



New Castle County
Purchasing Division
New Castle County Government Center
87 Read's Way
New Castle, DE 19720
(302) 395-5250

INSURANCE CLAIMS PROCESSING
BID #11PP-003

New Castle County ("County") is seeking priced proposals from qualified firms to provide third party claims administration of workers compensation, automobile liability (AL) and general liability (GL) claims, and related services, for New Castle County's self insurance program.

Interested parties are asked to submit a written priced proposal, one (1) original and four (4) copies, to the New Castle County Purchasing Division, New Castle County Government Center, 87 Read's Way, New Castle, DE 19720 (302/395-5250), **by 2:00 p.m., Wednesday, May 25, 2011** so stating their interests and qualifications.

NOTE: Bidders are responsible for obtaining the bid specifications and all addendums from the New Castle County Purchasing website at www2.nccde.org/purchasing.

Any firms having questions concerning the project should be sent in writing to Andria Smith, Chief Purchasing Agent at asmith@nccde.org. All questions must be submitted no later than **noon Monday, May 16, 2011**.

INSTRUCTIONS FOR PROPOSAL:

Sealed proposal envelopes will carry a clear notification in the lower left quadrant, **"Bid #11PP-003 Insurance Claims Processing."**

FAX proposals **cannot** be accepted.

Minority and Woman Business Enterprises (WBE) will be afforded full opportunity to submit proposals, and will not be subject to discrimination on the basis of race, color, national origin, or sex in consideration of this award.

Awards, if any, will be made in accordance with the *Delaware Code*, Subchapter 2, Chapter 69, Title 29, and New Castle County Code

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General

New Castle County (hereinafter referred to as "NCCo") is looking for a qualified Contractor to provide third party claims administration and related services (hereinafter referred to as "TPA services") for NCCo's self-insurance program, which provides excess insurance coverage for claims exceeding \$500,000 for workers compensation, automobile, and general liability not covered or limited as to maximum recoveries by the County's Sovereign Immunity, and all other liability claims arising out of NCCo's operations. These services are to include claims administration, return to work program administration, quality assurance program administration, medical case management and tracking, cost containment programs, including strategic planning direction and assistance, loss control planning and programs, and risk management information systems. NCCo's Risk Management Office will maintain internal control of litigation, payments of indemnity and for most settlements, and compensability and settlement decisions for all claims.

NCCo has approximately 1,420 full-time and 500 part-time and seasonal employees, serving a population of 530,000 residents. The estimated annual payroll for fiscal year 2011 is \$92,161,000. During fiscal year 2010, NCCo received approximately 350 total claims, which included 252 Workers Compensation Claims, and historically average an estimated 106 Auto claims, and 25 General liability claims. Currently, there are approximately 176 pending claims which include 156 Workers' Compensation, 10 Auto and 10 General liability claims.

Willis of Delaware is the current insurance broker for NCCo. The insurance broker secures excess workers compensation, liability and other insurance coverages for NCCo.

Scope

The Contractor would handle and/or monitor all claims from first report through resolution, and would be responsible to maintain a database after uploading existing claims data from the existing TPA as necessary, generate traditional and requested Reports to the County on a regular basis, make the database fully available to the County, with training on its usage, advise the County on expense control, conduct medical and other bill reviews in accordance with Delaware laws and regulations, provide nurse and adjuster case management, and provide documentation for in-house litigation management.



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Services provided are for usual and customary claims administration that shall include, at a minimum, the following:

I. THE CLAIMS ADMINISTRATOR SHALL

1. Adjust all claims for accidents for which workers' compensation claims are present.
2. Contact all claimants by personal contact, first by phone then in writing, within twenty-four (24) hours of receipt of a claim from the County or claimant or otherwise.
3. File IAB First Reports of Injury, Rule 4 letters and other required documents in a timely manner, after necessary approvals from the County, with the Industrial Accident Board.
4. Handle all workers compensation claims in accordance with accepted adjusting procedures and in accordance with Delaware law, Department of Labor regulations, and DE Practice Guidelines.
5. Upon approval by the County, issue drafts to medical facilities for the medical expenses owed in accordance with Delaware law, after scrutiny of the services and invoices provided as against the Practice Guidelines and Fee Schedule issued by the Delaware Department of Labor, where applicable, and the standards of practice in the industry, where no such guidelines apply, and any Order of the IAB or Agreement with a claimant.
6. Maintain claim records and submit comprehensive reports which will allow the County to make a proper analysis of each exposure and exposure category, including exposures within workers compensation, automobile and general liability.
7. Monthly reports of summary costs by department will be required. Summary reports by department, division, section, and job description will be required quarterly. Specimen copies of the reports you intend to provide should accompany any proposal as exhibits.
8. Maintain an office within a seventy-five (75) mile radius of the center of New Castle, Delaware with available staff of not less than four (4) qualified, licensed and bonded adjusters, two of whom who are, and who are supervised by an individual, familiar



