



**PMA Management Corp.**

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**Third Party Administration Services**

Presented to:



**Third Party Administration (TPA) Services for Workers'  
Compensation and Liability Claims**

Solicitation No.: #RFP-4522-16-RD

Date Due: August 4, 2016

**Mark K. Davis, CIC**  
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**OLD REPUBLIC INSURANCE GROUP**

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August 2, 2016

Mr. Ralph Dierks, Procurement Manager  
Procurement Services Division  
City of Hollywood  
c/o Office of City Clerk  
2600 Hollywood Blvd., Rm# 221  
Hollywood, Florida 33020

**RE: RFP-4522-16-RD Third Party Administration (TPA) Workers' Compensation and Liability Claims**

Dear Mr. Dierks:

On behalf of PMA Companies, thank you for the opportunity to submit a proposal to manage your workers' compensation and liability claims. At PMA, we understand the City seeks a TP partner that can help create a safer, healthier workplace, while reducing your total cost of risk. Our approach to risk management aligns our priorities with yours, helping to maximize the results we can achieve together.

This proposal outlines why PMA Management Corp., is the best choice to be your partner in managing risk. Key highlights of our TPA proposal include:

- Unique **holistic approach**—which provides pre-loss, loss-reduction, and post-loss strategies to reduce your total cost of risk
- An **innovative company with a stable leadership team, and service-driven culture**—all focused on protecting workers while preventing claims and reducing their costs
- **Industry expertise** earned through **decades of experience and research collaboration** with various national self-insurance and public risk organizations
- A professional **service team** leveraging PMA's 100 years of specialized workers' compensation expertise and infrastructure. Our Senior level Adjuster Team is experienced in handling Florida claims with an emphasis on the public sector.
- **Low target caseloads** for claims professionals to facilitate greater focus on each claim
- An ever-evolving and fully integrated **managed care program** that uses a strategically sequenced, data-driven approach to assess lost-time claims and cost effectively get injured workers the right care at the right time
- **24/7 Customer Service Center** that supports you, your injured workers, and their medical providers, enabling our claims professionals to focus on cost-effective claims resolutions.

At PMA, we have created a 100+ year success story one relationship at a time. We are passionate about doing what we say, and delivering exceptional value to the City of Hollywood. As the Sr. Account Executive, I look forward to the opportunity to become your partner in managing your risk, improving your program results, and exceeding your service expectation.

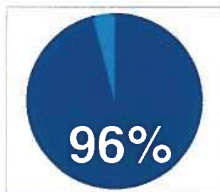


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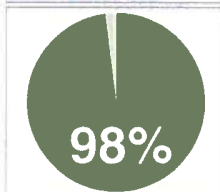
TPA & Risk Services for Workers' Compensation

Sincerely,

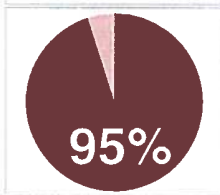
Mark K. Davis  
Sr. Account Executive  
PMA Management Corp.  
2701 N. Rocky Pointe Drive, Suite 250  
Tampa, FL 33607



*We conducted five independent client satisfaction surveys in the years 2007 to 2013. On average, 96% of respondents report that PMA meets or exceeds their service expectations.*



*Our independent 2013 Client Satisfaction Survey showed that 98% of our clients would recommend PMA to a friend or colleague.*



*PMA's TPA & Risk Services has an average client retention rate of 95%.*

### ***Award-Winning Clients***



*2013 Business Insurance Risk Manager of the Year® Lori J. Gray, Risk Management Division Chief for Prince William County, Va. For more than a decade, PMA Companies has partnered with Prince William County in Virginia on its workers' compensation and risk management program. We are proud of our partnership and the success we have helped this client achieve.*



*2015 Risk & Insurance Teddy Award Winner for Workers' Compensation, Barnabas Health, a PMA client since 1998.*

### ***Expertise***

- *Business Insurance Top 10 Largest Property & Casualty TPA*
- *TPA leadership team averaging 25 years of industry experience*
- *100 Years of risk management experience*



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TPA & Risk Services for Workers' Compensation



## Tab 4 - Profile of Proposer

**a. State whether your organization is national, regional or local.**

PMA Management Corp. is a regional organization that provides third party administration and related risk management services to large public and private sector clients and associations from a network of service centers located in states throughout the Southeast, Mid-Atlantic, Midwest and Northeast.

**b. State the location of the office from which your work is to be performed.**

Claims for the City of Hollywood will be handled out of the PMA Branch Operations in Tampa, Florida:

2701 North Rocky Point Drive, Suite 250, Tampa, Florida 33607

**c. Describe the firm, including the size, range of activities, etc. Particular emphasis should be given as to how the firm-wide experience and expertise in the area addressed by this Request for Proposal, will be brought to bear on the proposed work.**

PMA Companies provides risk management solutions and services in the U.S., offering workers' compensation, property, and casualty insurance and risk services. Headquartered in Blue Bell, PA, PMA has a 100-year history in helping clients to reduce their total cost of risk. As part of Old Republic Companies (NYSE: ORI)—one of the nation's 50 largest publicly held insurance organizations with consolidated assets of approximately \$17 billion—PMA offers long-term financial strength and stability.

PMAMC maintains a staff of over 1,300 employees, manages approximately \$1.1 billion in reserves for Workers Compensation, and \$85 million for Property, Auto and Liability lines. We actively manage over 22,000 Workers Compensation claims and over 3,500 Property, Auto and Liability claims, and we securely process more than \$45 million in paid losses every month.

PMAMC clients vary in size from those with several hundred to more than 55,000 employees. We have extensive experience handling **Public Sector** programs throughout our servicing offices with approximately 40% of our business being in this industry. Additionally, our FL claims staff has extensive experience handling public sector accounts and are experienced with FL presumption claims. Our continued success is based on the results we have achieved for our clients. By properly balancing the need to protect our client's reputation with their constituents, while simultaneously reducing their loss costs and increasing their bottom-line savings, we deliver a service that is truly unparalleled in the industry today.

PMA Management Corp. is ready, willing and able to assist the City of Hollywood with the handling of its Workers' Compensation and Liability claims. Our infrastructure is

designed to ensure that the City of Hollywood, FL receives the management and support necessary to control their claims programs. We understand the importance of performing timely and detailed claim investigations and communicating with all involved parties. We believe the techniques we utilize for our clients will benefit the City of Hollywood, FL over the course of our relationship.

#### **About PMA Companies**

- 100 years in risk management
- 450+ TPA clients with client retention averaging 95%
- Ranked nationally by *Business Insurance* as a top 10 property and casualty TPA
- Active member of:
  - Public Risk Management Association (PRIMA)
  - University Risk Management and Insurance Association (URMIA)
  - American Society for Healthcare Risk Management (ASHRM)
  - Risk and Insurance Management Society (RIMS)
  - Self-Insurance Institute of America (SIIA)
- Thought leadership:
  - *Integrating Risk Management and Wellness Programs*
  - *Operating a Safe Fleet*
  - *Benchmarking Survey Results, Facts, and Solutions*, which highlights findings of research by URMIA and PMA Companies
  - *Implications of Nanotechnology in the Workplace*
  - *Predicting and Preventing Severe Workplace Injuries*
  - *Zero In on Cost Drivers*, which highlights findings of research by PRIMA and PMA Companies

- d. **Provide a list and description of similar municipal engagements satisfactorily performed within the past two (2) years. For each engagement listed, include the name and telephone number of a representative for whom the engagement was undertaken who can verify satisfactory performance.**

Below is a partial list of some of PMA's Public Sector clients:

- Lee County, FL
- City of Ocala, FL
- City of Palm Bay, FL
- Pasco County, FL
- City of Roswell, GA
- City of Riverdale, GA
- Fulton County Schools, GA
- City of Johnson City, TN
- City of Greenville, NC
- City of Greensboro, NC
- New Hanover County, NC
- City of Charleston, SC
- Greenville County Schools, SC
- City of Asheville, NC
- Prince William County, VA
- City of Alexandria, VA
- City of Hampton, VA
- City of Portsmouth, VA
- Hampton City Schools, VA
- Arlington County, VA
- Portsmouth Public Schools, VA
- County of Bucks, PA
- County of Berks, PA
- State of Delaware, De
- County of Rockland, NY
- City of Vineland, NJ
- County of Monmouth, NJ
- City of Bristol, CT
- County of Union, NY

Below is the contact information for a few of our public sector clients:

City of Ocala, FL  
 110 SE Watula Avenue Ocala, FL 34470  
 Lyn Viselli, Assistant Director, Human Resources & Risk Management  
[lviselli@ocalafl.org](mailto:lviselli@ocalafl.org)  
 Ph: (352) 401-3991  
 WC, Liability & Auto Claims Administration (including on-site Liability Adjuster)

Lee County, FL  
 2115 Second Street, Fort Myers, FL 33901  
 Mike Figueroa, Risk Manager  
[mfigueroa@leegov.com](mailto:mfigueroa@leegov.com)  
 Ph: (239) 533-2310  
 WC, Liability & Auto Claims Administration

City of Palm Bay  
120 Malabar Road, Palm Bay, FL 32907  
Peter J. Sweeney, Deputy City Attorney  
pete.sweeney@palmbayflorida.org  
Ph: (321) 409-7185  
WC, Liability & Auto Claims Administration

Pasco County BOCC  
8731 Citizens Drive  
New Port Richey, FL 34654  
Steve Whitaker, Risk Manager  
swhitaker@pascocountyfl.net  
Ph: (727) 847-8029  
Liability Claims Administration

- e. Have you been involved in litigation within the last five (5) years or is there any pending litigation arising out of your performance?**

In June, 2012, a former Georgia client of PMA Management Corp filed a lawsuit alleging that PMAMC mishandled its workers' compensation claims. In February, 2015 the court hearing the lawsuit entered judgment against PMAMC. The decision was appealed and it was upheld.

## Tab 5 -Summary of Proposer's Qualifications

- a. **Identify the project manager and each individual who will work as part of the engagement. Include resumes for each person to be assigned. The resumes may be included as an appendix.**

### **Project Manager – Liz Smith, Client Service Management**

The overall management of the program implementation and claim services will be handled in a comprehensive manner, and overseen by our **Client Service Manager (CSM) – Liz Smith**. Liz Smith is our client liaison located in the Tampa, FL office, which provides a variety of services for our self-insured clients.

Liz provides the conduit for communication for key issues related to the needs of our Florida clients.

As the CSM, she provides a thorough claims orientation for new clients to ensure a smooth transition to PMA. She will also work closely with the City of Hollywood, FL to establish “Special Claim Handling Guidelines” to provide a solid foundation of communication between the City and the PMA Team. Other assistance includes the installation of our PMACinch program (PMA’s web-based risk management information system), conduct routine Claim Reviews and troubleshoot any problems that may arise.

What truly separates PMA’s Client Service Manager from other client liaisons involves the “accountability” to our client’s performance. By keeping a scorecard of results, PMA works to set goals with our clients to achieve better outcomes. Liz will carefully track key benchmarks (timely claims reporting, medical cost-containment, loss analysis, demographic data, etc.) and assist the City of Hollywood, FL to better understand the issues impacting claim costs. We will report results back to you in the form of a Stewardship Report during our routine meetings with your team, so that you are aware of the program’s performance and the results that PMA Management Corp. is generating for you. We will identify trends that are having a negative impact on your program and provide recommendations to improve the program.

**Liz Smith** is a graduate of the University of South Florida where she earned a Bachelor of Fine Arts with a concentration in electronic media. She has over 12 years of industry experience and she began her career in 2004 as a workers’ compensation claims adjuster for a large Property & Casualty carrier. She has been working in Account Management since 2007, and came to PMA with extensive national and public entity account coordination experience and also has experience managing several complex, new account implementations. Liz is in the process of pursuing her ARM designation. Her years of industry experience allow her to offer insight on ways to improve performance on any trouble areas of your program.

**Daphyne Daniels – Regional Quality Assurance Analyst**

The Regional Quality Assurance Analyst's primary function is to guarantee that every claim is handled according to the highest possible standards. Because no two clients are alike, when claims are being reviewed for quality control the clients specific special handling guidelines are considered to make sure that the claim is being managed in accordance to their program. These individuals conduct annual internal file audits through our "Continuous Improvement Review" program. This is a rigorous review of each claim professional's work product. A random sample of claim files for each professional is reviewed on an annual basis to check for such items as investigation, disability management, action planning, litigation management, reserve accuracy, documentation, proper coding and communication. Each client's specific special handling guidelines are also considered during this audit. Offices not meeting our internal audit goal are placed on an action plan and re-audited within the same year. The Regional Quality Assurance Analyst also perform a review of claims for all new PMA Management Corp. employees 90 days after their start date to ensure compliance with PMA claims handling standards. Any areas of improvement identified are discussed with the supervisor. Any adjuster scoring below a select percentage score is re evaluated after an additional 90 days. These audits help to establish ongoing training needs. Training needs are continuously evaluated and programs are developed in support of these training needs. Each office/adjuster is required to participate in these training programs. Training results are monitored.

Daphyne is a graduate of the University of Florida, and has 17 years of experience in the insurance industry. In her 17 years in the industry, she has handled claims for large national accounts, and managed a team of adjusters that handled the Workers' Compensation claims for one of the largest PEOs in Florida. Although she is currently the Quality Assurance Analyst for the Southern Region, she most recently served as the Regional Claim Supervisor for the Tampa office. As the Quality Assurance Analyst, she performs internal audits, develops necessary training identified through the audits, and provides/develops any targeted training necessary to allow us to continue to deliver an exceptional product to our clients. Daphyne is experienced in the handling of Florida presumption claims. Daphyne has achieved her Board Certification in Florida Workers' Compensation Litigation (CWCL designation), maintains her Florida All Lines License, and is pursuing her ARM designation.

**WORKERS' COMPENSATION**

**William (Bill) Burckhardt – Regional Claims Supervisor**

Bill is a graduate of Hofstra University where he earned a B.A. in Business Management. He has over 28 years of industry experience as he began his career in 1986 as a trainee with a large Property & Casualty carrier. He has held a number of supervisory and management positions in the past, and brings a wealth of knowledge gained from those positions into his current position. Prior to coming to PMA, he worked as a Senior Adjuster at a large TPA handling claims for a school board, as well as a very large global client. Bill has experience handling presumption claims for municipalities, has handled a number of other WC jurisdictions, and has three years' experience handling Auto/GL claims. He currently holds the position of Regional Claims Supervisor for PMAMC and is responsible for providing

supervisory oversight and direction on all pending claims with in his team. He holds a CPCU designation, and maintains his All Lines License for the State of Florida.

**Mark LaTorella – Regional Claims Supervisor - WC**

Mark has over 20 years insurance experience having begun his insurance career in 1990. He has worked as a W.C. Claims Adjuster III for a major TPA, which was the highest level that can be attained in that position. Mark was also employed as a Claims technical manager for Chartis Insurance Co and was responsible for the technical direction of 6 W.C. claims adjusters. He is experienced in FL workers' compensation presumption claims and also has 5 years experience handling liability claims. He has a B.A. In Journalism from the University of Rhode Island, and has his Florida 620 all lines adjuster license.

**Luann Bates-Fleck – Sr. Account Claim Representative**

Luann has over 26 years of industry experience as she began her insurance career in 1990. She has worked as a Claims Adjuster III for a major carrier, which was the highest level that can be attained in that position. Luann was also employed with the State of Florida Department of Labor as specialist in the Workers' Compensation Division. She currently holds the position as Senior Account Representative for PMAMC responsible for handling complex medical and litigated files. She also serves as a technical resource for the claims department. Luann is board certified in Workers' Compensation Litigation (CWCL) and is licensed to handles all lines of insurance products. Luann has over 11 years experience handling presumption claims.

**Rhonda Lucas – Sr. Account Claim Representative**

Rhonda graduated Magna Cum Laude from the University of South Florida where she earned a B.A. degree in Finance. She has over 14 years of industry experience as she began her carrier in 2002 as a workers' compensation claims examiner. She has completed extensive training in handling, reserving and negotiating workers' compensation claims and has handled multiple jurisdictions involving highly litigated claims. She currently holds the position of Senior Account Claims Representative for PMAMC responsible for handling complex medical and litigated files. She has earned awards for excellent service, training, project assistance and dedication to Customer as well as an award for her dedication and commitment to Tampa National Market Claims. She also maintains her All Lines License for the State of Florida

**Tara Henry – Claim Administrator**

Tara has over 10 years of industry experience, but recently worked for one of the largest TPAs in the region. She has earned the Accredited Claims Adjuster designation as a all lines adjuster, and maintains her FL license. She currently holds the position as Sr. Claims Administrator for PMAMC responsible for handling medical only claims to timely resolution as well as some minor indemnity claims.

**Lynn Elliot – Disability Management Coordinator**

She is a RN who has over 30 years experience in the health care field, including hospital, home health and clinic work. She has been a case manager in the workers' compensation arena for 15 years, including both case management and supervisory duties. She graduated



from Norwalk Hospital School of Nursing in Connecticut and attended both Western Connecticut State University and University of South Florida. She maintains both her CCM and CDMS designations, as well as her Florida QRP.

### **LIABILITY:**

#### **Philip J. Salamone, Jr, Assistant Vice President Claims - Liability**

Phil graduated from Dickinson College, Carlisle, Pa with a BA in Economics/Labor Relations. He joined PMA after graduation as part of its college recruitment program. During his 20+ year career with PMA he has acquired multi-state, multi-line experience in the operation and administration of property and casualty claims. He has broad experience in all facets of litigation management conducted within corporate and branch office settings. His industry experience includes: General, Products, Automobile and Professional Liability; Workers Compensation; Employers Liability; Managed Care; Deductible, Captive and SIR programs; Construction Defect/Tort Liability; Public Entity; Contractual Risk Transfer; Excess and Surplus Lines Coverage; Excess/Umbrella Reinsurance reporting and strategies and Complex Coverage litigation. Phil has performed coaching and claims oversight on a national book of claims, involving complex litigation, coverage and large monetary exposures. He assisted in the development and administration of the Continuous Review Program. He was instrumental in the redesign of PMA's litigation management program and developed/implemented the Corporate Legal bill review team. Phil is a member of the NJ Defense Association and licensed New Jersey Life, Health, Property/Casualty Producer.

#### **Penny Hamilton – Regional Liability Claim Supervisor**

Penny graduated from Lebanon Valley College with a Bachelor of Science in Business Management and has earned her AIC and SCLA designations. She has over 25 years experience handling claims, including management of commercial general liability claims, professional liability, sexual harassment and discrimination, and construction defect claims. Penny is licensed in multiple states.

#### **Edwin Duncan- Senior Account Claim Representative - Liability**

Edwin began his career in the insurance industry in 1984 and has over 15 years of experience handling property, auto, and liability exposures for both insured and self-insured clients. He has experience specifically handling auto, liability and professional liability claims for public entities in Florida, Virginia and North Carolina. Edwin's thorough and detailed investigation recently led to an arrest for insurance fraud involving a slip and fall claim against a Florida municipality. He has an Associates degree from Virginia Western Community College and has earned his AIC designation. Edwin is licensed in Florida, Georgia, North Carolina, South Carolina, Kentucky, Oklahoma, Alabama, Louisiana, Arkansas, and Texas.

#### **Lisa Weinstein- Senior Account Claim Representative – Liability**

Lisa is a graduate of Sam Houston State University where she earned her Master of Business Administration in 1998. She began her career in the insurance industry in 1999 and has over 10 years of experience handling auto, general liability, products liability and professional liability claims. Lisa specifically handles these exposures primarily for public entities in Florida as well as other jurisdictions. She has been involved in large scale liability



investigations on behalf of a Florida municipality. She is licensed in Florida, Georgia, North Carolina, South Carolina, Kentucky, Oklahoma, Alabama, Louisiana and Texas. Lisa earned her CPCU designation in 2016.

- b. **Describe the experience in conducting similar projects for each of the consultants assigned to the engagement. Describe the relevant educational background of each individual.**

PMA's philosophy and values require our claim adjusting staff maintain a high-level of knowledge in the key aspects of claims management. Therefore, formal and informal continuing education is paramount to the growth of our teams knowledge base and professionalism. PMA's staff has earned a combination of designations including: AIC, ARM, MBA, CIC and CPCU.

Our claims staff has extensive experience handling public sector accounts in FL including but not limited to Lee County, City of Ocala, City of Palm Bay and Pasco County. All of our adjusters are experienced with the presumption issues in FL.

**Liz Smith** is a graduate of the University of South Florida and is in the process of pursuing her CPCU designation as well as a MBA in Risk Management.

**Daphyne Daniels – Regional Quality Assurance Analyst**

Daphyne is a graduate of the University of Florida. Daphyne has achieved her Board Certification in Florida Workers' Compensation Litigation (CWCL designation), maintains her Florida All Lines License, and is pursuing her ARM designation.

**Timothy Susic, Regional Claims Manager**

Tim is a graduate of Northern Arizona University with a BS degree in Business Administration. He holds the designations of Senior Claim Law Associate (SCLA) and Certified Workers' Compensation Professional (CWCP).

**Mark LaTorella – Regional Claims Supervisor**

Mark has has a B.A. In Journalism from the University of Rhode Island, and has his Florida 620 all lines adjuster license.

**Lynn Elliot – Disability Management Coordinator**

Lynn is a RN and graduated from Norwalk Hospital School of Nursing in Connecticut and attended both Western Connecticut State University and University of South Florida. She maintains both her CCM and CDMS designations, as well as her Florida QRP.

**Philip J. Salamone, Jr, Assistant Vice President Claims**

Phil graduated from Dickinson College, Carlisle, Pa with a BA in Economics/Labor Relations. Phil is a member of the NJ Defense Association and licensed New Jersey Life, Health, Property/Casualty Producer.

**Edwin Duncan- Senior Account Claim Representative**

Edwin has an Associates degree from Virginia Western Community College and has earned his AIC designation. Edwin is licensed in Florida, Georgia, North Carolina, South Carolina, Kentucky, Oklahoma, Alabama, Louisiana, Arkansas, and Texas.

**Lisa Weinstein- Senior Account Claim Representative**

Lisa is a graduate of Sam Houston State University where she earned her Master of Business Administration in 1998. She is licensed in Florida, Georgia, North Carolina, South Carolina, Kentucky, Oklahoma, Alabama, Louisiana and Texas. Lisa earned her CPCU designation in 2016.

- c. **Describe the organization of the proposed project team, detailing the level of involvement, field of expertise and estimated hours for each member of the team.**

The majority of the City's day to day contact will be with the following team members. This team will be involved in the day to day oversight and management of the City of Hollywood's claims and will be in contact with the City on a daily basis to strategize on resolution and outcomes. All aspects of claim handling will be carefully monitored by the supervisors to ensure that the claim professionals designated for the City of Hollywood are handling claims in line with the high-level of PMA's Best Practices and Communication in accordance to the Special Claim Handling Guidelines.

Additional assistance will occur for any complex claims issues, including litigation, medical management and return to work initiatives. Our supervisors utilize a comprehensive diary system to stay actively involved with the claim professionals and provide the additional guidance and assistance necessary to efficiently manage the City's workers' compensation program.

**Workers' Compensation Team**

Mark Latorella, Regional Claims Supervisor, Workers' Compensation  
William Burckhardt, Regional Claims Supervisor, Workers' Compensation  
Lynn Elliot, Disability Management Coordinator  
Rhonda Lucas, Lost Time Claims Adjuster  
Tara Henry, Medical Only Adjuster

**Liability Team**

Penny Hamilton - Regional Claims Supervisor, Liability  
Lisa Weinstein, Senior Account Claims Representative – Liability  
Edwin Duncan - Senior Account Claims Representative – Liability

**Elizabeth Smith, Client Service Manager**

Liz will be the City's client liaison and will provide the City with overall management of the program implementation and claim services ensuring that the

City's program will be handled in a comprehensive manner. This includes but is not limited to ensuring efficient claims handling, participating in claim reviews, stewardships, providing the City with data analysis strategies to improve cost savings, oversight of the EDI process handled by our EDI specialist and constant overall program improvement.

In addition to the core team noted above the following team members will also be involved in and provide a level of oversight for the City's program:

**PMAMC Management Team** *(Average tenure of 20 years with the company)*

**Frank Altieri, President PMAMC** - responsible for all claims, client services, and sales function for PMA Management Corp

**Michael MacAulay, Senior Vice President of Sales** - responsible for oversight and direction for all sales and marketing activities for Chris Desmarais, Regional Sales Manager and Mark K. Davis, Sr. Account Executive

**Jim Walsh, VP Claims** - oversees all claim management services for PMA Management Corp. Mr. Walsh will have direct interaction with the City of Hollywood, FL by receiving feedback from **Tim Susic**, Southeast Regional Claims Manager, **John Waggoner**, AVP Claims – WC and **Philip Salamone**, AVP Claims - Liability in addition to the Claims Supervisors, **Mark Latorella**, and **William Burckhardt** – WC and **Penny Hamilton** – Liability.

**Lisa Romeu, VP Services & Operations**– Client Service Managers (CSM) report to Ms. Romeu. Ms. Romeu oversees the Client Service Managers for the City of Hollywood in regard to the transition from the present third party administrator to PMA Management Corp. This will include data conversion, Section 111 account management transfer, FL State Board of Workers' Compensation self insured reporting requirements and overall program oversight.

**Local Florida Service Team**

**Gary Harvey, Florida Branch Vice President** - responsible for oversight and direction for Claims, Underwriting, Underwriting Support, and Risk Control services for the PMA Tampa office operations.

**Mark K. Davis, CIC, Sr. Account Executive** - Mark is based in the Tampa, FL office and her responsibilities will include, but are not limited to: contract execution, funding arrangements, account stewardship, and overall client satisfaction.

**Corporate PMAMC Resources:**

**David Chandler, CIO** – responsible for the oversight of all Information Technology for PMA Management Corp, which would include operating systems – Claims Center, and PMA Cinch, on-line risk management tool that will be provided to the City of Hollywood.

**Joe Flynn, IS Consultant** – will provide the installation and training to the City for our risk management software system – PMACinch. The internet based program will provide the City with access to your workers' compensation program – log notes, electronic file documents, claim payments, loss runs, risk analysis and more.

**Sharon Stevenson, CPCU, Finance Manager** – Sharon and her team of financial experts will provide the assistance in establishing the funding mechanism for the City. Her team will also provide assistance on the monthly billing process, reconciliations, and collections.

**Donald Borrell, General Counsel** – Corporate Legal Counsel for PMA Management Corp. Responsible for review and oversight of all contractual obligations entered into by PMA Management Corp. Will work with the City of Hollywood in regard to service agreement for third party administrative services.

**Terry Kunselman, Quality Assurance Manager** – Terry and her team will assist the City of Hollywood, FL in providing quality control support to ensure our local claims team is executing as efficiently as possible. They will work closely with client, brokers and carriers to ensure that each and every claim is handled to the highest quality on a consistent basis. Terry will have direct interaction with the City of Hollywood, FL by receiving feedback through **Daphne Daniels**, the Southern Region Quality Assurance Analyst.

**d. Describe what municipal staff support you anticipate for the project.**

The PMAMC Service Team will draw from our public sector expertise in FL and throughout our organization. Public sector clients make up 40% of PMA Management Corp.'s self-insured programs. The opportunity to work with a significant number of public entity clients has provided PMA with a special expertise. Understanding the issues that face our public sector clients allows us to align the people, technology and resources to help drive out costs workers' compensation.

PMA Management Corp. also provides our public sector clients with special projects to help further educate our clients on the issues facing workers' compensation programs. In 2013, PMA Management Corp. worked closely with the leadership team from the PRIMA organization to prepare a study involving public risk managers throughout the country. The goal was to prepare a survey of these risk professionals to better understand the issues they face with budget and the ever increasing costs in workers' compensation. The findings were collected and presented to risk managers at the recent National PRIMA Conference by our president, Frank X. Altieri.

***Please refer to Section 1 of the Attachments for a the report, “Public Entity Risk Management: Zero In on Workers’ Compensation Cost Drivers”***

PMA Management Corp. does more than just provide TPA and risk services—we are your **partner in risk management**. As such, we will be an extension of your risk management team and will work with you to drive down your total cost of risk by focusing on:

- Reducing frequency of claims
- Reducing severity of claims
- Educating you about your loss drivers and making recommendations for improvement
- Reducing indemnity and medical costs
- Reducing your workers’ compensation budget

## Tab – 6 Project Understanding, Proposed Approach, and Methodology

Describe your approach to performing the contracted work. This should include the following points:

Type of services provided. Discuss your role and that of other parties involved in the data gathering, data analysis and recommendation process.

Discuss your project plan for this engagement outlining major tasks and responsibilities, time frames and staff assigned.

### ***Unique Approach to TPA and Risk Services***

PMA's holistic approach integrates three key strategies that can help you reduce the frequency and severity of your claims by focusing on risk control, claims, litigation management, subrogation/excess recoveries, complete managed care, and risk management information services:

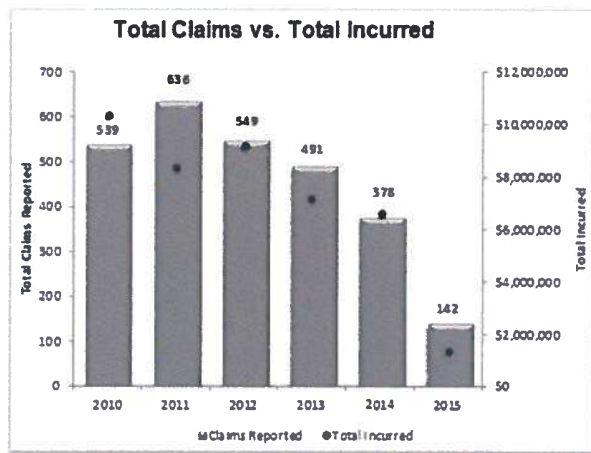
- **Pre-Loss – Prevents** claims before they occur.
- **Loss-Reduction – Mitigates** the cost of claims that do occur with integrated claims, managed care, and risk control services as well as timely, quality medical treatment and return-to-work programs.
- **Post-Loss – Learn from losses that have occurred** so your organization can prevent similar losses from occurring again.



### **Pre-Loss**

We will partner with you to understand your loss drivers and implement effective risk control measures. Our pre-loss strategies typically include the following:

- **Risk Management Assessment –** We will perform an assessment of your operations, facilities, and risk management program to identify your past loss exposures and opportunities for future improvements to lower frequency and severity of claims.



Sample chart tracking frequency and severity of claims



- **Goal Setting** – We will collaborate with you to establish goals and identify performance metrics to guide our improvement efforts.
- **Planning** – We will work with you to develop a plan to guide the improvement process and enhance results for a greater return on investment.

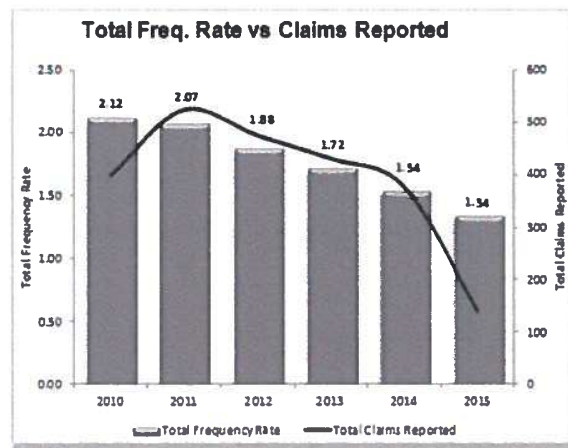
PMA offers a full range of in-person and online risk control services and resources, including access to PMA Webservice®, our interactive online safety and risk management portal.

### Loss-Reduction

Our **claims service** is designed to aid in reducing your overall exposures and controlling your costs. Early intervention on each claim will help us manage claims to cost-effective resolutions and mitigate your exposure on all claims. Each step of our comprehensive claims management process is structured to achieve favorable results.

Our **managed care program**, which is fully integrated with our workers' compensation claims service and claims management system, focuses on:

- Identifying high-risk/high-cost claims upfront
- Obtaining timely, quality care for injured workers
- Managing medical costs
- Reducing total claims costs.



Sample chart tracking claims frequency rate

PMA's managed care program includes Nurse Triage (available 24/7 Nurse Triage via PMA Care 24), Medical Bill Review, Workers' Compensation PPO & Specialty Networks, Nurse/Medical Code Examiners, Pharmacy Benefits Management, Pharmacy Nurse Intervention, Nurse Case Management, and a Utilization Review Program with Medical Peer Review.

### Post-Loss

PMA will analyze your loss history, benchmark your performance against your peer group (where possible) and industry results, and report back to you through our stewardship reporting process. More important, we explain ways to improve your program and implement best practices. Our goal is to help you develop best practices that enhance your program and facilitate timely claims intervention.

