

City Council Agenda Report

Meeting Date: November 19, 2024
From: Lisette Grizzelle, Interim Director of Human Resources
Department: Human Resources
Submitted by: Lisette Grizzelle, Interim Director of Human Resources

Subject

Services Agreement with AdminSure Inc. for Worker's Compensation Third Party Claims Administration

Recommendation

Approve and authorize the City Administrator to execute the proposed Worker's Compensation Third Party Claims Administration Services Agreement with Athens Administrators, in substantially the same form as submitted, in an amount not to exceed \$257,415 for a three-year term.

Background

On April 25, 2024, the Human Resources Department issued a Request for Proposals (RFP) for Worker's Compensation Third Party Claims Administration (TPA) in accordance with Vernon Municipal Code 3.32.080. The RFP invited proposals from firms that could provide professional services in the area of worker's compensation claims administration services for the City's self-insured program. TPA services include, but are not limited to, reporting injuries, employee contact, providing lost time and salary information, training for managers, supervisors, and employees, assisting with early return to work programs, payment of benefits and expenses, and maintenance of the City's worker's compensation claim files. The RFP was structured to solicit "unbundled" services from providers to ensure that the City retains a greater level of control when managing its worker's compensation cases. The RFP was advertised directly to eight providers and on PlanetBids. By the deadline of Thursday, May 16, 2024, seven providers issued a response to the RFP.

All proposals were reviewed and evaluated as per the criteria established in the RFP. Based on the evaluations, the proposal from AdminSure Inc., (AdminSure) was determined to be the most responsive to the RFP and best suited to provide the desired TPA services. Accordingly, it is recommended that the City enter into the proposed three-year services agreement with AdminSure for worker's compensation third party claims administration. AdminSure has over 20 years of experience servicing the public sector with nearly 100% of their client base comprised of full-service cities with safety members including Police and Fire. AdminSure prides themselves in maintaining strong lines of communication with the City, the injured workers, and all other interested parties. During their presentation to the City, AdminSure demonstrated the importance of processing claims quickly and economically, with the ultimate goal of providing the City's injured workers with appropriate benefits. AdminSure expressed their commitment to provide the City with a high level of service, responsiveness, and communication.

It is recommended that the City Council approve and authorize the City Administrator to execute the proposed services agreement with AdminSure Inc. for Worker's Compensation Third Party Claims Administration. The proposed agreement has been reviewed and approved as to form by the City Attorney's Office.

Fiscal Impact

The fiscal impact is not-to-exceed \$257,415 for three-year agreement term. Sufficient funds are available in General Fund, Human Resources Department, Professional Services Administration Account No. 011-010-120-529220 for the current fiscal year (FY). The annual fees are increased by 3% each year of the agreement to \$85,780 in the second year and \$88,355 in the third year. Funds will be budgeted accordingly in the FY 2025-2026 and FY 2026-2027 Human Resources Department Budget. The costs associated to the Service Agreement with AdminSure Inc. are solely for the administration of worker's compensation claims and do not include any ancillary costs that may be associated to individual claims filed by employees.

Attachments

1. Services Agreement with AdminSure Inc.