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with all phases of Delaware workers' compensation law, with at least seven (7) years experience for the supervisor and three (3) years experience for the adjusters. The firm must have been in existence and have had a substantial client base in Delaware for at least five (5) years. The adjusters and supervisors to be assigned to this contract shall provide resumes in which education and experience generally and in Delaware are listed, as well as, initial and recurrent and ongoing planned continuing legal and adjuster education in Delaware workers' compensation laws, and regulations and the Practice Guidelines and Fee Schedules are specifically listed with providers of the training received and planned, listing hours spent and to be spent periodically going forward.

9. Maintain a tickler/reminder system which the Risk Management Office has access to of dates when reports and actions are due. Notify Risk Management when each report has been filed, and scan such report into the electronic system described herein.
10. Provide a full-time dedicated adjuster assigned to workers' compensation claims satisfactory to the County, and have that person work on site at the County Government Center two (2) days a week, with more or less by mutual agreement.
11. Assure that all phone calls to adjusters are returned within twenty-four (24) hours.
12. Meet with the County with the assigned adjusters and supervisor as needed, but routinely on a monthly basis to discuss strategies for loss and cost control and specific policy or claim matters.
13. Provide nurse case management for workers' compensation claims where injuries are expected to last more than two (2) months, assure maintenance of all medical records and reports, historical records of medical history, track and direct treatment, and report regularly to the adjusters and County on medical status and what is needed for prompt return to work in some capacity, working also with HR and the departments of the County in that regard.
14. Provide a monthly watch list of claims where workers have been off work for in excess of six (6) months or medical costs exceed \$50,000.



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15. Thoroughly investigate and adjust all claims made against NCCo to determine severity and details of the injury or incident, subject to handling instructions of shared responsibility with the County.
16. Ensure appropriate and correct payments of claims.
17. Recommend surveillance, and/or activity checks as deemed appropriate and arrange them upon prior approval of NCCo.
18. Provide a statement identifying cost containment services to be used (i.e., medical bill auditing and quarterly reporting) on an individual file basis and overall.
19. Prepare litigation files for submission to NCCo's internal defense attorneys upon request.
20. Attend status meetings on claims administration with NCCo, trials, mediations, and/or settlement conferences as requested.
21. Develop and maintain an investigative file on each claim in accordance with an approved format by NCCo. Files are to be readily available for NCCo or its designee's review, and shall be well documented and up to date.
22. Notify insurance carriers of claims and or occurrences at predetermined levels required by those insurance carriers. Provide information and status of claims as requested by the insurance carriers.
23. Develop and maintain an on-line system to be used in the administration of claims, including documents providing a description of incident and injury, medical records, correspondence and other documents, payment register, claim notes, litigation status and notes, etc.



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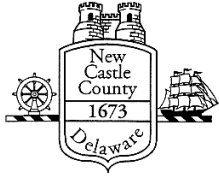
24. Generate monthly reports and graphs to NCCo and its designee in a bound form that reflect:
- a. Policy Period Comparison of claims and costs-to FY2007;
 - b. Open Claims Report;
 - c. Expense Report for Month;
 - d. YTD Loss Summary by Location and department-compared by FY to FY2007;
 - e. YTD Injuries by Body Part-compared by FY to FY2007
 - f. YTD Mechanism of Injury Report-compared by FY to FY2007
 - a. YTD Loss Summary by Job-compared by FY to FY2007.
25. Convert all existing data fields and claim notes on all open and closed files set up with dates of injury after the date of implementation of a contract with NCCo. This on-line system is to include pending files.
26. Provide Risk Management and/or its designee full on-line electronic access to the system described in #23, including, but not limited to, access to claims, payments, medical records, correspondence, claim notes, status, and messaging capabilities, and financial data.
27. Within 15 days following the end of each quarter, provide NCCo and its designee with a report of account for individual claims and aggregate loss experience analysis (loss run reporting). This report shall show the status of each open claim and experience year-to-date of all claims.
28. Workers' compensation claims are to have a same day three (3) point contact. Auto and General liability claims are to have a 24-hour contact.
29. Identify and investigate all subrogation possibilities for potential recovery including investigation, evaluation, and negotiation of subrogation cases. Maintain financial records of all recoveries on the claim file.
30. Participate in meetings upon request.



