



COUNTY OF TULARE GENERAL SERVICES AGENCY Purchasing Division

August 9, 2022

NOTICE TO PROPOSERS/BIDDERS

AMENDMENT/ADDENDUM No. 01 – RFP NO. 23-004

The following changes and clarifications to RFP No. 23-004 for Workers Compensation Third Party Administrator services are provided based on questions received and must be added/considered when completing your submission/response to this proposal.

The Vendor’s Conference will be held remotely on August 10, 2022, at 10:00 am via Microsoft Teams. See link below. The meeting will be recorded.

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZjYxNzQ1ZjUtMzU0Yy00NDFmLTkwZjYtNWRhMjlxNjVmOGMx%40thread.v2/0?context=%7b%22id%22%3a%22e9ab118a-9355-41a6-aaad-633046c798b9%22%2c%22oid%22%3a%22216bd50c-99f2-4f11-91f5-effecd7a361f%22%7d

To receive a Microsoft Teams invitation, please provide an email address to TCBids@tularecounty.ca.gov by 9:45 am on August 10th. **YOU MUST REFERENCE RFP No. 23-004 IN THE SUBJECT LINE.**

Please sign and return this Amendment/Addendum Acknowledgment with your signed proposal. Failure to provide all documents as required in the original RFP may disqualify your proposal.

Sincerely,

Sharon Castellini
Purchasing Manager

ACKNOWLEDGMENT OF AMENDMENT / ADDENDUM No. 01

COMPANY NAME: _____

SIGNATURE: _____

NAME & TITLE: (PRINT) _____

ANSWERS TO QUESTIONS RECEIVED BY AUGUST 1, 2022, @ 5:00 PM

Question Please provide an inventory break-down of the open inventory by the following claim types:

- #1:
- Future Medical
 - Medical Only
 - Indemnity

Answer Data from Loss Run Dated 6/30/22 identified the following claim type breakdown.

- #1:
- Future Med: 191
 - Medical Only: 79
 - Indemnity: 546

Question The RFP states that the TPA will have a minimum of four (4) Examiners assigned to the County

#2: of Tulare Account. Does the County require these positions to be “dedicated” to the County of Tulare (only handles City of Tulare claims)?

Answer Yes.

#2:

Question The OSIP report for reporting period ending June 30, 2021, shows a pending of 724 claims.

#3 Please provide a breakdown between Medical only, Future medical claims and Indemnity claims.

Answer The following is a breakdown as of 6/30/21 open claims:

- #3:
- Indemnity: 437
 - Medical Only: 79
 - Maintenance Future Med: 209

Question On page 7 of the OSIP report enclosed in the RFP, the note at the bottom indicates the new

#4: administrator should anticipate receiving approximately 750 open claims. Please provide a breakdown of the 750 as well.

Answer The anticipated claim count at renewal is estimated at 750 based on historical averages before Covid-related claims. Below are the estimated claim counts for non-covid injuries and a breakout for Covid-related claims by employees based on California Covid presumptions in SB 1159. Most of the Covid-related claims resolve after a short illness.

| Valued 6/30/2022 | Claim Count |
|----------------------------------|-------------|
| Open Indemnity | 459 |
| Open Medical Only | 53 |
| Open Maintenance/ Future Medical | 191 |
| Total | 703 |

| Valued 6/30/2022 | Claim Count |
|-------------------------------|-------------|
| COVID Indemnity | 87 |
| COVID Medical Only | 26 |
| COVID Death | 2 |
| Report Only COVID | 2 |
| COVID Total | 117 |
| Grand Total all claims | 822 |

Question On page 6, we noted that the County generated an average of 400 new claims over the
#5 past 5 years. The OSIP Report on page 6 shows a 5-year average of 314 claims. For purposes of calculating the staffing needs of the program, please advise if you anticipate a higher range of new claims.

Answer Before SB 1159 Covid presumptions for a worker's compensation claim, the County's 5-
#5: year average for claims was lower. However, with the presumptions of SB 1159, many more work-related illness claims were filed over the two past fiscal years. After investigation, many were able to be denied. The future of Covid-related claims is unknown. County increased the new claims estimate to an average of 400.

Question What portion of the open claims have pierced the SIR?
#6:

Answer 21% of the open inventory has pierced the SIR
#6: 47% of the open inventory is reportable to PRISM

Question Have all reportable excess claims been reported to PRISM?
#7:

Answer Yes.
#7:

Question Are the claim files (open and closed) in electronic/paperless format? If not, how many
#8: claims in hard copy files will be transferred to the new claim's administrator?

Answer All claims received since 2011 are electronic; if older claims were re-opened, there would
#8: be paper and electronic files. Corvel Offices have 145 banker boxes with the Iron Mountain office and 6 bookshelves filled with 450 Tulare files in the Folsom office.

