

REQUEST FOR PROPOSALS (RFP) NO. 2011-D-2
THIRD PARTY ADMINISTRATOR FOR WORKERS' COMPENSATION PROGRAM
CLAIMS ADMINISTRATION AND ANCILLARY SERVICES

QUESTIONS AND ANSWERS

Q1	What are you currently paying for TPA claims? What is your current annual fee for claims administration?
A1	The current annual fee was adjusted to \$361,555.
Q2	Currently, how many examiners are being used to staff the program?
A2	Two.
Q3	Please clarify the existing/open claim volume in terms of: <ul style="list-style-type: none"> - # of medical only <u> 15</u> - # of future medical <u> 99</u> - # of indemnity <u> 134</u> - # in litigation <u> 82</u>
A3	Please see answers in bold above.
Q4	With regard to medical bills: <ul style="list-style-type: none"> - What is the average annual bill volume? Please provide annual bill review volume for 2008-2010. <u> 3,375</u> - How many hospital bills does the District receive annually on average? <u> 207</u> - What is your net savings %? <u> 64%</u>
A4	Please see answers in bold above.
Q5	How is medical bill review currently priced (per bill, per line, % of savings)?
A5	Originally % of savings but changed to per line in 2009.
Q6	Does the agency currently utilize nurse case management services? If so, what is the average number of nurse case management referrals (please distinguish between field/telephonic)?
A6	Annual average is 15 and field and telephonic vary on a case-by-case basis.
Q7	Is the District utilizing a nurse triage program?
A7	No.
Q8	What are your greatest challenges in managing you Workers' Compensation Program and expenses?
A8	The greatest challenges are doctor shopping, increased medical costs, length of time between DOI and surgery date, malingering, and difficulty in implementing an MPN.
Q9	Is it possible to get questions/forms in Word format?
A9	The documents/forms are not available in Word version to Proposers.
Q10	What is the staffing model being provided by the current TPA? How many staff (and at what levels) are assigned to your program? Please specify number of and type of personnel being dedicated vs. non-dedicated to the agency.
A10	The caseload is 150 claims per Examiner. Two Examiners are dedicated to the District account. Non-dedicated TPA staff assigned to the District's Workers' Compensation program is as follows: one Claims Assistant, one FM Examiner, one Claims Supervisor, one Division Claims Manager, and one Lead IS Support.

Q11	Are the special handling requirements you have with your current administrator available for review?
A11	Yes.
Q12	What firm currently handles the agency's Jones Act related injuries/claims? What is the breakdown of the "20 open Jones Act claims"? Does your current administrator adjust the Jones Act claims, or do they use a subcontractor? If so, who do they use?
A12	Sterling & Clack (Maritime Law Firm) and Athens Administrators (TPA) currently handle the District's Jones Act related injuries/claims. In regard to the breakdown of the "20 open Jones Act claims," this question is unclear, and District staff is unable to answer this question. No subcontractors are used on Jones Act claims.
Q13	Who provides your bill review service?
A13	Athens Administrators.
Q14	What are your current bill review fees?
A14	The current bill review fees are approximately \$170,000 per year.
Q15	Which PPO do you access?
A15	Blue Cross.
Q16	Can we get a copy of the last cost containment report which includes the last 12 months, or the calendar year of 2010, which includes: <ul style="list-style-type: none"> - Number of bills processed <u>3,000</u> - Total billed <u>\$2,450,000</u> - OMFS reductions <u>\$1,600,000</u> - PPO reductions <u>N/A</u> - Recommended payment <u>\$850,000</u> - % of savings <u>62%</u> - Return on Investment <u>N/A</u>
A16	Please see answers in bold above.
Q17	Who provides your UR service? What are your current UR fees? What is the average number of UR per year? What is the number of UR done at nurse level per year? What is the number of UR done at MD level?
A17	Professional Dynamics, Inc. (PDI) provides the District's UR service. Current UR fees are \$85. Average number of UR per year is 150 referrals in 2010: 70 at nurse level and 80 at MD level.
Q18	What is the number of prospective, concurrent, retrospective reviews done during the past year?
A18	There were 148 prospective, 0 concurrent, and 2 retrospective reviews done during the past year.
Q19	What is the total dollar paid for nurse review per year?
A19	\$12,475.
Q20	What is the total dollar paid for MD reviews per year?
A20	\$20,775.
Q21	If a treating physician requests MRI, PT, wheelchair in one PR-2, is it treated as one review by your current vendor or three reviews?
A21	If the MRI, PT and wheelchair were part of a single treatment plan there would only be one UR review. Any of the three treatments may fall within the Examiner's authority depending on the UR criteria approved by the District.

Q22	Who provides your case management service? What are your current case management fees?
A22	Choice of Nurse Case Manager is at the discretion of the District.
Q23	Please describe the current medical cost containment programs being utilized by the agency.
A23	Programs being utilized by the District are Structured Return-To-Work Program, Nurse Case Managers, Bill Review, Utilization Review, Sub Rosa when appropriate, and Active Claims Management by in-house Claims Administrator.
Q24	Who is the agency's excess broker and who is the current excess carrier?
A24	The District's excess broker is Wells Fargo Insurance Services, and the current excess carrier is Chartis.
Q25	Does the current TPA utilize a DBE for any portion of its contract? If so, please describe the nature and extent of these services? If not, does the agency in any way contract separately for any services related to the program and the RFP?
A25	Yes, there is DBE participation. The nature and extent of services vary.
Q26	Would you provide a copy of your June 30, 2010, Self Insurance Plans Annual Report?
A26	Please see attached report.
Q27	Pg 6, (2) b), what constitutes "informative statements"? Do these have to be recorded or signed? Can the TPA assign out to investigators for statements to be paid off the claim file?
A27	Informative statements are pertinent statements by the injured worker or a witness. Yes, they do have to be recorded/signed, and yes, the TPA can assign out to investigators for statements to be paid off the claim file.
Q28	Pg 6, (2) g), are these investigations assigned to outside firms and paid off the claim file?
A28	Yes, see A27 above.
Q29	Pg 9, (6) d) How many claims are usually reviewed by the examiner for the file review?
A29	A total of 45 claims were reviewed at the last claim review.
Q30	Pg 13, (4) d), are you asking that the examiner provide the written captioned report and status reports on litigated claims or the defense attorney? What information do you want included in these reports?
A30	Either Examiner or Defense Attorney can provide the reports. A comprehensive status update should be included in the reports.
Q31	Do you use a Medical Provider Network (MPN)? If yes, which MPN do you use? What is the District's MPN penetration rate? What are your MPN administration fees, if any? Is it mandatory that the TPA provide an MPN?
A31	No, not at this time. State approval was obtained in 2007; previously under contract with Wellcomp, but MPN was never implemented. It is not mandatory that the TPA provide an MPN.
Q32	If we are not providing the bill review services directly, do you want our recommended bill review company to review the medical bills in the RFP?
A32	Yes.
Q33	What role is Medical Management expected to play in auditing Bill Review?
A33	The District would not expect a Nurse Case Manager to play any role.