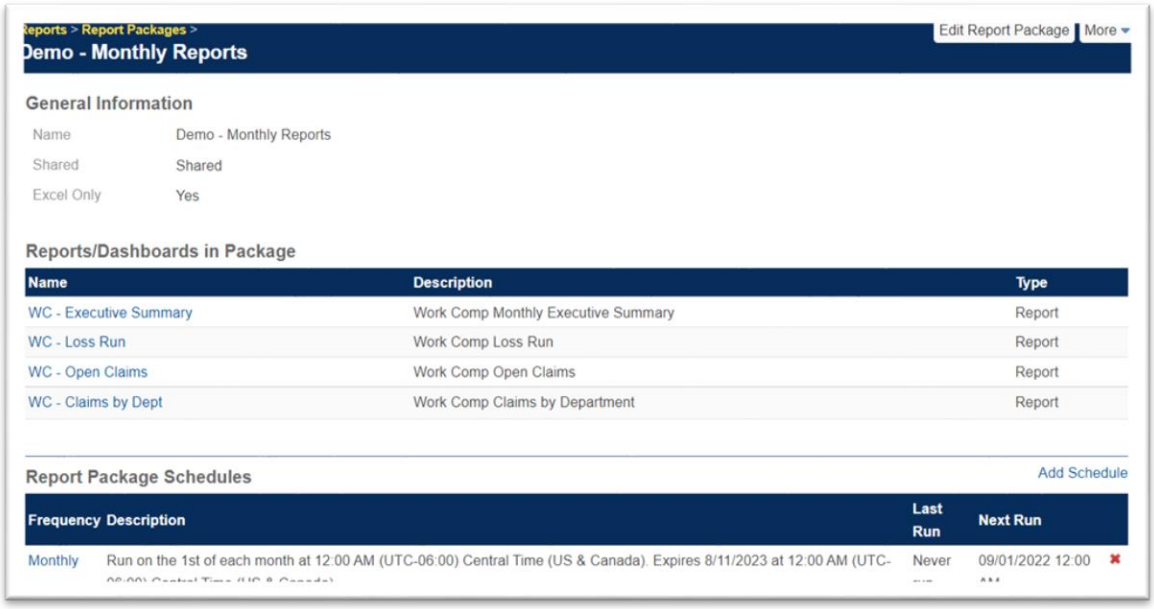
Reports may be executed, edited, or exported by clicking the appropriate icons directly from the Reports list, or more details and options related to any saved report can be displayed by clicking on the name of the report itself. Also, a quick preview image of the report can be displayed by hovering over the "i" icon following its description.



Origami Risk offers an intuitively powerful reporting platform, with over 70 standard report templates that serve as a starting point to create almost any report from scratch. From the most commonly useful summary lists to highly detailed and

specialized charts and cross-tabs, the standard reporting templates in Origami represent a comprehensive toolset to help you get at the data you need.

Report Packages and Distribution Lists



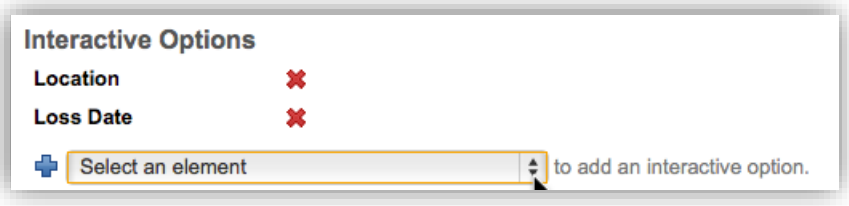
Reports may also be scheduled and automatically delivered to recipients within your organization. "Report Packages" are groups of reports and/or dashboards combined into a single PDF output that can be run on-demand or scheduled for automated delivery to individual recipients or email lists.

Favorite fields

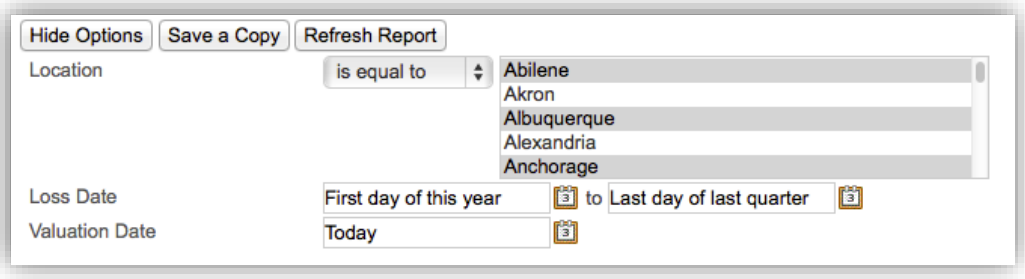
Origami Risk makes filtering and grouping reports even easier by keeping track of the fields you use most often, and automatically making them available at the top of your drop-down lists. This ensures that you can find and choose the fields most important to your organization without scrolling through a long list of every available field. The fields you use most often are always at your fingertips.

