



REQUEST FOR PROPOSALS: **WORKER'S COMPENSATION CLAIMS ADMINISTRATION**

DATE ISSUED: February 15, 2017

1. REQUEST FOR PROPOSALS - INSTRUCTIONS AND SPECIFICATIONS

The Village of Oak Park (hereinafter referred to as the "Village") is requesting proposals from qualified firms that wish to manage and administer a robust program for the Village's self-insured Workers' Compensation benefit.

The Village will receive proposals at the Human Resources Department, Monday through Friday, 8:30 a.m. to 5:00 p.m., at 123 Madison Street, Oak Park, Illinois 60302. Proposals will be accepted until 5:00 p.m. (local time) on March 15, 2017. Firms responding to this Request for Proposals must submit seven (7) copies of their proposals in sealed envelopes, and must conform to the format specified below.

The Village reserves the right to accept or reject any and all proposals or to waive technicalities. Information concerning this request for proposals is available from Julia Scott-Valdez, Assistant Village Manager/Human Resources Director, 123 Madison Street, Oak Park, Illinois 60302. Ms. Scott-Valdez can be reached by telephone at the following number, (708) 358-5652, or via e-mail at jvaldez@oak-park.us.

The documents constituting this request for proposals are listed below. Respondents are responsible for the completion of all required sections, in their entirety and in the order presented below. Missing information or proposals that are deemed by the Village to be incomplete will not be considered for award.

1. CALLS FOR PROPOSALS
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4. SPECIFIC VENDOR REQUIREMENTS
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Upon formal award to the successful Service Provider, an agreement will be executed for the performance of services and payment of agreed-upon fees.

Below is a tentative schedule for the request for proposal, evaluation of responses, selection and approval of a preferred firm or firms ("Service Providers"), and implementation of Worker's Compensation Claims administration:

Proposals due to Human Resources Department	March 15, 2017
Presentations by preferred firm(s) (tent)	March 27, 2017
Village Board approval of Worker's Compensation Claims Administration	April 17, 2017
Execution and implementation work plan & work flow	May 1, 2017
Effective date of service	July 1, 2017



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2. BACKGROUND INFORMATION:

The Village is a full-service home rule municipal corporation located in Cook County, Illinois. Oak Park is a thriving, transit-oriented community of about 52,000 people located immediately west of the City of Chicago and known for its great neighborhoods, architectural heritage and innovative public policy initiatives. Within its 4.5 square miles lives one of the region's most diverse mixes of cultures, races, ethnicities, professions, lifestyles, religions, ages and incomes.

The Village provides a full range of municipal services including fire protection, ambulance, police, highway and street maintenance, building code enforcement, public improvements, economic development, parking services, planning, zoning, transportation, water and sewer services and general administrative services.

The Village operates under the village manager form of government. An elected legislative board consisting of a president and six trustees set policy and a professional manager oversees the day-to-day administration of government. Village services and programs are delivered by about 370 employees.

The Human Resources Department provides internal services to all Village departments via highly complex administrative support of the Village Manager, Department Directors and all employees by managing recruiting procedures, employee/retiree services, equal opportunity employment plan management, position classification and pay plan management, records maintenance for all Village employees reflecting tenure, qualifications and service, leaves of absence and related matters workers' compensation and work related injuries and administration of retirement and insurance plans via a third party contractor.

3. VENDOR QUALIFICATIONS: No contract shall be awarded except to responsible firms capable of providing the class of service described.

A. Evaluation of Proposals. An evaluation team using set criteria shall evaluate each proposal.

- 1) Evaluation Team. The evaluation team shall consist of staff from the Human Resources, Legal Department and representatives from Fire, Police and Public Works.
- 2) Evaluation Criteria. Proposals will be evaluated based on the criteria outlined in Section 7 of this document.

4. SPECIFIC VENDOR REQUIREMENTS: All firms interested in providing Worker's Compensation Claims Administration services to the Village of Oak Park must have the ability to provide the following:

- A. Review each claim and loss report submitted by the Village to determine compensability or liability.
- B. Direct the investigation of each Qualified Claim or Loss to the extent deemed necessary by Vendor, and/or at the Village's request.
- C. Perform necessary and customary administrative and clerical work in connection with each Qualified Claim or Loss, including the preparation of checks or vouchers, releases, agreements and other documents needed to finalize a claim.