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31. Prepare administrative reports required by the State of Delaware and Federal government. Monitor the compliance of NCCo's employer reporting requirements and record keeping requirements and advise of any deficiencies in NCCo's overall self-insured compliance matters.
32. Prepare and/or assist NCCo staff or its designee with all appropriate responses to audits and inquiries of all regulatory agencies.
33. Provide the reporting requirements outlined in this RFP. Have an effective and efficient data retention and data backup and recovery plan for all of NCCo's records.
34. Provide bi-annual loss summaries.
35. Prepare annual data and provide to actuary within fifteen (15) business days of close of the fiscal year (June 30).
36. TPA firms may be required to have approval of the current New Castle County insurance company providers prior to selection.
37. NCCo shall be notified within 24 hours of professional staff turnover, and provided with resumes for replacement personnel for review and approval prior to making assignments to the program.
38. The contractors TPA services shall be provided in compliance will applicable federal, state, and local laws, requirements, and/or ordinances relating to such services.
39. Claims not within the specific area of authority delegated to the TPA as to type and amount must first receive the approval of NCCo Risk Management prior to acceptance.
40. The contractor shall maintain and keep all records directly related to NCCo accounts.
41. The contractor shall, upon reasonable notice and at a reasonable time during normal business hours, allow authorized NCCo Risk Management personnel or its designee the privilege of inspecting, examining and/or auditing records which are directly related to NCCo's accounts.



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42. All reports, documentation, and material developed or acquired by the contractor as a direct requirement specified herein shall become and remain the property of NCCo. The contractor shall agree and understand that all discussions with the contractor and all information gained by the contractor as a result of the contractor's performance under the contract shall be confidential, and that no reports, documentation, or material prepared as required by the contract shall be released to the public without the prior written consent of NCCo.
43. Upon expiration, termination, or cancellation of the contract, the contractor shall assist NCCo to ensure an orderly transfer of responsibility and/or continuity of those services required under the terms of the contract to an organization designated by NCCo or its designee, if requested in writing.
44. The contractor shall deliver, FOB destination all records, documentation, reports, data, recommendations, master, or printing elements, etc., which were required to be produced under the terms of the contract to NCCo and/or to NCCo's designee within seven (7) calendar days after receipt of the written request. Any and all records which are on electronic media must be delivered in a format which is compatible with the system(s) currently in use by NCCo.
45. The contractor shall agree to continue providing any part or all of the services in accordance with the terms and conditions of the contract for a period not to exceed thirty (30) calendar days after the expiration, termination, or cancellation date of the contract for a price not to exceed those prices set forth in the contract.
46. Savings on medical billings from a PPO or other network shall all be passed on to the County.



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Contractor Qualifications

The Contractor shall have, at a minimum, the following qualifications:

1. Must be primarily engaged in the business of providing comprehensive TPA services for self-insured clients, and must have actively provided this service for a period of no less than five (5) years, with available staff of not less than four (4) qualified, licensed and bonded adjusters, two of whom are, and who are supervised by, an individual, familiar with all phases of Delaware workers compensation law, with at least seven (7) years experience for the supervisor and three (3) years experience for the adjusters. The firm must have been in existence and have had a substantial client base in Delaware for at least five (5) years. The adjusters and supervisors to be assigned to this contract shall provide resumes in which education and experience generally and in Delaware are listed, as well as, initial and recurrent and ongoing planned continuing legal and adjuster education in Delaware workers' compensation laws and regulations, and the Practice Guidelines and Fee Schedules are specifically listed with providers of the training received and planned, listing hours spent and to be spent periodically going forward.
2. Delaware Business License.
3. Licenses for all operational and supervisory personnel as required by DE law.
4. Both firm and staff must have three (3) years of experience in handling claims for self-insured public entities.
5. Have sufficient staff to complete the actions outlined herein, and to provide prompt reporting and processing of medical and time loss payments. Have an appropriate number of experienced supervisory personnel to assure compliance.
6. Ability to prepare and provide annual data to actuary.
7. Acceptance and recordation of data from the County where payments are made directly, to be merged with other appropriate data.
8. Three (3) business or government references of self-insured clients served for at least two (2) years.