Interactive Options

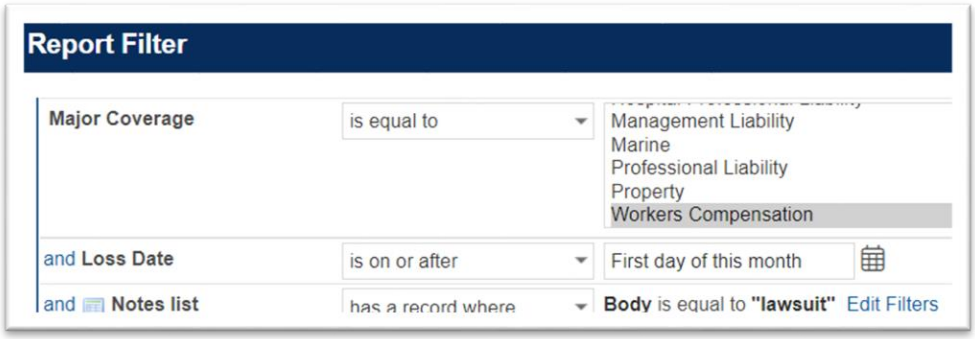
Origami gives report designers the ability to make the filtering, grouping, and sorting options available to end users, so that the end users can apply their own options as they see fit when they run a report.



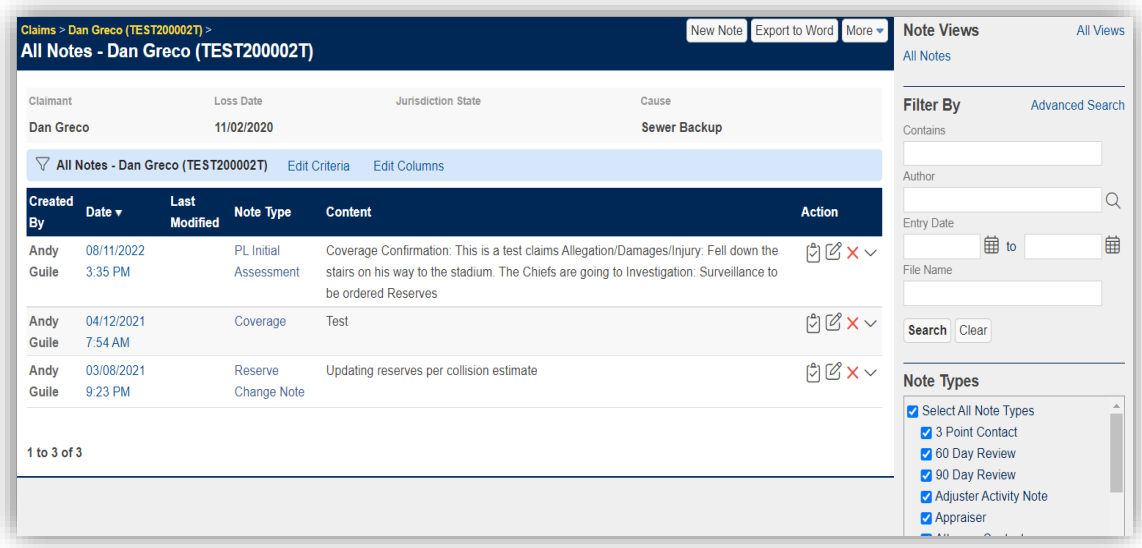
This allows end users to further drill-down capabilities without the need to modify the original report design.