- D. Receive medical bills related to Workers' Compensation claims. Forward bills to the bill Review/PPO Vendor for review and discounting. Vendor will identify claims with potential for subrogation and pursue subrogation possibilities on behalf of the Village where and when applicable, or as directed by the Village. If litigation is necessary, Vendor will, with the Village's approval, refer claim to Village's legal counsel. Vendor will establish process to receive and issue checks and Explanations of Benefits (EOBs) to providers. Fees, as agreed to by the Village will be paid by Vendor to the Vendor as Allocated Claims Expenses and charged to claims file.
- E. Require Vendor's staff to attend management meetings with Village personnel.
- F. Recommend and update claim reserves as needed:
 - 1) Vendor shall provide the Village with a monthly report of reserve changes in a format acceptable to the Village.
 - 2) A copy of a reserve worksheet will also be given to the Village upon the Village's request.
 - 3) The reserve amounts for such cases are subject to review and approval of the Village.
 - 4) Maintain claims data on Vendor's computer claims system and provide the Village with monthly reports as follows: loss experience, check register and escrow statements, in format agreed to by the Village.
- G. Notify the Village and all Village excess carriers of all claims and or losses, which may exceed the Village's retention, including Qualified Claim(s) and or Loss(es), specific reporting requirements of excess insurance carriers and, if requested, provide information on the status of those claims or losses.
- H. Coordinate investigations of claims, including those in litigation with attorneys representing the Village and with representative of the excess carrier, as required by the Village. It is expressly understood that all legal costs and loss payments will be paid as Allocated Claim Expenses(s).
- I. Provide up to six (6) designated Village employees with inquiry access to the Vendor's proprietary claims system. The Village is responsible for providing the hardware and data lines for such access by Village employees.
- J. Provide additional ad hoc information, analysis, reports and services as deemed necessary by the Village.
- K. Assist the Village in selecting experts or specialists as claims may require.
- L. Provide Village with copies of liens and Summons and Complaints immediately upon receipt or knowledge of such.
- M. Provide quarterly Accident Analysis report containing accident statistics to monitor trends and establish safety initiatives.
- N. Prepare and complete all reporting and other documents required to be filed regarding services that are or may be required by any local, state or federal governmental authorities, subject to approval of the Village. This will include but not necessarily be limited to, providing the Village with information needed regarding the assessments to the State of Illinois Second Injury Fund and Rate Adjustment Fund; and also preparing and filing 1099 reports based on payments processed pursuant to the Contract and act as reporting agent for Medicare Reporting requirements.
- O. Monitor the escrow account and maintain with sufficient funds to cover claims exposure.

- P. Assist in the management of claims to insure timely return to work including work hardening and return-to-work programs, and where appropriate the coordination of vocational rehabilitation services and identification of alternative jobs within/outside the Village.
- Q. Actively participate in settlement negotiations and case preparation with the Village's legal counsel.
- R. Identify and pursue third party payers. Provide assistance to the legal counsel as needed for settlement of such claims. Conduct and administer subrogation process.
- S. Prepare reports to the Village to assist in the identification of areas for further examination and review, to reduce the incidences and cost of compensable claims. Review and analyze accident data.
- T. Provide annual training to managers and supervisors on relevant Workers' Compensation safety and investigation techniques.

5. DETAILED RESPONSE SPECIFICATIONS: All firms interested in providing Worker's Compensation Claims Administration services to the Village of Oak Park must provide detailed responses for each of the questions listed below. Be sure to indicate next to your response the question that is being answered. If the answer is contained within any attached marketing material, please indicate precisely where the response to the particular question is located.