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Pricing

Contractors are asked to submit a flat annual fee for new claims and takeover claims, based on two hundred assumed takeover claims. Specify payment procedure and amount, including all conditions of payment. The annual flat fee shall be all inclusive except for the following:

Vendor shall quote an hourly rate to provide loss control services. The need for these services should be under constant review for recommendation on a proactive basis to the County.

Length of Contract

One year from the end of the month after signing, to be extended for a period of five (5) years, one (1) year at a time, by mutual agreement between the vendor and New Castle County.

Insurance

Awarded vendor(s) shall be required to provide proof of insurance as indicated below:

Employer's Liability Insurance - \$1,000,000.

Professional Liability Insurance - Limits: \$3,000,000 annual aggregate;
\$1,000,000 per occurrence.

Worker's Compensation – Statutory limits for all of the vendor's employees.

General Liability – Coverage for the following liability "hazards" as defined in the policy forms or endorsement thereto: (A) premises and operations; (B) products and completed operations; (C) personal and advertising injury; (D) contingent liability for the operations of subcontractors involved in the performance of work; and (E) contractual liability. Limits of coverage shall be at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate.

Automobile – Limits: \$2,000,000 annual aggregate; \$1,000,000 Combined single limit.



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Policies shall specifically name New Castle County as an additional insured.

For each policy, a Certificate shall be provided verifying that NCCo shall be notified in writing sixty (60) days prior to any changes to policy condition terms or coverages taking place. This includes, but is not limited to, cancellation, non-renewal, or otherwise terminations or suspensions of the policy; or reductions of any policy limits, increase of any policy deductibles, or otherwise alteration of any terms or conditions of the policy or a renewal issued by the same insurer.

Indemnity

Vendor shall indemnify, defend, and hold harmless New Castle County from and against any and all claims, demands, suits, judgments, costs, and expenses asserted by a person or persons, including agents, employees, or volunteers of vendor, by reason of death or injury to persons, or loss or damage to property, resulting from operations hereunder, or sustained in or upon the premises of the County.

Funding Out

The continuation of this contract is contingent upon funding appropriated by County Council.

Company Trade Secrets

Proposal information is subject to the Freedom of Information Act (FOIA). Firms must designate those items that are considered "trade secrets" as defined in the Delaware State Code, Title 29, Chapter 100. Otherwise, all information will be provided to the requester.



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Evaluation and Selection Process

Based on the criteria established pursuant to the *New Castle County Code*, an evaluation committee will be selected to read, screen, and rank all proposals. The New Castle County Chief of Administrative Services may request a presentation from the highest ranked interested parties. Presentations may result in a change of rank. Award will be made to the overall highest ranked firm. If a satisfactory contract cannot be negotiated with the selected respondent, negotiations will be formally terminated. Negotiations may then be undertaken with the remaining firms by order of ranking.

The Chief of Administrative Services may require the firm receiving the award to provide a truth-in-negotiation certificate stating that the wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time

Evaluation Criteria

- | | |
|---|--------|
| 1. Experience and reputation in providing third party administrative services for claims processing to self-insured public entities | (0-20) |
| 2. Expertise and credentials of staff assigned to manage New Castle County's claims | (0-20) |
| 3. Capacity to perform the services and to meet the requirements of the project, including turnover rate of personnel | (0-10) |
| 4. Location of firm - If the firm will be providing personnel from more than one office, indicate the estimated percentage of those services provided by each office. | (0-07) |
| 5. Ease of access and use of on-line systems | (0-15) |
| 6. Distribution of work among firms | (0-03) |
| 7. Price | (0-10) |
| 8. Overall responsiveness to the request for proposal | (0-05) |
| 9. Knowledge of Delaware workers' compensation and personal injury law | (0-10) |



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Attachment A: Proposal Questionnaire

All bidders **MUST** complete and return this questionnaire with the proposal to be considered as a responsive bidder.