### PMA Data Analytics to Keep Track

With a robust collection of claims data, we are able to benchmark your results against organizations in our database or against other entities within your industry. We can also benchmark the performance of each location, providing valuable insights into relative strengths and opportunities for improvement. Additionally, we are able to quantify the potential financial impact of loss trends and continually monitor performance improvements over time.



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Combining our people, processes, and technology, PMA Companies applies a systematic approach to help streamline administrative tasks for our claims, risk control, and litigation specialists, and accelerate nurse triage systems wherever injuries have occurred. The strategic use and support of our extensive 24-hour Customer Service Center helps to ensure our resources come together to deliver a proactive approach designed to achieve positive outcomes.

We continually gather and analyze data about a host of factors that impact your total cost of risk: your facilities and operations; property exposures; the demographics of your employee population; fleet safety, including driver selection and training; treatments for injured workers along with utilization of our preferred provider networks; and more. These data-driven insights help everyone better understand—and address—how these factors are shaping your total cost of risk. By continually integrating these insights into our highly responsive claims management process, we can more quickly identify and appropriately manage potentially high-cost claims. Ultimately, that helps to ensure business continuity and productivity, and that your injured workers access the right care when they need it.

### **Results that Make a Difference**

PMA's holistic approach can achieve a positive impact on your risk management efforts. We will work with you to execute pre-loss, loss-reduction, and post-loss strategies complete with multilevel claims and risk management services, including:

- **Account Management Team** – Account Executive, Client Service Manager, Litigation Specialists, Triage Nurses, Nurse Case Manager, Risk Control Consultants, Claims Professionals, Quality Assurance Specialists, and Customer Service Representatives
- **Triage/Intervention Nurses** – intervene on all lost-time and high-risk medical-only workers' compensation claims
- **Pharmacy Nurse Specialists** – dedicated to prescription drug oversight with focus on regulating narcotic dispensing
- **Quality Assurance Program** – Quality Assurance Specialists ensure consistency in all areas of claims management services
- **Special Investigative Unit** – trained specialists who investigate potentially fraudulent claims and, where appropriate, refer claims to local authorities and assist with prosecution
- **PMA Webservice®** – an online-only portal of safety and risk management resources
- **Benchmarking and Stewardship Reporting** – turns data into actionable information for better business decisions



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## Spotlight <sup>of</sup> Success *City of Concord, North Carolina*

Home to over 79,000 residents, Concord is the largest city in Cabarrus County, North Carolina and has more than 900 full-time employees.

### Partnership Results as of 2013

- 77% takeover claim closure rate
- 30% reduction in lost-time claim frequency
- Return-to-work initiatives reducing duration of claims/aiding injured employee recovery
- PMA Cinch® offers daily claims status and trending data in more than 20 customizable reports



*"Utilizing PMA Cinch enables Risk Management to effectively manage and track workers' compensation claims."*

Julie Waller | Safety, Health & Risk Manager | City of Concord

### Account Management

As a TPA and Risk Services client, you will be supported by a team that will become an extension of your risk management resources. Your team will include an Account Executive, Client Service Manager, Litigation Specialist, Triage Nurses, Nurse Case Manager, Risk Control Consultants, Claims Professionals, Quality Assurance Specialists, and Customer Service Representatives. A claims supervisor leads the claims team, which also includes a 24/7 Customer Service Center.

By assigning these teams, PMA provides you with direct contacts for any questions you may have. The results: strong, collaborative relationships, a deeper understanding of your business needs, and, ultimately, greater value for your business.

### Special Handling Guidelines

As a PMA client, we will create for you custom claims handling guidelines at the onset of our partnership (and periodically thereafter) that explain how we need to service your account. This can include settlement authority levels, attorney selection, reserve notifications, and more.

#### PMA's Commitment to Service

- 24/7 Customer Service Center at 1-888-476-2669
- [pmacompanies.com](http://pmacompanies.com), our interactive website featuring:
  - Transportation & Fleet Safety, General Liability, and Property & Business Continuity Risk Control Services
  - Virtual learning/training through PMA's Organizational Safety Institute
  - Injured Worker Center / Workers' Compensation Guide for Injured Workers
  - Pharmacy Search Tool
  - Temporary Pharmacy Cards

### Stewardship Reports

PMA also provides annual Stewardship Reports, which outline trends that have an impact on your organization's total cost of risk. Your Stewardship Reports provide benchmarking, pending analysis, risk profiles, and risk management analysis, as well as recommendations to help you make risk management decisions.

PMA's goal is simple—to reduce the frequency and severity of your claims.



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## Our Results-focused Claims Service

### Highlights of Our Claims Service

- **SSAE 16 (SOC 1) Certified**—Annual certification that assures a high degree of operational controls specific to client data and loss funds
- **Assigned team**—including claims professionals, a Claims Supervisor, a Client Service Manager, Nurse Case Managers, and Customer Service Representatives
- **Highly experienced claims staff:**
  - Average of 17 years of workers' compensation experience
  - Average of 20 years of property, auto, general liability experience
- **Target low average caseloads** and new assignments for claims professionals—facilitating more thorough claims management and greater control over loss development
- **Averaging 11 years of experience, our Client Service Managers** oversee your program installation and creation of special handling guidelines, and serve as the primary point of contact for Stewardship Reports and claims relationships
- **Prompt and thorough all-lines investigations** that include determination of compensability and subrogation and risk transfer potential, as well as “indexing” each injured worker’s lost-time claims and liability claimants with the Central Index Bureau and/or National Insurance Crime Bureau to prevent payment of duplicate benefits and to help identify and prevent fraudulent activity
- **Quality Assurance Specialists** who audit claims files and review open lost-time claims approaching 90 days
- **Tenured, committed team** backed by PMA Companies’ ongoing formal claims training program, as well as support for higher education and industry certifications

We designed our claims service to reduce our clients’ overall exposures and control costs. Each step of our comprehensive claims program for workers’ compensation, property, auto, and general liability has been structured to achieve results, including driving claims to resolution in a timely, thorough, and cost-effective manner.

We recruit and retain claims professionals with strong technical knowledge in all lines of business. In fact, our adjusting staff has an average of 17 years of workers’ compensation claims handling experience and an average of 20 years of liability claims handling experience. We leverage our roots as an insurance company with liability claims professionals who not only understand these distinct coverages, but also how best to resolve their claims. As part of our holistic approach, we maintain a tight linkage between claims management, managed care, and risk control—enabling us to continually identify and help you address emerging loss trends while seeking to reduce your loss costs.

### Staffing

The key to our success lies in the people who we employ. PMA is committed to providing its clients with the highest quality claims management services, and this can only be accomplished through strong, knowledgeable employees. Our claims professionals take ownership of their work, and fully dedicate themselves to each claim they handle.

### Caseloads that Facilitate Proactive Claims Management

PMA’s claims professional caseloads and support resources, such as our 24/7 Customer Service Center, are established to allow our claims professionals to give each claim the time and attention it requires. This allows us to complete more thorough investigations, and to exercise greater control over loss development. The average caseload handled by our claims professionals is typically between 130 files, depending on jurisdiction and lines of business.

### Focused Training

Led by a Claims Training Manager focused on creating and executing various claims training programs, PMA claims professionals regularly receive formal and informal training through internal and external resources



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addressing all disciplines, including claims, legal, managed care/medical providers, and risk control. We also frequently use one-on-one training sessions between supervisors and claims professionals to focus on specific topics, enabling supervisors to provide continuous improvement training to each claims professional. Our training sessions serve to educate our claims professionals on new policies and procedures, new case law developments, and changes in rules and regulations.

## **Loss Reporting**

PMA offers you a selection of claims reporting options so you can choose the channel that's most convenient for you and that best suits your needs. We can receive Injury Reports electronically through PMA's website or through PMA Cinch, our internet-based risk management information system. You can report losses from mobile devices, including iPhones, iPads, Android smartphones, and tablets. Telephone, fax, and mail reporting options are also available.

Claims reported electronically are immediately assigned a PMA claim number, and that claim number will instantly be provided to you. For all reported claims, acknowledgement letters will be mailed or e-mailed to designated client contacts.

## **Investigation**

### Workers' Compensation Claims

Upon receipt of a lost-time claim, we will conduct a thorough, aggressive, and timely investigation that includes:

- Review of First Notice of Loss by Triage Nurse looking for indications of high-risk claims
- "Indexing" the injured worker with the Central Index Bureau to prevent duplicate benefits and identify previous injuries and potential fraudulent activity
  - Conduct "deep web searches" — in-depth searches of the Internet using an individual's name, variations of their name, email addresses, aliases, nicknames, usernames, addresses, telephone numbers, and relatives to locate available information on an individual. A comprehensive search will include social media, online classified ads, business affiliations, photograph and video sharing profiles, professional licenses, property records, court documents, news articles, and a general internet search. *Available for an additional charge.*
- Three-point contact within 24 hours of claim assignment
- A compensability determination
- An assessment of subrogation potential

Our ongoing three-point contact with you, your injured worker, and the medical provider will facilitate aggressive management of recovery and return-to-work strategies, from the inception of the claim through its conclusion.

During three-point contact, our claims professionals will:

- Perform a comprehensive investigation, including accident details, mechanism of injury, prior claims and medical history, and contact all appropriate witnesses
- Assess the appropriateness of a nurse case management assignment



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- Determine the estimated length of disability and communicate this to the injured worker to establish return-to-work expectations for all parties
- Work cooperatively with the medical provider to obtain modified duty capabilities, and promptly communicate those capabilities to the client and injured worker
- Conduct recorded interviews when appropriate
- Provide notification to the appropriate contact in all cases involving catastrophic injuries or fatalities
- Begin evaluating subrogation and other recovery potential in order to reduce your loss exposure; subrogation recovery efforts are conducted by the claims professionals handling the claims

After completing our investigation, and within 14 days of claim assignment, we will provide you with a compensability recommendation.

#### Property, Auto, General Liability Claims

Upon receipt of your property | auto | general liability claim(s), we will conduct an aggressive investigation that includes:

- Contact with all parties within 24 hours
- On-site investigation coordination
- Obtaining police and other official reports
- Indexing of claimants for fraud detection, prevention, and loss mitigation
- Liability determinations
- Contribution and subrogation analysis and pursuit
- Evaluation of alleged damages
- Timely and fair dispositions

Early contact with all parties involved in the loss provides us with the information needed to properly determine liability.

On-site investigations will be coordinated where appropriate. These investigations would be monitored and controlled by the service team. All investigations would be coordinated with the appropriate Risk Manager. Investigations will include photographs and diagrams to assist in liability and damages determination. Official reports such as police, fire, weather, autopsy, and toxicology will be obtained to assist our investigation.

Purchase orders, leases, contracts, and certificates of insurance will be reviewed to identify potentially responsible parties and facilitate risk transfer.

Indexing claimants with the **Central Index Bureau** and the **National Insurance Crime Bureau** allows us to determine if the claimant has filed any other claims. This ensures that you are responsible only for the injuries related to your accident. Indexing is a critical tool in our fraud control program. Suspect claims are reviewed with the client and our Special Investigative Unit to determine additional action steps.

A liability determination will be made within 30 days of your report of loss. If a final determination cannot be made within 30 days, a preliminary determination will be provided to you. We will recommend reserve



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changes to you, which reflect ongoing exposures, and we will identify and aggressively pursue contribution/subrogation potential where appropriate in order to reduce your exposure.

Once our investigation is complete, we will advise you of our findings and work with you to implement the appropriate claim disposition strategy.

### **Municipal Tort Immunities**

PMA's claims professionals identify and apply liability defenses, including Tort Immunities for public entities. If a claim is denied based upon those immunities, a letter will be sent to the claimant explaining the provisions of the qualified governmental immunities.

### **Reserving**

We establish both loss and expense reserves for the realistic value of a claim based on the most current information available at the time of review. Loss and expense reserves are set when the compensability decision is made during the investigation phase of the claims handling process, and reserve changes are considered as the facts and circumstances of the loss warrant. Loss and expense reserves are reviewed when the claims professional works the file, and claims are reviewed regularly for reserve adequacy by the claims supervisor.

PMA will consult with you on all reserve changes in excess of an agreed upon threshold, which will be memorialized in your Special Handling Guidelines. Rationale for all reserves will be documented in claims file log notes, and will be detailed when reserve changes are requested.

### **Independent Medical Examinations (IME)**

IMEs can be initiated when the length of disability exceeds expectations, the cause of the work injury is in question, a determination of the reasonability and/or necessity of a medical treatment plan is needed, or when physical capabilities for return-to-work at a modified job must be obtained.

The benefits and costs of an independent medical examination will be explained to you on a claim-by-claim basis, and will only be initiated upon your approval.

### **Settlement Authority**

Authorization will be requested prior to the settlement of any litigated claim. For non-litigated claims, we will exercise discretionary authority up to our agreed upon threshold, which will be memorialized in your Special Handling Guidelines.

Our claims professionals will provide written requests for authority for litigated claims, and non-litigated claims where the proposed settlement exceeds the agreed upon threshold, in advance of the proposed settlement date. Requests will include a detailed evaluation of the claims exposures, along with input from defense counsel and your risk manager. We will also work with you to identify claims where structured settlements may be beneficial.

### **Location Coding**

All claims reported to PMA will contain a client specified location code. A dropdown menu of location codes will be available for claims reported electronically through PMA Cinch.



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### **Claim Reviews and Stewardship Meetings**

We are committed to providing our clients with all of the tools and information necessary to effectively manage their workers' compensation programs. This is accomplished by providing access to detailed claims information through PMA Cinch, by conducting in-person or telephonic claims reviews, and through the presentation of our annual Stewardship Reports.

Formal claims reviews can be scheduled upon request. These reviews will serve to provide up-to-date loss information, and will allow all parties to discuss detailed action plans and resolution strategies on the selected claims files being reviewed.

In addition, we provide a detailed stewardship report on an annual basis to review the overall results of your program against your risk management goals. This report provides an extensive financial analysis, a detailed analysis of loss information, and a comprehensive review of risk-management data. This report is used both to demonstrate the results that have been obtained and to identify loss trends, enabling you to determine exactly where to focus your ongoing risk management efforts.

### **Fraud Control – Special Investigative Unit (SIU)**

PMA employs a full-time Special Investigative Unit. The SIU is staffed with insurance fraud professionals with over 25 years of industry experience who are committed to detecting, deterring, and preventing fraud while protecting the assets of our clients. The SIU is active in insurance industry professional organizations and in working with other insurance carriers. The Corporate SIU Coordinator is a Board Member of the Pennsylvania Insurance Fraud Prevention Authority and the SIU is active in the International Association of Special Investigative Units. Our Unit works in conjunction with the PMA claims professionals, receiving referrals from claims adjusters, supervisors, managers, and clients. This collaborative approach has resulted in significant savings for our clients and criminal insurance fraud prosecutions in many states. PMA's SIU is responsible for; fraud investigations, fraud training, regulatory anti-fraud compliance, private investigator vendor management, and maintaining PMA's Anti-Fraud Plan.

Each claim is reviewed for red flag fraud indicators by the claims adjuster and the claims supervisor. Inconsistencies are pursued and our SIU assists with the investigation and information gathering to support making appropriate claims decisions. When a misrepresentation is material to the claim, an insurance fraud referral is prepared and sent to the appropriate Fraud Bureau/DOI/District Attorney or Attorney General. A questionable claim submission may also be made to the National Insurance Crime Bureau.

### **Return-to-work/Stay-at-work**

A formal return-to-work/stay-at-work program is arguably the single most effective method of reducing your workers' compensation claims costs. PMA's claims and managed care professionals will collaborate to create or enhance a formal program for you. In addition, we employ a disability management strategy on lost-time claims. Our return-to-work/stay-at-work program consists of:

- Open communication with PMA claims professionals, nurses, and you
- Modified work programs, including light duty and alternative assignments
- Independent medical examinations
- Vocational rehabilitation



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- Use of occupational disability guidelines

Our claims professionals will maintain ongoing contact with you and your injured workers with the goal of safely returning them to work.

We can assist you in developing a work program in which employees perform a modification of their regular jobs, or different jobs altogether, until they are capable of resuming their normal work duties.

### Litigation Management

Regardless of assignment to counsel, our claims professionals remain committed to the quality of claims handling for each of their assigned files. Our aggressive litigation management procedures, which are outlined in PMA's Defense Counsel Guidelines, include stringent attorney selection (if applicable), collaborative development of defense strategies with counsel, counsel's submission of budgets, and legal bill review. To control costs, counsel generally performs only legal work, while PMA staff oversees investigations and negotiations.

### Responsible Reporting Entities (RREs)

Self-insured entities are considered primary payers and Responsible Reporting Entities (RRE) and must register as such. PMA has a comprehensive program to help you comply with your reporting requirements under the Medicare Secondary Payer Statute, and will handle all Section 111 reporting once you have registered as an RRE and selected PMA as your reporting agent. We partner with ExamWorks, which acts as our reporting agent.

### Comprehensive and Integrated Managed Care Claims Costs

The total average cost of a lost-time workers' compensation claim in the United States was \$53,000 in 2014. Medical and pharmacy costs are nearing 60 percent of expenses for workers' compensation claims. PMA Companies offers the expertise, capabilities, and programs to effectively manage these costs while helping you return employees to work.

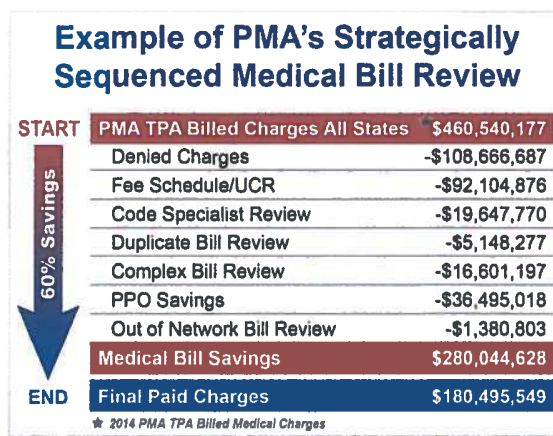
PMA's Managed Care programs are driven by our integrated, in-house team that is highly credentialed and 100 percent focused on workers' compensation.

### PMA's Strategically Sequenced Managed Care Programs

PMA has integrated and strategically sequenced all of our Managed Care programs, in partnership with industry leaders such as Coventry, QualCare, and Express Scripts, to support aggressive, quality care while addressing escalating medical and pharmacy costs.

Our Managed Care programs include:

- **Medical Bill Review Program.** As more injured workers require increasingly complex and expensive interventions—such as surgery and medication—our team conducts a strategically sequenced, in-



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depth, 10-point review to determine whether providers are billing for the appropriate treatments and whether employers are paying appropriate fees for that care. PMA's medical bill reviewers include certified medical coding specialists and registered nurses. Our program includes:

- Reviewing bills flagged for denied claims, unrelated body parts, unauthorized provider, and medical bills without supporting documentation
  - Fee schedule and usual, customary, and reasonable (UCR) reviews
  - Duplicate bill review, so the same bill is not paid twice
  - Complex bill review, including detailed review of all inpatient and outpatient hospital bills
  - Quality assurance spanning the entire medical bill review process
- **PMA Medical Network Strategy.** PMA provides access to extensive networks of multidisciplinary providers that specialize in workers' compensation, as well as diagnostic imaging centers and other ancillary service providers. Our program provides:
    - Access to one of the largest national provider networks in the workers' compensation industry with provider search available on our website ([pmacompanies.com/generic\\_findanetworkmedicalprovider.html](http://pmacompanies.com/generic_findanetworkmedicalprovider.html))
    - Specialty networks, including physical therapy, durable medical equipment, and diagnostic imaging centers
    - Negotiation with providers that do not participate in our preferred network
    - Creation of provider panels
    - Ability to nominate a provider group to the network
  - **Pharmacy Benefits Management (PBM) Program.** In recent years, pharmacy utilization and costs have skyrocketed. PMA's comprehensive PBM program includes oversight and active management of drugs—particularly narcotics—to help provide injured workers with appropriate intervention at an appropriate cost to their employers. In addition, our PBM program includes:
    - Retail and mail order pharmacy (online pharmacy locator at [pmacompanies.com/generic\\_findanetworkmedicalprovider.html](http://pmacompanies.com/generic_findanetworkmedicalprovider.html))
    - Generic conversion
    - Clinical management and formularies
    - Peer-to-peer medication review program
    - Independent medical examination
    - Drug testing and monitoring program
    - Out-of-network program
    - Injured worker narcotics education
    - Fraud, waste, and abuse detection unit

### PMA's Strategically Sequenced Pharmacy Bill Review

<b>START</b>	<b>Billed Charges All States</b>	<b>\$76,988,394</b>	
	Formulary & Blocked Transactions	-\$14,168,456	
	Physician Outreach Program	-\$1,197,971	
	Retrospective Drug Review	-\$642,929	
	Step Therapy	-\$964,242	
	High Cost Compound Review	-\$1,339,272	
	<b>Total Utilization Savings</b>	<b>-\$18,312,870</b>	
	<b>Total Contracted Savings</b>	<b>-\$14,730,956</b>	
	<b>Pharmacy Bill Savings</b>	<b>\$33,043,826</b>	
	<b>END</b>	<b>Final Paid Charges</b>	<b>\$43,944,568</b>

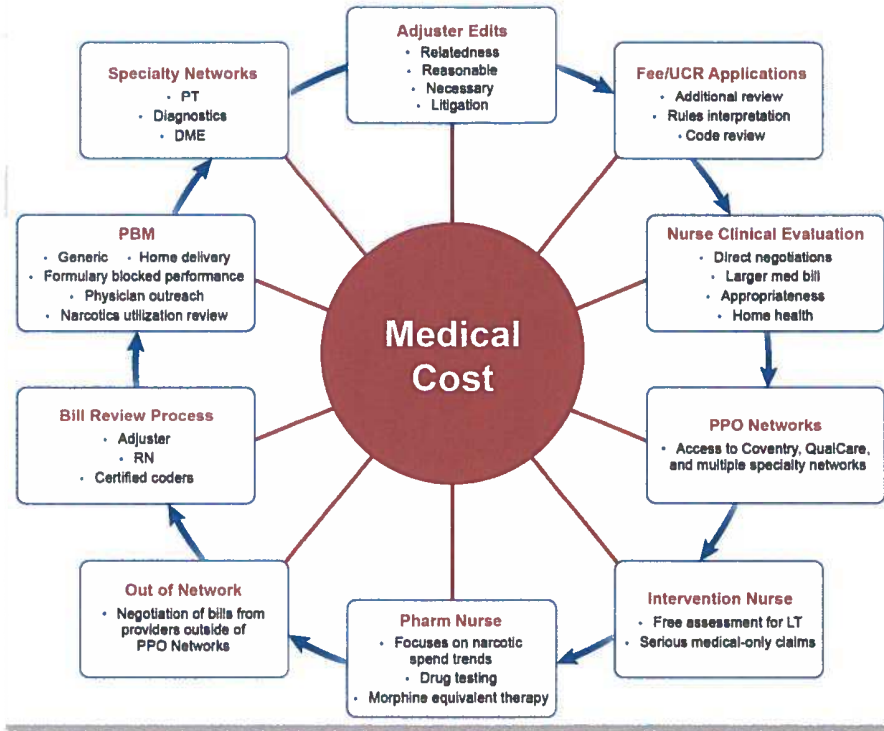
\*2014 PMA TPA Billed Pharmacy Charges



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## PMA's 10-Point Managed Care Solution



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- **Pharmacy Nurse Early Intervention Program.** PMA has a team of registered nurses who are trained to effectively manage complex files utilizing pharmacy resources and tools that support the needs of each individual injured worker.
  - Application of clinical guidelines assist in establishing appropriate treatment regimens that inhibit possible long-term medication dependency
  - Pharmacist and physician resources to drive alternatives in pharmacy regimen
  - Educational materials provided to injured workers on the dangers of narcotics abuse
  - Monitor and reinforce proper medication usage to increase safety and effectiveness
  
- **PMA Medical Management Program.** Early intervention and appropriate treatment can improve outcomes for your program and your injured workers. PMA’s comprehensive, proactive approach leverages highly experienced Registered Nurse Case Managers. With medical and workers’ compensation knowledge and commitment to patient education, our team works to help your injured workers safely recover and return to work when healthy. We also perform ongoing monitoring of injured workers’ care, helping to identify “red flags” before they have a significant impact on medical outcomes and costs. PMA’s Medical Management Program offers:
  - Triage Nurse Assessment  
(24/7 triage available via PMA Care 24)
  - Telephonic Case Management
  - Field Case Management
  - Catastrophic Case Management
  - Utilization Review
  - Peer-to-Peer Review
  - Medical Cost Projection



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### ***Risk Control Services***

PMA's approach to risk control involves developing an understanding of your business, getting to know your risks, and formulating strategies and programs for managing them. Our services are customized to your organization's particular needs. Our mission is to provide you with state of the art services that control loss costs and increase profitability.

As part of our unique holistic approach, we perform a risk management assessment—diving deep into current performance to identify action plans to reduce both the frequency and severity of losses. We will help you to evaluate and mitigate risk as you undertake key business decisions. We will also provide ongoing monitoring and benchmarking to track progress over time.

#### **Workers' Compensation**

Working in concert with PMA's Claims and Managed Care teams, PMA Risk Control plays a key role in our holistic approach utilizing both pre- and post-loss initiatives designed to reduce your total cost of risk. We offer a full range of risk control services, including safety program evaluations, hazard analysis, safety training, safety perception surveys, and loss frequency/severity reviews. We can help you establish and monitor a flexible, goal-oriented action plan for your safety programs.

#### **Property**

Our specialized services include fire prevention (site evaluation, exposure identification and control, sprinkler impairment program), as well as operations planning (review of building plans and automatic sprinkler design). We can also work with you to develop a business continuity plan that in the event of a fire, natural disaster, or other weather-related property damage will help keep your business operating or get it back up and running quickly with minimal interruption.

#### **Auto**

Our Risk Control professionals can help you reduce risk and cost by improving fleet safety and reliability. We collaborate with you to improve driver selection, hiring, and training, and offer recommendations on fleet safety policies and procedures. We can even help identify and implement best practices for vehicle maintenance, including pre- and post-trip inspections.

#### **General Liability**

Evaluating common and often hidden sources of liability exposures can go a long way in helping to ensure your organization is covered. Slips and falls and other injuries cost organizations financial loss and can impact brand reputation. Our team includes specialists with product safety and liability expertise who can partner with you to help you understand the principles of safe design, warning, and manufacturing, including the quality control processes that can help maintain product integrity and keep your employees and customers safe.

#### **PMA Webservice®**

You will also have access to PMA Webservice—an on-line portal of safety and risk management resources exclusively for our clients. Our Risk Control Consultants designed PMA Webservice to offer convenient access to practical loss prevention and safety information and solutions—including technical bulletins, safety and compliance training programs, monthly webinars led by

PMA industry specialists, as well as tools and resources to enhance your safety and health programs.

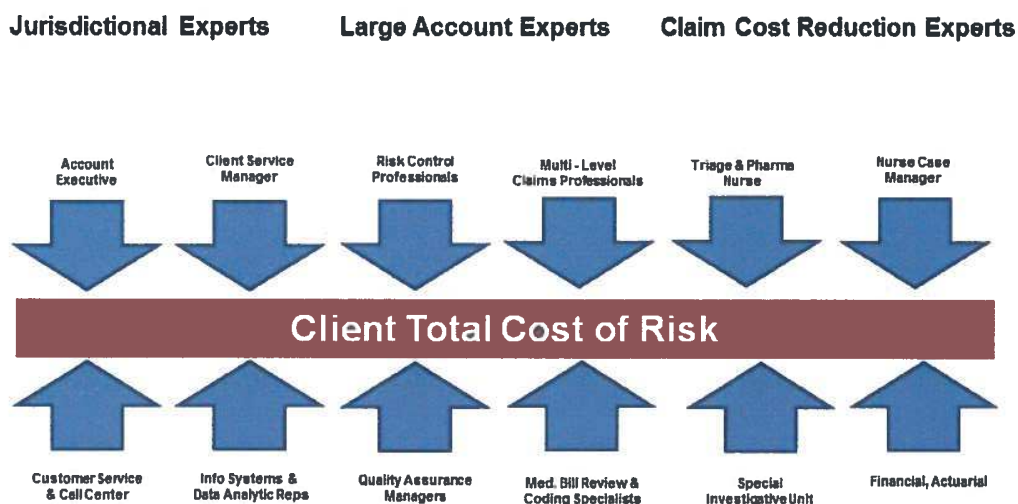
In PMA Websource, you can:

- Register for monthly webinars led by PMA industry specialists
- Pose risk management questions to industry experts
- Download industry white papers
- Review technical bulletins
- Obtain safety and compliance training programs
- Access tools and resources to enhance your organization's safety and health programs
- Receive discounts on services such as compliance training



## PMA People

We are known for delivering tangible value and having a service-driven culture with knowledgeable, experienced, and passionate employees. You will have a designated—and integrated—service team to execute our holistic approach, consisting of, as appropriate, any number of the following professionals:



## What to Expect

All members of your service team will have clearly defined roles and responsibilities:

- Your Account Executive will be responsible for all business aspects of our relationship with you—including new and renewal pricing, services and service team coordination, creation and execution of your legal contract, and overall customer satisfaction.
- Your Client Service Manager will oversee all aspects of the claims service relationship—including onboarding, orientation of our respective service teams, coordination of claims reviews and Stewardship Reporting, and your overall satisfaction with our claims service.
- Your Nurse Case Manager will provide professional medical insights both to our claims team and to your team—helping to identify clinical techniques and strategies that can support positive medical management outcomes.
- PMA's Risk Control professionals will offer strategies for reducing the frequency and severity of losses and creating a safer, healthier workplace.
- Our claims professionals will adjudicate and resolve each claim in a consistent and timely manner in accordance with industry standards and your special handling guidelines.
- Finally, our Customer Service Center will support the high-level claims service needs of PMA Companies' customers, claims staff, medical providers, and vendor partners.

## PMA Partnership Approach

Remember, PMA does more than just provide TPA and risk services—we are your **partner in risk management**. As such, we will be an extension of your risk management team and will work with you to drive down your total cost of risk by focusing on:

- Reducing frequency and severity of claims
- Transferring risk and exposure in property, auto, and general liability claims
- Educating you about your loss drivers and making recommendations for improvement
- Reducing indemnity and medical costs as well as program expenses
- Reducing your risk management budget

## PMA Technology

PMA's innovative technology tools support our holistic approach to reducing your total cost of risk.

## PMA Claims Center

Claims Center is our powerful claims management system allowing for improved data capture and reporting. With an all-lines system from Guidewire Software at its core, PMA Claims Center streamlines claims professional activities and improves claims professional efficiency. Further, this system enables us to perform the sophisticated analytics that drive our holistic approach.

## PMA Cinch — Access to Powerful Information that Impacts Financial Results

PMA is passionate about helping our clients take a smart, more strategic approach to risk management that drives business value. Timely, comprehensive, and meaningful claims and loss information is crucial in understanding risk exposures.

**PMA Cinch Claims Reporting**

EASY CLAIMS REPORTING WITH IMMEDIATE GENERATION OF A PMA CLAIM NUMBER

Report a loss with our screen, helping to ensure you submit the right information the first time. PMA immediately sends you a claim number and you can attach documents, e.g., statements, medical bills, and state forms to your loss report.

**WORKERS' COMPENSATION**

**PMA LOSS REPORTING**

**Comments**

The Claim Entry Wizard has been completed. You may add additional comments below and click the Submit button to send the data to PMA.

Enter minimum 1 line details in the comments box below.

Record Only

Send Email Copy

Claims Information Email

Click on the checkbox below to receive an email copy of the claim information just entered.



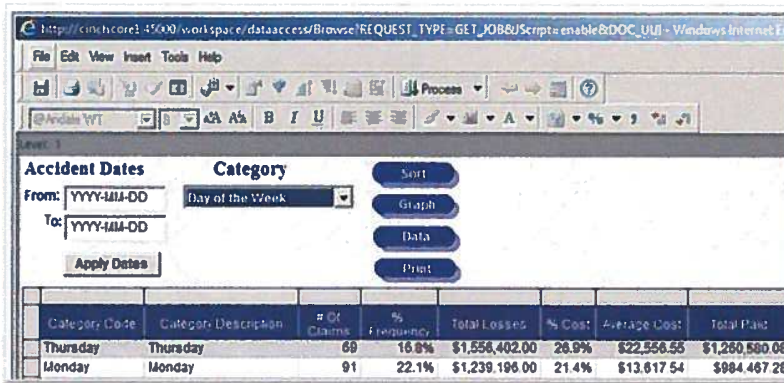
PMA Cinch enables your risk management executives and other professionals to manage their claims information—everything from the big picture to details of your loss information. It offers busy executives a quick snapshot of your risk management situation, and the robust capabilities and flexibility of Cinch allow your daily taskers to pinpoint the information that can significantly impact your bottom line. By analyzing trends and taking quick corrective action, you can enhance your operating performance, lower costs, and improve your financial results.

