

# District School Board of Pasco County

## Bid Recommendation

<b>RFP Title</b>	Workers' Compensation & Third Party Liability Claims Administration Services		<b>Number of Vendors Notified</b>	591
<b>RFP Number</b>	10-064-AZ		<b>Number of Proposals Distributed</b>	28
<b>Date Solicited</b>	November 4, 2009		<b>Number of Vendors Bidding</b>	12
<b>Date Opened</b>	January 14, 2010		<b>Number of Formal "No Bid" Responses</b>	1
<b>Date Board Presentation</b>	April 20, 2010		<b>Funding Source</b>	General fund contributions
<b>Total Savings</b>	<b>\$118,995 estimated first year</b>		<b>Grand Total of Proposal</b>	\$735,355 1 <sup>st</sup> year workers' comp; \$30,750 1 <sup>st</sup> year 3 <sup>rd</sup> party liability

**Recommendation:** Recommend acceptance of Johns Eastern Co. as the highest-scoring responsive, responsible proposer for workers' compensation benefits, with OptaComp ranked second, and Preferred Government Claims Solutions ranked third. Recommend acceptance of Preferred Government Claims Solutions as the highest-scoring responsive, responsible proposer for third party liability claims administration, with Johns Eastern Co. ranked second. Acceptance of this ranking will allow members of the Employee Benefits Assistance & Risk Management Dept. (EBARM), the Purchasing Dept., and Siver Insurance Consultants to negotiate a contract based on the RFP with the highest-ranked proposers. Should we not be able to reach agreement with the highest-ranked firm for each service, negotiations will take place with the next-ranked firm, until agreement is reached. The final terms and conditions of these contracts will be brought back to the Board for final approval, allowing EBARM to begin transitioning from the incumbent provider, Gallagher Bassett Services. Transition must be completed by June 30, 2010.

**Term of Contract:** This RFP is a three-year contract, renewable annually at the mutual agreement of the parties, with provisions to extend for up to two additional one-year terms at the mutual agreement of the parties. The first year term with each company is July 1, 2010 – June 30, 2011. Rates with both companies are firm for the three-year period, and have also been quoted and established for the additional one-year terms.

**Notations and Exceptions, continued:**

The following firms were disqualified: Summit Consulting for workers' compensation, as they did not demonstrate the minimum requirement regarding service to a client with at least 5000 employees; Employer's Mutual for workers' compensation, as they did not propose based on the staffing model of two dedicated nurses as specified; Alternative Service Concepts for third party liability claims administration, as they did not provide mandatory flat fee pricing; F.A. Richard & Associates and Florida School Boards Insurance Trust for third party liability claims administration, as they did not include field investigations in their flat fee price proposals.

The expiring contract with Gallagher Bassett Services was for both workers' compensation and third party liability services. The RFP requested separate proposals to allow for additional competition. The expiring contract included per-claim fees which were variable and difficult to budget. The RFP required flat fees from all proposers to allow for fairness in the evaluation process, and to allow for better budgeting and management of these expenses.

The RFP responses from the compliant proposers were independently scored by members of the Evaluation Committee noted below, with all scores totaled and averaged (Phase I). Interviews with the four highest scoring firms for workers' compensation and the two highest scoring firms for third party liability claims administration services were conducted on February 12, 2010. Interviews were independently scored by the Evaluation Committee, with all scores totaled and averaged. The interview scores (Phase II) were added to the Phase I scores to determine the highest-scoring firms, as noted above and on the attached tabulation.

Offers from the vendors listed herein are the only offers received timely as of the specified opening date and time. All other offers submitted in response to this solicitation, if any, are hereby rejected as late.