Question Please provide the staffing model in place with the current TPA. Please provide the number of
#9: positions exclusively dedicated to the County's program and those that are designated (working on other accounts). Please list the positions by title, years of experience level of each position, and how many open claims each one handles broken out by Indemnity, Future Medical and Medical Only.

Answer • Dedicated 1 Claims Supervisor,
#9: • 6 Dedicated Claims Specialists,
• 1 Designated Claim Specialist,
• 2 Dedicated Claims Assistants

Question Please list the positions by title, years of experience level of each position, and how
#10: many open claims each one handles broken out by Indemnity, Future Medical and Medical Only.

Answer
#10:

| Claims Specialist | Class Code | Claim Count |
|--------------------------------------------------|------------|-------------|
| Claims Specialist - 15 years | | 139 |
| | DEATH | 3 |
| | IND | 125 |
| | Maint | 4 |
| | MO | 7 |
| Claims Specialist -1 Year | | 162 |
| | IND | 29 |
| | Maint | 106 |
| | MO | 27 |
| Sr. Claims Specialist - 18 Years | | 125 |
| | IND | 111 |
| | Maint | 5 |
| | MO | 9 |
| Claims Specialist - 18 Years | | 33 |
| | DEATH | 1 |
| | IND | 2 |
| | Maint | 30 |
| | MO | 0 |
| Sr. Claims Specialist - 28 Years | | 131 |
| | IND | 117 |
| | Maint | 10 |
| | MO | 4 |
| Claims Specialist - 11 Years | | 93 |
| | IND | 64 |
| | Maint | 21 |
| | MO | 8 |
| Sr. Claims Specialist - 35 Years Industry | | 132 |
| | IND | 103 |
| | Maint | 17 |
| | MO | 12 |
| Claims Supervisor - 9 Years | | 815 |
| | | 815 |

Question Where is the City's is current administrator servicing the County's claims from?

#11:

Does the County have a preference?

Answer Sacramento (Folsom) Office

#11:

The office must be within California within reasonable travel distance from the County.

Question In order for vendors to provide the most cost-effective proposals, please provide a copy
#12: of the current contract between the County and your incumbent, Corvel. Please include all managed care service rates/fees charged.

Answer See Agreement No. 24858 attached to this addendum.
#12:

Question Please provide the following bill review information -

- #13:
- a. 3-year average of annual bill volume.
 - b. Average annual total medical billed charges.
 - c. Average annual gross savings in \$ or %.
 - d. Average PPO savings and PPO penetration rate.
 - e. Average annual net savings in % or \$.
 - f. Average number of prescription bills

Answer a. 11,770
#13: b. \$6,535,810
c. 62%
d. PPO Savings 41%, and the PPO Penetration rate is 85%
e. 60%
f. 2,782 average prescription bills per year

Question Utilization Review -

- #14:
- a. Average annual volume of Requests for Authorization processed by a non-clinician.
 - b. Average annual volume of RFA assigned to URO and % escalated to specialty peer review

Answer Average RFA's Received – 785
#14: Nurse Reviewed RFA's – 453
Physician Peer Review RFA's - 332

Question Case Management -

- #15:
- a. Average number of cases assigned to a Nurse for telephonic or field case management.
 - b. If you use triage, please provide the number of triage assignments.

Answer a. Average TCM 81, Average FCM 15
#15: b. N/A

Question Is the following conference "in person" or is this a zoom?
#16

Answer Prefer online attendance – link Provided below:
#16 https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZjYxNzQ1ZjUtMzU0Yy00NDFmLTkwZjYtNWRhMjlxNjVmOGMx%40thread.v2/0?context=%7b%22Tid%22%3a%22e9ab118a-9355-41a6-aaad-633046c798b9%22%2c%22Oid%22%3a%22216bd50c-99f2-4f11-91f5-effecd7a361f%22%7d

Question Whether companies from Outside USA can apply for this? (like, from India or
#17 Canada)

Answer No - California regulations require Self Insured Worker's Compensation Plans to be #17 administered within California.

Question Whether we need to come over there for meetings?
#18

Answer In-person meetings will be required along with online meetings.
#18

Question Can we perform the tasks (related to RFP) outside USA? (like, from India or #19 Canada)

Answer No - California regulations require Self Insured Worker's Compensation Plans to be #19 administered within California.

Question Can we submit the proposals via email?
#20

Answer See page ii of RFP. Electronic submission is required.
#20
"Proposals must be received by Tulare County Purchasing Agent via electronic submission to TCBids@tularecounty.ca.gov until 2:00 pm PST on August 24, 2022."

Balance of requirements and specifications to remain the same.

PROPOSAL DUE DATE OF AUGUST 24, 2022, AT 2:00 PM (PST) REMAINS UNCHANGED.