**PAYMENT DETAIL SCREEN**

PMA Cinch Payment Detail Screen allows you to select from a Payment Information Screen that includes medical, indemnity, expense, and loss payments. You see extensive payment and claims information, right down to whether or not a specific payment has been cashed.

On a day-to-day basis, Cinch will give you timely and convenient access to information about claims. The tool features an “Executive Dashboard” for a high-level view of activity. It also enables users to drill down, analyze, and develop reports and graphs about a wide range of information, including:

- **Executive Summary Tool**  
Utilize an interactive tool to organize and view both aggregate and individual claims information.
- **More Flexibility & Data Analytics**  
View claims information per your parameters—location, type, status, and accident date range.
- **Full-Color Charts & Visuals**  
Data appears in easy-to-view graphs, charts, and tables, allowing you to grasp information quickly.
- **Comprehensive Data**  
Display elements are based upon detailed data in your existing loss reports.
- **Ease of Use**  
The Dashboard is highly intuitive and requires no training.



### CREATE GRAPHS

The Analysis Tool enables you to create full-color graphs and charts from your data.

We have continuously enhanced PMA Cinch based on feedback from client focus groups. We listened to our clients and gave them the reports and tools they need to make decisions about their risk management programs.

### PMACompanies.com — 24/7 Access to Cinch and our Injured Worker Center

Our corporate website, pmacompanies.com, offers user-friendly functionality for reporting a claim, accessing PMA Cinch, and locating a network provider. PMACompanies.com also offers a robust Injured Worker Center—giving your employees convenient 24/7 access to PMA Companies contact information, pharmacy search, frequently asked questions about return-to-work, state resource links, and a workers' compensation guide for injured workers.

### Disaster Recovery Program & Enterprise Risk Management

For security reasons, specific information about our disaster recovery program is not sent to our clients. However, detailed information regarding PMA's security programs and processes is available for review and inspection at PMA's Corporate Headquarters in Blue Bell, PA.

Data and electronic images are backed-up on tape daily and sent to a vendor partner for secure off-site storage. Additionally, PMA has a comprehensive disaster recovery program that is managed by another vendor partner, DBSI.

In the event that a disaster should occur, our imaging technology makes it possible for our claims professionals to manage your losses from any PMA branch office without any discernable interruption in service to you.

Our backup/recovery site is dynamically connected to our primary site so that data is constantly being updated in both locations. This allows us to seamlessly switch to the backup site if a primary site disruption is encountered.



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Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**CITY OF HOLLYWOOD, FLORIDA**

**REQUEST FOR PROPOSALS  
FOR  
THIRD PARTY CLAIMS ADMINISTRATION**

**PROPOSAL FORMS**

**GENERAL INFORMATION**

Use of the proposal forms will enable a faster more complete analysis of the Proposal(s) submitted. Please complete this general proposal form in addition to a separate proposal for each coverage proposed. Additional information can be attached to the forms.

Name of Third Party Administrator: PMA Management Corp.

Address: 2701 N. Rocky Point Drive, Suite 250  
Tampa, FL 33607

Telephone Number: (813) 207-4428

Facsimile Number: (813) 207-4441

Primary Contact: Mark K. Davis, CIC Sr. Account Executive

Email Address: \_mark\_davis@pmagroup.com

Services being Proposed:

Workers' Compensation Yes X No \_\_\_\_\_

Liability Yes X No \_\_\_\_\_

Issue Date \_\_\_\_\_

State if Proposer is a national, regional or local organization

PMAMC is a regional organization.

Provide a list and description of similar municipal engagements satisfactorily performed within the past two (2) years (use separate sheet if necessary)

See below

Below is a partial list of some of PMA’s Public Sector clients:

- Lee County, FL
- City of Ocala, FL
- City of Palm Bay, FL
- Pasco County, FL
- City of Roswell, GA
- City of Riverdale, GA
- Fulton County Schools, GA
- City of Johnson City, TN
- City of Greenville, NC
- City of Greensboro, NC
- New Hanover County, NC
- City of Charleston, SC
- Greenville County Schools, SC
- City of Asheville, NC
- Prince William County, VA
- City of Alexandria, VA
- City of Hampton, VA
- City of Portsmouth, VA
- Hampton City Schools, VA
- Arlington County, VA
- Portsmouth Public Schools, VA
- County of Bucks, PA
- County of Berks, PA
- State of Delaware, De
- County of Rockland, NY
- City of Vineland, NJ
- County of Monmouth, NJ
- City of Bristol, CT
- County of Union, NY

Below is the contact information for a few of our public sector clients:

City of Ocala, FL  
 110 SE Watula Avenue Ocala, FL 34470  
 Lyn Viselli, Assistant Director, Human Resources & Risk Management  
[lviselli@ocalafl.org](mailto:lviselli@ocalafl.org)

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

Ph: (352) 401-3991  
WC, Liability & Auto Claims Administration (including on-site Liability Adjuster)

Lee County, FL  
2115 Second Street, Fort Myers, FL 33901  
Mike Figueroa, Risk Manager  
[mfigueroa@leegov.com](mailto:mfigueroa@leegov.com)  
Ph: (239) 533-2310  
WC, Liability & Auto Claims Administration

City of Palm Bay  
120 Malabar Road, Palm Bay, FL 32907  
Peter J. Sweeney, Deputy City Attorney  
[pete.sweeney@palmabayflorida.org](mailto:pete.sweeney@palmabayflorida.org)  
Ph: (321) 409-7185  
WC, Liability & Auto Claims Administration

Pasco County BOCC  
8731 Citizens Drive  
New Port Richey, FL 34654  
Steve Whitaker, Risk Manager  
[swhitaker@pascocountyfl.net](mailto:swhitaker@pascocountyfl.net)  
Ph: (727) 847-8029  
Liability Claims Administration

Has the Proposer been involved in litigation within the past five (5) years or is there any pending litigation arising out of the Proposer's performance? (if so, please provide details on separate sheet)

Yes   X   No \_\_\_\_\_

***For more information, please refer to Section 3 of the Attachments.***

Identify the claim manager and each individual who will work as part of the engagement. Include resumes for each person to be assigned. The resumes may be included as an appendix.

See below  
\_\_\_\_\_

**Timothy Susic, Regional Claims Manager – WC**

Tim is a graduate of Northern Arizona University with a BS degree in Business Administration. He holds the designations of Senior Claim Law Associate (SCLA) and Certified Workers' Compensation Professional (CWCP). With over 25 years of claims industry experience, he has served in many claim roles for national insurance companies. In addition to his extensive and

multi-state background in workers' compensation claims, he also has experience with other lines of business to include auto, liability and property claims. As a Regional Claims Manager, Tim is responsible for the Atlanta and Tampa PMA Management Corp. claim offices.

**Liz Smith, Client Service Management**

The overall management of the program implementation and claim services will be handled in a comprehensive manner, and overseen by our Client Service Manager (CSM) – Liz Smith. Liz Smith is our client liaison located in the Tampa, FL office, which provides a variety of services for our self-insured clients.

Liz provides the conduit for communication for key issues related to the needs of our Florida clients. As the CSM, she provides a thorough claims orientation for new clients to ensure a smooth transition to PMA. She will also work closely with the City of Hollywood, FL to establish "Special Claim Handling Guidelines" to provide a solid foundation of communication between the City and the PMA Team. Other assistance includes the installation of our PMACinch program (PMA's web-based risk management information system), conduct routine Claim Reviews and troubleshoot any problems that may arise. What truly separates PMA's Client Service Manager from other client liaisons involves the "accountability" to our client's performance. By keeping a scorecard of results, PMA works to set goals with our clients to achieve better outcomes. Liz will carefully track key benchmarks (timely claims reporting, medical cost-containment, loss analysis, demographic data, etc.) and assist the City of Hollywood to better understand the issues impacting claim costs. We will report results back to you in the form of a Stewardship Report during our routine meetings with your team, so that you are aware of the program's performance and the results that PMA Management Corp. is generating for you. We will identify trends that are having a negative impact on your program and provide recommendations to improve the program.

Liz is a graduate of the University of South Florida where she earned a Bachelor of Fine Arts with a concentration in electronic media. She has over 12 years of industry experience and she began her career in 2004 as a workers' compensation claims adjuster for a large Property & Casualty carrier. She has been working in Account Management since 2007, and came to PMA with extensive national and public entity account coordination experience and also has experience managing several complex, new account implementations. Liz is in the process of pursuing her ARM designation. Her years of industry experience allow her to offer insight on ways to improve performance on any trouble areas of your program.

**Daphyne Daniels – Regional Quality Assurance Analyst**

The Regional Quality Assurance Analyst's primary function is to guarantee that every claim is handled according to the highest possible standards. Because no two clients are alike, when claims are being reviewed for quality control the clients specific special handling guidelines are considered to make sure that the claim is being managed in accordance to their program. These individuals conduct annual internal file audits through our "Continuous Improvement Review" program. This is a rigorous review of each claim professional's work product. A random sample of claim files for each professional is reviewed on an annual basis to check for such items as investigation, disability management, action planning, litigation management, reserve accuracy, documentation, proper coding and communication. Each client's specific special handling guidelines are also considered during this audit. Offices not meeting our internal audit goal are

placed on an action plan and re-audited within the same year. The Regional Quality Assurance Analyst also perform a review of claims for all new PMA Management Corp. employees 90 days after their start date to ensure compliance with PMA claims handling standards. Any areas of improvement identified are discussed with the supervisor. Any adjuster scoring below a select percentage score is re evaluated after an additional 90 days. These audits help to establish ongoing training needs. Training needs are continuously evaluated and programs are developed in support of these training needs. Each office/adjuster is required to participate in these training programs. Training results are monitored.

Daphyne is a graduate of the University of Florida, and has 17 years of experience in the insurance industry. In her 17 years in the industry, she has handled claims for large national accounts, and managed a team of adjusters that handled the Workers' Compensation claims for one of the largest PEOs in Florida. Although she is currently the Quality Assurance Analyst for the Southern Region, she most recently served as the Regional Claim Supervisor for the Tampa office. As the Quality Assurance Analyst, she performs internal audits, develops necessary training identified through the audits, and provides/develops any targeted training necessary to allow us to continue to deliver an exceptional product to our clients. Daphyne is experienced in the handling of Florida presumption claims. Daphyne has achieved her Board Certification in Florida Workers' Compensation Litigation (CWCL designation), maintains her Florida All Lines License, and is pursuing her ARM designation.

#### **WORKERS' COMPENSATION**

##### **William (Bill) Burckhardt – Regional Claims Supervisor**

Bill is a graduate of Hofstra University where he earned a B.A. in Business Management. He has over 28 years of industry experience as he began his career in 1986 as a trainee with a large Property & Casualty carrier. He has held a number of supervisory and management positions in the past, and brings a wealth of knowledge gained from those positions into his current position. Prior to coming to PMA, he worked as a Senior Adjuster at a large TPA handling claims for a school board, as well as a very large global client. Bill has experience handling presumption claims for municipalities, has handled a number of other WC jurisdictions, and has three years' experience handling Auto/GL claims. He currently holds the position of Regional Claims Supervisor for PMAMC and is responsible for providing supervisory oversight and direction on all pending claims with in his team. He holds a CPCU designation, and maintains his All Lines License for the State of Florida.

##### **Mark LaTorella – Regional Claims Supervisor - WC**

Mark has over 20 years insurance experience having begun his insurance career in 1990. He has worked as a W.C. Claims Adjuster III for a major TPA, which was the highest level that can be attained in that position. Mark was also employed as a Claims technical manager for Chartis Insurance Co and was responsible for the technical direction of 6 W.C. claims adjusters. He is experienced in FL workers' compensation presumption claims and also has 5 years experience handling liability claims. He has a B.A. In Journalism from the University of Rhode Island, and has his Florida 620 all lines adjuster license.

##### **Luann Bates-Fleck – Sr. Account Claim Representative**

Luann has over 26 years of industry experience as she began her insurance career in 1990. She has worked as a Claims Adjuster III for a major carrier, which was the highest level that can be



attained in that position. Luann was also employed with the State of Florida Department of Labor as specialist in the Workers' Compensation Division. She currently holds the position as Senior Account Representative for PMAMC responsible for handling complex medical and litigated files. She also serves as a technical resource for the claims department. Luann is board certified in Workers' Compensation Litigation (CWCL) and is licensed to handles all lines of insurance products. Luann has over 11 years experience handling presumption claims.

**Rhonda Lucas – Sr. Account Claim Representative**

Rhonda graduated Magna Cum Laude from the University of South Florida where she earned a B.A. degree in Finance. She has over 14 years of industry experience as she began her carrier in 2002 as a workers' compensation claims examiner. She has completed extensive training in handling, reserving and negotiating workers' compensation claims and has handled multiple jurisdictions involving highly litigated claims. She currently holds the position of Senior Account Claims Representative for PMAMC responsible for handling complex medical and litigated files. She has earned awards for excellent service, training, project assistance and dedication to Customer as well as an award for her dedication and commitment to Tampa National Market Claims. She also maintains her All Lines License for the State of Florida

**Tara Henry – Claim Administrator**

Tara has over 10 years of industry experience, but recently worked for one of the largest TPAs in the region. She has earned the Accredited Claims Adjuster designation as a all lines adjuster, and maintains her FL license. She currently holds the position as Sr. Claims Administrator for PMAMC responsible for handling medical only claims to timely resolution as well as some minor indemnity claims.

**Lynn Elliot – Disability Management Coordinator**

She is a RN who has over 30 years experience in the health care field, including hospital, home health and clinic work. She has been a case manager in the workers' compensation arena for 15 years, including both case management and supervisory duties. She graduated from Norwalk Hospital School of Nursing in Connecticut and attended both Western Connecticut State University and University of South Florida. She maintains both her CCM and CDMS designations, as well as her Florida QRP.

**LIABILITY:**

**Philip J. Salamone, Jr, Assistant Vice President Claims - Liability**

Phil graduated from Dickinson College, Carlisle, Pa with a BA in Economics/Labor Relations. He joined PMA after graduation as part of its college recruitment program. During his 20+ year career with PMA he has acquired multi-state, multi-line experience in the operation and administration of property and casualty claims. He has broad experience in all facets of litigation management conducted within corporate and branch office settings. His industry experience includes: General, Products, Automobile and Professional Liability; Workers Compensation; Employers Liability; Managed Care; Deductible, Captive and SIR programs; Construction Defect/Tort Liability; Public Entity; Contractual Risk Transfer; Excess and Surplus Lines Coverage; Excess/Umbrella Reinsurance reporting and strategies and Complex Coverage litigation. Phil has performed coaching and claims oversight on a national book of claims, involving complex litigation, coverage and large monetary exposures. He assisted in the

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development and administration of the Continuous Review Program. He was instrumental in the redesign of PMA's litigation management program and developed/implemented the Corporate Legal bill review team. Phil is a member of the NJ Defense Association and licensed New Jersey Life, Health, Property/Casualty Producer.

**Edwin Duncan- Senior Account Claim Representative - Liability**

Edwin began his career in the insurance industry in 1984 and has over 15 years of experience handling property, auto, and liability exposures for both insured and self-insured clients. He has experience specifically handling auto, liability and professional liability claims for public entities in Florida, Virginia and North Carolina. Edwin's thorough and detailed investigation recently led to an arrest for insurance fraud involving a slip and fall claim against a Florida municipality. He has an Associates degree from Virginia Western Community College and has earned his AIC designation. Edwin is licensed in Florida, Georgia, North Carolina, South Carolina, Kentucky, Oklahoma, Alabama, Louisiana, Arkansas, and Texas.

**Lisa Weinstein- Senior Account Claim Representative – Liability**

Lisa is a graduate of Sam Houston State University where she earned her Master of Business Administration in 1998. She began her career in the insurance industry in 1999 and has over 10 years of experience handling auto, general liability, products liability and professional liability claims. Lisa specifically handles these exposures primarily for public entities in Florida as well as other jurisdictions. She has been involved in large scale liability investigations on behalf of a Florida municipality. She is licensed in Florida, Georgia, North Carolina, South Carolina, Kentucky, Oklahoma, Alabama, Louisiana and Texas. Lisa earned her CPCU designation in 2016.

Describe the organization of the proposed project team, detailing the level of involvement and field of expertise for each member of the team.

The majority of the City's day to day contact will be with the local **Tampa Claim Service** team members (noted in the response above). This project team will be involved in the day to day oversight and management of the City of Hollywood's claims and will be in contact with the City on a daily basis to strategize on resolution and outcomes. All aspects of claim handling will be carefully monitored by the supervisors to ensure that the claim professionals designated for the City of Hollywood are handling claims in line with the high-level of PMA's Best Practices and Communication in accordance to the Special Claim Handling Guidelines.

Additional assistance will occur for program from a variety of local and corporate PMA resources, many of whom have a tenure of over 20 years with PMA:

**Gary Harvey, Florida Branch Vice President** - responsible for oversight and direction for Claims, Underwriting, Underwriting Support, and Risk Control services for the PMA Tampa office operations.

**Mark K. Davis, Sr. Account Executive** - Mark is based in the Tampa, FL office and his responsibilities will include, but are not limited to: contract execution, funding arrangements, account stewardship, and overall client satisfaction.

**Elizabeth Smith, Client Service Manager**

Liz will be the City's client liaison and will provide the City with overall management of the program implementation and claim services ensuring that the City's program will be handled in a comprehensive manner. This includes but is not limited to ensuring efficient claims handling, participating in claim reviews, stewardships, providing the City with data analysis strategies to improve cost savings, oversight of the EDI process handled by our EDI specialist and constant overall program improvement.

**Corporate PMAMC Resources:**

**Frank Altieri, President PMAMC** - responsible for all claims, client services, and sales function for PMA Management Corp

**Michael MacAulay, Senior Vice President of Sales** - responsible for oversight and direction for all sales and marketing activities for Chris Desmarais, Regional Sales Manager and Mark K. Davis, Sr. Account Executive

**Jim Walsh, VP Claims** - oversees all claim management services for PMA Management Corp. Mr. Walsh will have direct interaction with the City of Hollywood, FL by receiving feedback from **Tim Susic**, Southeast Regional Claims Manager, **John Waggoner**, AVP Claims – WC and **Philip Salamone**, AVP Claims – Liability.

**Lisa Romeu, VP Services & Operations**– Client Service Managers (CSM) report to Ms. Romeu. Ms. Romeu oversees the Client Service Managers for the City of Hollywood in regard to the transition from the present third party administrator to PMA Management Corp. This will include data conversion, Section 111 account management transfer, FL State Board of Workers' Compensation self insured reporting requirements and overall program oversight.

**David Chandler, CIO** – responsible for the oversight of all Information Technology for PMA Management Corp, which would include operating systems – Claims Center, and PMA Cinch, on-line risk management tool that will be provided to the City of Hollywood.

**Joe Flynn, IS Consultant** – will provide the installation and training to the City for our risk management software system – PMACinch. The internet based program will provide the City with access to your workers' compensation program – log notes, electronic file documents, claim payments, loss runs, risk analysis and more.

**Sharon Stevenson, CPCU, Finance Manager** – Sharon and her team of financial experts will provide the assistance in establishing the funding mechanism for the City. Her team will also provide assistance on the monthly billing process, reconciliations, and collections.

**Donald Borrell, General Counsel** – Corporate Legal Counsel for PMA Management Corp. Responsible for review and oversight of all contractual obligations entered into by PMA Management Corp. Will work with the City of Hollywood in regard to service agreement for third party administrative services.

**Terry Kunselman, Quality Assurance Manager** – Terry and her team will assist the City of Hollywood, FL in providing quality control support to ensure our local claims team is executing as efficiently as possible. They will work closely with client, brokers and carriers to ensure that each and every claim is handled to the highest quality on a consistent basis. Terry will have direct interaction with the City of Hollywood, FL by receiving feedback through **Daphne Daniels**, the Southern Region Quality Assurance Analyst.

Describe what municipal staff support you anticipate for the project.

The PMAMC Service Team will draw from our public sector expertise in FL and throughout our organization. Public sector clients make up 40% of PMA Management Corp.’s self-insured programs. The opportunity to work with a significant number of public entity clients has provided PMA with a special expertise. Understanding the issues that face our public sector clients allows us to align the people, technology and resources to help drive out costs workers’ compensation.

PMA Management Corp. also provides our public sector clients with special projects to help further educate our clients on the issues facing workers’ compensation programs. In 2013, PMA Management Corp. worked closely with the leadership team from the PRIMA organization to prepare a study involving public risk managers throughout the country. The goal was to prepare a survey of these risk professionals to better understand the issues they face with budget and the ever increasing costs in workers’ compensation. The findings were collected and presented to risk managers at the recent National PRIMA Conference by our president, Frank X. Altieri.

***Please refer to Section 1 of the Attachments for a the report, “Public Entity Risk Management: Zero In on Workers’ Compensation Cost Drivers”***

PMA Management Corp. does more than just provide TPA and risk services—we are your **partner in risk management**. As such, we will be an extension of your risk management team and will work with you to drive down your total cost of risk by focusing on:

- Reducing frequency of claims
- Reducing severity of claims
- Educating you about your loss drivers and making recommendations for improvement
- Reducing indemnity and medical costs
- Reducing your workers’ compensation budget

Will the Proposer charge a set up fee, an initial fee or maintenance fee?

Yes \_\_\_\_\_ No   X   \_\_\_\_\_

If so, please provide details

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please explain required banking Arrangements:

PMAMC will work with the City to determine a banking arrangement that will amenable to both parties. Below is overview of our standard funding options.

	<u>Traditional Escrow</u>	<u>Direct Funding - ACH Debit</u>
<b>Required Escrow:</b>	3 months estimated claim payments	1) Zero – Daily Funding Only 2) Two weeks estimated claims payments – Weekly Funding 3) 1 ½ months estimated claims payments - Monthly Funding
<b>Sources of Loss Funding:</b>	Escrow account held by PMA	Client’s checking account
<b>Monthly Billing:</b>	Escrow replenishment and loss handling fees	Loss Handling Fees
<b>Required Banking Documentation:</b>	None	Authorization to Access Account form

**Traditional Escrow**

This option is available to all large deductible and self-insured clients. With this option, the client will provide PMA with an escrow of three months estimated paid losses. PMA will pay for the claims throughout the month with this account. At the end of the month, PMA will bill the client for losses paid along with the appropriate loss handling fee. The client will also receive detailed loss reports showing all claim activity for the month and cumulative claim summary report by policy.

**Direct Funding - ACH Debit**

This option is also available to all large deductible and self-insured clients. With this option, the client will receive a daily, weekly or monthly electronic communication from Wells Fargo Bank with the total claim checks issued that day, week or month. On the next business day, Wachovia will initiate an ACH transfer to deduct the previous days claims from the client’s bank account. This funding will take place each day, week or month claim checks are issued throughout the month. At month-end, the client will receive an AMPS billing statement for loss handling fees, loss-based taxes and assessments. The client will also receive detailed claim reports showing all activity for the month. Reimbursement by check or client-initiated Wire Transfer/ACH Transfer is required for payment of fees, taxes and assessments.



Can the Proposer provide the required insurance?

Yes  X  No \_\_\_\_\_

If not, please explain \_\_\_\_\_

Can the Proposer offer the City direct/online access to claim information?

Yes  X  No \_\_\_\_\_

If so, please provide details and cost, if any.

Access to our RMIS system is included in the annual flat fee being proposed to the City for up to 3 users.

PMA Management Corp.'s Risk Management Information System combines state of the art technology with convenient on-line access and customized reporting packages. PMA Cinch, our online information system, was developed to provide fast, easy access to your risk management data. We designed the system to be flexible, allowing us to meet our clients' most specific business needs.

**Key Features**

- Executive "Dashboard"
- New Claim Reporting with Immediate Claim Number
- Access to Detailed Claims Data
- Document Image Viewing Capability for self insured clients
- Report Generation
- Chart Generation
- Instant Adjuster Contact
- OSHA Tracking
- Risk Managers Diary System
- Reserve Increase Notification

**PMA Cinch Executive Dashboard**

The Executive Dashboard was designed to help clients track their loss history performance, monitor their progress and identify and prevent problems in their risk management programs. Features include:

- **Executive Summary Tool**—An interactive tool making it easy for clients to organize and view both aggregate and individual claims information.
- **Full Color Charts and Visuals**—Data appears in easy-to-view graphs, charts and tables, enabling our clients to grasp information quickly and easily.
- **More Flexibility and Data Analytics**—Claims information can be customized according to individual user needs, for example, location, claims type, claims status, and accident date range.
- **Comprehensive Data**—Display elements are based upon extensive, detailed data in clients' loss reports.
- **Ease of Use**—The dashboard is highly intuitive and requires no training.

**Access to Detailed Claims Data**

PMA Management Corp. understands that keeping you advised of the status of claims enables you to control your loss costs. Through PMA Cinch, we can provide you with detailed claim information that is updated on a daily basis. This includes:

- Claim Professionals' Log Notes
- Descriptions of Losses
- Summaries of Damages/Injuries
- Review of Liability
- Incurred / Paid / Reserve Histories
- Current Status Information
- Detailed Action Plans
- Payment Histories and Details

**Image Viewing Capability**

In addition to the above data, PMA Cinch provides our self-insured clients with the ability to view scanned images of the actual documents contained in the claim file. These include medical reports, police reports, attorney correspondence, and all medical and legal bills. You see what our adjusters see!

PMA Management Corp. utilizes imaging technology to operate in a "paperless" environment. This provides a fast, economical, and efficient way to store, retrieve and view claim information. The imaged file is the actual working document used by our claim professionals, not just a file copy. With this technology, the claim professional, supervisor, and client can simultaneously review the same report, without the need to generate multiple paper copies.

**New Claim Reporting**

PMA Cinch allows you to submit new claims to PMA Management Corp. via the internet. This allows for faster claim assignments and investigations, instant claim numbers, and more accurate data entry. Submitting claims is simple, as the system was designed with many drop-down menus for point-and-click operation.

**Report Generation**

PMA Cinch allows our clients to generate loss reports based on information that is updated monthly. Standard Reports available through PMA Cinch include Detailed Loss Runs for all lines of business, Loss Summaries, Repeater Reports identifying claimants or employees with multiple files, Serious Loss Reports, and Reporting Lag Time Reports. Many of these can be sorted by location, by policy, or by status (open / closed).

In addition to the Standard Reports, we have the ability to provide custom and ad-hoc reports, giving you access to any loss information you need, whether it be on a frequent basis or a one-time review. There is typically no additional charge for these ad hoc reports

**Chart Generation**

The PMA Cinch analysis tool allows you to generate custom charts to assist you in analyzing your loss data. These charts can be created based upon the parameters you select, giving you the ability to customize your own visualization of the loss information.

**Sample Data Fields Captured in PMA Claims System**

PMA Account Number * Mandatory	Claimant Hire Date
PMA Policy Number * Mandatory	Claimant Occupation
Claimant Name (First/Last) * Last Name Mandatory	Claimant Disability State Date
Claimant Address	Employer Know Date
Claimant Social Security * Mandatory	Last Day Paid
Claimant City	Jurisdiction State * Mandatory
Claimant State	Compensability Date
Claimant Zip Code	Claimant Compensation Rate
Claimant Phone Number	Average Weekly Wage
Accident Date * Mandatory	Return to Work Wage
Claim Entry Date	Claimant Returns to Full Duty Date
Accident State	Claimant Returns to Light Duty Date
Accident Location	Light Duty Offered Date
Class Code	Light Duty Accepted
Class State	Claimant Max Improvement Date
Claims Status (Open/Closed)	Claimant Disability Percent
Claim Type (Lost time, Medical only, Record only)	Date of First Medical Service
Accident Report Date	Summary of Payments by Medical, Indemnity & Expense
PMA Accident Type * translated from NCCI codes	Detail of Medical Payments
Accident Description * field is up to 7 lines of 78 characters each	Detail of Indemnity Payments
Claimant Gender	Detail of Expense Payments
Marital Status	Claimant Hire Date
Claimant Age	Claimant Occupation
Claimant Age at time of Accident	Claimant Disability State Date
Claimant Date of Birth	Employer Know Date
Claimant Number of Dependents	Last Day Paid
Claimant Employee Status	Jurisdiction State * Mandatory

**Instant Adjuster Contact**

With PMA Cinch, you have the ability to e-mail the adjuster assigned to a file while you are reviewing the claim. This allows you to request details about the loss while it is fresh in your mind.

**OSHA Tracking**

PMA Cinch can assist you in tracking losses for OSHA reporting. With PMA Cinch, you can add data to your claims, or remove claims from the log which are not reportable.

Issue Date \_\_\_\_\_

**Risk Manager Diary System & Reserve Increase Notification**

PMA Cinch allows users to follow specified claims using an automated diary system including an automated reserve increase notification feature. In addition, Cinch users can keep their own personal notes on these claims separate from the actual claim file notes. This allows our clients to closely monitor the developments of high profile cases.

For more information on the PMA Cinch – Risk Management Information System – please refer to Section 2 of the Attachments. .

Please provide the City and State where the physical administration will take place.

PMA Branch Office - Tampa, Florida

What is the current case load of the adjusters that will be assigned to the City's account?

Workers' Compensation

Lost Time workers' compensation adjusters maintain a caseload of 140 claims.

Liability

Liability claims adjusters maintain an average caseload of 160 claims

Please provide the number of active self-insured accounts being administered from the responsible office.

Governmental

4

Other

20

Please provide complete details on the proposer's ability to provide loss control engineering services as specified in this RFP. Include the cost of such services if not included in base fees. (use separate sheet if necessary).

PMA's approach to loss control engineering services (Risk Control) involves developing an understanding of your business, getting to know your risks, and formulating strategies and programs for managing them. Our services are customized to your organization's particular needs. Our mission is to provide you with state of the art services that control loss costs and increase profitability.

As part of our unique holistic approach, PMA is including a **Risk Management Assessment (RMA)** for the City in our services proposal at no charge. This risk management assessment allows our Risk Control Consultant to dive deep into current performance to identify action plans to reduce both the frequency and severity of losses. We will help you to evaluate and mitigate risk as you undertake key business decisions. We will also provide ongoing monitoring and benchmarking to track progress over time.

#### **Workers' Compensation**

Working in concert with PMA's Claims and Managed Care teams, PMA Risk Control plays a key role in our holistic approach utilizing both pre- and post-loss initiatives designed to reduce your total cost of risk. We offer a full range of risk control services, including safety program evaluations, hazard analysis, safety training, safety perception surveys, and loss frequency/severity reviews. We can help you establish and monitor a flexible, goal-oriented action plan for your safety programs.

#### **Property**

Our specialized services include fire prevention (site evaluation, exposure identification and control, sprinkler impairment program), as well as operations planning (review of building plans and automatic sprinkler design). We can also work with you to develop a business continuity plan that in the event of a fire, natural disaster, or other weather-related property damage will help keep your business operating or get it back up and running quickly with minimal interruption.

#### **Auto**

Our Risk Control professionals can help you reduce risk and cost by improving fleet safety and reliability. We collaborate with you to improve driver selection, hiring, and training, and offer recommendations on fleet safety policies and procedures. We can even help identify and implement best practices for vehicle maintenance, including pre- and post-trip inspections.

#### **General Liability**

Evaluating common and often hidden sources of liability exposures can go a long way in helping to ensure your organization is covered. Slips and falls and other injuries cost organizations financial loss and can impact brand reputation. Our team includes specialists with product safety and liability expertise who can partner with you to help you understand the principles of safe design, warning, and manufacturing, including the quality control processes that can help maintain product integrity and keep your employees and customers safe.

#### **PMA Webservice®**

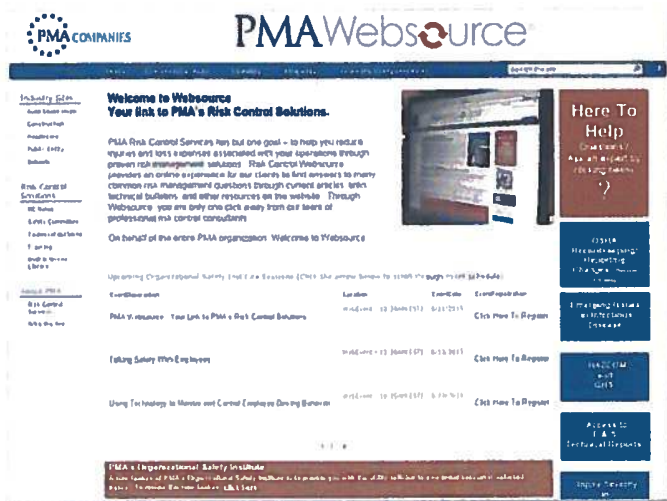
You will also have access to PMA Webservice—an on-line portal of safety and risk management resources exclusively for our clients. Our Risk Control Consultants designed PMA Webservice to offer convenient access to practical loss prevention and safety information and solutions—including technical bulletins, safety and compliance training programs, monthly webinars led by PMA industry specialists, as well as tools and resources to enhance your safety and health programs. In PMA Webservice, you can:

- Register for monthly webinars led by PMA industry specialists
- Pose risk management questions to industry experts
- Download industry white papers



Issue Date

- Review technical bulletins
- Obtain safety and compliance training programs
- Access tools and resources to enhance your organization's safety and health programs
- Receive discounts on services such as compliance training



**For more information on our comprehensive Risk Control Services, please refer to Section 3 of the Attachments.**

The Proposer stated below is the authorized agent of the company or companies proposed, and is authorized to commit the proposing company to the terms and conditions stated above.