**Proposals Evaluated By:**

Julie Hedine, Supervisor of Food & Nutrition Services

Patricia Howard, Employee Benefits Specialist

Michael Hudson, Employee Benefits & Risk Manager

Anita Mullins, Supervisor of Human Resources

Kevin Shibley, Supervisor of Employee Relations

Mary Tillman served as the non-voting Chair of the Evaluation Committee

Analysis provided by Kathy Gordon and Theresa Conley, Siver Insurance Consultants

**Proposal Prepared By:**

Arlene Zimney, CPPB, C.P.M., Buyer

**Reviewed and Authorized By:**

Kendra Goodman, CPPO, CPPB, Purchasing Agent

Date/Time: April 14, 2010 10:06:00

DISTRICT SCHOOL BOARD OF PASCO COUNTY RFP TABULATION

Date of Opening: January 14, 2010						
Proposal Title: Workers Compensation	Alternative Service Concepts	F.A. Richard & Assoc. (FARA)	Fla. School Bd. Ins. Trust	Gallagher Bassett Services	Johns Eastern Co., Inc.	North American Risk Services
RFP 10-064-AZ	1000 Legion Pl, Ste. 700	1625 W. Causeway Appr.	800 N. Calhoun St.	Two Pierce Pl.	PO Box 110259	2600 Westhall La.
<b>**BOARD MEETING APRIL 20, 2010**</b>	Orlando, FL 32802	Mandeville, LA 70471	Tallahassee, FL 32303	Itasca, IL 60143	Lakewood Ranch, FL 34211	Maitland, FL 32751
Demonstration of competency & experience (max. 40 pts.)	26.90	25.50	30.60	32.20	38.00	26.70
Projected cost for services (max. 20 pts.)	13.30	11.90	18.10	10.50	12.20	13.20
Scope of services (max. 40 pts.)	35.80	30.40	29.60	23.60	38.40	35.60
<b>Total to determine interviewees</b>	<b>76.00</b>	<b>67.80</b>	<b>78.30</b>	<b>66.30</b>	<b>88.60</b>	<b>75.50</b>
Interviews (max. 50 pts.)			30.00		40.00	
<b>TOTAL</b>			108.30		128.60	

DISTRICT SCHOOL BOARD OF PASCO COUNTY RFP TABULATION

Date of Opening: January 14, 2010					
Proposal Title: Workers Compensation	OptaComp	Packard Claims Admin. Inc.	PMA Management Corp.	Preferred Govt. Claim Solutions	
RFP 10-064-AZ	PO Box 44291	2739 US 19 North	2701 Rocky Pt. Drive, Ste 250	615 Crescent Exec. Ct.	
<b>**BOARD MEETING APRIL 20, 2010**</b>	Jacksonville, FL 32231	Holiday, FL 34691	Tampa, FL 33607	Lake Mary, FL 327446	
					<b>FINAL RANKING</b>
Demonstration of competency & experience (max. 40 pts.)	32.30	20.40	22.80	33.60	<b>HIGH TO LOW</b>
Projected cost for services (max. 20 pts.)	12.50	20.00	12.20	13.60	1) Johns Eastern
Scope of services (max. 40 pts.)	33.60	35.60	33.20	34.00	2) OptaComp
					3) PGCS
					4) FSBIT
<b>Total to determine interviewees</b>	<b>78.40</b>	<b>76.00</b>	<b>68.20</b>	<b>81.20</b>	
Interviews (max. 50 pts.)	45.20			35.80	
<b>TOTAL</b>	123.60			117.00	

DISTRICT SCHOOL BOARD OF PASCO COUNTY RFP TABULATION

Date of Opening: January 14, 2010					
Proposal Title: 3rd Party Liability Claims Admin. Services	Employers Mutual Inc (EMI)	Gallagher Bassett Services	Johns Eastern Co., Inc.	Preferred Govt. Claim Solutions	
RFP 10-064-AZ	700 Central Pkwy	Two Pierce Pl.	PO Box 110259	615 Crescent Exec. Ct.	
<b>**BOARD MEETING APRIL 20, 2010**</b>	Palm Harbor, FL 34683	Itasca, IL 60143	Lakewood Ranch, FL 34211	Lake Mary, FL 327446	
					<b>FINAL RANKING HIGH TO LOW</b>
Demonstration of competency & experience (max. 40 pts.)	29.40	30.80	37.80	33.00	1) PGCS
					2) Johns Eastern
Projected cost for services (max. 20 pts.)	13.40	19.90	11.30	20.00	
Scope of services (max. 40 pts.)	27.00	25.80	37.00	37.20	
<b>Total to determine interviewees</b>	69.80	76.50	86.10	90.20	
Interviews (max. 50 pts.)			44.60	42.40	
<b>TOTAL</b>			130.70	132.60	