- A. A brief description and history of the firm.
- B. A list of all current municipal/public entity/government clients within the State of Illinois. Please include a reference contact name for each client and their phone number.
- C. Education, experience, expertise and certifications of the firm, principals, and key employees including resumes of personnel who would be assigned to the project. Also identify:
 - 1) How many adjusters are currently employed?
 - 2) What is the average tenure for your adjusters?
 - 3) What is the adjuster's average case load?
 - 4) Will one individual handle all of the Village's claims or will they be divided by claim type?
 - 5) Accessibility and ability to respond to Village needs in a timely manner.
- D. Transition plan: Outline how the firm would propose transitioning from the current provider to control by the responding firm. Include the following additional information:
 - 1) Describe process flow for claims receipt, processing/handling, investigation and payment.
 - 2) Describe process for finalizing/closing a claim.
 - 3) Explain the transition process of existing claims from current TPA to a new TPA.
 - 4) Identify the criteria and process for assignment of a case manager to claims.
 - 5) Describe programs or support provided for developing Return to Work and Work Hardening Programs.
- E. Price Proposal: Service Providers shall provide an itemized list of available procedures and associated prices to fulfill the scope of services outlined in this RFP including
 - 1) All claim administration charges that may be charged back to individual claims under either pricing option. Please quote two ways:
 - i. Flat Fee - How many claims would be included and what is the charge per claim over that allowed number?

- ii. Per Claim Fee for medical only claims and indemnity claims (which include legal claims).
- 2) No additional charges will be allowed for items listed above.

F. References: The Village will notify all references identified in the qualified vendor's response.

- 1) Provide a reference list including any municipal clients within the State of Illinois
- 2) Provide evidence of the firm's experience in providing service for other unionized municipalities.
- 3) List other accounts the firm has served and indicate whether the Village may independently contact such accounts for an appraisal of comparable services they have received from your firm

G. Forms and Reports: Provide samples of all forms your facility uses to report and analyze worker's compensation claims and specify how quickly reports will be available for the Village. Indicate which results can be completed, submitted or retrieved online. Please provide samples of invoices, statements and any other accounting reports. Indicate which of these documents can be accessed online.

6. EVALUATION CRITERIA: Proposals shall provide a straight-forward, concise description of the Service Provider's capabilities to satisfy the requirements of this RFP. During the evaluation process, the Selection Committee may, at its discretion, request any one or all Contractors to make oral presentations. Such presentations will provide Contractors with an opportunity to answer any questions the Selection Committee may have on a firm's proposal. Not all Contractors may be asked to make such oral presentations. Award will be made to the vendor who represents the best overall quality and value to the Village and proposals will be evaluated with an emphasis on the following:

- A. Qualifications and experience providing worker's compensation claims administration for government agencies with similar job classifications to the Village.
- B. Performance (quality and efficiency) providing worker's compensation claims administration to government agencies.
- C. Industry knowledge of worker's compensation claims administration.
- D. Service availability, ease of process, customer service and convenience.
- E. Proven systems in place for timely communication and follow-up.
- F. Price.
- G. References.

7. EVALUATION PROCESS: The Selection Committee will advance the recommended Service Provider as prescribed below.

- A. The Selection Committee will select the proposal which is most responsive to the Village's requirements and based on the demonstrated ability, appears to be best able to serve the Village.
- B. Award of the Contract must be approved by the Village's Board of Trustees.

8. AWARD OF CONTRACT

- A. **Contract Term:** The Village anticipates awarding an initial minimum contract for two years, after which the Village will have the right to renew for an additional one year period of time.
- B. **Authorization:** Any agreement with a selected Service Provider must be reviewed and approved by the Village Attorney, approved and authorized by the Village of Oak Park Board of Trustees, and executed by the Village Manager. The Service Provider is advised that Village staff, other than the Village Manager, have no authority to sign agreements or modify existing agreements on behalf of the Village and that any such agreements are null and void. The agreement shall be in substantially the form of the Professional Services Agreement attached hereto.
- C. **Payments:** All invoices will be paid within 30 days of approval. Charges for late payments must be in accordance with the Local Government Prompt Payment Act, 50 ILCS 505/1, requiring a maximum interest penalty of 1% per month or portion thereof.
- D. **Termination for Non-appropriation of Funds:** The Village reserves the right to terminate any multiyear agreement if the Village's Board of Trustees fails to appropriate funds for this purpose in any subsequent fiscal year. All funds for payments after December 31st of the current fiscal year are subject to Village appropriation for this purpose.
- E. **Service Provider Personnel Assigned to the Village of Oak Park Account(s):** The Village reserves the right to accept or reject any staff designated by the service provider to manage the Village account(s). If no suitable replacement staff is provided, the Village reserves the right to terminate the contract.
- F. **Subcontracting:** The Service Provider shall not assign or subcontract any portion of the services to be provided without the written approval of the Village. The Service Provider assumes responsibility for performance of all Sub-Contractors, whether or not authorized. In the event of a merger of a service provider with another firm, this contract will be transferable to the successor firm only upon the approval of the Village President/Mayor and Board of Trustees.
- G. **Insurance Requirements:** Upon execution of the contract, and prior to the vendor commencing any successful vendor shall enter into a "Contractor Services Agreement" (hereinafter referred to as the "Contract") with the Village in substantially the form attached.
- H. **Legal Compliance:** Comply with all state and federal laws and regulations pertaining to Worker's compensation claims administration licensed in the State of Illinois.

