

**RENEWAL OF A SERVICE AGREEMENT BETWEEN THE VILLAGE OF OAK PARK  
AND PMA MANAGEMENT CORP.**

**THIS RENEWAL OF THE SERVICE AGREEMENT DATED JUNE 21, 2017** (hereinafter referred to as the “Renewal”) between the Village of Oak Park, an Illinois home rule municipal corporation (hereinafter referred to as the “Village”), and PMA Management Corp., a Pennsylvania corporation authorized to conduct business in the State of Illinois (hereinafter referred to as the “Contractor”) is entered into as of the effective date set forth below (collectively referred to as the “Parties”).

**RECITALS**

**WHEREAS**, the Parties previously entered into a Service Agreement dated June 21, 2017 (“Agreement”) for the Contractor to provide third party administrator services performed by the Contractor for the Village’s self-insured workers’ compensation program and other services as set forth in the Agreement; and

**WHEREAS**, the Parties renewed the Service Agreement pursuant to a Renewal dated August 1, 2020 for a three (3) year term ending on July 31, 2023; and

**WHEREAS**, Section H(1) of the Agreement provides that the Parties may renew the Agreement at fees to be agreed upon; and

**WHEREAS**, the Parties seek to renew the Agreement for a new three (3) year term beginning on August 1, 2023 and ending on July 31, 2026 for the fees as more fully set forth in Exhibit A, attached hereto and incorporated herein by reference.

**NOW, THEREFORE**, in consideration of the foregoing, and the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties hereto agree as follows:

1. **RECITALS INCORPORATED.** The above recitals are incorporated herein as though fully set forth.

2. **RENEWAL OF AGREEMENT.** The Agreement between the Parties is hereby renewed for an additional three (3) year term beginning on August 1, 2023 and ending on July 31, 2026 for the fees as set forth in Exhibit A.

3. **OTHER PROVISIONS OF THE AGREEMENT TO REMAIN IN EFFECT.** All other terms and conditions of the Agreement shall remain in full force and effect, except as set forth herein.

4. **MANAGED CARE FEES.**

- a. The Village agrees to exclusively utilize the following the Contractor's managed care service with regard to the services set forth in the Agreement:
  - i. The Contractor's medical bill review and repricing services, which may include but are not limited to:
    - 1. reviewing medical documents for appropriateness, relatedness to the injury or accident, unbundling, and conformity to applicable fee schedule or usual and customary re-pricing; and
    - 2. utilizing Contractor's complex bill review process to review certain medical bills for possible additional savings.
  - ii. The Contractor's managed care networks which include:
    - 1. traditional networks (e.g. physicians and medical facilities);
    - 2. specialty networks (e.g. providers of durable medical equipment, diagnostic testing, physical therapy, pain management, home health, and dental services); and
    - 3. out-of-network services from the Contractor and third-party vendors.
  - iii. The Contractor's pharmacy benefit management program (e.g. bill repricing, home-delivery, brand-to-generic conversion, customized formularies, narcotic management, drug utilization review).
  - iv. Utilization of telephonic or onsite nurse case management services when any of the following criteria are met:
    - 1. loss of bone or loss of soft tissue requiring surgical intervention;
    - 2. spinal cord injury;
    - 3. inpatient surgical procedures;
    - 4. third degree burns;
    - 5. multiple complex fractures;
    - 6. crush injuries requiring poor initial medical outcome;
    - 7. head injuries with cognitive impairment or loss of consciousness;
    - 8. immediate post-injury hospital admission
    - 9. multiple trauma; or
    - 10. adjuster identified assignments.

Continued telephonic or onsite case management will proceed at the discretion of Contractor.

- b. The Contractor shall also provide the Medicare related services set forth in Exhibit A to this Renewal.
- c. The Contractor's medical managers are authorized to provide the Contractor's Point of Sale Nurse Intervention Program on all claims at the Contractor's discretion to assist with seeking improved claim outcomes. The Program will review incoming claimant medications which are outside of Centers for Disease Control and Prevention guidelines, and recommend an intervention strategy which may include potential weaning, drug testing, and peer reviews to attempt to mitigate long term dependency at the point of sale.
- d. The Contractor is authorized to employ utilization review services for evaluation of reasonableness, necessity, duration, and frequency of treatment or medication. These services may include, but are not limited to the following:
  - i. Prospective Review - a review prior to treatment or admission conducted by an experienced registered nurse to validate the necessity, frequency and duration of treatment.
  - ii. Concurrent Review - a review during the course of treatment conducted by an experienced registered nurse to evaluate treatment and planned procedures and establish target completion dates.
  - iii. Retrospective Utilization Review - a review after the completion of treatment conducted by an experienced registered nurse to identify inappropriate treatment utilization.
  - iv. Peer Review or Physician Advisor Review - physician-to-physician review and contact to resolve questions related to treatment and diagnosis.
- e. The Contractor is authorized to employ prospective and concurrent utilization review services may also include the use of physician advisor review such as for cases that are complicated and warrant physician review to resolve treatment or diagnosis questions.
- f. Upon the Village's request, the Contractor will utilize the Contractor Care24 point of injury nurse triage to assist with determining the direction of care when an injury is reported. This service may include but is not limited to a Medical Manager providing self-care recommendations to the claimant, first notice of loss reporting, direction of care into the network or to a panel provider, or a recommendation for use of emergency room care.

- g. The Contractor may retain third party vendors for the purpose of providing specific medical management services.