- Describe your firm's geographic location, including branch offices, and provide detail concerning which branch is proposed to provide the third party administrator services for New Castle County.
- Describe your firm's proposed database management system in detail, including on-line inquiries and upgrade capabilities.
- Describe your firm's proposed investigative unit, including methods used to recognize potential suspicious claim activity. Do you have any limitations on outside investigations?
- Describe your firm's proposed claims staffing, including centralized and/or standard claims handling processes, claim reporting process, analytical reporting, transmittal of data to actuary notification process, claim/reserve reporting, quality assurance program, and account management program.
- Describe your firm's medical management/vocational rehabilitation program, including the following:
 - o Do your case managers and claim adjusters enter and review case notes electronically?
 - o Please identify your branch office structure where all case managers, including bill review personnel are located. Can you commit to having dedicated claims personnel and management to NCCo's account(s) located in close proximity to NCCo's Risk Management facility?
 - o What is the average caseload for field case managers and telephonic case managers?
 - o Do you have Managed Care and/or PPO/HCO Certification?
- Describe your firm's proposed reserving philosophy. When are reserves first posted?
- Describe your firm's proposed litigation management program, including your attorney audit/bill review program.



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- Provide a description of how your firm proposes to prepare a claim file for submission to a defense attorney.
- Describe your firm's proposed claims caseload/evaluation/disposition program, including the following:
 - o Do you offer designated/dedicated claim teams? If yes, please describe.
 - o What is your optimal number of pending claims per adjuster by line? (Best Practices)
 - o How often are adjusters pending caseloads reviewed?
 - o What action can be expected when a large disparity in an adjuster's caseload becomes apparent?
 - o What are your average closing ratios?
 - o Describe how your adjusters' work is supervised
 - o How often do you ensure that your adjusters are adhering to the client's special handling instructions?
 - o What is your standard level of settlement authority for adjusters? For supervisors?
 - o What warrants (criteria used) opening an indemnity claim?
- Describe your firm's proposed claims management information system, including:
 - o Describe your electronic claim management system available to your clients.
 - o Describe your ad hoc report producing capacity. Provide a sample of a year-end summary by department and division.
 - o Describe your client access options for electronic claim files, loss reports, and ad hoc reports.
- Describe your firm's proposed Loss Control Program, including:
 - o Specific programs for Counties/Public Agencies.
 - o Outline services proposed for Workers' Compensation loss control.
 - o Describe your proposed loss control services/safety training, and education program, and/or surveys.
- Describe your firm's banking options. Do you co-mingle accounts? Do you have ACH capability?



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- Do you have any experience with an electronic interface to a payroll/personnel system?
- Please provide five (5) current clients along with contact names and telephone numbers.
- Please provide three (3) current County or other Public Agency clients along with contact names and telephone numbers.
- Please provide a list of three (3) former clients who have given notice with the last 12 months.
- Describe in detail how your firm intends to service the contract.
- Provide flowcharts of the decision and action process for using outside vendors, or otherwise for meetings face to face with claimant, providing defense medical examinations, occupational/vocational rehabilitation, and surveillance. Provide specimen copies of reports you expect to provide.
- Provide flowcharts for review of medical bills and requests for approvals in accordance with Delaware law, adjustment of medical bills to the DE Fee Schedule or negotiated rates or otherwise.
- Describe any network or other discount arrangements you have with medical providers or other service vendors.
- Include copies of the causes of loss table utilized by your firm.
- Describe your firm's experience and qualifications in implementing and managing a claims adjustment program to the extent of that proposed in the RFP. Indicate whether such programs are in use by any public entities, providing names, addresses, telephone numbers, and the identity of contact persons for each program listed.
- Describe staff resources and geographical location, and state your firm's present and/or proposed operations in Delaware. Indicate staff size and special capabilities, particularly for those relevant to this project. Profile your client mix by industry.



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- Provide customary prices for the claims adjustment services required by this RFP, subject to final negotiations.
- Identify each person within your organization who will be involved in the key activities of implementing and managing the program, stating their respective functions with respect to the project, and provide a resume of each person's education and professional experience and qualifications. Designate one person who will ultimately be responsible for your firm's services to the County.



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Attachment B: Proposed Contract Specifics

Medical Case Management: Will be performed by TPA in conjunction with NCCo's Occupational Health Services Provider.

NCCo Risk Management Responsibilities:

- Oversee TPA's work to ensure work is performed in accordance with contract
- Initial review of all claims
- Determine compensability in conjunction with TPA
- Prepare internal claim documents (Incident Report, Supervisor's Investigation Report)
- Obtain payroll wages for employee benefit calculations
- Obtain police reports
- Prepare payroll offset adjustments for WC indemnity benefits
- Oversee litigation management, including selection of all defense medical examiners and expert witnesses and final authority on all settlements
- Through insurance broker conduct an annual audit of TPA's claim files, including detailed reviews of file documents, expense payments, and reserve practices, and technical performance. Smaller audits may also be requested as deemed necessary by NCCo Risk Management.