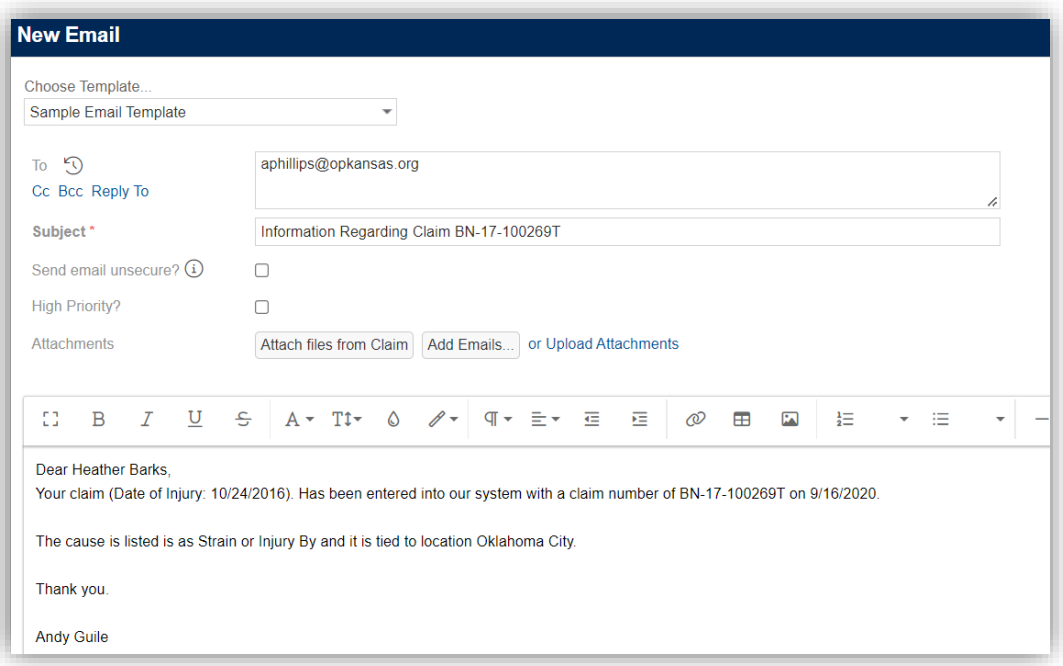
Lastly, Origami also allows you to perform advanced filters using related records. For example, if you want to search for any claims where a note, task, email or file attachment contains the work "Fall" or a particular doctor's name, Origami allows you to do this without having to recreate the report every time!



Notes and Document Functionality - Origami provides robust note and document management functionality. Our notes provide the ability for users to enter data with full formatting and spell check capabilities. In addition, users can attach files/documents right on the note record. This reduces the need for having to search through a long list of files on the claim level.



Origami also provides full email integration. Notes and files can be directly emailed into the system. However, we don't stop there. In order to consolidate all data related to an incident or claim, emails can be sent directly out of the system. This allows for quick communication, including file attachments. Clients can configure email templates to increase standardization across their communication. Also, any responses to the email will be automatically added to Origami.



Lastly, in an effort to secure electronic communications, Origami provides clients a solution to securing e-mail communication via its Secure E-mail Service. Origami configures an e-mail account for its clients on the Origami Servers. Recipients of e-mails generated from the client's system do not receive the actual e-mail originally sent, but generic notification e-mails with a link to the secure server from which the user logs in and reads the original e-mail.

As for document management, users are able to easily upload files directly from their computer or any shared drives. Multiple files can be loaded at the same time as well.

11. If a change is made, identify how much should be anticipated the City to incur for importing legacy data. (Answer length: no more than one page)

No charge as we already have legacy data for City of Independence.

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12. Provide information on how you could assist and provide resources in loss control, such as participating in a quarterly Safety Committee, completing annual risk assessments, ergonomic evaluations, safety training and stewardship reports. These services can are requested to be priced out separately (hourly, by project, etc.)..

Working with our loss control department to manage risks will shorten downtime, decrease the frequency and severity of claims, and lower your overall costs. Thomas McGee's Loss Control Services personnel are expert consultants who offer a wide array of services, tailored to the unique needs of our municipality clientele. By collaborating with the city and its outside consultant, we can build a team of experts that drive down the loss frequency.

A sample Loss Control Service Plan would consist of:

- Identify past loss trends for WC within the City
- Identify past loss trends for WC for each major department member
- Develop department-specific Loss Control programs
- Establish a culture of Safety and Health within the City

Possible Loss Control Services

- Provide access to Safety and Health materials and resources
- Perform trend and loss review for each member
- Assist departments with developing Job Hazard Analysis & SOP's
- Conduct accident & incident investigation training
- Perform facility audits for departments
- Perform job site safety surveys focusing on at-risk behaviors
- Attend safety committee meeting as requested
- Safety and Health Training Sessions
- Subjects may include one or more of the following:
    - How to Conduct Effective Safety Training
    - Slips, Trips, and Falls Prevention
    - Material Handling and Safe Lifting
    - Lockout Tagout
    - Work Zone Safety
    - Permit-Required Confined Spaces
    - Hazardous Communication
    - Bloodborne Pathogens
    - Electric Safety
    - Fire Extinguisher/Fire Prevention