5. **RISK MANAGEMENT INFORMATION SYSTEMS ("RMIS").**

- a) The Contractor will provide the following additional risk management information systems ("RMIS") services:
  - i. Assist the Village with Occupational Safety and Health Administration ("OSHA") recordkeeping services, including recordability decisions and time tracking in individual cases. The Contractor will provide the Village access to the Contractor's RMIS reporting tool to generate OSHA 301 forms, OSHA 300 logs, and 300A summary reports, as well as verify data capture on Village's OSHA logs.
  - ii. The Contractor's OSHA related services are only intended to aid the Village in its compliance obligations. The Village remains responsible for compliance with OSHA requirements. The Contractor does not assume Village's OSHA obligations.

5. **EFFECTIVE DATE.** This Renewal shall be effective on August 1, 2023.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Renewal to be signed by their duly authorized representatives on the dates set forth below.

**VILLAGE OF OAK PARK**

**PMA MANAGEMENT CORP.**

\_\_\_\_\_  
By: Kevin J. Jackson  
Its: Village Manager

\_\_\_\_\_  
By:  
Its:

Dated: \_\_\_\_\_, 2023

Dated: \_\_\_\_\_, 2023

**ATTEST**

**ATTEST**

\_\_\_\_\_  
By: Christina M. Waters  
Its: Village Clerk

\_\_\_\_\_  
By:  
Its:

Dated: \_\_\_\_\_, 2023

Dated: \_\_\_\_\_, 2023

## **EXHIBIT A**

### **FEE AND PAYMENT SCHEDULE**

#### **Claim Handling Fees**

For claim handling services to be rendered under this Renewal, the Village shall pay the Contractor an annual estimated fee based upon the projected number of claims to be serviced by the Contractor during the term of this Renewal. The annual estimated fee due to Contractor is \$23,762, payable in equal quarterly installments as invoiced by Contractor.

At the end of the first and second term years of this Renewal, Contractor shall calculate for each year the actual fees for services based upon the number of claims multiplied by the following per claim fees:

\$852 for each new Indemnity Claim

\$275 for each Takeover Indemnity Claim

\$142 for each new Medical Only Claim

\$25 for each Record Only Claim

At the end of the third term year of this Renewal, Contractor shall calculate for that year the actual fees for services based upon the number of claims multiplied by the following per claim fees:

\$852 for each new Indemnity Claim

\$275 for each Takeover Indemnity Claim

\$142 for each new Medical Only Claim

\$25 for each Record Only Claim

For each year of this Renewal, if Contractor determines the annual estimated fee paid by Village is less than the calculated actual fee incurred by the Village, then Contractor shall issue an invoice to reflect the amount due and owing by the Village. If Contractor determines the annual estimated fee paid by the Village is greater than the calculated actual fees incurred by the Village, then Contractor shall return the overpayment to the Village.

## Other Fees

As compensation for the TPA services provided in this Renewal, the Village agrees to pay Contractor the fees identified in the Fee Schedule set forth below.

### ***Exhibit A – Other Services Fee Schedule***

All fees are billed as incurred unless specifically agreed otherwise.

<u>Service Type</u>	<u>Amount</u>
<b>Managed Care:</b>	
Bill review and repricing	\$9.50 per bill, plus 29% of savings over and above fee schedule and/or usual and customary
Utilization review	\$125 per review
Clinical case management services	\$103 per hour
Medical consultant review	\$255 per review
PMA Care 24	\$103 per call
Point of Sale Pharmacy Program	\$75 per review
Medical Director	\$250 per hour
<b>Medicare Solutions</b>	
Section 111 Reporting	\$9 per claim queried
Medicare Set-Aside Allocation	\$2,200 each
CMS Submissions	\$630 each
Medicare Conditional Payment Research	\$130 each
Medicare Conditional Payment Appeal or Dispute	\$260 each
Medicare Conditional Payment Research Final Demand	\$55 each
Medical Cost Projections	\$1900 each
Evidenced Based MSA	\$2,200 each
Life Care Plan	\$185 per hour
Legal Nurse Review	\$1,900 per review
Update (of prior MSA report)	\$785 per report
Resolution Services	\$130 per hour
Medicare/Social Security Verification	\$205 each
Medicaid Conditional Payment Research	\$260 each
Medicare Advantage Plan Conditional Payment Negotiation	\$525 each
Provider Relations Specialist	\$110 per hour
<b>Information Systems:</b>	
RMIS fee	\$6,000 per year for up to 7 users
	\$500 per year each additional user
Standard Data Conversion	N/A
Customized Reporting/Programming	\$155 per hour

Standard Data Feed Set-Up	\$2,500 per year
Standard Data Feed	\$200 per month
<b>Risk Control:</b>	
General	\$135 per hour
Industrial hygiene services	\$180 per hour
Special Projects	To be determined
<b>Claim Adjustment:</b>	
Vocational Rehabilitation	\$103 per hour
Claim Indexing	\$19.75 per claim or loss line queried
Legal Bill Analyzer	3% of gross billed charges
<b>Other:</b>	
Administrative	\$4,500
Non-standard claim intake	\$18 per claim
Subrogation Specialist Services	17% of gross recovery
Excess & Second Injury Fund Recovery Services	2% of gross recovery
Recover to At Work	\$110 per hour
Standard Data Extract (upon termination)	\$5,000
OSHA reporting preparation services	\$18 per incident \$1,500 annual minimum
OSHA special projects	To be determined
Each Claim Review in excess of two per year	\$1,500 per review, per day plus PMA expenses
Onsite claim review	Travel incurred by PMA personnel is reimbursed in full by the client