*Michael McArthur*

Signature of Authorized Representative

8/1/16

Date

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**CITY OF HOLLYWOOD, FLORIDA**

**REQUEST FOR PROPOSALS  
FOR  
THIRD PARTY CLAIMS ADMINISTRATION**

**PROPOSAL FORMS**

**WORKERS' COMPENSATION**

Use of the proposal forms will enable a faster more complete analysis of the Proposal(s) submitted. Please complete a separate form for each proposal. Additional information can be attached to the forms.

Name of Third  
Party Administrator:

PMA Management Corp.

Address:

2701 North Rocky Point Drive, Suite 250

Tampa, FL 33607

Telephone Number:

(813) 207-4428

Facsimile Number:

(813) 207-4441

Primary Contact:

Mark K. Davis, CIC Sr. Account Executive

Email Address:

mark\_davis@pmagroup.com

Does the Proposer agree to  
provide the following services  
for the price proposed?

Establish a claims file on all  
incidents reported by the City.

Yes X No \_\_\_\_\_

Issue Date \_\_\_\_\_  
RD

Establish and maintain reasonable reserves on all active claims. Yes  X  No \_\_\_\_\_

Investigate all reported incidents and make a determination of the claim's compensability within 24 hours. Yes  X  No \_\_\_\_\_

Obtain recorded statements from the claimant and all witnesses if any aspect of the claim is questionable. Yes  X  No \_\_\_\_\_

Monitor the medical treatment of the claimant and pursue timely Maximum Medical Improvement (MMI) dates from the treating physician(s). Yes  X  No \_\_\_\_\_

Pay all benefits in accordance with Florida Statutes. Yes  X  No \_\_\_\_\_

Reduce all medical bills in accordance with the State Fee Schedule. Yes  X  No \_\_\_\_\_

Coordinate with the City to determine the availability of light duty positions and obtain the opinions of the treating physicians regarding the claimant's ability to perform the duties of such positions. Yes  X  No \_\_\_\_\_

Coordinate with the City and its defense counsel on all litigated matters. Yes  X  No \_\_\_\_\_

Issue Date  
RD

Advise the City of all claims that could benefit from the assignment of Nurse Case Management and provide such services at the direction of the City. Yes X No \_\_\_\_\_

Report claims that could possibly pierce the self-insured retention of the City to its Excess Insurer and provide periodic reports in accordance with the terms and conditions of its policies. Yes X No \_\_\_\_\_

File necessary documentation to the City's Excess Insurer and obtain reimbursements on a timely basis. Yes X No \_\_\_\_\_

Pursue all potential subrogation to the full extent of the law. Yes X No \_\_\_\_\_

Please note, PMAMC does not charge for subrogation recovery.

Electronically capture all claim costs and prepare detailed loss history reports on a monthly basis. Yes X No \_\_\_\_\_

Provide loss history information In Microsoft Excel format. Yes X No \_\_\_\_\_

Maintain detailed adjuster and Nurse case manager's notes documenting all claim activity. Yes X No \_\_\_\_\_

Provide real time, online access to the City's claims to include adjuster and nurse case manager's notes. Yes X No \_\_\_\_\_

Provide the City with written narrative reports every sixty (60) days. Yes X No \_\_\_\_\_

File all State mandated reports on behalf of the City. Yes X No \_\_\_\_\_

Issue Date

Arrange for the responsible adjuster and his/her supervisor to attend a minimum of four (4) claim review meetings annually.

Yes X No \_\_\_\_\_

Respond to all questions raised by the City or its representative(s) in a timely fashion.

Yes X No \_\_\_\_\_

Pursue timely and cost effective settlements in accordance with the City's approval and protocols.

Yes X No \_\_\_\_\_

Maintain all closed files for a period of time acceptable to the City and return such files to the City if requested.

Yes X No \_\_\_\_\_

Cooperate and assist the City in the performance of claim audits/reviews.

Yes X No \_\_\_\_\_

Make timely recommendations to the City regarding cost containment measures such as the use of private investigation, utilization reviews, independent medical exams, etc.

Yes X No \_\_\_\_\_

Attend mediations and trials as requested by the City's defense counsel.

Yes X No \_\_\_\_\_

All responses of "No" to the above questions must be fully explained.

Please provide experience of adjusters that will be assigned to the City's account with police and firefighter's presumption claims.

Our proposed claims staff has extensive experience handling public sector accounts in FL including but not limited to Lee County, City of Ocala, City of Palm Bay and Pasco County to name a few. All of our adjusters are experienced with the presumption issues in the state of Florida.



Issue Date \_\_\_\_\_

**Quoted Price:**

	Claims occurring after September 30, 2012	Claims occurring prior to October 1, 2012 (Assumed claims)
Proposed Monthly Fee	\$8,481 1 <sup>st</sup> month / \$8,479 next 11	Included
Proposed Annual Fee	\$101,750	Included

Is an alternative pricing structure proposed?

Yes  X  No \_\_\_\_\_

If so, please specify (use separate sheet if necessary)

PMA is offering the City:  
1) Combined WC & Liability Option  
2) WC Only Option  
3) Liability Only Option

Will a minimum fee apply to the contract?

Yes  X  No \_\_\_\_\_

If so, please provide full details

PMA is offering a Flat Annual Fee for all Pricing Options. For more details, please refer to **Tab 7**.

Please provide a complete description and cost of ancillary services not included in base fee. (use separate sheet if necessary)

PMA has a complete description and cost of ancillary services prepared in **Tab 7**.

Are there any exceptions to the specifications?

Yes  X  No \_\_\_\_\_

If so, please specify

PMA has outlined some exceptions / clarifications in **Section 3 of the Attachments**.

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

The Proposer stated below is the authorized agent of the company or companies proposed, and is authorized to commit the proposing company to the terms and conditions stated above.

*Michael McAuley*

\_\_\_\_\_  
Signature of Authorized Representative

*8/1/16*

\_\_\_\_\_  
Date

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**CITY OF HOLLYWOOD, FLORIDA**  
**REQUEST FOR PROPOSALS**  
**FOR**  
**THIRD PARTY CLAIMS ADMINISTRATION**  
**PROPOSAL FORMS LIABILITY**

Use of the proposal forms will enable a faster more complete analysis of the Proposal(s) submitted. Please complete a separate form for each proposal. Additional information can be attached to the forms.

Name of Third Party Administrator: PMA Management Corp.

Address: 2701 North Rocky Point Drive, Suite 250  
Tampa, FL 33607

Telephone Number: (813) 207-4428

Facsimile Number: (813) 207-4441

Primary Contact: Mark K. Davis CIC, Sr. Account Executive

Email Address: mark\_davis@pmagroup.com

Does the Proposer agree to provide the following services for the price proposed?

Establish a claims file on all incidents reported by the City. Yes X No \_\_\_\_\_

Issue Date  
RD

Establish and maintain reasonable reserves on all active claims. Yes X No \_\_\_\_\_

Investigate all reported incidents and make a determination of the City's negligence. Yes X No \_\_\_\_\_

Develop recommended defenses in a timely manner. Yes X No \_\_\_\_\_

Cooperate with the City's Attorney's Office on all claim matters. Yes X No \_\_\_\_\_

Coordinate with the City and its defense counsel on all litigated matters. Yes X No \_\_\_\_\_

Pursue all potential subrogation to the full extent of the law. Yes X No \_\_\_\_\_

Please note: PMA Management Corp does not take of percentage of subrogation recovery.

Report claims that could possibly pierce the City's self-insured retention to its Excess Insurer and provide periodic reports in accordance with the terms and conditions of the City's policies. Yes X No \_\_\_\_\_

File necessary documentation to the City's Excess Insurer and obtain reimbursements on a timely basis. Yes X No \_\_\_\_\_

Provide the City with written narrative reports every sixty (60) days. Yes X No \_\_\_\_\_

Arrange for the responsible adjuster and his/her supervisor to attend a minimum of four (4) claim review meetings annually. Yes X No \_\_\_\_\_

Issue Date \_\_\_\_\_

Attend weekly case review meetings  
With City Attorney & Risk Manager

Yes X \_\_\_\_\_ No \_\_\_\_\_

PMAMC can offer a blend of telephonic and in-person reviews.

Respond to all questions raised  
by the City or its representative(s)  
in a timely fashion.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Pursue timely and cost effective  
settlements in accordance with  
the City's approval and  
protocols.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Electronically capture all  
claim costs and prepare  
detailed loss history reports  
on a monthly basis.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Provide loss history information  
In Microsoft Excel format.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Maintain detailed adjuster's  
notes documenting all  
claim activity.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Provide real time, online access  
to the City's claims to include  
adjuster's notes.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Maintain all closed files for a period  
of time acceptable to the City  
and return such files to the City  
if requested.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Cooperate and assist the City in  
the performance of claim  
audits/reviews.

Yes X \_\_\_\_\_ No \_\_\_\_\_

Attend mediations and trials  
as requested by the City's  
defense counsel.

Yes X \_\_\_\_\_ No \_\_\_\_\_

All responses of "No" to the above questions must be fully explained.

Issue Date \_\_\_\_\_

**Quoted Price:**

	Claims occurring after September 30, 2016	Claims occurring prior to October 1, 2016 (Assumed claims)
Proposed Monthly Fee	\$14,174 1 <sup>st</sup> month/ \$14,166 next 11	Included
Proposed Annual Fee	\$170,000	Included

Is an alternative pricing structure proposed?

Yes  X  No \_\_\_\_\_

If so, please specify (use separate sheet if necessary)

PMA is offering the City:

- 1) Combined WC & Liability Option
- 2) WC Only Option
- 3) Liability Only Option

Will a minimum fee apply to the contract?

Yes  X  No \_\_\_\_\_

If so, please provide full details

PMA is offering a Flat Annual Fee for all Pricing Options. For more details, please refer to **Tab 7**.

Please provide a complete description and cost of ancillary services not included in base fee. (use separate sheet if necessary)

PMA has a complete description and cost of ancillary services prepared in **Tab 7**.

Are there any exceptions to the specifications?

If so, please specify

Yes  X  No \_\_\_\_\_

PMA has outlined some exceptions / clarifications in **Section 3 of the Attachments**.



Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

The Proposer stated below is the authorized agent of the company or companies proposed, and is authorized to commit the proposing company to the terms and conditions stated above.

*Michael McPhay*

\_\_\_\_\_  
Signature of Authorized Representative

*8/1/16*

\_\_\_\_\_  
Date

# PMA Management Corp. - Pricing Proposal

PMA offers a complete and comprehensive claims management program.

## Claims Handling Activities:

- Investigation
- Three-Point Contact
- Action Planning
- Claims Processing
- Compensability Decisions
- Subrogation / SIF Investigation
- Excess Reporting & Recovery
- Fraud Prevention / SIU Capabilities
- Account Management
- Quality Assurance Program Oversight
- Structured Settlements
- Pre-Settlement Advisories
- EDI with State as Required
- 1099 Reports
- Settlement Authority
- Central Index Bureau /National Insurance Crime Bureau
- Resolution Negotiation
- Litigation Management
- Check Issuance
- Payment Registers
- Claim Review Meetings
- Stewardship Meeting
- Self-Insurance Re-Application Assistance
- First Report of Injury Filed with State Agency
- Customized Claim Handling Instructions
- Reserve Advisories
- Patriot Act Compliance
- Office of Federal Asset Control Compliance
- Claim Acknowledgements
- Direct Deposit of Indemnity Payments

## PMA's Managed Care:

- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Early Intervention Nurse Assessment on Lost Time Claims
- PPO & Specialty Network Access
- PPO Radius Listing & Mapping to Locations
- Pharmaceutical Benefit Management
- Case Management

## Safety/Loss Prevention Services:

- Websource Access
  - PMA Technical Bulletins
  - PMA Monthly Web Events Training
  - 300+ Safety Videos/DVD Library
  - WC Performance Indicator Report \*
  - Risk Management Assessment\*
  - PMA Insights White Papers
  - PMA Engineering & Safety Services\*
- \*Separate fee may apply

## RMIS Services:

- Executive "Dashboard"
- Internet Claim reporting via Cinch
- Claim Number Notification
- Real Time Access to Claim Log Notes
- Client Diary System
- Loss Analysis Reports
- Managed Care Savings Reports
- Reserve Analysis Reports
- Email Claims Professional Capabilities
- "Schedule My Reports" Feature

## Loss Adjustment Expenses:

- Independent Medical Exams
- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Case Management Expenses
- Utilization Review Expenses
- PPO Network Access Fees
- Private Investigators
- Medicare Section 111 Reporting Fee
- Attorney Fees
- Legal Fees other than Attorney Fees
- Records Reproduction Fees

*City is responsible for the payment of all Loss Adjustment Expenses including, but not limited to, the above.*

## Pricing Option 1: Workers' Compensation Only

PMA will provide the City of Hollywood comprehensive Life of Contract Third-Party Administration Services for all "new" and "takeover" workers' compensation claims as represented in your proposal for the period 10/1/16 to 10/1/21 as follows:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>Flat Annual Fee / Life of Contract</b>	\$101,750	\$101,750	\$101,750	\$104,750	\$106,850
<b>Bundled Services</b>					
Claims Handling	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Annual Administration Fee	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
PMA Cinch – Risk Management Information System (3 users)	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
OSHA Log	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Web Imaging	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Data Conversion	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Quarterly Claim Reviews	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Risk Control Services	<i>25 Hours Included</i>	<i>25 Hours Included</i>	<i>25 Hours Included</i>	<i>25 Hours Included</i>	<i>25 Hours Included</i>
<b>Unbundled Services</b>					
Cost Containment fee, % savings	<i>25%</i>	<i>25%</i>	<i>25%</i>	<i>25%</i>	<i>25%</i>
Medical Bill Review Fee	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>
Custom IS Reporting	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>
<b>Optional Services</b>					
Telephonic / On-Site Case Management	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>
Risk Control Services (additional)	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>

### NOTES:

1. If during the term of the contract, any individual occurrence results in more than 10 claimants, as determined by PMAMC, then the following additional claim handling fees above and beyond the Annual Flat Fee shall apply: beginning with the 10<sup>th</sup> claim and for every claim thereafter, \$850 will be charged for each Lost Time claim and \$125 for each Medical Only claim.
2. Pricing Proposal requires a 3 Year Commitment.
3. Flat Annual Fee pricing is contingent on the number of Take-over claims assumed. This quote includes up to 72 Lost Time and 65 Medical Only claims. If more take-over claims are received, the program will be re-priced.
4. PMA Cinch includes 3 users. \$500 per additional users.



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## Pricing Option 2 – Auto & Liability Only

PMA will provide the City of Hollywood comprehensive Life of Contract Third-Party Administration Services for all “new” and “takeover” Auto & Liability claims (Bodily Injury, Property Damage, Auto Physical Damage and Professional Liability) as represented in your proposal for the period 10/1/16 to 10/1/21 as follows:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>Flat Annual Fee / Life of Contract</b>	\$170,000	\$170,000	\$170,000	\$173,500	\$177,000
<b>Bundled Services</b>					
Claims Handling	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Annual Administration Fee	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
PMA Cinch – Risk Management Information System (3 users)	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
OSHA Log	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Web Imaging	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Data Conversion	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Quarterly Claim Reviews	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Risk Control Services	<i>25 Hours Included</i>	<i>25 Hours Included</i>	<i>25 Hours Included</i>	<i>25 Hours Included</i>	<i>25 Hours Included</i>
<b>Unbundled Services</b>					
Custom IS Reporting	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>
<b>Optional Services</b>					
Risk Control Services (additional)	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>

### NOTES:

1. If during the term of the contract, any individual occurrence results in more than 10 claimants, as determined by PMAMC, then the following additional claim handling fees above and beyond the Annual Flat Fee shall apply: beginning with the 10<sup>th</sup> claim and for every claim thereafter, \$850 will be charged for each Lost Time claim and \$125 for each Medical Only claim.
2. Pricing Proposal requires a 3 Year Commitment.
3. Flat Annual Fee pricing is contingent on the number of Take-over claims assumed. This quote includes up to 145 Auto/Liability Bodily Injury claims, 42 Auto /Liability Property Damage claims, 18 Auto Physical Damage Claims and 15 Professional Liability Claims. If more take-over claims are received, the program will be re-priced.
4. PMA Cinch includes 3 users. \$500 per additional users.



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## Pricing Option 3: Workers' Compensation, Auto & Liability

PMA will provide the City of Hollywood comprehensive Life of Contract Third-Party Administration Services for all "new" and "takeover" workers' compensation and liability claims as represented in your proposal for the period 10/1/16 to 10/1/21 as follows:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>Flat Annual Fee / Life of Contract</b>	\$257,000	\$257,000	\$257,000	\$262,500	\$267,750
<b>Bundled Services</b>					
Claims Handling	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Annual Administration Fee	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
PMA Cinch – Risk Management Information System (3 users)	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
OSHA Log	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Web Imaging	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Data Conversion	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Quarterly Claim Reviews	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Risk Control Services	<i>50 Hours Included</i>	<i>50 Hours Included</i>	<i>50 Hours Included</i>	<i>50 Hours Included</i>	<i>50 Hours Included</i>
<b>Unbundled Services</b>					
Cost Containment fee, % savings	25%	25%	25%	25%	25%
Medical Bill Review Fee	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>	<i>\$ 7.00 per bill</i>
Custom IS Reporting	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>
<b>Optional Services</b>					
Telephonic / On-Site Case Management	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>	<i>\$95 per hour</i>
Risk Control Services (additional)	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>	<i>\$125 per hour</i>

### NOTES:

1. If during the term of the contract, any individual occurrence results in more than 10 claimants, as determined by PMAMC, then the following additional claim handling fees above and beyond the Annual Flat Fee shall apply: beginning with the 10<sup>th</sup> claim and for every claim thereafter, \$850 will be charged for each Lost Time claim and \$125 for each Medical Only claim.
2. Pricing Proposal requires a 3 Year Commitment.
3. Flat Annual Fee pricing is contingent on the number of Take-over claims assumed. This quote includes up to 72 Lost Time and 65 Medical Only claims. This quote also includes up to 145 Auto/Liability Bodily Injury claims, 42 Auto /Liability Property Damage claims, 18 Auto Physical Damage Claims and 15 Professional Liability Claims. If more take-over claims are received, the program will be re-priced.
4. PMA Cinch includes 3 users. \$500 per additional users.



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## PMA Funding Options

	Traditional Escrow	Direct Funding ACH Debit
<i>Required Escrow</i>	3 months of estimated claims payments and loss adjustment expenses	<ul style="list-style-type: none"> <li>• <u>Zero</u>: Daily funding only</li> <li>• <u>Weekly funding</u>: Two weeks of estimated claims payments and loss adjustment expenses</li> <li>• <u>Monthly funding</u>: 45 days of estimated claims payments and loss adjustment expenses</li> </ul>
<i>Source of Loss Funding</i>	Escrow account held by PMA	Client's checking account
<i>Monthly Billing</i>	Escrow replenishment and loss handling fees	Loss handling fees
<i>Required Banking Documentation</i>	None	Authorization to Access Account form

### Traditional Escrow

This option is available to all large deductible and self-insured clients. With this option, the client will provide PMA with an escrow of three months of estimated paid losses and loss adjustment expenses. PMA will pay for the claims throughout the month with this account. At the end of the month, PMA will bill the client for losses and loss adjustment expenses paid along with the appropriate claims handling fees (if applicable). The client will also receive detailed loss reports showing all claims activity for the month and a cumulative claims summary report by policy/contract.

### Direct Funding – ACH Debit

This option is available to all large deductible and self-insured clients. With this option, the client will receive a daily, weekly, or monthly electronic communication from Wells Fargo Bank with the total claim checks issued that day, week, or month. On the next business day, Wells Fargo will initiate an ACH transfer to deduct the previous days' (weeks'/months') claims from the client's bank account. Payment is deposited directly into a sub-account, which is unique to the client. At month-end, the client will receive an AMPS billing statement for the loss-handling fees. The client will also receive detailed claims reports showing all activity for the month and a cumulative claims summary report by policy/contract. Reimbursement by check or client-initiated wire transfer/ACH transfer is required for payment of all fees.

**ACH Debit customers must fill out and sign the Authorization to Access Account form in duplicate and forward to the Credit/AMPS Department.**

### Direct Deposit

PMA offers eligible injured workers direct deposit of indemnity payments into their bank accounts.



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## PMA Companies eBilling Solution

Sign-up to access your invoices and statements on-line

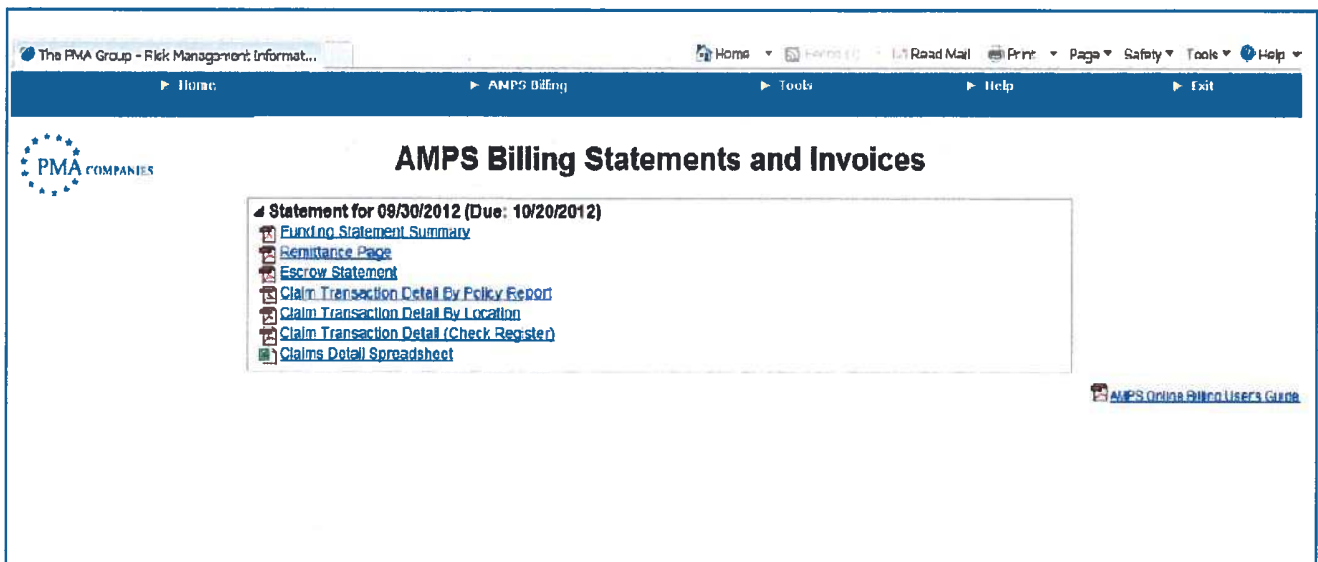
**eBilling\*** is available to PMA clients for loss funding and service fees bills. With eBilling you can easily access and view your bills electronically through our secure internet site instead of receiving paper copies through the mail.

### Consider the benefits of PMA eBilling...

- Easy access to your statements and invoices stored on-line, including previous billing information
- Invoices and statements received faster
- Automatic email notification when invoices and statements are generated
- Claims detail data in an Excel format, allowing you to format the data according to your needs
- Escrow balance, installment schedules, and pre-fund reconciliation reports, as applicable, available on-line

\* Please note that PMA eBilling does not include electronic payment remittance.

An example of what you'll see in PMA's on-line bill summary page:



The screenshot shows a web browser window with the address bar displaying "The PMA Group - Risk Management Informat...". The browser's address bar also shows "Home", "AMPS Billing", "Tools", "Help", and "Exit". The main content area features the PMA Companies logo on the left and the heading "AMPS Billing Statements and Invoices" in the center. Below the heading is a list of links for a "Statement for 09/30/2012 (Due: 10/20/2012)":

- ▶ Funding Statement Summary
- ▶ Remittance Page
- ▶ Escrow Statement
- ▶ Claim Transaction Detail By Policy Report
- ▶ Claim Transaction Detail By Location
- ▶ Claim Transaction Detail (Check Register)
- ▶ Claims Detail Spreadsheet

In the bottom right corner of the content area, there is a link for "AMPS Online Billing Users Guide".

To sign-up for eBilling, simply send an email to [AMPSFinancialSupport@pmagroup.com](mailto:AMPSFinancialSupport@pmagroup.com) and a PMA Representative will respond to assist you.

**\*\* Please allow up to two (2) billing cycles for activation \*\***



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## Tab 8 - Project Time Schedule

Upon award of the contract, PMA Management Corp. will schedule a comprehensive Service Orientation Meeting to discuss the specific claim and servicing guidelines that will work the best for you.

We will work with you to ensure that specific personnel and/or departments will be informed of the key facets of the transition. PMA will also be engaging our entire service team to begin the implementation of Claim file transfer, data conversion, funding mechanisms, PMA CINCH installation, and other initiatives.

PMA Management Corp. has successfully transitioned numerous accounts from other TPA's. PMA transitions approximately 50 new clients each year. Over the years, we have developed a detailed plan for the smooth transition of new accounts that will provide for uninterrupted benefits to your employees. The successful transition involves the leadership of the Client Service Manager (CSM) and the Account Executive who coordinate from all PMA departments, including Claims, Legal, Financial, and Information Technologies.

### Accountability

The implementation of the County program will be coordinated via a team approach. The Client Service Manager, Liz Smith, and our Regional Supervisors, Mark LaTorella, William Burckhardt and Penny Hamilton will take the lead roles in the City program administration. The PMA adjusters designated to the City account have extensive claims handling experience and will be very active in the program implementation. Tasks will be assigned to team members with expertise in the particular program component with overall management of the process monitored by the Client Service Manager (CSM). The role of the CSM is to provide the overall service management of our clients. All members of the account management team are empowered by the common goals of PMA Management Corp., that being to provide the best service and to generate positive financial results to our clients.

### Transition

To summarize the below timeline in regards to the handling of currently open claims during the program transition process we request the following from the incumbent TPA after notice of award:

- Currently valued Loss Run
- List of Files receiving Indemnity Payments
- List of Litigated files & Litigation Calendar
- Last 24 months of claim file notes and claim payments by claim
- Advanced payment date for indemnity files (typically two weeks)

Receiving this information from the incumbent as quickly as possible will allow for the set up of claim files for the takeover claims so that PMA adjusters can begin electronically managing them on our system. While it may take up to 60 days to fully complete the electronic data conversion, our adjusters will have the above requested information at hand to

properly and proactively manage the City's takeover claims. The litigation calendar and pre payment of indemnity will ensure that these issues will not go unattended, while the most recent file notes and claims payments will allow the adjusters to take calls from the City's injured workers' and providers. Regarding claim payments, the incumbent TPA will designate a cut off date for final claim payments to be made. Bills that come in after this date will be sent over to PMA for processing.

The following outline is the detailed action items PMA will employ to effectively transition the program:

City of Hollywood, FL – Program Transition Plan  
10/01/2016 Effective Date

ACTION STEPS	LEAD POSITIONS
	<b>PMAMC</b>
<p style="text-align: center;"><b>STAGE 1</b></p> <ul style="list-style-type: none"> <li>- PMAMC Notified of Go Ahead</li> <li>- Initial Meeting with the CITY OF HOLLYWOOD</li> <li>- Kick Off Meeting w/ service team</li> </ul>	Davis / Smith
<p style="text-align: center;"><b>STAGE 2</b></p> <ul style="list-style-type: none"> <li>- Draft/Execute Service Agreements based on terms of Proposal</li> </ul>	Davis / Borrell
<p style="text-align: center;"><b>STAGE 3</b></p> <p>New Claims Kit Provided</p> <ul style="list-style-type: none"> <li>- Exchange Respective Service Team Names</li> <li>- Determine Special Handling Guidelines</li> <li>- Identify preferred providers of the City</li> <li>- Claim Reporting Method</li> <li>- Letters to Injured Workers Re PMA</li> <li>- Letters to Providers/Attorneys Re PMA</li> <li>- Reserve Notification Level</li> <li>- Report Requirements</li> <li>- Litigation Management</li> <li>- Vendor Management:</li> <li>- Surveillance &amp; Atty</li> <li>- Settlement Authority</li> <li>- Location Codes Identified/Loaded</li> <li>- Determine Cinch Users</li> <li>- Set date for Physical Transfer</li> <li>- Arrange for Physical Transfer of Files</li> </ul>	Smith

<p>CITY OF HOLLYWOOD to Provide</p> <ul style="list-style-type: none"> <li>- List of All open claims</li> <li>- List of Active Lost Time claims</li> <li>- Copy of Excess Policy</li> <li>- List of all Vendors</li> </ul>	
<p style="text-align: center;"><b>STAGE 4</b></p> <p>Transition letter to incumbent TPA</p> <ul style="list-style-type: none"> <li>- Receive Physical Files</li> <li>- Review and Top Sheet Files</li> <li>- Backload Open Files into Imaging</li> <li>- Prioritize Lost time Files For Payments</li> <li>- Develop Claim Resolution Strategies</li> <li>- Post Log Notes and Action Plans in Files</li> <li>- Review and Discuss Reserves in Files</li> </ul> <p>Discuss Data Conversion</p> <ul style="list-style-type: none"> <li>- Format of Data Tape</li> </ul>	Smith/CSC
<p style="text-align: center;"><b>STAGE 5</b></p> <p>Establish Loss Fund</p> <ul style="list-style-type: none"> <li>- Escrow Fund Amount</li> <li>- ACH Daily Arrangement</li> <li>- Receive Excess Info &amp; Load Into System</li> <li>- Connect Client With Cinch</li> <li>- Notification to State of new TPA</li> </ul>	<p style="text-align: center;">Stevenson/Davis</p> <p style="text-align: center;">Smith/Daniels Smith/Snowe</p>
<p style="text-align: center;"><b>STAGE 6</b></p> <ul style="list-style-type: none"> <li>- PMAMC's QA Mgr conducts high level audit on Takeover Claims</li> <li>- Begin creation of Claims "Risk Profile" for the County's Loss Analysis by Dept to determine where Losses are occurring</li> <li>- Data Conversion is completed</li> <li>- All open and newly reported claims have proactive Action Plans &amp; reserves established</li> <li>- Meet with the City's Risk Management team to ensure service &amp; operational expectations are being met.</li> </ul>	Smith / Davis

# Attachments



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TPA & Risk Services for Workers' Compensation



June 2013

A PMA Companies Thought Leadership Publication

## Public Entity Risk Management: Zero In on Worker's Compensation Cost Drivers



OLD REPUBLIC INSURANCE GROUP



# Zero In on Workers' Compensation Cost Drivers

Results of the Public Entity Workers' Compensation Survey 2013 conducted by PMA Companies and the Public Risk Management Association (PRIMA), with strategies to better manage workers' compensation performance and costs

**Frank X. Altieri, III**

President, PMA Management Corp., PMA Companies

## Executive Summary

Public entities are grappling with tight budgets, declining revenues, growing economic pressures, and a wide array of risks. At the same time, workers' compensation costs continue to rise.

Given this environment, PMA Companies teamed up with PRIMA to conduct a survey of PRIMA members who are public entity risk managers, using an independent market research firm. The survey was designed to examine current and expected workers' compensation conditions.

## Survey Results

In February 2013, more than 200 public entity risk managers responded to the survey and answered questions about workers' compensation concerns, budgetary issues, and management strategies. Among the key findings:

- **An aging workforce was the biggest workers' compensation concern among public entity risk managers**, followed by controlling claims frequency and returning employees to work.
- **When asked about workers' compensation costs, 39% reported an increase**, 27% reported a decrease, and 34% said they stayed the same during the prior three years. The top four reasons for an increase were increased medical provider costs, increased pharmacy costs, an aging workforce, and increased claims frequency.
- **The top four ways public entity risk managers said they are managing workers' compensation performance** were reducing claims through loss prevention, reducing costs per claim, reducing injury severity, and improving claims reporting time.
- **To reduce workers' compensation costs**, respondents said their four primary means they are attempting or will attempt are improved safety programs, return-to-work programs, wellness programs, and manager accountability/charge-backs.
- **When asked about their risk management budget**, 30% said it had been reduced in the last three years, primarily due to less available revenue, workforce reductions, and consolidation of services.
- **During the next three years, public entities expect medical costs and an aging workforce to be the most significant issues** affecting their workers' compensation costs.