TPA Services:

- Prepare 1st Report of Injury for and with IAB
- Prepare Personal Injury Protection (PIP) forms and obtain employee's signature
- Prepare Claim Releases and obtain claimant's signature for property damage claims



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Claims Management

- All Claims (WC, PIP, AL, and GL)
 - o Set up new claims and assign claim numbers on TPA's computerized system within 24 hours of receipt
 - o Establish claim files to include separate sections (where applicable) for legal filings/correspondence, medical information, expense/payment records, claim investigation records. Files to be kept current, organized, and available to NCCo Risk Management upon request.
 - o Review/investigate (interviews, statements, photos, etc.) claims same day, but not later than 24 hours of receipt
 - o Notify Risk Management of an initial estimate of the projected cost of each claim, keeping an aggregate of same for all claims to be used for reserves purposes; update reserves document as claims are developed
 - o Provide a monthly report to Risk Management as to what the needed reserves are, in total and as to each, for all outstanding claims in the categories of workers compensation, auto liability, and general liability
 - o Prepare written action plans for each claim received and update monthly for submission to NCCo Risk Management
 - o Notify and submit all claims or notices of claims to insurance carriers
 - o Maintain claim files to include tracking and reporting on all claim activity
 - o Prepare all correspondence related to claim activity (denial letters, subrogation demands, notice of lien, medical record requests), and copy NCCo Risk Management
 - o Maintain regular contact with NCCo Risk Management on all claim issues, including pending settlements, disputed claims, non-cooperation of employees or claimants
 - o Assist with acquiring professional advice or expert opinions as requested by NCCo Risk Management
 - o Appear at court and claim settlement hearings as requested by NCCo Risk Management
 - o Negotiate and settle claims within parameters set by NCCo Risk Management
 - o Attend regularly scheduled meetings as requested with NCCo Risk Management to discuss individual claim activity (primarily on WC)
 - o Ability to prepare annual data and provide to actuary



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- WC and PIP Claims

- o Initiate contact with employee, employee's department liaison, and treating medical provider within 24 hours from the time a WC or PIP claim is received by TPA
- o Obtain initial diagnosis and work status from treating medical providers on all employee injuries within 48 hours of receipt
- o Prepare and complete all required claim documents (1st Report, PIP forms) and file with appropriate agencies or organizations
- o Establish return to work dates for all employee lost time (WC and PIP) cases by obtaining medical and work restrictions from treating physicians
- o Facilitate employee's return to modified or full duty work with NCCo Risk Management and employee's department
- o Monitor modified duty cases (WC and PIP) to ascertain date of anticipated full duty work status
- o Develop strategies for ongoing claims to determine continued eligibility for benefits and identify need for second opinions/defense medical exams, vocational rehabilitation, or commutation of benefits
- o Coordinate vocational rehabilitation as requested by NCCo Risk Management
- o Coordinate defense medical exams, including scheduling appointments, gathering records, and notifying employee

- AL and GL Claims

- o Initiate contact with claimant or his or her attorney and/or their insurance carrier within 24 hours from the time a AL or GL claim is received
- o Prepare and obtain signed claim releases for all property damage settlements

Reserving

- Establish claim reserves in accordance with industry standards within 24 hours of receipt by TPA
- Evaluate and update reserves at least every six (6) months or more frequently if warranted
- Fully document all reserve calculations and adjustments in each claim file
- Reserve increases of \$7,500 must be approved in advance by NCCo Risk Management



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Cost Containment

- Utilize tools to detect fraudulent claims including claim indexing and surveillance
- Aggressively investigate fraud and pursue restitution
- Investigate and pursue all claims for potential 3rd party recovery/subrogation opportunities
- Utilize tools to control claim costs, including medical utilization review, bill audits, clinical case reviews, field investigations, defense medical exams, etc.
- WC and PIP Claims -
 - o Assess treatment needs to determine necessity and reasonableness
 - o Recommend alternative treatment plans
 - o Establish standards for early medical intervention
 - o Identify claims requiring review of medical treatment
 - o Consult with medical professionals to ensure full disclosure of options and consequences is known prior to making decisions regarding treatment authorization or return to work
 - o Actively monitor employee's ability to return to work
 - o Develop strategies to identify and resolve permanent disability claims