9. PROPOSAL FORM

The undersigned proposes to furnish Worker's compensation claims administration for the Village of Oak Park as follows:

Fee for Specified Work: – Defined in Price Proposal (Attach)

Hourly Rate(s) for Specified Work – Specify below

_____	\$ _____
_____	\$ _____
_____	\$ _____

Other Pricing - Specify below

_____	\$ _____
_____	\$ _____
_____	\$ _____

Proposal Signature: _____

State of _____), County of _____)

_____, being first duly sworn on oath deposes and says that the Contractor on the above Proposal is organized as indicated below and that all statements herein made on behalf of such Contractor and that their deponent is authorized to make them, and also deposes and says that deponent has examined and carefully prepared their proposal from the Contract Specifications and has checked the same in detail before submitting their Proposal; that the statements contained herein are true and correct.

Signature of Contractor authorizes the Village of Oak Park to verify references of business and credit at its option.

Signature of Contractor shall also be acknowledged before a Notary Public or other person authorized by law to execute such acknowledgments.

Organization Name
(Seal - If Corporation)

By: _____ Dated: _____
Authorized Signature

Address

Telephone

E-mail

Subscribed and sworn to before me this

_____ day of _____, 2017.

Notary Public

10. COMPLIANCE AFFIDAVIT

I, _____ being first duly sworn on oath depose and state as follows:
(Print Name)

1. I am the (title) _____ of the Proposing Firm and am authorized to make the statements contained in this affidavit on behalf of the firm;
2. The Proposing Firm is organized as indicated on Exhibit A to this Affidavit, entitled "Organization of Proposing Firm," which Exhibit is incorporated into this Affidavit as if fully set forth herein;
3. I have examined and carefully prepared this proposal based on the request and verified the facts contained in the proposal in detail before submitting it;
4. I authorize the Village of Oak Park to verify the Firm's business references and credit at its option;
5. Neither the Proposing Firm nor its affiliates¹ are barred from proposing on this project as a result of a violation of 720 ILCS 5/33E-3 or 33E-4 relating to bid rigging and bid rotating, or Section 2-6-12 of the Oak Park Village Code relating to "Proposing Requirements".
6. Neither the Proposing Firm nor its affiliates is barred from contracting with the Village of Oak Park because of any delinquency in the payment of any debt or tax owed to the Village except for those taxes which the Proposing Firm is contesting, in accordance with the procedures established by the appropriate revenue act, liability for the tax or the amount of the tax. I understand that making a false statement regarding delinquency in taxes is a Class A Misdemeanor and, in addition, voids the contract and allows the Village of Oak Park to recover all amounts paid to the Proposing Firm under the contract in civil action.
7. I am familiar with Section 13-3-2 through 13-3-4 of the Oak Park Village Code relating to Fair Employment Practices and understand the contents thereof; and state that the Proposing Firm is an "Equal Opportunity Employer" as defined by Section 2000(E) of Chapter 21, Title 42 of the United States Code Annotated and Federal Executive Orders #11246 and #11375 which are incorporated herein by reference.
Also complete the attached EEO Report or Submit an EEO-1.
8. All statements made in this application are true and correct.

Signature: _____ Printed Name _____

Name of Business: _____ Title: _____

Business Address: _____

(Number, Street, Suite #)

(City, State & Zip)

Telephone: _____ Fax: _____ Web Address: _____

Subscribed to and sworn before me this _____ day of _____, 2017.