### **Selected Recommended Solutions**

Based on issues identified by public entity risk managers in the survey results, PMA recommends public entities implement strategies to build a safety culture that fosters employee involvement, promotes management safety training, and reduces the frequency and severity of risks. Specific strategies should address the impact of an aging workforce, employee health, medical and pharmacy costs, and claims costs:

- **Addressing an Aging Workforce**—The workforce is growing older and as it does, it presents public entities with skilled, experienced workers, but also specific areas of risk management concern. While older workers have comparable claims frequency when compared with younger workers, the severity of their injuries is much higher. Public entities with older workers should consider a multi-disciplinary risk management approach that addresses safety issues and workplace accommodations, among other issues.
- **Integrating Workplace Safety and Employee Wellness**—As medical and pharmacy costs continue to rise, employee health and wellness needs to be addressed. For example, the most obese workers file twice as many workers' compensation claims and have 13 times more lost workdays than healthy weight workers. By integrating occupational health & safety and wellness programs, public entities can boost employee morale, reduce medical (plan) losses, increase productivity, and reduce the frequency and severity of workers' compensation claims.
- **Addressing Medical and Pharmacy Costs**—To manage medical and pharmacy costs, use a managed care and pharmacy benefit management program that provides quality healthcare and reduces costs.
- **Improving Return-to-Work Strategies**—Facilitating return to work of injured workers when medically appropriate is critical in managing claims costs. Strategies for improving performance in this area include implementing an effective modified-duty plan and paying attention to injured workers in a timely, consistent, and caring way.
- **Implementing a Charge-Back Strategy**—Charge-backs (cost-allocation systems) can be an effective tool for motivating and managing positive risk management behaviors and promoting accountability and transparency within your organization. While each allocation system is different, the goals should be to promote risk prevention and control by providing incentives, balancing cost risk-bearing and risk-sharing, and providing managers with cost information.

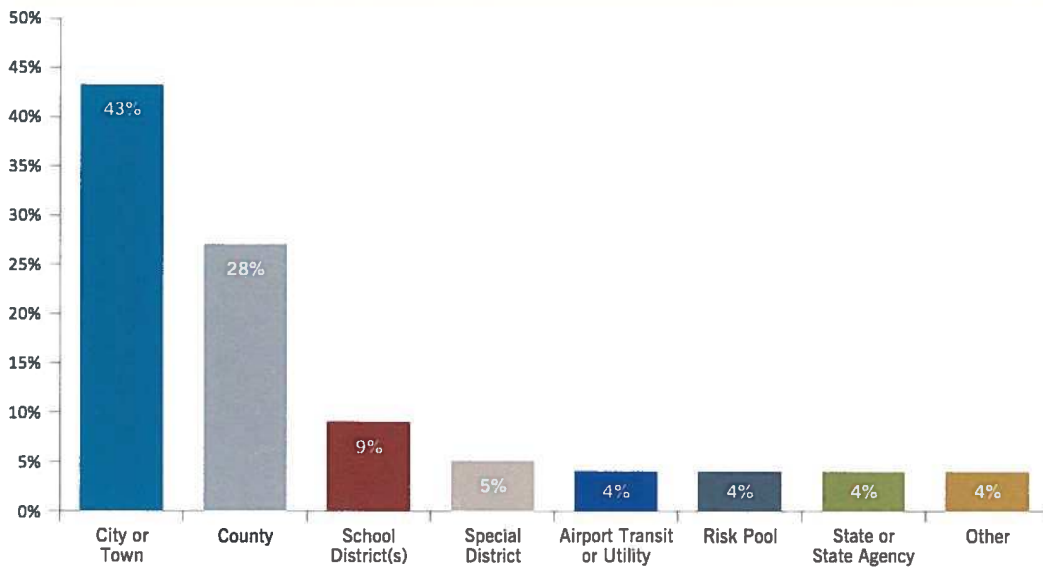
### **About the Survey**

PRIMA and PMA Companies co-sponsored a survey of public entity risk managers in February 2013. The survey was designed to examine workers' compensation-related risk management conditions and practices among public entity risk managers who are members of PRIMA. The questionnaire was fielded and tabulated by J.P. Murphy and Company, an independent survey research firm. The white paper presents key survey findings along with PMA's discussion of their implications and recommended actions for public entity risk managers.

A total of 210 submissions out of 840 qualified respondents were received, which represents a completion rate of 25%. This rate is above industry standards for surveys of this type.

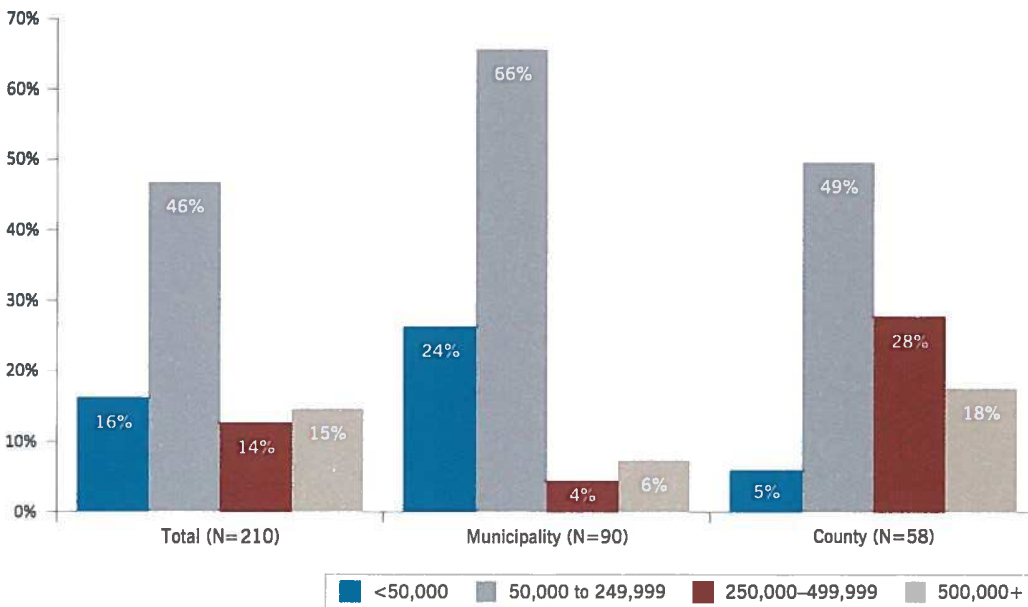
The largest public entity type responding to the survey was cities and towns, representing 43% of respondents, followed by counties, which represented 28%. The remaining respondents were school districts or special districts, airport transit or utilities, risk pools, state or state agencies, or other entities.

**Type of Public Entity: Which Type of Entity Best Describes Your Organization? (N=210)**



Public entities with populations between 50,000 and 250,000 were the predominant respondents; however, a substantial number of respondents also served populations under 50,000 and over 250,000

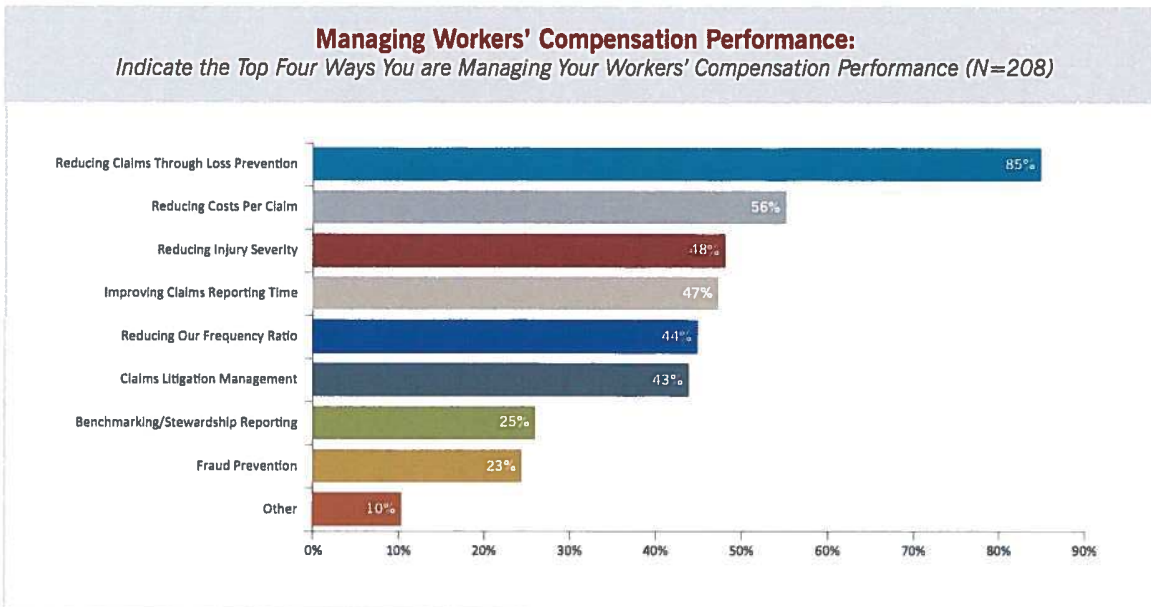
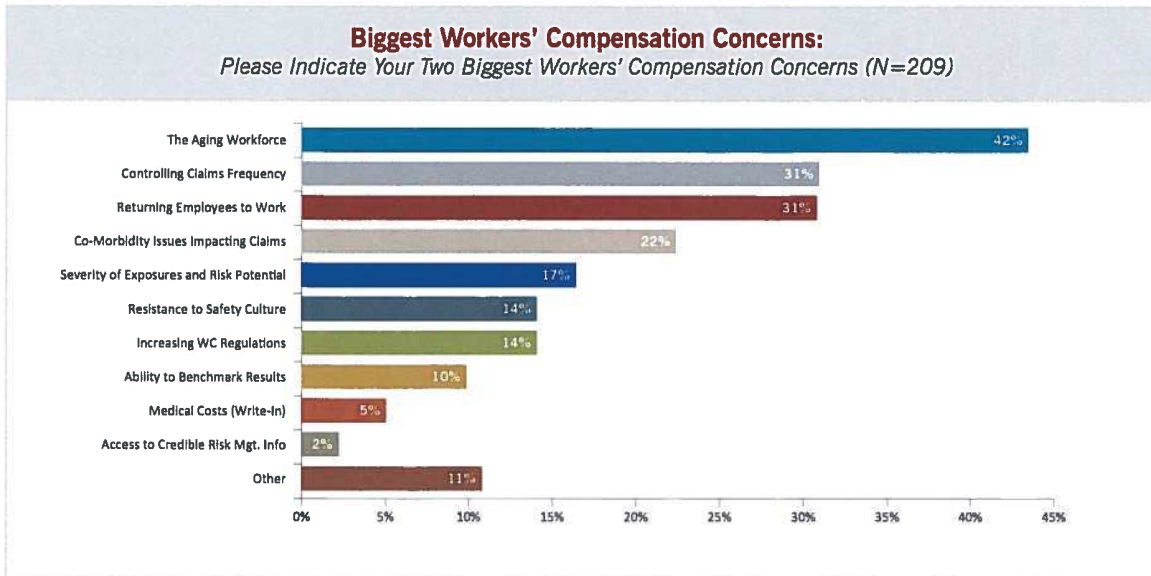
**Number of Residents Served: Total Includes All Entity Types**



## Survey Results

### Workers' Compensation Concerns and Strategies

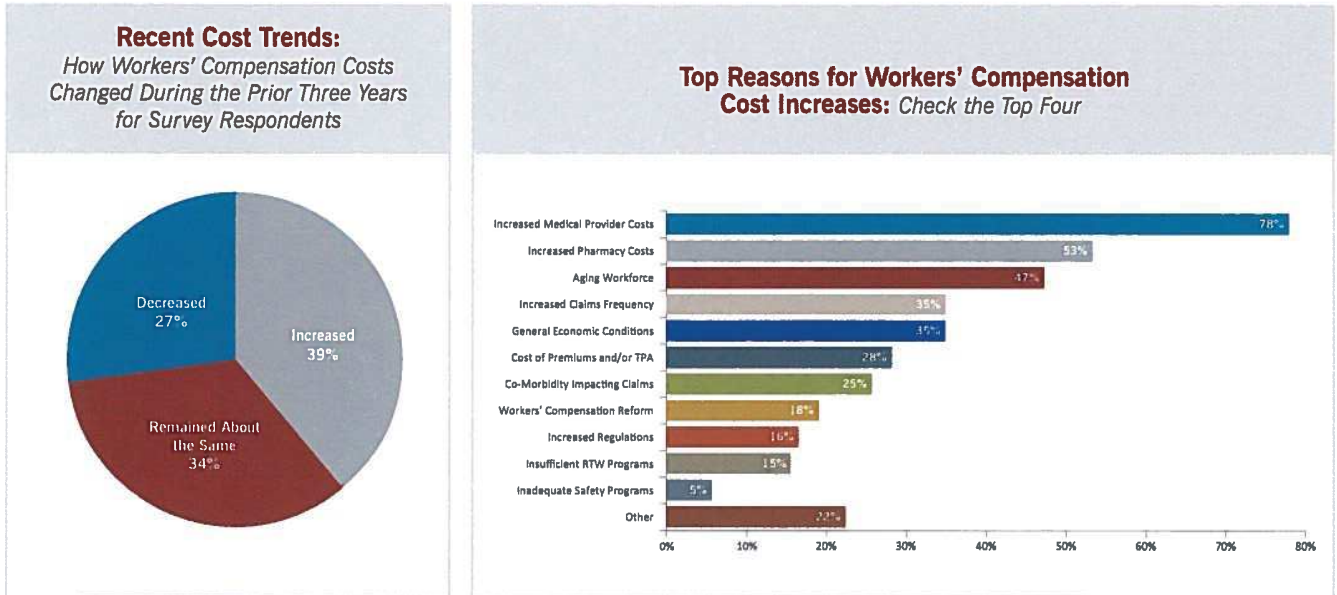
The biggest workers' compensation concern cited by survey respondents was an aging workforce, selected by 42% of respondents. Controlling claims frequency, returning employees to work, and co-morbidity issues were the next biggest concerns.



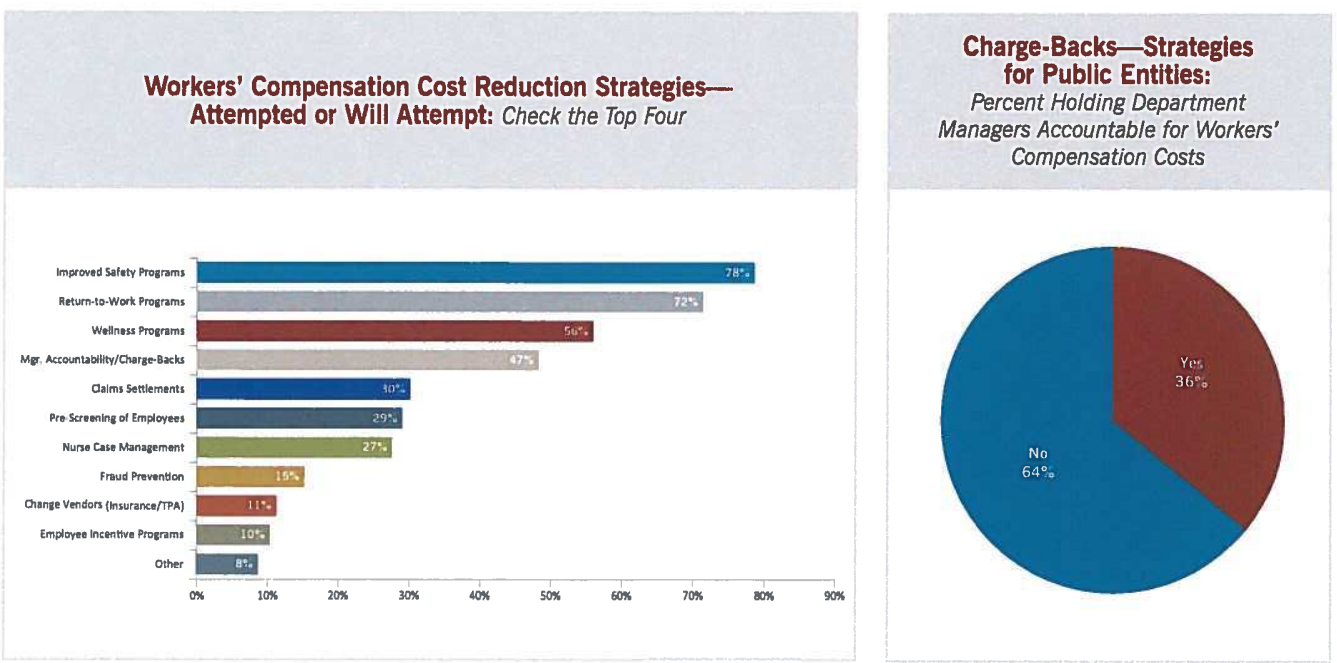
When asked for the top four ways they are managing workers' compensation performance, 85% cited "reducing claims through loss prevention." Reducing costs per claim, reducing injury severity, and improving claims reporting time were the other top choices.

### Cost Trends and Management

Of public entities responding, 39% reported an increase in workers' compensation costs, 27% said costs had decreased, and 34% said they stayed the same. The top four reasons for higher costs were increased medical provider costs, increased pharmacy costs, an aging workforce, and increased claims frequency.

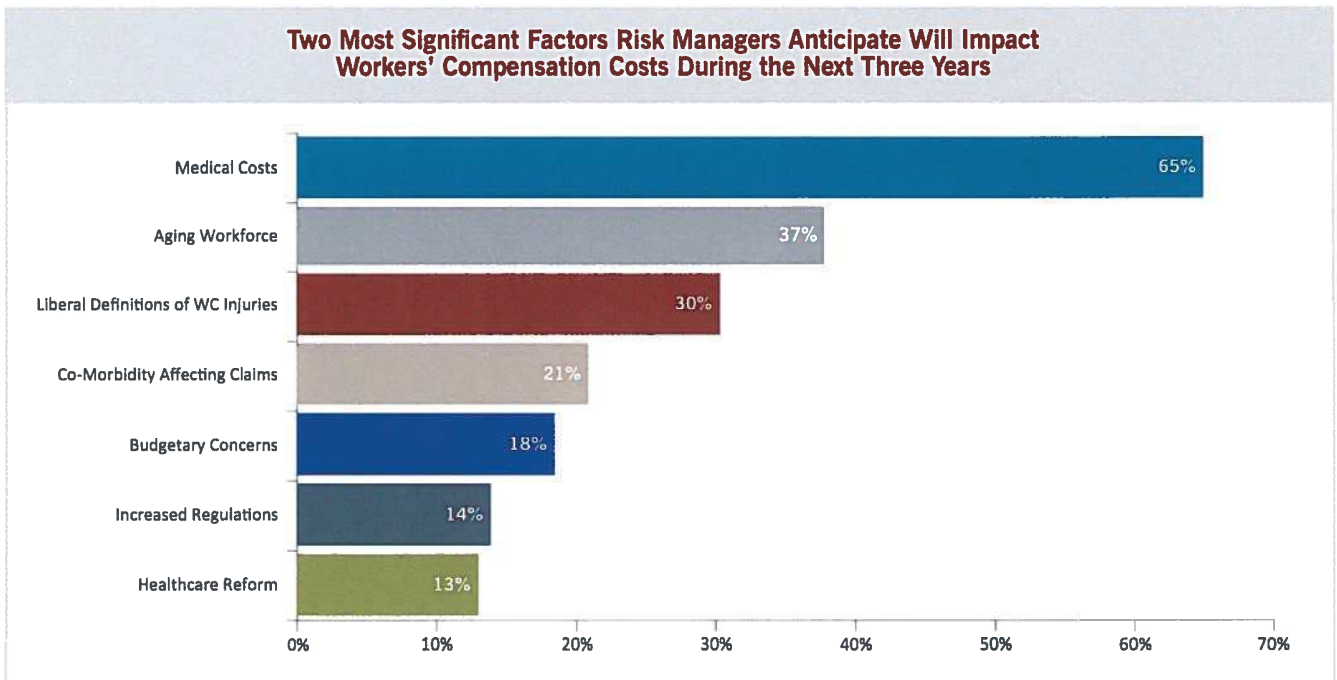


Risk managers said they are attempting or will attempt to reduce these costs in four primary ways: improved safety programs, return-to-work programs, wellness programs, and manager accountability/charge-backs. However, only 36% said they use "charge-backs" to hold their department managers accountable for workers' compensation costs.



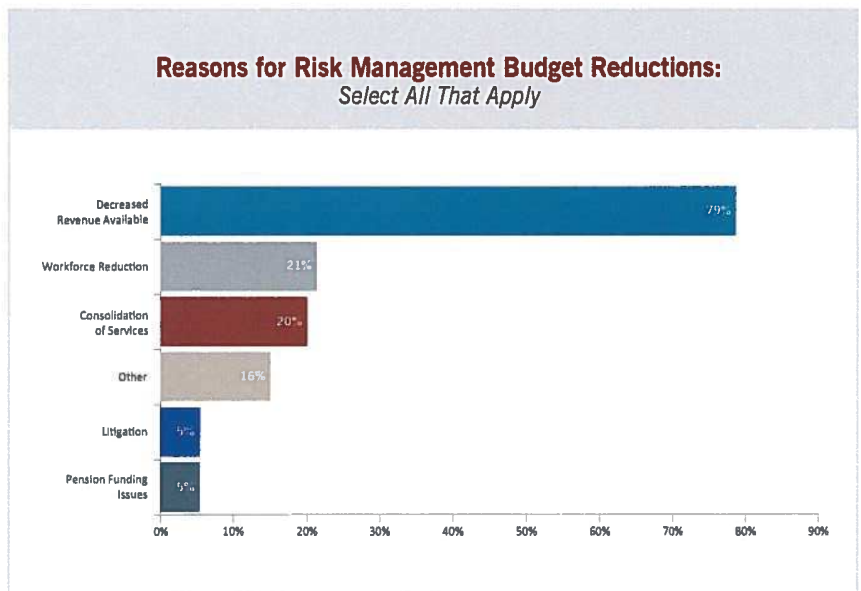
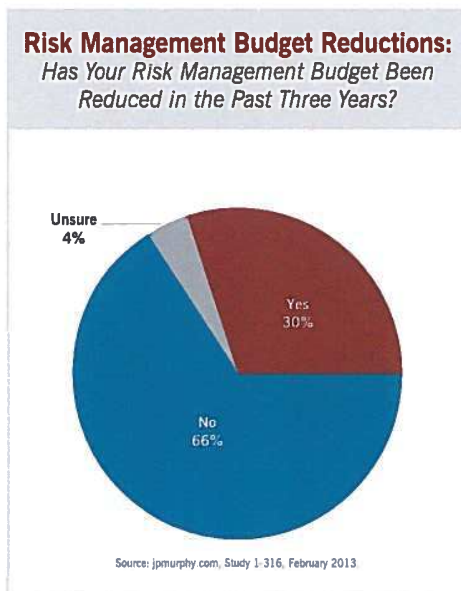


During the next three years, public entities expect medical costs and an aging workforce to be the most significant issues affecting their workers' compensation costs.



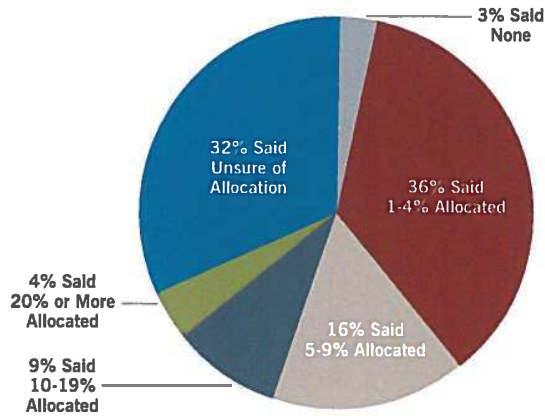
#### Risk Management Budgets

When asked if their risk management budgets had been reduced in the past three years, 30% of respondents said budgets had been reduced and 66% said they had not. The top reasons for budget reductions were less revenue available, workforce reduction, and consolidation of services.





**Percent of Budget Allocated to Loss Prevention:** *What Percent of Your Workers' Compensation Budget Do You Allocate for Loss Prevention (Safety)? (N=207)*

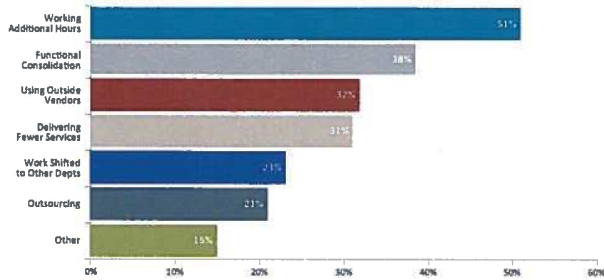


When asked how much of their budget was allocated to loss prevention, only 4% said 20% or more, while 36% said 1-4%; 32% said they were unsure.

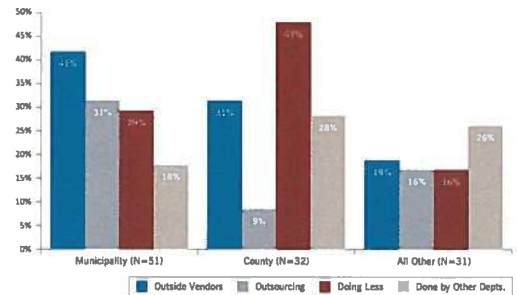
For respondents who said they were doing their job with fewer resources (see chart below), more than half said they were doing this by working additional hours, while 38% cited functional consolidation, and 32% cited support from outside vendors.

For public entities utilizing fewer resources (see chart below), municipalities made the greatest use of outside vendors. Counties reported delivering fewer services and all other types of public entities reported other departments were handling more risk management tasks.

**How Risk Managers are Getting the Job Done with Fewer Resources:** *Select All That Apply*



**Selected Strategies by Entity Type**



**Selected Risk Management Solutions**

Public entities today face tight budgets, growing economic pressures, and a wide array of risks. The pressures come at a time when workers' compensation costs continue to rise.

Given this environment, public entity risk managers seeking to manage workers' compensation costs can benefit from workplace safety programs. These programs should build a positive safety culture, foster employee involvement, promote management safety training, and reduce the frequency and severity of risk.

Moreover, PMA recommends that public entity risk managers consider specific strategies to address issues raised in the survey results—the impact of an aging workforce, higher medical and pharmacy costs, employee health, and higher claims costs.

### **Aging Workforce**

An aging workforce was cited in the survey as the top concern of public entity risk managers. When considering the impact of more employees continuing to work well into their 60s, it is important to note that these workers have a positive impact in the workplace, bringing experience and improvements in productivity. However, older workers also lose cardio and physical capacity, changes that raise risk management concerns.

Strategies to address an aging workforce must recognize that the issue is not the frequency of claims, but the severity. In fact, according to the National Council on Compensation Insurance, Inc. (NCCI), frequency rates are within approximately 5% of each other across all age groups.<sup>1</sup> However, medical and indemnity severity rates were 51% and 56% higher, respectively, for workers age 45-64 compared to younger workers.<sup>1</sup>

In addition, the Bureau of Labor Statistics reports that injuries and illnesses become more severe as workers age. Median days away from work due to injury and illness increase from five days for workers age 20 to 24, to 12 days for workers age 55 to 64.<sup>2</sup>

When addressing risk management concerns and older workers, public entities should consider the following:

- **Role of co-morbidities**, e.g., obesity, hypertension, and diabetes, affecting the older workers and their impact on workers' compensation claims
- **Workers aging in jobs**, particularly older workers in physically demanding jobs who may find it difficult to continue handling their job responsibilities
- **Helping older workers stay healthy**, with particular emphasis on key areas such as exercise, eye examinations, appropriate medication usage, and workplace accommodations/safety features

### **Medical Costs**

As identified in the survey, medical expenses have a significant impact on overall workers' compensation costs. To manage medical expenses, it is important to mitigate costs through a multi-faceted managed care and pharmacy benefit management program that provides quality healthcare to injured workers and manages medical and pharmacy costs.

A successful managed care program should include:

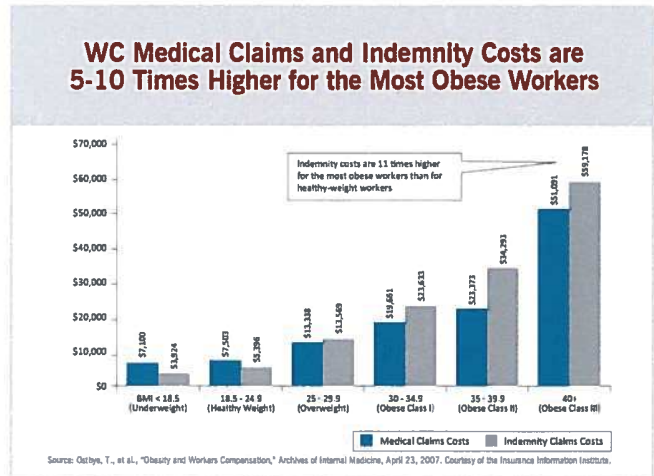
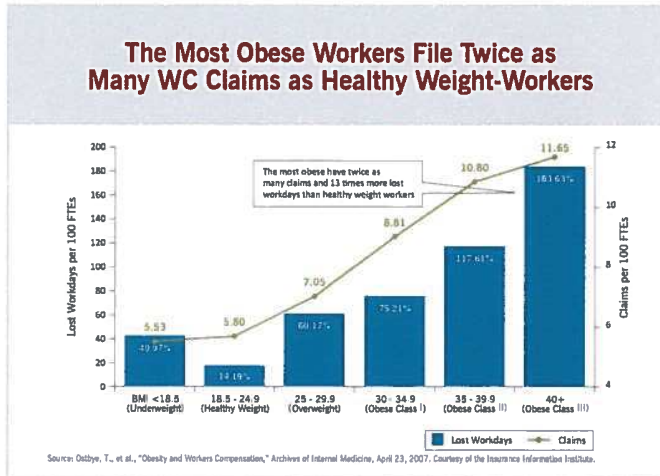
- Medical case management and clinical services
- Nurse triage/early intervention
- Pharmacy nurses
- Robust bill review services
- Pharmacy benefit management, including programs to monitor narcotic utilization
- Out-of-network services
- Quality and regulatory assurance programs

## Workplace Safety and Employee Wellness

With public entities reporting rising medical and pharmacy costs as top cost drivers for their workers' compensation programs, employee health and wellness needs to be addressed on several fronts. Strategies should address overall employee health.

Obesity is a growing problem not only in society in general, but for workers' compensation costs. According to the Insurance Information Institute (III), the percentage of obese adults did not exceed 20% in any state in 1994. By 2010, all 50 states had adult obesity rates of 20% or more—with 12 states reporting 30% of adults as obese.

The III also reports that the most obese workers file twice as many workers' compensation claims and have 13 times more lost workdays than healthy weight workers. Workers' compensation medical claims and indemnity costs are 5 to 10 times higher for the most obese workers.



Though most risk managers understand that obesity and other employee health conditions can directly impact workers' compensation costs, there is not always a clear path to addressing the intersection of workplace safety and worker wellness. Occupational health & safety seeks to foster a safer work environment by focusing on injury and illness prevention, while wellness programs focus on enhancing the overall well-being of workers by addressing lifestyle behaviors inside and outside the workplace.

However, these are not mutually exclusive concerns. By integrating wellness programs and risk management, public entities can combine occupational health & safety and wellness, boost employee morale, reduce medical plan losses, increase productivity, and reduce the frequency and severity of workers' compensation claims. The keys are breaking down internal silos, customizing solutions and using incentives, actively engaging workers and management, having adequate staff and resources, and evaluating and adapting as necessary.

## Integrating Wellness Programs & Risk Management Strategies for Public Entities

*Occupational Health & Safety vs. Wellness Programs: A Comparison*

	Occupational Health & Safety	Wellness Programs
<b>Goal</b>	Risk management program that strives to foster a safer work environment. Focuses on preventing workplace-related injuries and illnesses.	Focuses on enhancing the overall well-being of workers, addressing specific lifestyle behaviors, inside and outside of the workplace.
<b>Typical Elements</b>	<ul style="list-style-type: none"> <li>Incident investigation training</li> <li>Safety planning</li> <li>Rules and workplace procedures</li> </ul>	<ul style="list-style-type: none"> <li>Nutrition education</li> <li>Smoking cessation program</li> <li>Stress management program</li> <li>Access to fitness centers</li> <li>Exercise programs</li> <li>Information on health topics</li> </ul>

### **Return-to-Work Programs**

To manage claims costs, it is critical to facilitate return to work of injured workers as soon as is medically appropriate. Strategies include paying attention to injured workers in a timely way, following up consistently, and showing sincere concern. Risk management should also focus on transitional or modified-duty programs.