Litigation Management

- Prepare litigation analysis reports (current status, value) as needs arise (using report provided by insurance broker or Risk Management)
- Submit settlement authorization requests to NCCo Risk Management for approval prior to initiating negotiations
- No subrogation claims will be abandoned without NCCo Risk Management approval
- Reduction of liens or acceptance of future credits must be authorized in writing by NCCo Risk Management
- All recovery checks will be made payable to New Castle County



New Castle County
Purchasing Division
New Castle County Government Center
87 Read's Way
New Castle, DE 19720
(302) 395-5250

INSURANCE CLAIMS PROCESSING
BID #11PP-003

Claim Expense Payments

- Issue payments directly to payees (claimants, medical providers, attorneys, etc.)
- Submit a monthly invoice along with supporting reports detailing claim #, claimant, payee, invoice #, check #, check date for all payments made on behalf of NCCo Risk Management
- No claim payment will be made by the TPA without receipt and full review of each charge and supporting documentation (medical records, damage estimates, etc.). Such records will be retained in every claim file and made available to NCCo Risk Management for review upon request.

Data Management

- Convert NCCo Risk Management's existing claims data to TPA's claim system
- Provide NCCo Risk Management with on-line access to TPA's claim system
- Generate statistical and management reports of claims data to NCCo Risk Management as requested to include such information as claim activity (new, open, closed, paid, incurred, reserved), payment activity (claim #, claimant, payee, check #, amount), and new claim details (claim #, claimant, injury type, brief description)
- NCCo Risk Management will retain ownership of New Castle County claim records to include any and all work product prepared by the TPA (employees, agents, and consultants). Records will be made available to NCCo Risk Management for review upon request during the contract period. All records will be turned over to NCCo Risk Management at the expiration or termination of the TPA's contract.

Billing for TPA Services

- Fees for claims handling services will be billed separately from claim expense payments



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Internal Controls

- Utilize industry standard claim payment control systems, quality control procedures, and security checks and balances to prevent late payments, duplicate payments, overpayments, or other errors
- Provide services on an accurate and timely basis to ensure all claims are processed with at least 95% accuracy and payments issued at 99% accuracy. TPA will be held financially liable for any issues (overpayments, late payments, penalties) resulting from its failure to properly handle a claim.
- Maintain the security of and confidentiality of all medical, financial, and claim records
- Submit a claims handling manual to NCCo Risk Management which details the procedures to be used for NCCo's account
- Perform quality reviews on claims open longer than 30 days
- Perform claim aging evaluations on all claims open for more than one (1) year to include current claim status, current medical status, analysis of recent activity, recommendations for further action, projections on future claim costs, and annual contact with claimant

Staffing Qualifications

- Assign dedicated number of trained claim adjusters (minimum of 1 each for WC, AL, and GL claims) to adequately perform the services requested in a manner commensurate with the highest professional standards and in accordance with all applicable laws and regulations
- Each claim adjuster must possess at least five (5) years experience in the investigation, evaluation, negotiation, and settlement of claims, and be fully knowledgeable of all Delaware laws pertaining to these matters.



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SIGNATURE PAGE

Name of Company

Address

Telephone No.

Fax No.

Signature

Federal Tax I.D. No.

Printed Name

Email (REQUIRED)

Date



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INSURANCE CLAIMS PROCESSING
BID #11PP-003

NEW CASTLE COUNTY, DELAWARE
PROCUREMENT AFFIDAVIT

AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) _____, and I am duly authorized to represent and bind (business) _____ (the "Business"), and that I possess the legal authority to make this Affidavit on behalf of myself and the Business for which I am acting.

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the Business, nor any of its officers, directors, partners, members, affiliates, or any of its employees directly involved in obtaining or performing contracts with public bodies has been excluded from receiving Federal contracts, certain subcontracts, and certain Federal financial and non-financial assistance and benefits, pursuant to the provisions of 31 U.S.C. 6101, note, E.O. 12549, E.O. 12689, 48 CFR 9.404, and each agency's codification of the Common Rule for non-procurement suspension and debarment.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, AFTER DILIGENT INQUIRY.

Date: _____ By: _____
Name:

Title:

(Authorized Representative and Affiant)