Notary Public

¹ Affiliates means: (i) any subsidiary or parent of the bidding or contracting business entity, (ii) any member of the same unitary business group; (iii) any person with any ownership interest or distributive share of the bidding or contracting business entity in excess of 7.5%; (iv) any entity owned or controlled by an executive employee, his or her spouse or minor children of the bidding or contracting business entity.

11. ORGANIZATION OF PROPOSING FIRM

(Complete Applicable Paragraph Below)

(a) **Corporation:** The Service Provider is a corporation, operating under the legal name of _____, is organized and existing in good standing under the laws of the State of _____ and is authorized to conduct business in the State of Illinois. The full names of its Officers are:
President _____

Secretary _____

Treasurer _____

The Name and Address of its Registered Agent is: _____
(Name)

(Number, Street, Suite #) (City, State & Zip)

The corporation has a corporate seal. (In the event that this proposal is executed by a person other than the President, attach hereto a certified copy of that section of Corporate By-Laws or other authorization by the Corporation that permits the person to execute the offer for the corporation.)

(b) **Partnership:** The Service Provider is a Partnership operating under the name _____

The following are the names, addresses and signatures of all partners:

_____ Name	_____ Address	_____ Signature
_____ Name	_____ Address	_____ Signature
_____ Name	_____ Address	_____ Signature

(Attach additional sheets if necessary.) If so, check here _____.

If the partnership does business under an assumed name, the assumed name is _____ which is registered with the Cook County Clerk and the partnership is otherwise in compliance with the Assumed Business Name Act, 805 ILCS 405/0.01 et.seq.

(c) **Sole Proprietor:** The Service Provider is a Sole Proprietor. If the Vendor does business under an Assumed Name, the Assumed Name is _____, which is registered with the Cook County Clerk. The Vendor is otherwise in compliance with the Assumed Business Name Act, 805 ILCS 405/0.01 et.seq.

(d) **Affiliates:** The name and address of any affiliated entity of the business, including a description of the affiliation: _____

The name and address of any affiliated person of the business entity, including a description of the affiliation:

Signature of Owner

12. VILLAGE OF OAK PARK EQUAL EMPLOYMENT OPPORTUNITY REPORT

Please fill out this form completely. Failure to respond truthfully to any questions on this form, failure to complete the form or failure to cooperate fully with further inquiry by the Village of Oak Park will result in disqualification of this proposal. For assistance in completing this form, contact the Finance Department at 708-358-5460. **An EEO-1 Report may be submitted in lieu of this report**

1. Vendor Name: _____
2. Check here if your firm is:
 _____ MBE _____ WBE _____ DBE _____ None of the above
3. What is the size of the firm's current stable work force?
 _____ Number of full-time employees _____ Number of part-time employees
4. Similar information will be requested of all subcontractors working on this contract. Forms will be furnished to the lowest responsible bidder with the notice of contract award, and these forms must be completed and submitted to the Village before the execution of the contract by the Village.

EEO REPORT (An EEO-1 Report may be submitted in lieu of this report)

Please fill out this form completely. **Failure to respond truthfully to any questions on this form, or failure to cooperate fully with further inquiry by the Village of Oak Park will result in disqualification of this proposal.** An incomplete form will disqualify your proposal. For assistance in completing this form, contact the Finance Department at 708-358-5460.

Vendor Name: _____

Total Employees: _____

Job Categories	Total Employees	Total Males	Total Females	Males					Females					Total Minorities
				Black	Hispanic	American Indian & Alaskan Native	Asian & Pacific Islander		Black	Hispanic	American Indian & Alaskan Native	Asian & Pacific Islander		
Officials & Managers														
Professionals														
Technicians														
Sales Workers														
Office & Clerical														
Semi-Skilled														
Laborers														
Service Workers														
TOTAL														
Management Trainees														
Apprentices														

This completed and notarized report must accompany your bid. It should be attached to your Affidavit of Compliance. Failure to include it with your bid will be disqualify you from consideration.

_____, being first duly sworn,
(Name of Person Making Affidavit)

deposes and says that he/she is _____
(Insert job title)

of _____ and that the above EEO Report information is true and accurate and is submitted
(Insert Name of Organization)

with the intent that it be relied upon.

Subscribed and sworn to before me this _____ day of _____, 2017.

END OF PROPOSAL