To set up an effective modified-duty program, risk managers should:

- Educate medical providers on the availability of modified jobs, the need for physical capacity information, and return-to-work philosophy
- Educate the management team on why modified duty is important and expectations concerning use
- Inventory potential modified-duty jobs
- Develop a written policy
- Track and manage employees on modified duty
- Consider central budgeting of modified-duty expense

### **Charge-Back Strategy**

Charge-backs, also called cost-allocation systems, can be an effective cost reduction strategy for public entities looking to motivate and manage positive risk management behaviors as well as promote accountability and transparency.

While each cost-allocation system is different, these systems should be easy to understand and administer, and not subject to manipulation. After establishing the goals of your cost-allocation system, you should:

- Assess your organization's willingness and financial ability to budget and allocate costs at the operating-unit level
- Define the risk management costs to be allocated
- Determine an allocation approach—prospective or retrospective
- Define allocation methods, including an exposure base, experience base, allocation limits, experience period, and valuation dates
- Partner with others: Agents, consultants, actuaries, accounting, financial, senior management, information systems, etc.
- Perform trial calculations

## Conclusion

As public entities grapple with workers' compensation costs and declining revenues, effective workers' compensation and workplace safety strategies are more important than ever. The Public Entity Workers' Compensation Survey 2013, conducted by PRIMA and PMA Companies, revealed key public entity concerns and cost trends. An aging workforce, claims frequency, rising medical costs, and returning employees to work are key current and future issues public entities said must be addressed.

To address these issues, public entities should implement strategies that promote a healthy and safe workforce and reduce costs, including an integrated occupational health & safety and wellness program, effective return-to-work programs that utilize transitional duty, and loss prevention initiatives tailored for public entities.

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### About PMA Companies

PMA Companies ([www.pmacompanies.com](http://www.pmacompanies.com)) provides risk management solutions and services in the U.S., specializing in workers' compensation and offering property and casualty insurance. A member of Old Republic Companies, PMA Companies is headquartered in Blue Bell, PA.

Old Republic International Corporation (NYSE: ORI) is one of the nation's 50 largest publicly held insurance organizations.

PMA Companies includes:

- **PMA Insurance Group**, specializing in workers' compensation, and providing other commercial property & casualty insurance products
- **PMA Management Corp. and PMA Management Corp. of New England**, providing results-driven TPA and Risk Services specializing in workers' compensation and liability

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### About PRIMA (Public Risk Management Association)

The Association's mission is to promote effective risk management in the public interest as an essential component of public administration. Headquartered in Alexandria, VA, PRIMA is the largest risk management association dedicated solely to the practice of risk management in the public sector. PRIMA's membership is made up of nearly 2,000 entities in over 1,800 jurisdictions.

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### About the Author

Frank X. Altieri, III is President of PMA Management Corp. He has 35 years of risk management and insurance experience, with a focus on helping organizations develop and implement high-performing risk management programs. He has spoken at many conferences and seminars and has authored articles on the total cost of risk, claims management, workers' compensation, and achieving return-on-investment for self-insured clients.

Mr. Altieri, a Risk and Insurance Management Society (RIMS) Fellow, holds CPCU, ARM, AU, IIA, and AIS designations, and is a member of the Self-Insurance Institute of America.

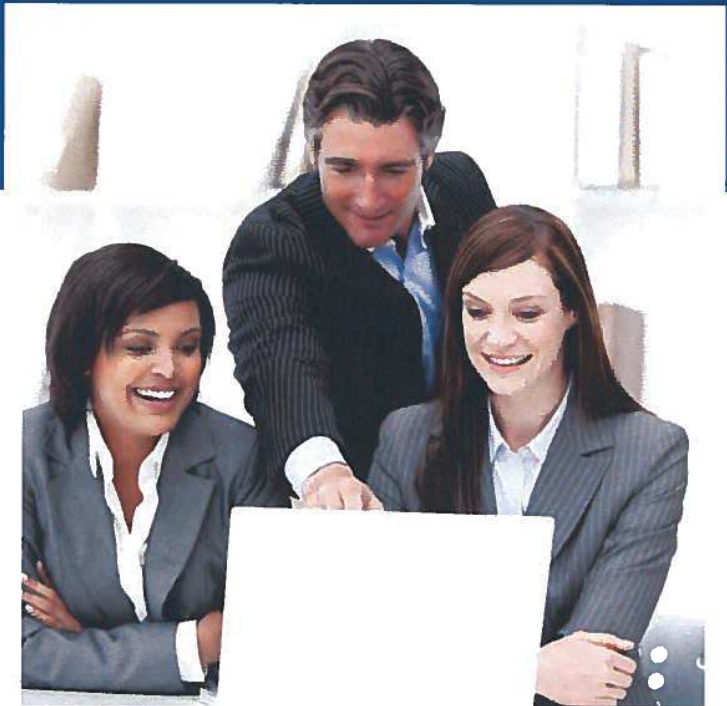
1. NCCI, Workers' Compensation and the Aging Workforce, December, 2011.

2. Bureau of Labor Statistics, U.S. Department of Labor, November 2012.



# PMA Cinch<sup>®</sup>

Risk Management Information Made Easy



A strategic approach to risk management with comprehensive claims, loss information, and data analytics at your fingertips.





## Powerful Information That Impacts Financial Results

PMA is passionate about helping organizations take a smart, more strategic approach to risk management that drives business value. Timely, comprehensive, and meaningful claims and loss information is crucial in understanding risk exposures.

PMA Cinch enables Risk Management executives, CFOs, and other professionals to manage their claims information—everything from the big picture to details of their loss information. It offers busy executives a quick snapshot of their risk management situation.

The robust capabilities and flexibility of PMA Cinch allow clients to pinpoint the information that can significantly impact their bottom line. By analyzing trends and taking quicker corrective action, organizations can enhance their operating performance, lower costs, and improve their financial results.

## Increase Your Efficiency with PMA Cinch®

### ACCESS PMA CINCH FROM ANY COMPUTER

Enter PMA Cinch from any computer with an internet connection and your password.

### DIRECT COMMUNICATION WITH PMA

Email your PMA claims professional directly from PMA Cinch.

### AUTOMATED ALERTS

You can choose to receive automated email alerts if a significant change occurs to one of your claims. For example, PMA Cinch can send incurred change alerts, helping you closely monitor the cost of every claim.

## PMA Cinch® Claims Reporting

### EASY CLAIMS REPORTING WITH IMMEDIATE GENERATION OF A PMA CLAIM NUMBER

Report a loss with simple step-by-step screens, helping to ensure you submit the right information the first time. PMA immediately sends you a claim number.

Clicking "Submit Claim" immediately assigns a claim number.

The screenshot shows a web browser window titled "Claim Submission 4 of 4". At the top left is a "Prev" button. The main text reads: "The Claim Entry Wizard has been completed. You may add additional comments below and click the Submit button to send the data to PMA or click the 'Prev' button to make additional changes." Below this is a section titled "Comments" with a text area and the instruction "Enter miscellaneous claim details in the comments box below." There is a checkbox labeled "Record Only". Below that is a section titled "Claim Email Information" with the instruction "Click the checkbox below to receive an email copy of the claim information just entered." and another checkbox labeled "Send Email Copy". Below this is a text area for "Email Address(es) - Multiple addresses can be entered separated by a comma." At the bottom right is a "Submit Claim" button.

# PMA Cinch® Executive Dashboard

View your program highlights quickly and easily in the Executive Dashboard. The Dashboard delivers an interactive tool, so you can easily organize and view your claims information on an aggregate and individual basis. Key features include:

## EXECUTIVE SUMMARY TOOL

Utilize an interactive tool to organize and view both aggregate and individual claims information.

## MORE FLEXIBILITY AND DATA ANALYTICS

View claims information per your parameters—location, type, status, and accident date range.

## FULL-COLOR CHARTS AND VISUALS

Data appears in easy-to-view graphs, charts, and tables, allowing you to grasp information quickly.

## COMPREHENSIVE DATA

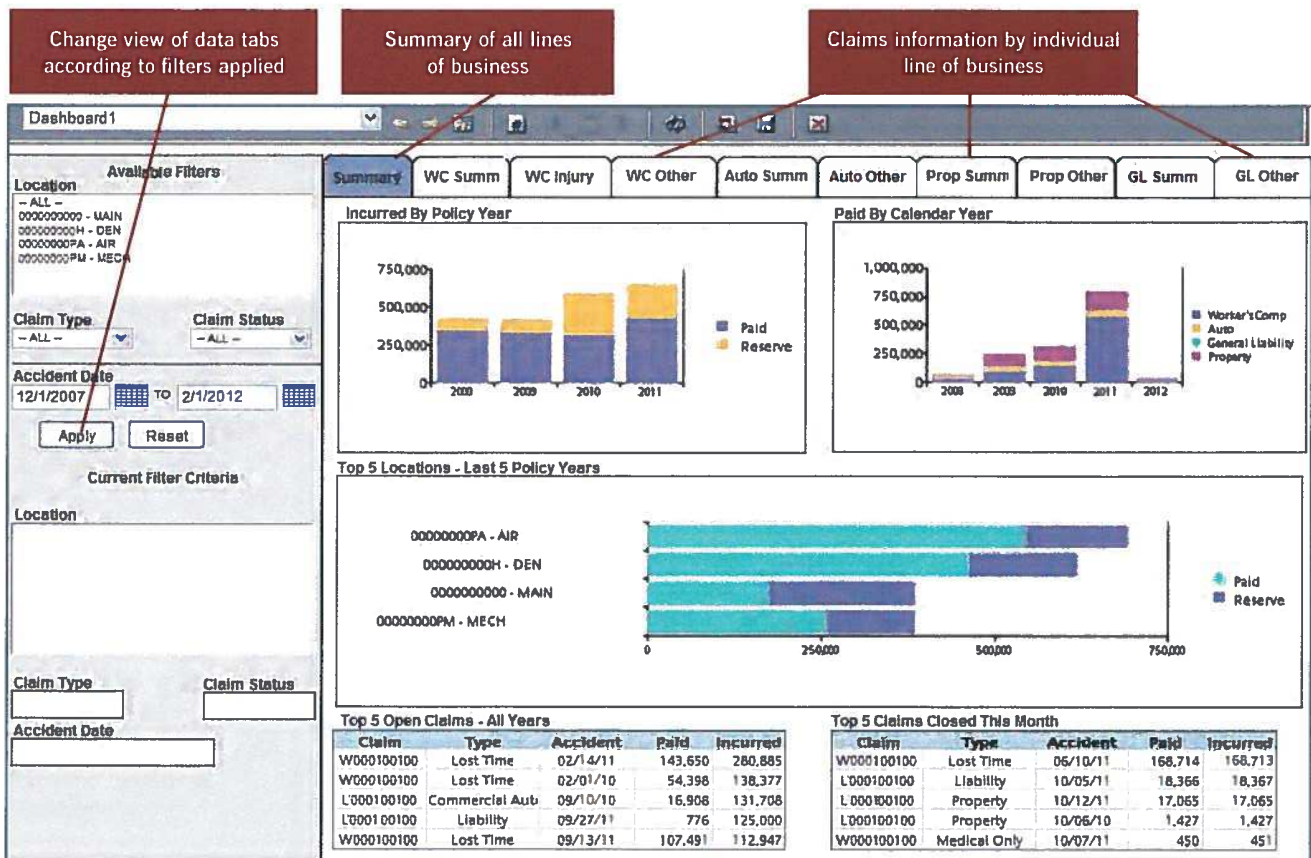
Display elements are based upon detailed data in your existing loss reports.

## EASE OF USE

The Dashboard is highly intuitive and requires no training.

*“The new Executive Dashboard is great! I like it and it will be a big help to us. It has a lot of information in a usable format that we can use to communicate and improve our program. It makes sending reports to 28 departments in different locations so much easier, and allows them to keep up-to-date regarding incidents, helping to drive claims costs down.”*

—Fred Allen  
Safety & Health Manager  
City of Greensboro, North Carolina



## Access Detailed Loss Information Effortlessly

PMA Cinch offers complete workers' compensation, commercial auto, general liability, and property claims information. You'll have access to the data you need to impact your results, including:

- **Details on each of your claims, including claimant information, accident particulars, and descriptions**
- **Managed Care Savings, including Explanation of Benefits (available for most medical payments)**
- **Accident cause, part of body, nature of injury, and location of losses**
- **Financial Information—view detailed data, including incurred, paid, recovery, and reserve amounts**
  - Detail for Medical, Indemnity, and Expense loss lines
  - Reserve Analysis by loss line
  - Detailed listing of payments
- **Detailed, real-time view of claims professional log notes, organized by date, with the ability to filter by category**

## PMA Cinch® Security and Privacy

Data is protected by several layers of internet-based security tools, which ensure privacy and control access to sensitive loss information.

## Extensive Array of Loss Reports

To help you monitor trends and manage your claims and risk management program, PMA offers an array of standard loss reports and customization options to meet your loss information needs.

### ROBUST STANDARD REPORTING PACKAGE

There are over 100 standard reports, and an array of optional reports are also available.

### ABILITY TO GENERATE YOUR OWN REPORTS

Access your original claims data and export it into an Excel worksheet, allowing you to create your own reports.

### CUSTOM REPORTS

PMA can develop customized reports for your specific needs.

## OSHA 300 Report Tool

OSHA record keeping can be time consuming and tedious. With PMA Cinch, the time it takes to create OSHA logs is significantly reduced.

PMA Cinch can do most of the work for you, as it automatically provides you with a list of your workers' compensation claims for the current and previous calendar years. Add or revise data on your claims to update the OSHA log, as well as remove non-recordable claims from OSHA tracking.

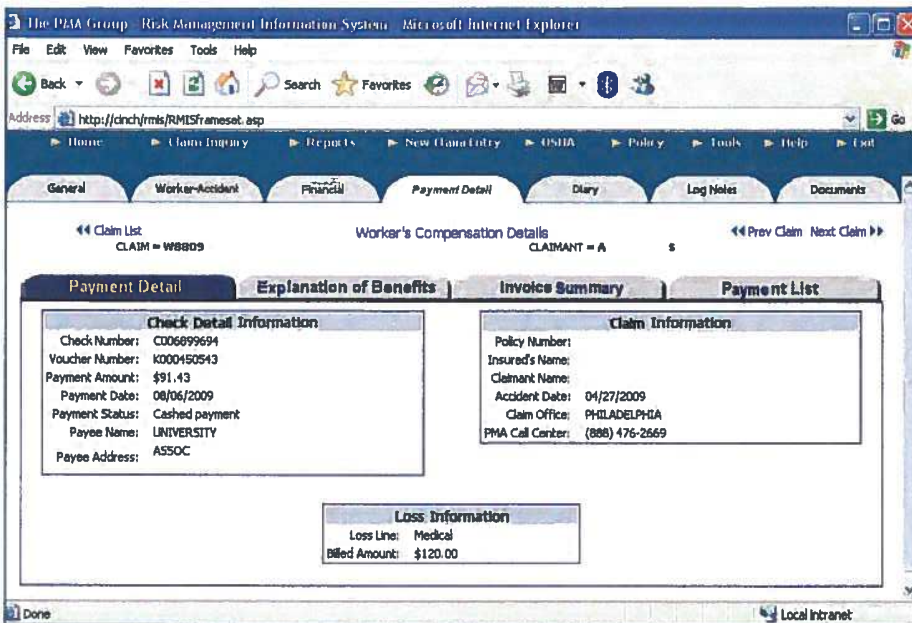




# PMA Cinch® Claims Inquiry Tool

With a few simple clicks, you can easily access claims information according to your needs, presented on easy-to-comprehend screens that can be printed. You can drill down to obtain extensive detail on a specific claim—or obtain a list of claims meeting all your required criteria.

Information from Claims Inquiry is updated daily and available to you 24/7.

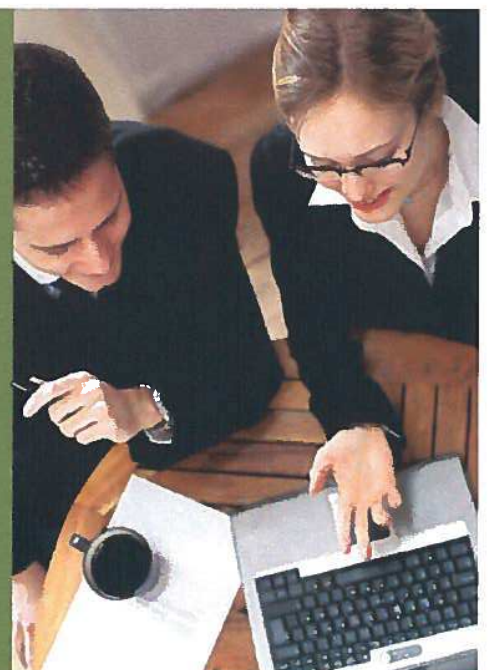


## PAYMENT DETAIL SCREEN

PMA Cinch Payment Detail Screen allows you to select from a Payment Information Screen that includes medical, indemnity, expense, and loss payments. You see extensive payment and claims information, right down to whether or not a specific payment has been cashed.

*"As the claims consultant for a multi-million dollar, multi-state Group Captive, I have been a PMA Cinch® user for over five years. During that time I have found the information it provides to be invaluable in helping me monitor losses on a macro and micro level. Additionally, the user support is outstanding. PMA Cinch® is convenient, intuitive, comprehensive, and robust. I heartily recommend it."*

—Mara Delaney  
Claims Consultant  
Franchise Insurance Group Captive



*"The robust capabilities and flexibility of PMA Cinch<sup>®</sup> allow clients to pinpoint the information that can significantly impact their bottom line. By analyzing trends and taking quicker corrective action, organizations can enhance their operating performance, lower costs and improve their financial results."*

—John Santulli  
Executive Vice President  
PMA Companies



## ACCESS TO LOG NOTES

You have instant access to all your claims professional's and nurse case manager's real-time log notes. You'll see step-by-step actions, status of your claims, reserves, action plans, medical payments, etc. You have the complete picture of each of your claims at your fingertips.

The screenshot shows a web browser window displaying the PMA Cinch system. The main content area is titled 'Log Notes' and shows a list of notes for a specific claim. The notes are organized into a table with columns for 'Notes', 'Category', 'Date Created', 'Created By', and 'Notes Description'.

Notes	Category	Date Created	Created By	Notes Description
690	LOSS MANAGEMENT	12/03/2004		CLMNT CONTACT
<p><b>NOTE TEXT:</b>            CLMNT CONTACT RCVN FROM CLMNT (12/2) STATING THAT SHE WENT TO DR ON 12/1 @ UVA HE TOLD HER THAT HE WANTED TO DO A MODIFICATION TO HER RT SHOE TO LIMIT THE POSSIBILITY OF REPEAT FX DUE TO THE FUSION OF HER ANKLE. NOV: 12/12/04 TC BACK TO CLMNT ADVISED THAT I HAD S/T THE DR'S OFFICE YESTERDAY AND GAVE APPROVAL FOR THE SHOE</p>				
689	LOSS MANAGEMENT	12/03/2004		PROVIDER CONTACT
<p><b>NOTE TEXT:</b>            PROVIDER CONTACT S/T ROBIN W/ UVA SHE CALLED FOR AUK FOR THE CLMNT TO BE FITTED FOR A NEW SHOE... SHE WILL NEED *SILICONE INSERT *SACH HEEL *ROCKER (FOR SHOE) *FULL SOLE *EXTENDED STEEL SHANK (GOES W/ FOOT INSERT) CODES: L2360 L3310 (LFT BALANCE) L3310 (R) L3009 L3340 L3540 PER DR GAVE AUK</p>				
688	MEDICAL	11/04/2004		MED UPDATE
<p><b>NOTE TEXT:</b>            MED UPDATE 9/24/04 DR *SEEN W/ NEW X-RAYS. THEY SHOW ONCE AGAIN PARTIAL HEALING OF THE SUSTALAR JOINT BUT THERE IS NO LOOSENING OF HARDWARE. THERE IS NO EVIDENCE OF MIDFOOT ARTHRITIS YET, AND NO EVIDENCE OF STRESS FRACTURES. SHE HAS PAIN IN THE LOWER LEG AND THE ENTIRE FOOT, WORSE LATERALLY THAN DORSALLY OR MEDIALY. SHE IS TENDER IN MANY OF THESE AREAS AS WELL. SHE IS STILL TREATING W/ DR REGARDING HER PAIN MEDICATIONS. I WOULD LIKE TO SEE HER AT THE P &amp; D SHOP IN A FEW WEEKS TO SEE WHAT WE CAN OFFER IN THE WAY OF CUSTOM SHOES AND/OR CUSTOM INNERSOLES.</p>				
687	LOSS MANAGEMENT	11/10/2004		CLMNT CONTACT (CONT #685)
<p><b>NOTE TEXT:</b>            CLMNT CONTACT (CONT #685) *CLMNT HAS BEEN APPROVED FOR DISABILITY—NOT YET RECEIVING AND FUNDS *SHE WILL HAVE ACCESS TO MEDICAL INSURANCE *APPT W/ DR 11/12/04</p>				
686	LOSS MANAGEMENT	11/10/2004		EXCESS REIMBURSEMENT RPTG

## YOUR PERSONAL PMA CINCH<sup>®</sup> DIARY

You can set up a PMA Cinch Diary of your personal log notes to make it easier to track claims, record your next steps, and take preventive and corrective actions. You can schedule automated reminders for delivery to your email address—and they're added to your PMA Cinch home page for additional convenience.

The screenshot shows a web browser window displaying the PMA Cinch system. The main content area is titled 'Diary Entries' and shows a list of diary entries for a specific claim. The entries are organized into a table with columns for 'NOTE', 'CATEGORY', 'STATUS', 'DUE DATE', and 'SUBJECT'.

NOTE	CATEGORY	STATUS	DUE DATE	SUBJECT
2	Diary	Closed	03/01/2007	test2
1	Diary	Open	04/06/2007	test
3	Note	Open	04/02/2007	note test



# Analyze and Trend Your Data Expertly with PMA Cinch®

PMA Cinch offers an easy-to-use Analysis Tool. You can sort and trend your data with dropdown menus and a few simple clicks.

## CREATE GRAPHS

The Analysis Tool enables you to create full-color graphs and charts from your data.

The screenshot shows the PMA Cinch software interface within a Microsoft Internet Explorer browser window. The browser title is "The PMA Group - Risk Management Information System - Microsoft Internet Explorer". The interface includes a menu bar (File, Edit, View, Insert, Format, Dashboard, Tools, Help) and a toolbar with various icons. Below the toolbar, there are controls for "Level: 1", "Accident Dates" (From: YYYY-MM-DD, To: YYYY-MM-DD, Apply Dates), and "Category" (Day of the Week, Sort, Graph, Data, Print). The main data table is as follows:

Category Code	Category Description	# Of Claims	% Frequency	Total Losses	% Cost	Average Cost	Total Paid
Thursday	Thursday	145	23.9%	\$2,128,953.00	33.8%	\$14,689.84	\$1,080,554.82
Monday	Monday	100	16.5%	\$1,235,584.00	19.6%	\$12,355.84	\$634,161.46
Friday	Friday	130	21.4%	\$1,175,145.00	18.7%	\$9,039.58	\$932,402.75
Wednesday	Wednesday	104	17.1%	\$1,003,763.00	15.9%	\$9,651.57	\$708,237.43
Tuesday	Tuesday	114	18.8%	\$648,612.00	10.3%	\$5,689.58	\$433,346.45
Sunday	Sunday	5	0.8%	\$85,104.00	1.4%	\$17,020.80	\$27,619.45
Saturday	Saturday	9	1.5%	\$21,889.00	0.3%	\$2,432.11	\$21,889.05
<b>Total:</b>		<b>607</b>		<b>\$6,297,050.00</b>			<b>\$3,838,211.21</b>

*"PMA Cinch® is great! The system is innovative and it makes tracking claims an easy process so that we always know exactly where we stand. It's just another part of the complete service package provided by PMA—we couldn't treat our injured employees as well as we do without their help."*

—Bertha Hunt  
 Administrative Assistant to the City of Decatur  
 Workers' Compensation Coordinator  
 City of Decatur, Georgia





## About PMA Companies

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Nearly  
**100**  
Years  
of Experience

**90%**  
or Higher  
Large Client Retention

**"A"**  
Excellent Rating  
by A.M. Best

**98%**  
of Clients Would  
Recommend PMA  
Per Independent Survey

[www.pmacompanies.com](http://www.pmacompanies.com)

Member of Old Republic Companies



## Exceptions and Clarifications

We value the opportunity to work with the City of Hollywood in a collaborative environment to achieve a mutually agreed upon contract for our TPA Services. In review of the Request for Proposal, we identified two items that would require some clarification.

The first item is in reference to a requirement...“the City reserves the right to the final approval of the hiring and/or assignment of the claims manager, supervisor and adjustors that are to handle the City’s claims.” Our position is to work with the City on the assignment of personnel, but the actual hiring of staff is coordinated by our corporate team.

The second item is in reference to an audit of records related to “networks and provider agreements unique to the City of Hollywood cost data. At PMA, we will work closely with the City to provide certain data regarding network savings on the City’s workers’ compensation claims. The challenge we encounter is related to the actual contracts with our network providers since these have confidentiality agreements in place.



# THE CITY OF INCOGNITO, USA

Safety & Worker's Compensation

## Risk Management Assessment

*James Rhoads, CSP, CPCU, ALCM  
Risk Control Corporate Operations Leader*

**April 2014**

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## Objective

PMA Management Corp. was engaged by \*\*\*\*\* to conduct an assessment of the safety and risk management practices of the City of Incognito, USA. Specifically, we contracted to perform a Risk Management Assessment. The RMA in combination with a comprehensive analysis of loss data will identify strengths in the existing program and opportunities for improvement.

The **RMA** considers safety and management issues including, but not restricted to:

**Safety Management** – The overall structure of the City program, including policies, reporting relationships, and accountabilities.

**Claims Management** – practices including reporting, investigation and follow up procedures, and return to work.

**Safety Programs** – The City's workforce is not under the jurisdiction of the Occupational Safety and Health Administration (OSHA), however their standards provide a guideline for programs that should be in place and how they are administered.

**Employee Selection** – hiring practices including use of job descriptions, pre-placement medical exams, background checks, substance screening, and motor vehicle record utilization.

**Driver Management** – Considering that the most dangerous task at most employers is driving, programs to promote driver safety will be reviewed, including vehicle maintenance, driver observation programs, accident review boards, disciplinary policies, and distracted driving policies.

**Facility Management** – self-inspection programs, contractual controls for use of City facilities, security issues, evacuation and emergency planning and life safety.

**Safety Committees and Employee Involvement** - What mechanisms exist to engage the workforce and reinforce a culture of safety?

**Fire Department Safety Practices** – usage of NFPA guidelines, and practices in place to prevent the major sources of fire fighter fatalities: cardiac events and vehicular accidents.

**Police Practices** – Use of CALEA certification, accident review, departmental committees and training will be reviewed. Driving practices, including pursuit policies, training, and accident review will be addressed.

## Methodology

PMA was provided with a 10-year compilation of loss data by \*\*\*\*. This forms the basis of the comments offered in the loss analysis sections. As requested, the report focuses on the workers compensation exposures.

Interviews were coordinated by Assistant Director, Risk Management, and took place February 18-20 at the City office at \*\*\*\*, and in the offices of several of the participants. Interviewed were:

- Director of Risk Management
- Assistant Director
- Safety Officer
- Assistant Fire Chief
- Chief Financial Officer
- Safety Officer, Fire-Rescue
- Parks & Recreation
- Director, Solid Waste
- Personnel Safety Officer, Solid Waste
- Director, General Services Administration
- Chief of Maintenance Operations, Public Works
- Chief Civil Engineer, Public Works
- Superintendent, Public Works

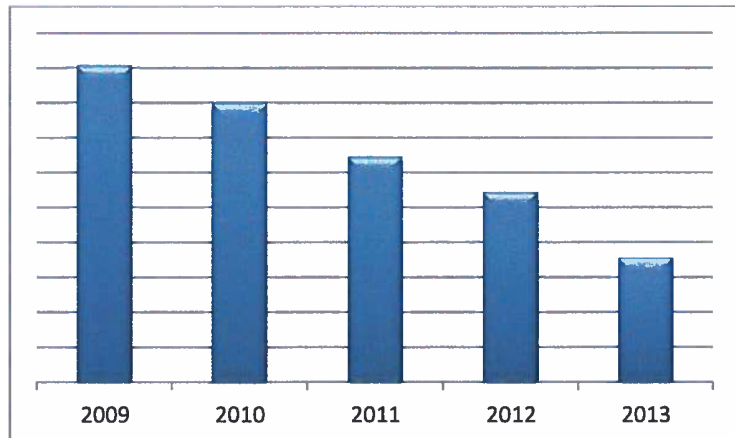
Post-site telephone interviews were conducted with Assistant Police Chief and City Safety Manager. Additional information was provided by \*\*\*, Vice President, \*\*\*.



## Citywide Safety Management

The City's safety program is administered through the Risk Management Department, with major roles being played by the Director, Assistant Director, Safety Manager, and Safety Officer. The latter individuals act in an advisory capacity to the operating departments, conducting safety training, performing site inspections, and participating in accident investigations where the severity merits. The Safety Manager and Safety Officer collaborate on the development of training programs and policies. Departmental needs are addressed as they arise; there is no particular alignment of these support personnel with the operational departments. The Safety manager also has responsibility for the City's compliance with the Americans with Disabilities Act (ADA).

City Incurred Loss Costs 2009 - 2013



Written policies are in place and an overall policy statement makes provision for signature by the City Manager. Operating departments have the cost of workers' compensation charged back to them, with weighting based on claims experience. In the City manager safety statement management and support staff is charged with the execution of the safety program, but that execution does not appear to have been incorporated into performance measures. The City Manager Safety Statement directs that each department director appoint a Safety Liaison to work with the Risk Management Department. That has not been uniformly implemented. The stated goal of the Risk Management Department is for each department to have a functional safety committee that meets at least quarterly. That has not yet been completed; current departments without such committees include Parks & Recreation, GSA, and Public Works.

Injury investigations are conducted by line supervisors, and a specific form has been designed for major departments. Training on its completion has been conducted. The forms provides a simple check off on elements including body part, nature of injury, activity performed, and source of injury. There is a very small section where corrective action is to be indicated. If severity or circumstance merits, a supplemental investigation may be conducted by a member of the Safety staff. Currently, there is no feedback mechanism to give a supervisor input on how well the form was completed, or the value of the suggested corrective action.

# Citywide Safety Management

## Recommendation

1. Incorporate activity driven measures into supervisory reviews. Establish key activities and measure supervisory performance in executing those activities. Safety related activities could include:
  - Participating in a departmental safety committee.
  - Submitting an accident report of acceptable quality on any employee injury/near miss, within a designated time.
  - Conducting a physical inspection of a designated facility and submitting same to the Risk Management department.
  - Conducting a brief safety talk for the work group at designated intervals and submitting an attendance sheet to Risk Management.
2. Standardize use of Loss Metrics - Establishment of metrics based on exposures like payroll or full-time employees (FTE) should be utilized for the purposes of tracking progress and establishing goals. An excellent resource sheet created by the Public Entity Risk Institute (PERI) is attached outlining some frequently used metrics. These should be provided to City leadership on a regular basis as an indication of the programs contributions.
3. Safety Liaisons – All major operating departments should have a safety liaison designated. It is suggested that these individuals receive formal training on the role of the safety liaison and the expectations for persons designated as such. These individuals should meet on a periodic basis to review how they are respectively executing the role, and exchange ideas on being more effective.
4. Safety Committees – A time frame for the mandatory implementation of department safety committees should be established. Committees should receive initial training on the function and operation of the committee. A representative of the Risk Management Department should attend initial meetings, and follow up periodically after the first year of operation.
5. Investigation Feedback – To ultimately reduce the burden of incident investigation by the safety staff, the skill set of line supervision must be cultivated. A grading system for completed investigations provides quantifiable measures of how well an individual (or when summed, how well a department) is executing this task. A sample of such a grading grid is included in the Appendix.

# Citywide Safety Management

## Claims Management

Claim reporting is done via a supervisory report of injury to the Risk Management department. The samples provided were all submitted in 2 days or less. A loss run provided by \*\*\*\*indicated 84.2% of claims were submitted in 3 days or less, and 91% submitted in 7 days or less. This is considered a very positive performance. The late reported claims derive primarily from the Police and Fire Departments, which are not required to treat through the City's network providers.

All departments interviewed expressed a strong positive position with respect to return to work programs and indicated that practically any restriction would be accommodated. This is not always the case with Police, Fire, and Solid Waste departments and they are to be commended.

There is no current practice that requires a contact by supervision with an injured worker. Post-injury contact is a proven countermeasure in preventing deterioration of an injured workers perception of the employer, and speeds return to work.