- Hearing Conservation
- Personal Protective Equipment
- Respiratory Protection
- Workplace Violence
- Home Safety
- Excavation Safety
- Safety Culture
- Ergonomics

13. **Identify surveillance services and the parameters of when such services are suggested. Please include firm/provider name(s) and typical costs. Briefly explain the interaction process between your firm and a surveillance provider that was independently contracted by the City.**

    Typically, we consult with our partners at Charlesworth and with Counsel to make the suggestion of surveillance to the City. We look at feasibility and opportunities to bolster any defenses with a positive result. We also look at the financial implications of obtaining positive results when looking to seek approval. Approval is requested before moving forward with any employee surveillance. It is our belief that a purpose and a goal be established before any request is made.

    Dedicated Investigations has been the firm of choice for surveillance. In the last two years we have engaged their services 5 times. The average cost of surveillance on those 5 files was $2,092.50.

14. **Explain the interaction process between your firm and internal and external legal service providers that are independently contracted by the City. (Answer length: no more than one page.)**

    Our interaction between our firm and external counsel is excellent. They will provide guidance on compensability and non-litigated claims at any time with no charge to the City. Once a claim becomes litigated, constant communication regarding task, information and defenses is expected. Counsel is invited to claim reviews where all litigated claims are reviewed and action plans made to continue to move files forward. The Expertise provided to the City by MVP is the best in area. Fred Greenbaum is the Partner handling the account and he is well respected by the judges and opposing side. Settlements are kept to a reasonable level, and we are of the belief that legal expenses are kept to a minimum where possible.

15. **Provide what your firm believes to be the best working layer of financial settlement authority prior to having the City authorize (currently at $10,000). (Answer length: no more than one page**

The current authority should be considered for increase. A high majority of all employees are eligible for the maximum PPD rate and as such normal values for non-litigated injuries will routinely be over the authority limit. An example would be a fracture at the elbow level of the arm – It is common for a rating of 10% for that type of injury. Non-litigated at the 210-week level would equal 21 weeks of PPD benefits due to the employee for that rating. At the max rate (607.71) of an injury that happens today, this value would be $12,761.91. A simple back strain, non-surgical that takes time to heal, it is common to get a rating of 5% - 7.5%. That value at 7.5% would be 30 wks of benefits or $18,231.30. These two simple scenarios show the need to increase the current authority. Looking at surgical shoulders or backs would be significantly higher than the two examples.

There are two avenues for authority. The questions to answer to know how you would like to proceed are simple. How much do you want to be involved and how many times do you want to see a recap of a claim to move it forward. We have many accounts that do not provide authority and we seek approval for every claim. That is how we operate now with the authority provided to Charlesworth. We take all settlements to them to acknowledge the value before making offers to the employee. We review the potential need to increase offers when the claim is not litigated and the rating falls below Division standards. Then when the authority is over 10K additional information is provided for authority by the City. If you feel that processes is working, I would suggest moving the authority to 40K with the City and allow us to continue the same authority process with Charlesworth and the standard legal processes.

16. **Confirm your firm will complete all State reports and renewal application.**

Confirmed

17. **Your proposal shall include pricing and fees as outlined in the Excel file for cost allocation comparison. These include the following:**
    a. **Cost Per medical claim**
    b. **Cost Per Medical/Indemnity claim**
    c. **Per report only claim**
    d. **Minimum Annual Fee**
    e. **Maximum Annual Fee**

f. Service fees / Set-up fees / Risk Management fees or other Misc Costs

g. Availability and Cost of ancillary services, i.e., Loss Control, Safety Training Materials and/or Seminars, etc.

See Excel File for Costs

18. Please provide payment options for third party administration fees. Claims administration fees are to be billed to the City on a monthly or quarterly basis, after the service period.

Fees may be paid to Thomas McGee monthly or quarterly. We typically estimate the annual claim fees based on historical volume and then perform a claim fee audit at the end of the term to finalize the fees.

19. Confirmation of the TPA process utilized by the City is acceptable to the proposing TPA:

a. The City requests the TPA to contact the injured employee on ALL claims submitted to the TPA, within 24 hours of it being entered into the System.

b. The City requests any medical claim "open" more than 90 days to be reviewed at least every 30 days thereafter.

c. Temporary Total Disability payments are to be paid by the TPA. Please list options available pertaining to this service.

d. The City would like the TPA to affirmatively make settlement offers to injured workers on compensable claims and not wait for the injured employee to make a demand or retain an attorney. If the claim is likely to involve disfigurement, the TPA, in conjunction with outside counsel, should schedule the claim for hearing.