Current practice does not require that workers' compensation and Family Medical Leave Allowance (FMLA) be run concurrently. This is a generally used strategy in public entities to encourage return to work; it has been resisted by the City Legal Department. PMA claim personnel are aware of no state-specific issues that would preclude this practice.

## Recommendation

6. Require supervisors to make contact with injured workers within twenty-four hours, or as soon as is medically feasible. A list of talking points for such a contact is provided in the Appendix.
7. Discuss use of running FMLA concurrent with workers' compensation claims with your claims administrator for input on the possible impact and legal obstacles.

## Safety Programs

The City Risk Management Department provides a wide variety of informational programs to the operating departments, with the exception of the Police and Fire departments; technical needs in those departments are generally addressed by a safety officer within the department. Samples of the training requirements for several departments were provided. Training programs include post-accident testing and attendance. A master log of training conducted is maintained for Risk Management training, but training conducted by the departments is not included.

# Citywide Safety Management

## **Recommendation**

8. Consider a continuing focus with supervision on safety as a management issue. Emphasize the need to control costs at the department level through good management practices. Such focus should encourage departments to take advantage of the risk management department as a resource.
9. Departments should provide the Risk Management Department with documentation of any internal training conducted for tracking purposes.

## **Employee Selection**

Employee selection is handled through the Human Resources Department (not interviewed). Practices include recruiting, background checks, medical screening and pre-placement drug testing.

## **Driver Management**

Motor vehicle records are acquired where appropriate for new hires, and annually for individuals with driving duties in their job descriptions. Not clear were requirements for individuals who may use personal vehicles in the course of the workday.

## **Recommendation**

10. Any staff using a personal vehicle should be required to provide the City with a copy of their personal insurance declarations page on an annual basis.

## **Facility management**

Physical inspections of City sites are the responsibility of the department operating the site, and checklists have been supplied. The Safety Manager and Safety Officer both make periodic site inspection in support of this task, but there is no indication of collaborating with a local contact to maximize the value of the inspection as a learning experience. Notable was the Parks & Recreation practice of performing regular inspections on playground sites, and involving individuals certified as Certified Playground Safety Inspectors if there are questions.

## **Recommendation**

11. A schedule for Risk Management site inspections should be established and a procedure defined to include local site management (or safety committee members) in the inspections. Timelines for corrections of deficiencies observed should be required.

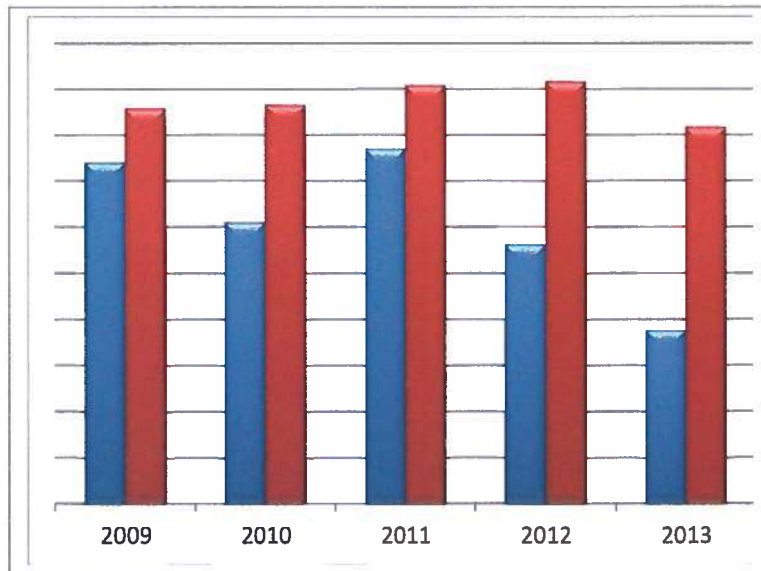
# Citywide Safety Management

## Loss Trends

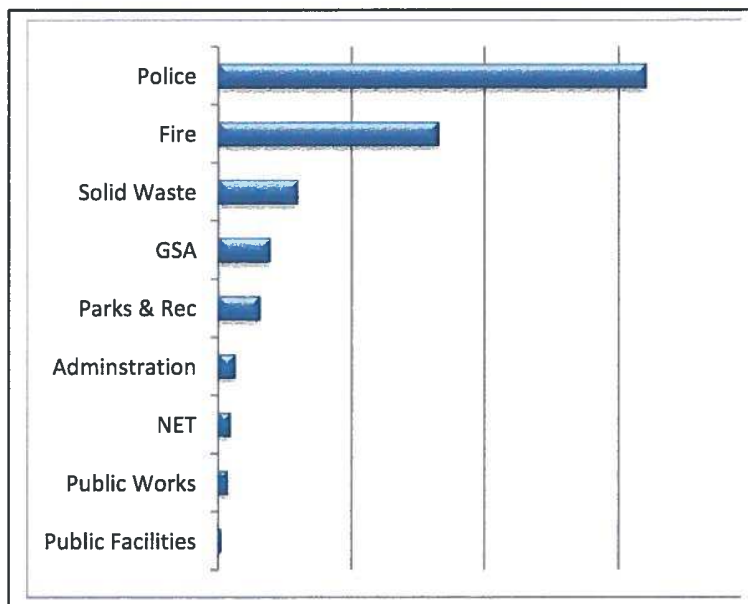
- The departments visited (Police, Fire, Solid Waste, Parks & Rec, GSA, Public Works) account for \$31.16M in incurred workers' compensation costs from 2009-2013. This represents 95.8% of the City loss costs in workers' compensation over the period. They account for 96.5% of the lost time claim frequency.
- The most frequent lost time injury category, and the one with highest costs in the past five years, is "Stress Exposure"(15% frequency, 26% costs), encompassing a range of medical conditions deemed compensable under the USA workers' compensation act.
- After three years of stable frequency (54, 52, 57, avg. 54.3), the frequency of Stress claims increased 49%, to 81 in 2013.
- The Police Department accounts for the majority of the Stress claims, with 79% of the lost time claims, and 79% of the costs. The frequency of these claims, which averaged 39 from 2010-12, increased 61.5% in 2013.
- Grouped together, the various categories of "Exertion" claims account for 32% of lost time frequency. The highest frequency category in this group is "Repetitive Motion", accounting for 33% of the claims.

# Citywide Safety Management

### City Claim Frequency 2009 - 2013



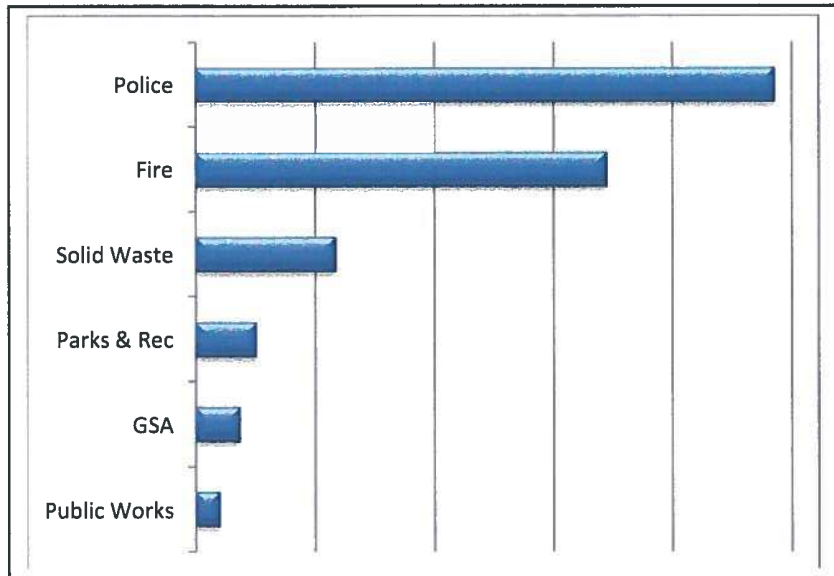
### Loss Costs by Department 2009 – 2013 (>\$100K)



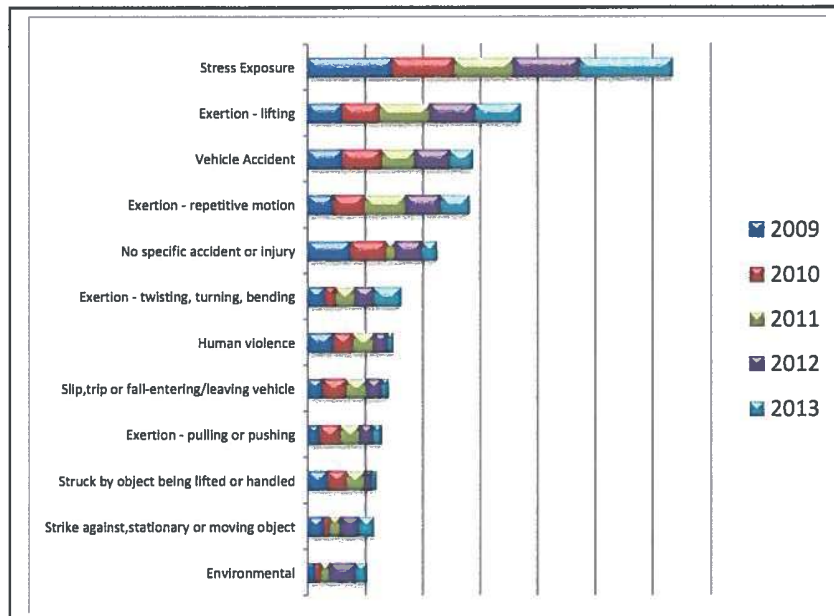


# Citywide Safety Management

## LT Claims by Department 2009 - 2013

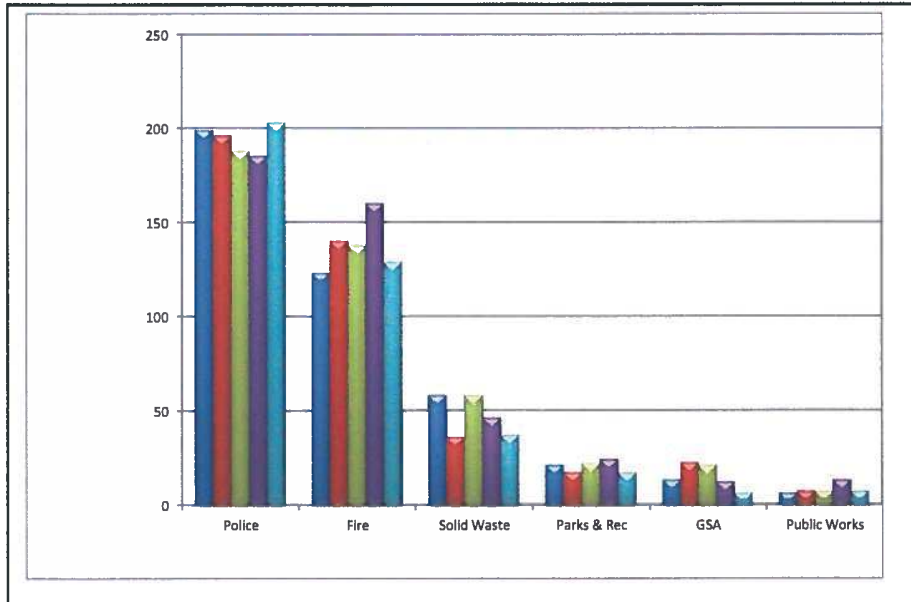


## LT Claim by Type (>50) – City Wide



# Citywide Safety Management

## Lost Time Claim Trends by Department



## Police

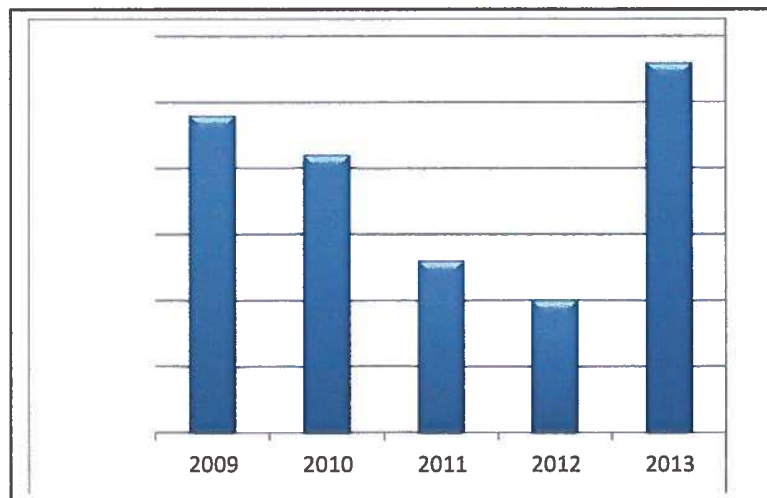
The telephone conversation with Asst. Chief \*\*\* revealed a strong positive attitude toward staff personal safety. Aspects of the Police Safety program discussed included:

- **CALEA Certification** – The accreditation of the department by The Commission on Accreditation for Law Enforcement Agencies, Inc., (CALEA®) was cited as positive influence. The City was first accredited in 2000, and has maintained accreditation since. The process is monitored and maintained by a full unit. CALEA's website sites a positive influence of their process on workers' compensation results:

*" In Workers' Compensation coverage, the 23 non-accredited agencies experienced a rate of 27.21 claims per 100 insured officers, while the 5 accredited agencies experienced a rate of **22.56 claims per 100 officers**, or 17.1% less than the non-accredited agencies.*

*The annual loss rate incurred by the non-accredited agencies was \$89,389 per 100 officers, while the accredited agencies experienced losses of **\$72,565 per 100 officers**, or 18.8% less than the non-accredited agencies."*

**Lost Time Claim Trends - Police**



- **Use of Conducted Electrical Devices (CEDs)**, i.e., Tasers, was cited as a strong contributor to the reduction of officer injuries. Chief \*\*\*\* indicated that the Department has fully equipped field staff with these devices, and has seen a reduction in injuries involved with apprehensions (see Trends). This is consistent with national data published in the American Journal of Public Health in 2010 (which included City of Incognito data).
- **Use of Crisis Intervention Team Officers** was cited a loss reduction measure, as all street officers have access to an individual specially trained to respond to individuals believe to be dealing with mental health issues; CIT Officers respond with de-escalation techniques which minimize harm to the officer or the suspect.

Incident investigation is conducted by a field supervisor and is reviewed up the chain of command. Issues reviewed include tactical, training, and equipment malfunctions. Progressive discipline is utilized for procedural violations. A strong policy is reported dealing with high speed chases, and they are permitted only in the instance of violent felonies or armed offenders. Remedial action may be taken on vehicular accidents including driver improvement programs.

## Police

There were no reported on-going programs for driver improvement after an officer graduates from the Academy.

Health issues are properly getting a higher profile; Academy programs emphasize health and nutrition. Annual physicals are conducted. The Human Resource department is providing input on health issues. Exercise equipment is provided at the main building; exercise work is done on personal time and in an unsupervised manner.

Strong support on the use of modified/transitional duty was expressed, and a commitment to finding a position that will accommodate practically any medical restriction.

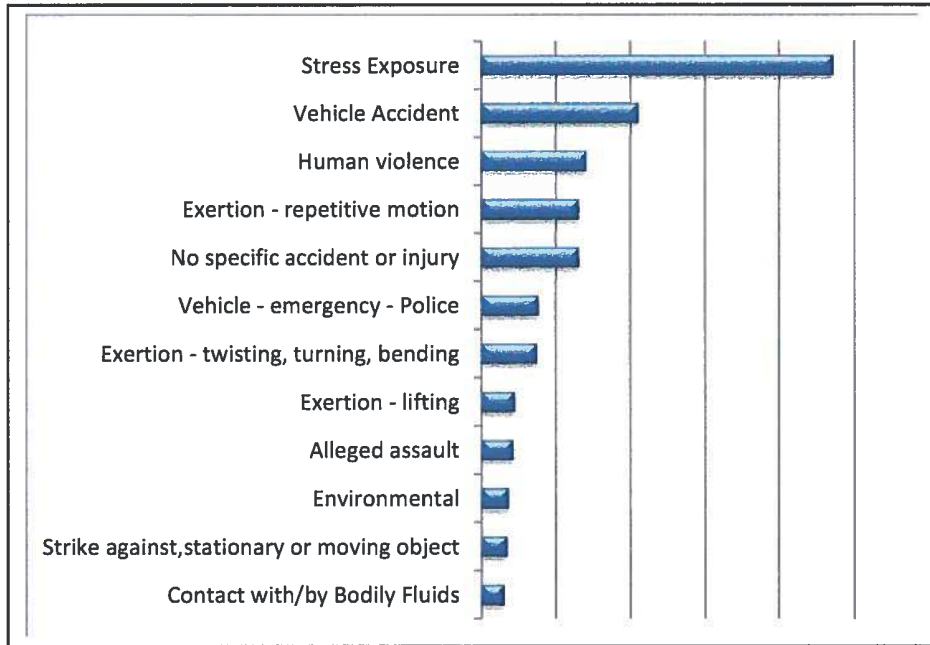
### **Recommendations**

12. Driver Training – Consider driver training/improvement that is not offered in a punitive fashion. Programs like the FLI “Coaching the Emergency Vehicle Operator: Police” can provide a structure that an experienced officer can use to deliver customized training. Interactive programs allow senior officers to offer hard-learned lessons in a comfortable forum.
13. Benchmarking - It is suggested that the City benchmark their results against the CALEA data to determine the level of their success.
14. An expansion of the pilot program involving a resident physical training specialist at the 444 2nd Avenue building should provide a model for more structured wellness efforts with police personnel. In a similar fashion, the efforts at the Solid Waste department to structure health interventions to the needs of the workforce also could be adapted.

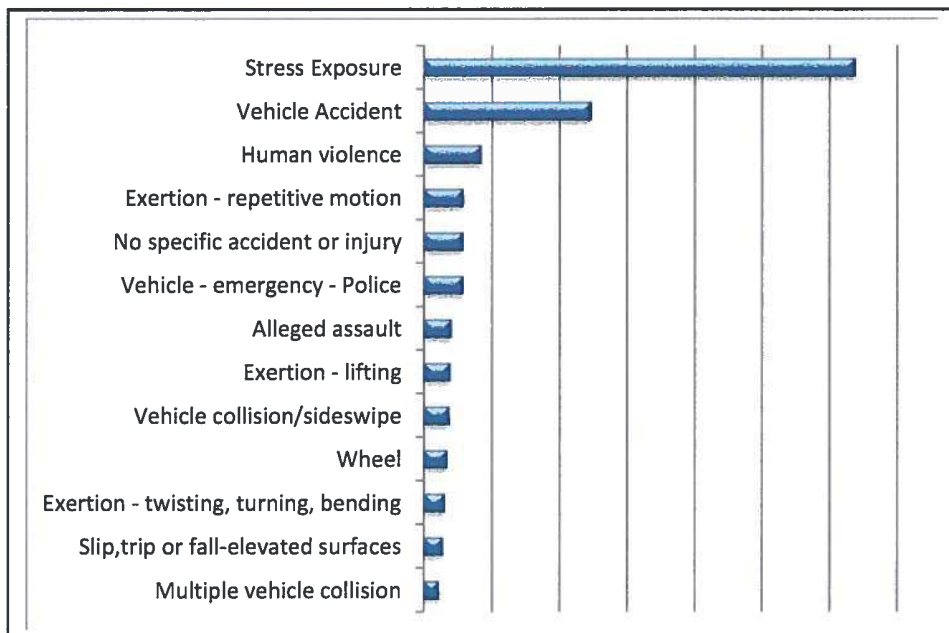
### **Loss Trends**

- The Police Department was the only one of the major departments whose lost time frequency rate increased in 2013, increasing 9.7% after two years of reduction. In addition to the Stress category previously noted, a high incidence of injuries categorized as “Occupational Health Disorders” also occurs. This category averaged 41 claims per year in 2010-12, and increased 51% in 2013.
- Vehicular accidents are the second leading cause of lost time injuries, eclipsing injuries due to Human Violence. These injuries have shown a steady decrease from 48 in 2010 to 23 in 2013 (-52%).
- Lost time claims categorized as “Human Violence” have decreased 76% since 2009.

**Police LT Claims by Type – Frequency (>15)**

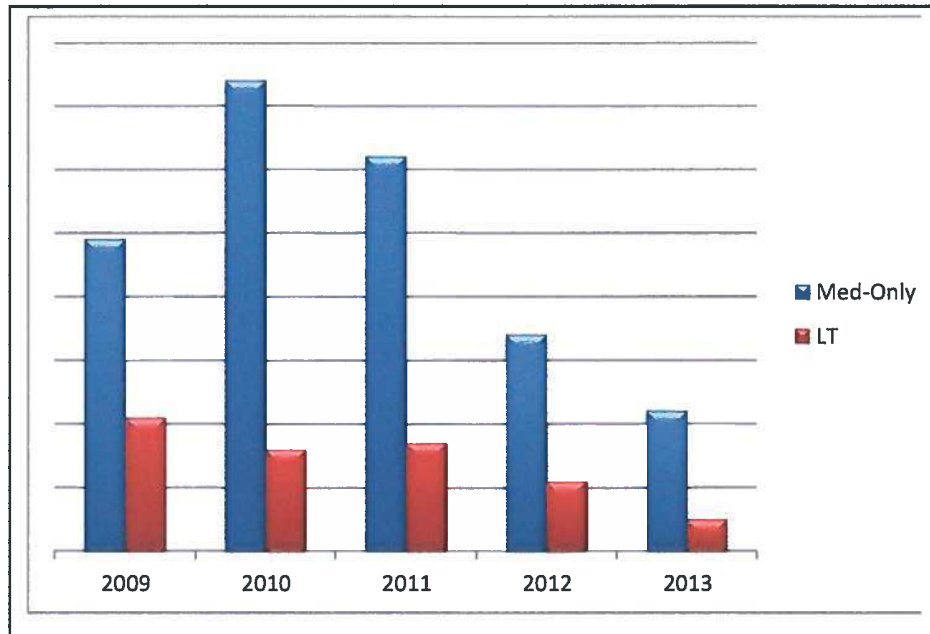


**Police LT Claims by Type – Incurred > \$200,000**



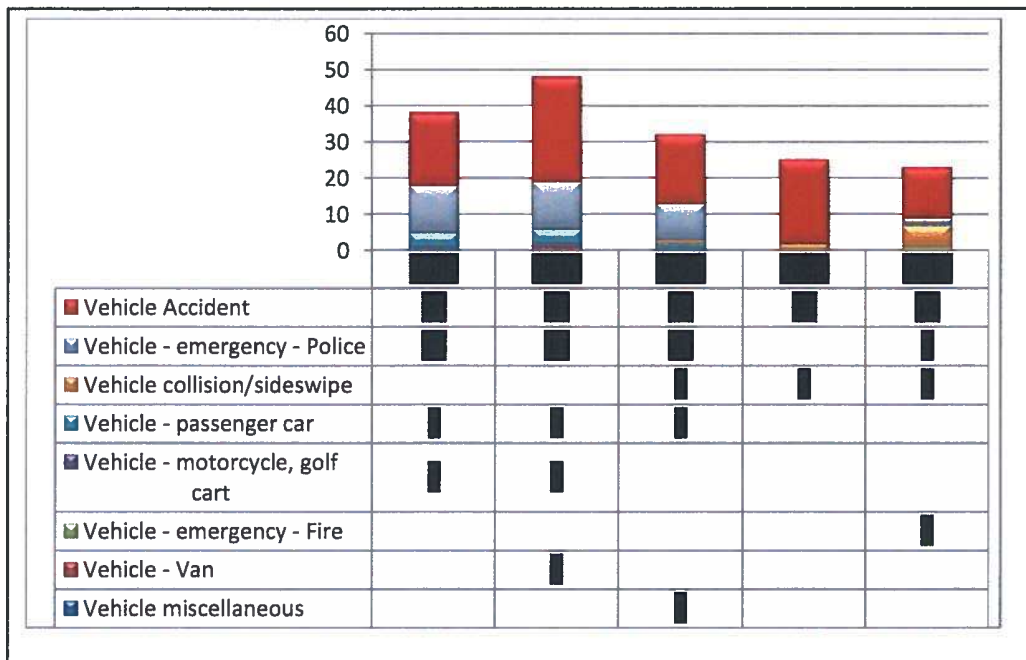
## Police

Police Claims Categorized as "Human Violence"





**Police LT Claims – Vehicle Related**



## ■ ■ Fire

Site interviews were conducted with Captain A and Captain G.

The Fire Department has a number of safety related initiatives in place, under the guidance of the safety officer, Captain A. An Accident Review Committee meets approximately bi-monthly to address vehicular incidents and determine preventability. The committee includes the safety officer, battalion chief, the driver instructor, and the driver involved if appealing the ruling. Determinations of preventability are used primarily to determine developmental/educational needs. Some use of progressive discipline may take place depending on circumstances.

Technology is being explored to capture video images related to vehicular accidents (e.g., DriveCam™).

All firehouses have exercise equipment, and on-duty time is allocated for its use. A physical fitness committee is in place and is providing guidance on activities. Good nutritional habits/practices are being encouraged. A mandatory structured exercise program is under consideration.

Physicals are being conducted every third year up to the age of 30, every two years at ages 30-39, and annually at 40+. Physicals include stress tests and x-rays; use of full body scans is being considered.

Incidents involving employee injury are reported to the safety officer who investigates with shift command. Corrective action is likely to be educational or equipment related; it was noted there is little disciplinary action because of these investigations. Captain A acknowledges that there is little attention to determining if the action is actually work-related.

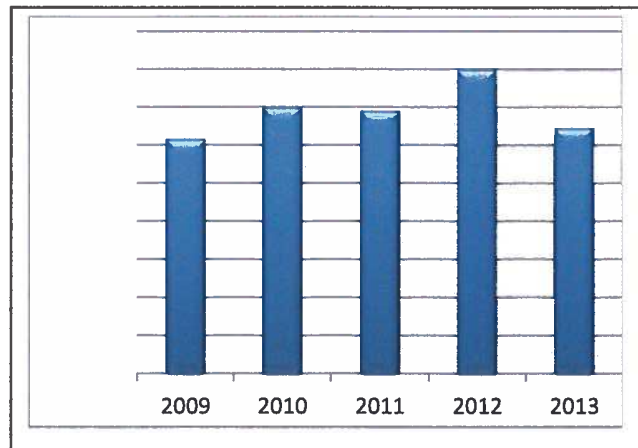
Technical bulletins and critical near-miss bulletins are sent out periodically.

Both Captains reported strong support for transitional duty and report the ability to accommodate almost all medical restrictions.

### Recommendations

15. Driver Training – Consider driver training/improvement that is not offered in a punitive fashion. Programs like the FLI “Coaching the Emergency Vehicle Operator: Fire” and “Coaching the Emergency Vehicle Operator: Ambulance” can provide a structure that an experienced officer can use to deliver customized training. Interactive programs allow senior officers to offer hard-learned lessons in a comfortable forum. Separate online modules are available.

Lost Time Claim Trends - Fire



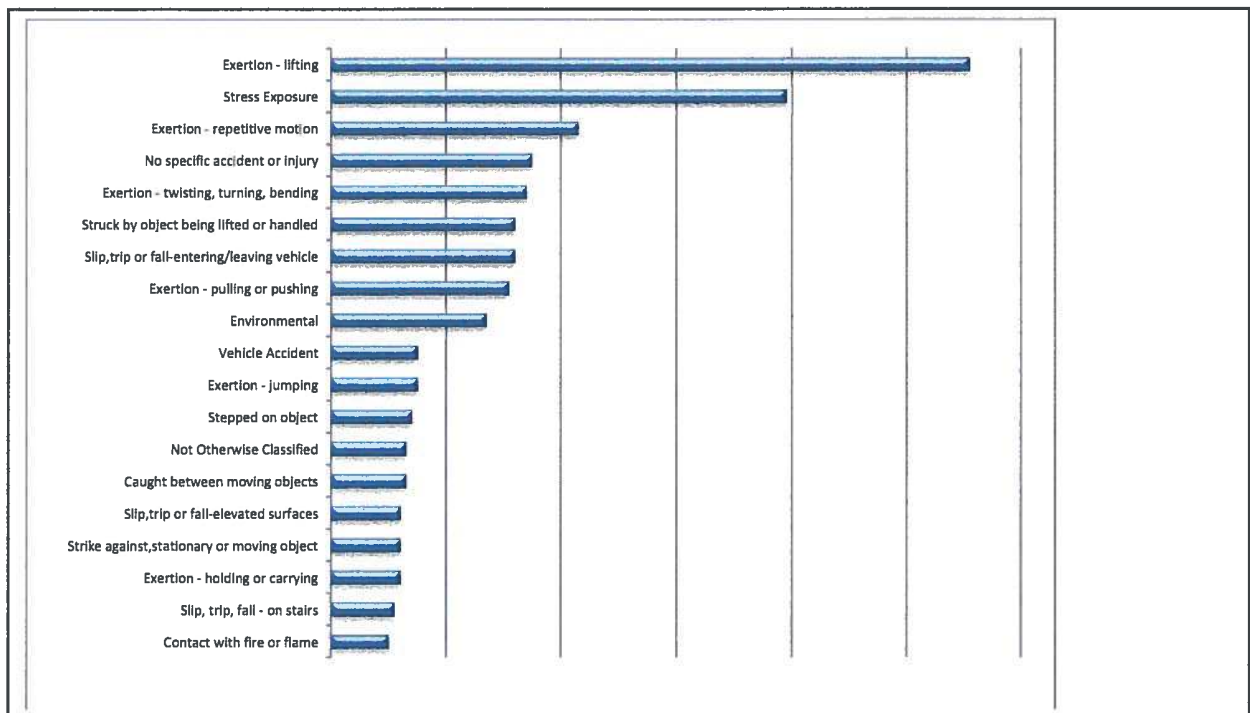
## Fire

16. Technical Bulletins – A number of resources at little or no cost are available to fire fighters. A good resource is Fire Fighter Close Calls ([www.firefighterclosecalls.com](http://www.firefighterclosecalls.com)), which also contains a subscription to “The Secret List,” a regular discussion of severe incidents at firehouses worldwide.

### Loss Trends

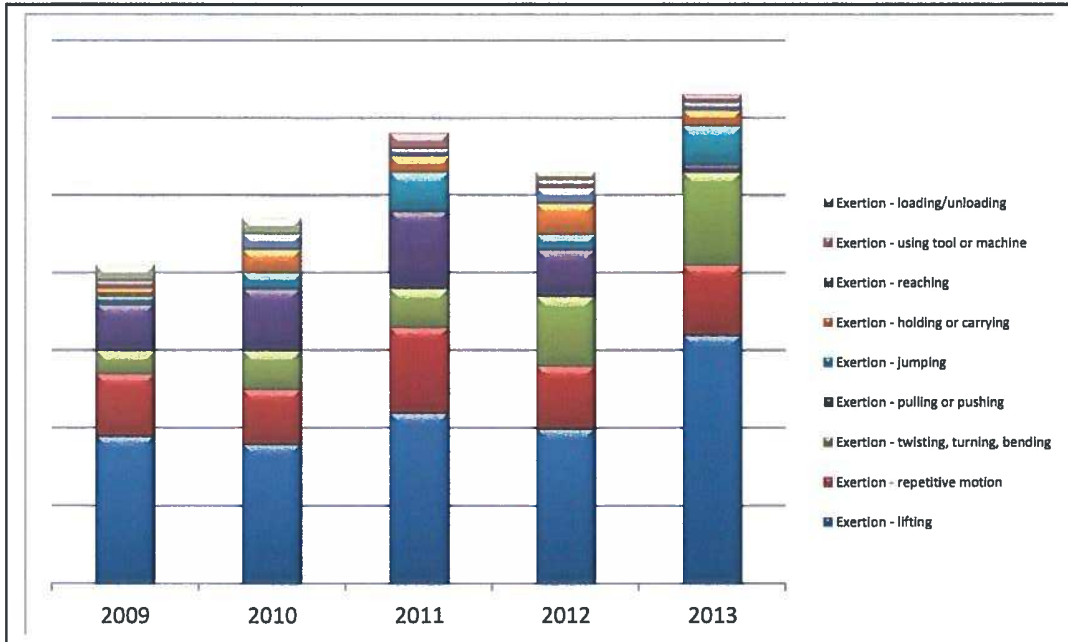
- Various categories of exertion account for four of the top eight categories, and in total represent 38% of all LT injuries in the department.
- Stress-categorized claims are the highest single category of cost driver (21%).
- The frequency of “Exertion” injuries has increased steadily since 2009, with “Lifting” being the highest frequency category, followed by “Repetitive Motion”.
- Lost time injuries due to vehicular accidents have declined for the second year in a row, and the overall frequency trend is downward.