We confirm that we will continue to do the above. TTD payments are typically paid by check, but we are able to pay via ACH. Alternatively, if the City desires, we could enter the payments into our Claim System for record purposes only and allow the City to issues checks to their employees through their payroll.

20. Does the claims administrator provide recommendations to the City as to any alternative duty or light duty suggestions for injured employees?

Our Loss Control Department could work with the City and/or Charlesworth to provide light duty suggestions.

21. Give a narrative on the procedures involved with a claim, from initial report of claim to closure on a medical only claim and an indemnity claim. If possible, provide a process flow-chart of the handling of a claim. Include any threshold reserve amounts for medical only claims, and what criteria move a claim from medical only to indemnity status. (Answer length: no more than one page.)

The city uses a Nurse Triage process, so we typically get a brief notification before the claim is entered into the system. The claim is entered and is directed by the system to a WC Supervisor for review and assignment. The Supervisor reviews all claims medical only and adjuster assigned claims. The medical only claims are expected to be paid and closed within 90 days and remain under $2500 in value. If a claim exceeds any of those criteria a supervisor is alerted for review for possible escalation. Closure reports are provided monthly to the city so claims can be monitored. Adjuster assigned claims are assigned with instructions where necessary by the WC Supervisor. A diary and email notification are sent to the Adjuster upon assignment. Supervisor diary is set for two weeks on any claim assigned for Investigation. Adjusters will complete all investigation within 14 days or where outside records are required. Treatment is approved at time of triage. If a claim is in question, the adjuster will intervene, if necessary, after the initial assessment to ensure the employee is seen and cared for. All notes are required a claim type and available to the City. Medical management and litigation management are provided by the Adjuster. A minimum diary of 63 days is maintained on all active open files for the City by the Adjuster. Claim reviews are quarterly. Plan of Actions are kept on active files. Supervisor diaries are kept on all Adjuster level files. Senior level adjuster files have supervisor diaries if any of the following criteria are met: If the claim exceeds 75K in incurred value. If the claim exceeds 1year from the date of injury. If the claim has subrogation potential. Finally, if the claim is in litigation.

22. What percentage of your workload will the City work constitute? What is the average case load for your adjusters, both medical-only adjusters and indemnity claims adjusters? (Answer length: no more than one page.)

The City is approximately 3% of our total workload. Adjusters typically have 150 active claims assigned to their case load.

23. Contractor to supply check register information to the City's Finance Department in Microsoft Excel or compatible format on a monthly basis.

Confirmed, we will continue to provide in the same format unless the City requests an updated format.

THOMAS McGEE GROUP
A DIVISION OF RISK STRATEGIES

Liability Claims Administration

1. **The excess insurance is currently written by States Risk Retention Group and brokered by Lockton on a fee basis. Confirm your firm is currently an approved TPA for States'. Current SIR level is $250,000 per Occurrence; anticipated to increase effective 7/1/2024.**

   Thomas McGee is an approved TPA for States Risk Retention Group.

2. **Note anticipated termination fees in any projected service agreement.**

   We do not charge any termination fees.

3. **Your proposal shall include pricing and fees as outlined in the Excel file for cost allocation comparison.**

   Fees are outlined in the Excel File

4. **Give a narrative on the procedures involved with a claim, from initial report of claim to closure on liability claims. If possible, provide a process flow-chart of the handling of a claim. Include any threshold reserve amounts that may be involved with the various E&O or Bodily Injury type claims.**

   All claims are reviewed and assigned by the account supervisor. Once assigned, the adjuster is required to perform an Initial Assessment, wherein the following aspect of the claim are documented, based on the information provided: Coverage Confirmation, Allegation/Damages/Injury, Investigation, Liability Assessment, Reserves Analysis.

   It is the adjuster's responsibility to contact all parties involved in the loss, as well as any witnesses. The adjuster is then required to make a liability assessment, based either on knowledge of the situation, or confirmation of details with the client.

It is also important for the adjuster to review and comment on any applicable statutory immunities that may mitigate the client's exposure. If the claim is denied, a formal denial letter is sent to the claimant and documented in Origami.

If a settlement is reached, the adjuster will secure a signed release of claims from the claimant. After the signed release is obtained, a check will be issued in line with the account's preferred method.

THOMAS McGEE GROUP
A DIVISION OF RISK STRATEGIES

KEEP IN TOUCH!

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