Fire LT Claims - Frequency

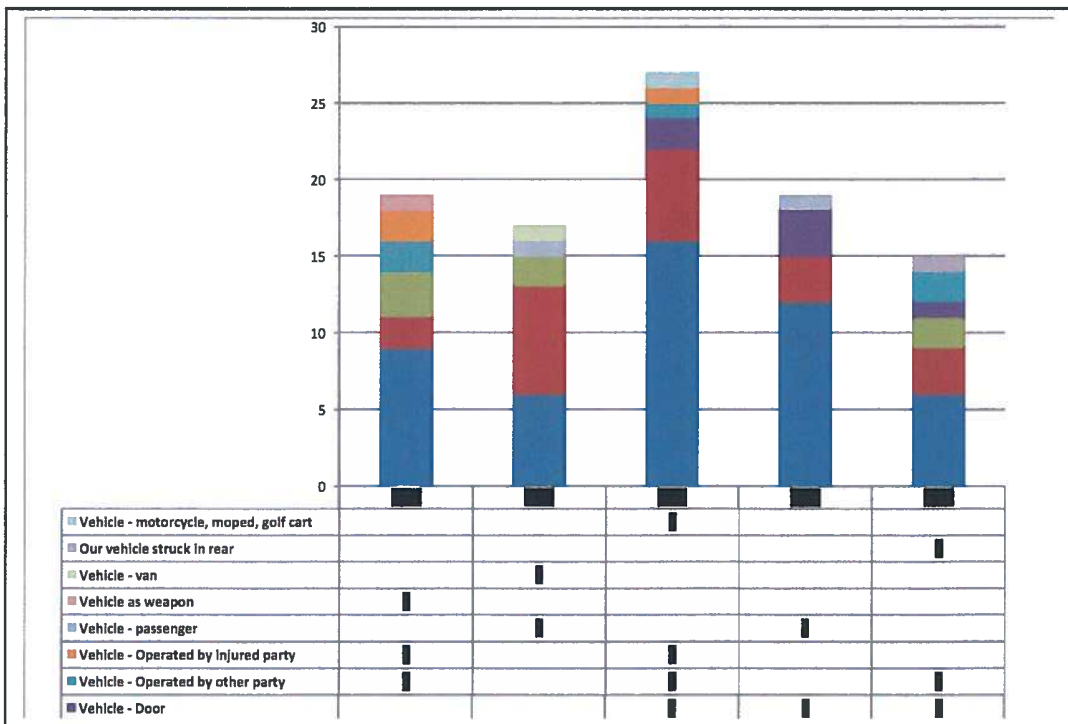


# Fire

## Fire – LT Claims Categorized as “Exertion”



## Fire – WC Total Frequency – Vehicle Related



## ■ ■ Solid Waste

Interviews were conducted with CK, Director, and MA, Personnel Safety Officer. Additionally, there was some on-the-road observation of the use of one of the department's truck-mounted cranes in operation.

The Solid Waste Department has one of the more developed departmental safety efforts. There is an Accident Review Board that addresses the preventability of vehicular accidents. Training is conducted on a quarterly basis.

In addition to the pre-placement drug and alcohol screening, the department randomly tests 20% of the staff each quarter.

A wellness center is being installed and the department has partnered with the American Heart Association in defining measurable goals and measuring employee progress in improving some key health attributes. Exercise programs will be integrated with recommendations for good nutrition.

The department reports they have implemented 100% automated pickups for regular collection as of October 2013. Their own analysis indicates that 70% of accidents are related to the crane operations (not clear what category of accidents this refers to, but we presume it is physical damage claims).

Noted was the increase in cumulative trauma category injuries, from operators using the automated pick up controls.

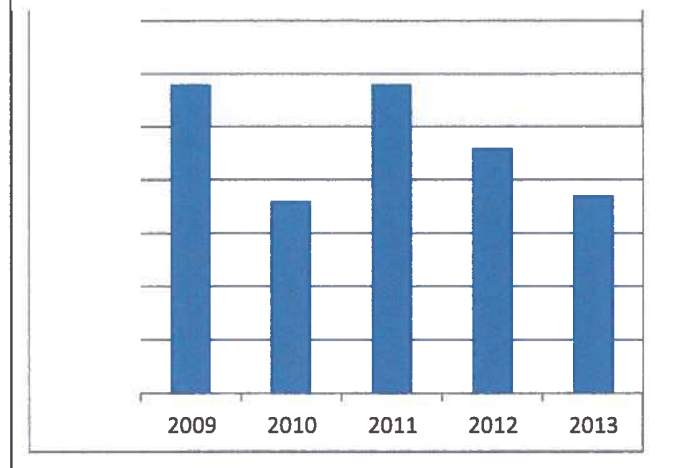
There is currently no standardized training program for individuals working with crane operators as "spotters".

A positive reaction was noted with respect to transitional duty, but with the qualification that the doctor restrictions are sometimes difficult to work with.

### Recommendations

17. Programs like the FLI "Coaching the Refuse Driver" can provide a structure that an experienced officer can use to deliver customized training. Interactive programs allow senior officers to offer hard-learned lessons in a comfortable forum.
18. The "spotter" position is one of the most critical in the department, as their activity can have a direct bearing on multiple property damage situations; additionally, these individuals are

Lost Time Claim Trends – Solid Waste



## ■ Solid Waste

exposed to personal injury from motorists. A standardized program for these individuals should be developed.

19. A policy should be established and enforced relating to utility lines in the path of the crane swing. Belief that the operator will always recognize power lines is not an acceptable practice.
20. The manufacturer of the trucks' lifting mechanism should be contacted to determine if they have identified any retrofits/enhancements available to reduce the incidence of operator strain when operating the lift mechanism.

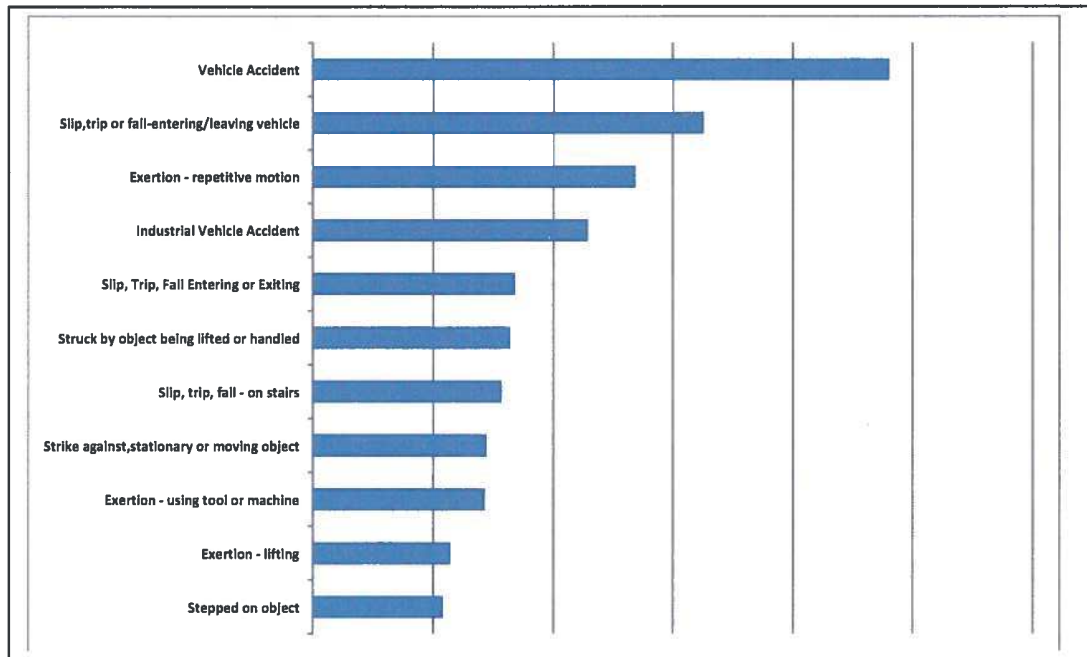
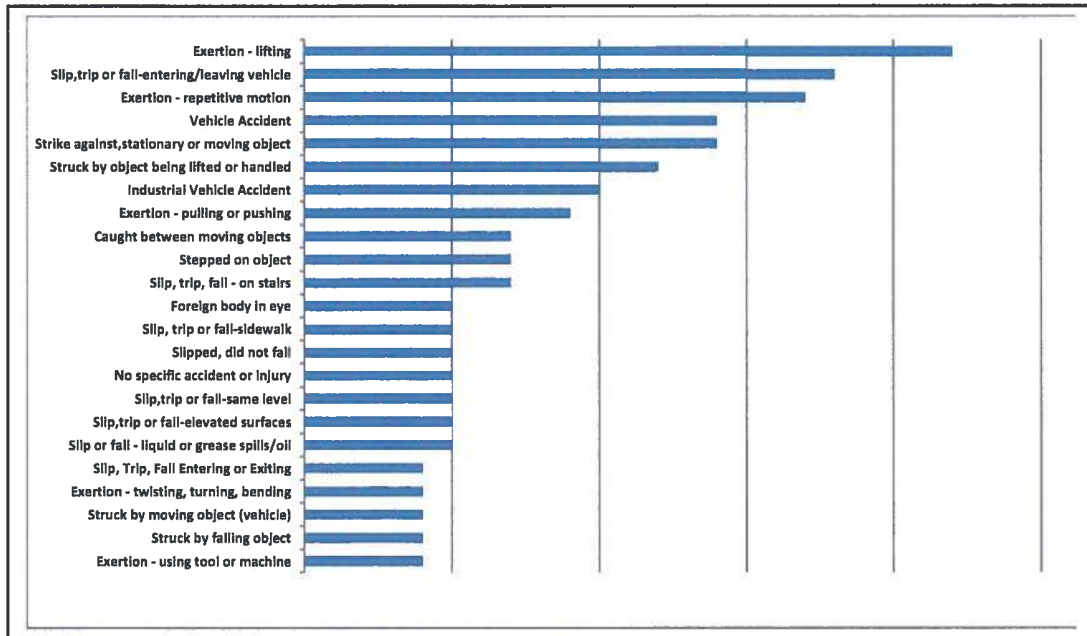
### Loss Trends

- The department has the highest incidence of employees with multiple injuries (accident repeaters) of any of the non-Public Safety departments.
- The highest frequency categories for LT injury are the exertion categories, occupying two of the top three frequency categories.
- Vehicular accidents are the leading cost driver in this department (16.5% losses), followed by slip/falls from entering and leaving the vehicles (9% frequency, 11% losses).
- Lost time claims have declined for the second year in a row and are trending downward over the five-year period.



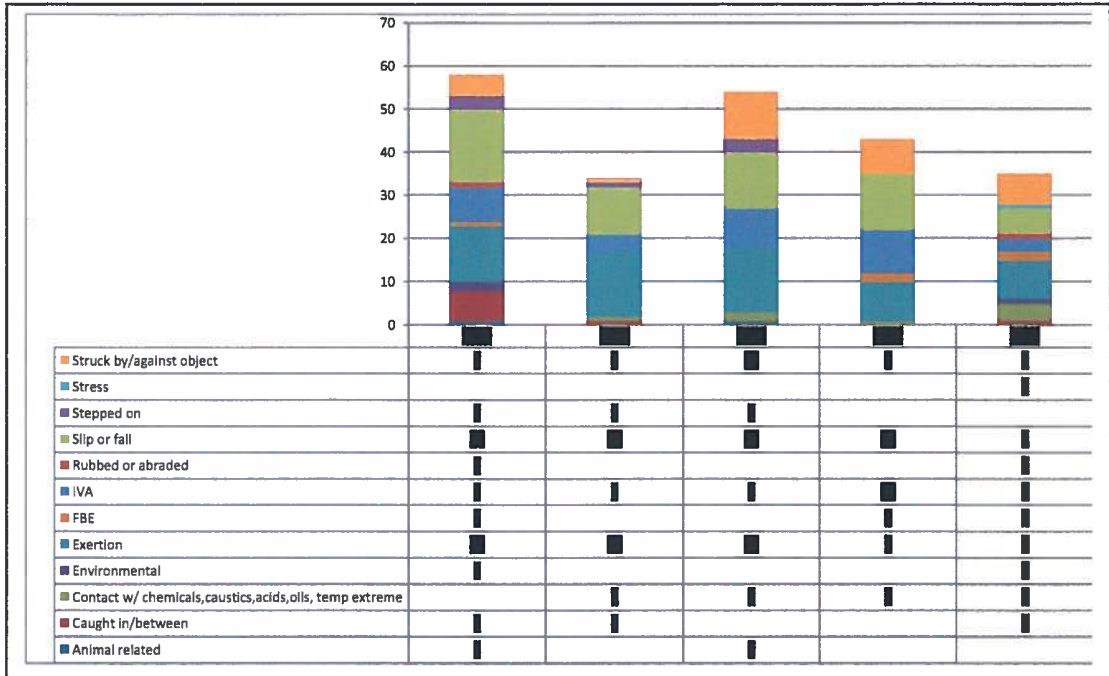
# Solid Waste

## Solid Waste LT Claims by Type – Frequency (>3)

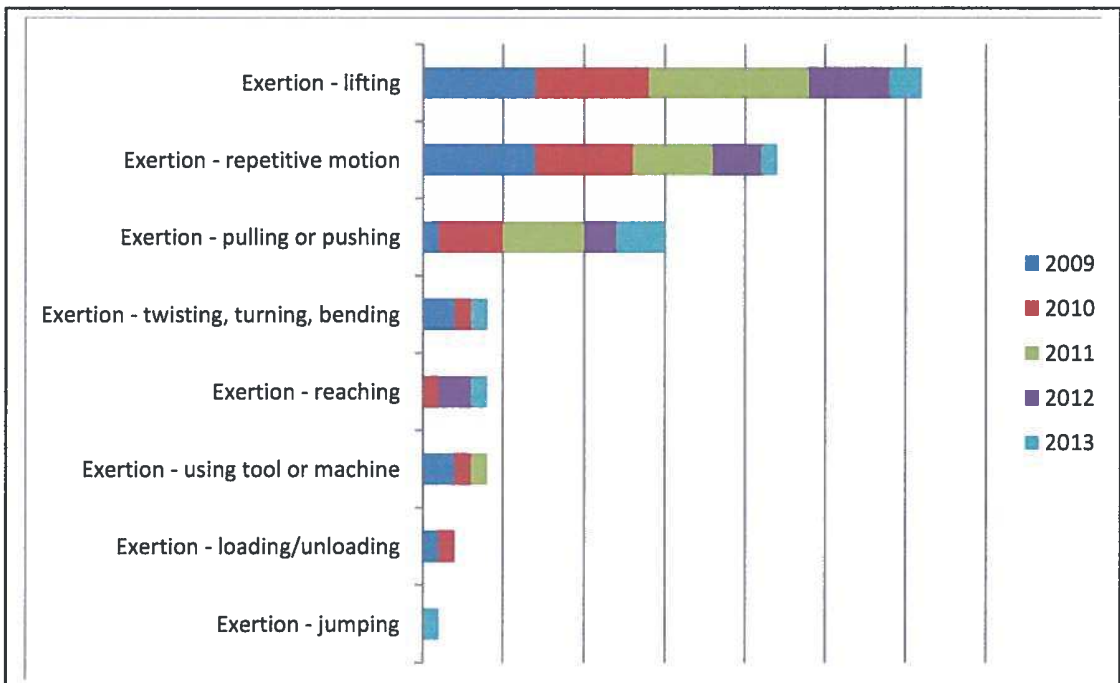


# Solid Waste

## Solid Waste – LT Claims by Basic Types



## Solid Waste – LT Exertion Claims



## ■ ■ Parks & Recreation

Deputy Director LSD was interviewed.

The third largest (by employee count) department is responsible for the upkeep and operation of 120 city parks and 11 swimming pools. Of the departments 600 employees, only about one third are full time employees. The balance is involved in reoccurring recreational programs and is terminated at the end of the season.

For hiring purposes, all returning employees are treated as "new hires" and undergo the same screening process, including background checks. The volunteer component of the workforce is subject to the same pre-qualification.

Personal protective equipment in regular use includes safety shoes (provided to employees), hearing protection, safety glasses, reflective vests, and uniforms.

Site staff performs inspections of equipment and facilities on a monthly basis; any unusual issues are referred to individuals holding the Certified Playground Safety Inspector (CPSI) designation for input.

Monthly training is conducted on maintenance issues. Brief "tool-box" talks are conducted sporadically, but it was indicated that language issues (Spanish, \*\*\*\*) make this problematic.

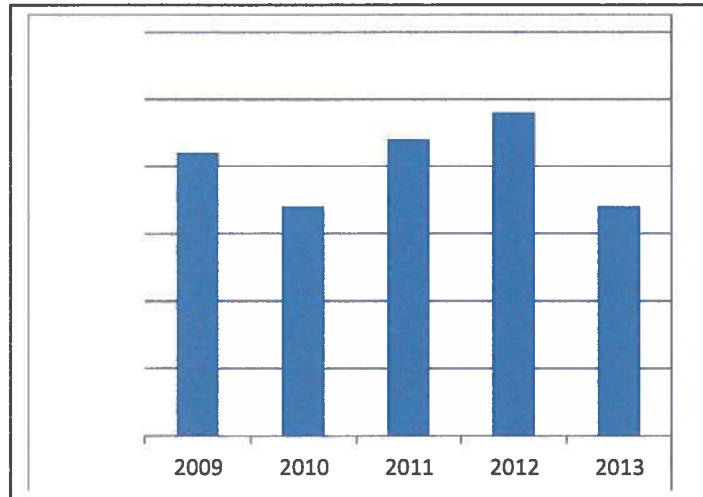
Park managers and supervisors will complete accident or incident reports and forward them to the third party administrators. The City risk management department is involved as needed.

There is no current departmental safety committee in operation.

### Recommendations

21. The Parks & Recreation Department exposures (multiple physical locations, high proportion of part time and volunteer workers, and heavy interaction with the public) make regular safety discussion critical. A regular schedule of toolbox talks should be established and materials provided to supervision as topic matter. Handout material that meets the language needs of the workforce should be provided wherever possible. OSHA's website includes resources in Spanish and a limited number of items in \*\*\*\*. Worthy of further exploration is material developed in the State of \*\*\*\*, which has responded to a growing \*\*\*\* community with the development of written safety materials. Consider encouraging the development of language skills in individuals with supervisory responsibilities to facilitate direct communication.

Lost Time Claim Trends – Parks & Recreation



## ■ ■ Parks & Recreation

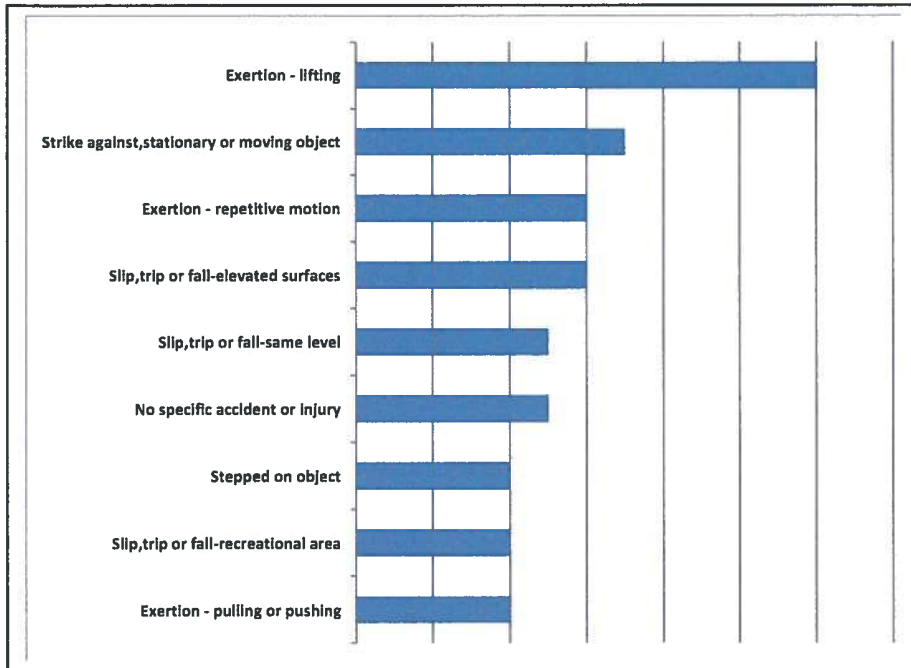
22. Feedback should be provided to supervision that completes site inspections on the effectiveness of their reports. Spot checks should be conducted by the Risk management department to assure that identified deficiencies are corrected.
23. Occupational noise exposures exist for individuals operating equipment like mowers, leaf blowers and vacuums, and other small power equipment. While hearing protection is available, that forms only part of an effective hearing conservation program. Elements of such an effort would include:
  - a. Assessment of exposures – Dosimeter and spot sampling will provide a more comprehensive indication of employee exposures.
  - b. Audiometric testing – Baseline and ongoing testing should be conducted to assess the effectiveness of the program.
  - c. Education – Employees should be aware of the effect of noise on their hearing and the steps to prevent hearing loss. Use of hearing protection and job rotation should be part of the program.
  - d. Enforcement – Supervision should be responsible for the enforcement of City personal protective equipment requirements.
24. The department safety committee should be reestablished.
25. Given the frequency of injuries due to twisting/bending, and the physicality of much of the work, the department should explore use of a stretching regimen, especially for individuals whose work involves coaching or athletic activity.

### Loss Trends

- Lost time frequency over 2009-13 has averaged 20.2 claims per year; frequency in 2013 dropped 29% from the previous year.
- Exertion claims occupy two of the top three frequency categories and are the highest single cost driver.

## ■ Parks & Recreation

**Parks & Rec. LT Claims by Type**



## General Services Administration (GSA)

Director FR was interviewed at the Main Garage location and the garage was toured.

The GSA is responsible for the upkeep of all City vehicles (except for heavy fire equipment), tools, communication equipment, and mowers. Additionally, they perform property maintenance functions, including plumbing and electrical work (no high voltage), and some streetlights. Other responsibilities include the City's interoffice mail delivery and operation

of the print shop.

Personal protective equipment in use includes steel toe shoes, uniforms, gloves, and welding equipment. Eye protection is provided for the garage, but is not mandatory at all times. No cartridge respirators are used; dust masks only.

Lock out / tag out practices are in place, but not formalized.

The garage's hydraulic lifts are inspected periodically by a vendor, but no other scheduled inspections were noted.

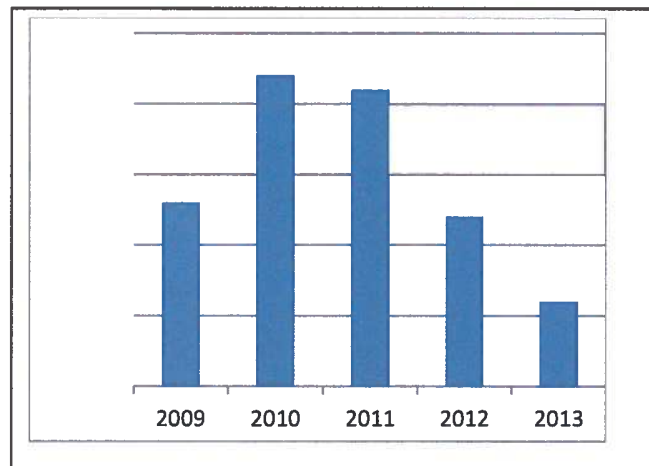
Training is conducted on a periodic basis by the Risk Management department.

The department has no safety committee and does not conduct toolbox talks. Transitional duty will be accommodated for occupational injuries. There seemed to be little overall awareness of the department's loss history, and the major cause of accident was perceived to be failure to pay attention; accidents were viewed as events that "just happen."

### Recommendations

26. Loss awareness – The Risk Management department should assist in increasing the overall loss awareness of the Director. A periodic review of injuries, including root causes and planned corrective actions, coupled with an understanding that workers' compensation losses are charged to the department could create a stronger commitment to the accident prevention effort.
27. Eye protection – Eye protection should be mandatory at all times in the garage.
28. Safety Committee – A safety committee should be established comprised of representatives of supervision and the hourly trades. The committee should meet no less than quarterly for the review of incidents to employees and the public, planned corrective action, and initiatives to improve safety performance.

Lost Time Claim Trends - GSA





## ■ ■ General Services Administration (GSA)

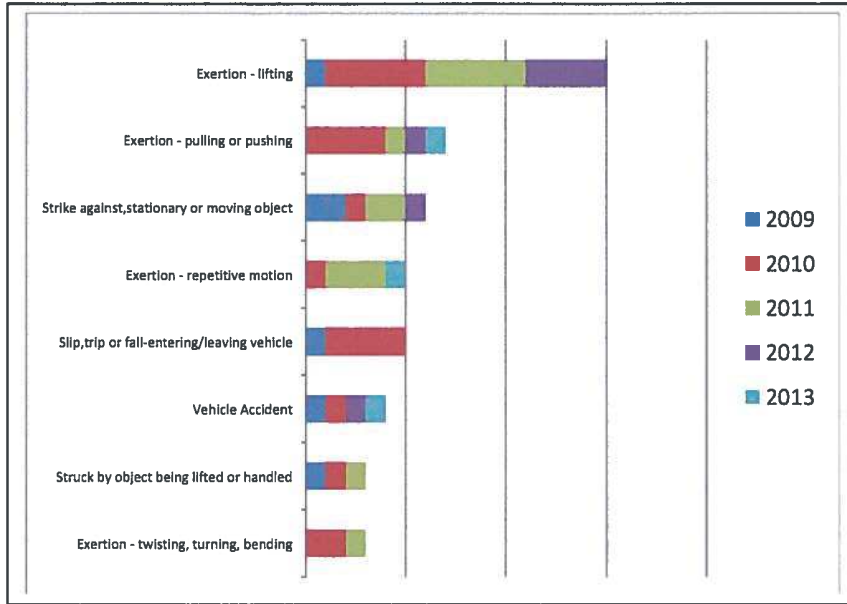
29. Shop inspection – A periodic documented inspection should be conducted on the shop as a whole, and on specialized safety equipment (e.g., eyewash stations).
30. Three-point contact – Falls from vehicles, while entering or exiting, has been the leading cause of loss costs for the department. A focus on the criticality of this measure should include inspection of available hand rails/attachment points, confirmation of steps with expanded metal surfaces, toolbox talks and signage.
31. Manual Material Handling – The department should explore the frequency of injuries due to material handling and determine alternatives in the way of automation (hoists, lifts), substitution (acquiring materials in smaller sized lots), and training.

### **Loss Trends**

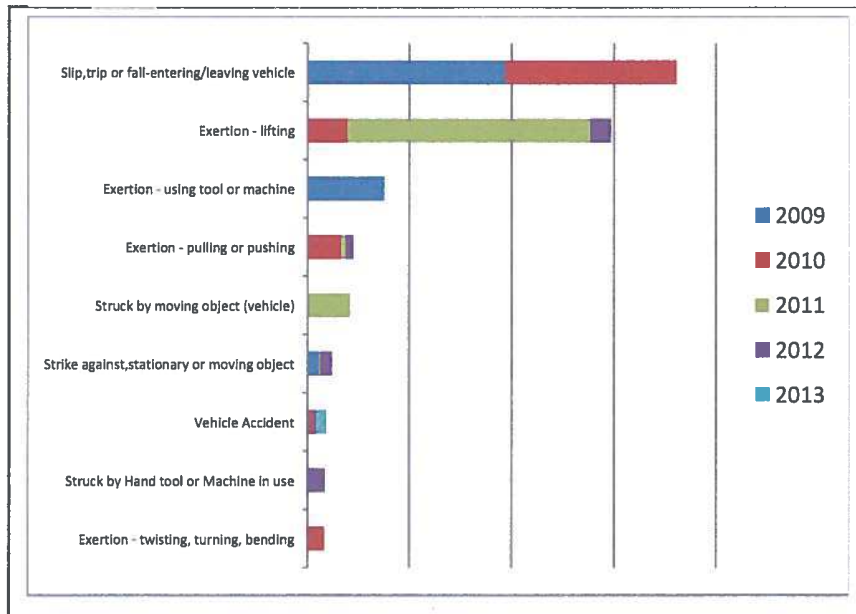
- The “exertion” category occupies three of the top four sources of lost time injury.
- Overall LT frequency has dropped for three years in a row, and is down 73% since 2010.

# General Services Administration (GSA)

## GSA LT Claims by Type 2009 - 2013



## GSA – LT Claims by Type - Incurred



## Public Works

Interviewed were NEL, Chief of Maintenance Operations, DHS, Chief Civil Engineer, and WEL, Maintenance Superintendent.

The Public Works Department is responsible for permits, administration of all work involving right of way, maintenance of the City's storm water system, roads, sidewalks, and

landscaping.

Issued safety equipment includes steel-toed shoes, reflective vest, eye protection, hard hats, and gloves. Hearing protection is provided but there is no current audiometric program in place, and there has been no documentation of noise exposures.

Training has been done periodically by the Risk management department and the department engaged the University of USA outreach program to perform chainsaw safety.

Employees have been "certified" for confined space exposures, but there are no known exposures relating to this hazard. Work Zone Safety training (requirements of Manual for Uniform Traffic Control Devices) has been conducted. Flagging tasks are performed infrequently, and training on the subject has been conducted.

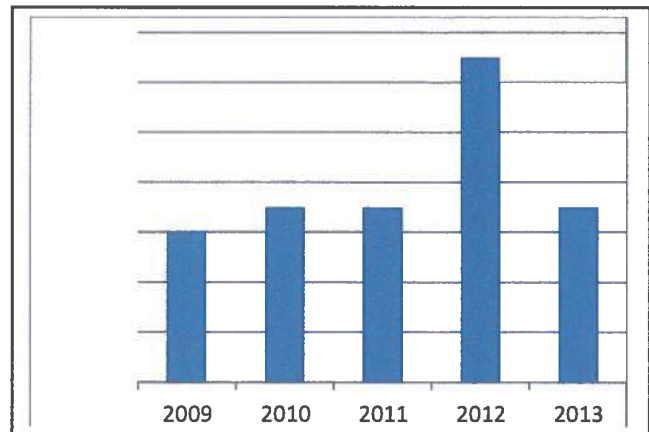
There is no current safety committee or requirement for toolbox talks.

### Recommendations

32. Occupational noise exposures exist for individuals operating equipment like jack hammers, vacuums, and other small power equipment. While hearing protection is available, that forms only part of an effective hearing conservation program. Elements of such an effort would include:

- a. Assessment of exposures – Dosimeter and spot sampling will provide a more comprehensive indication of employee exposures.
- b. Audiometric testing – Baseline and ongoing testing should be conducted to assess the effectiveness of the program.
- c. Education – Employees should be aware of the effect of noise on their hearing and the steps to prevent hearing loss. Use of hearing protection and job rotation should be part of the program.

Lost Time Claim Trends – Public Works



## Public Works

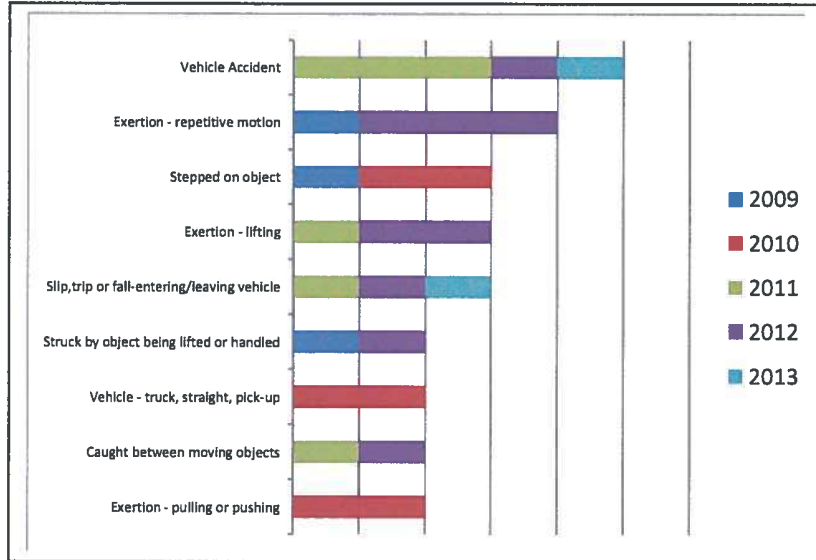
- d. Enforcement – Supervision should be responsible for the enforcement of City personal protective equipment requirements.
33. Toolbox talks - A regular schedule of toolbox talks should be established and materials provided to supervision as topic matter.
34. Safety Committee - A safety committee should be established comprised of representatives of supervision and the hourly trades. The committee should meet no less than quarterly for the review of incidents to employees and the public, planned corrective action, and initiatives to improve safety performance. Vehicular accident review should be included in the committee agenda.
35. Three-point contact – Falls from vehicles, while entering or exiting, has been the cause of a lost time injury in each of the past three years. A focus on the criticality of this measure should include inspection of available hand rails/attachment points, confirmation of steps with expanded metal surfaces, toolbox talks and signage.

### Loss Trends

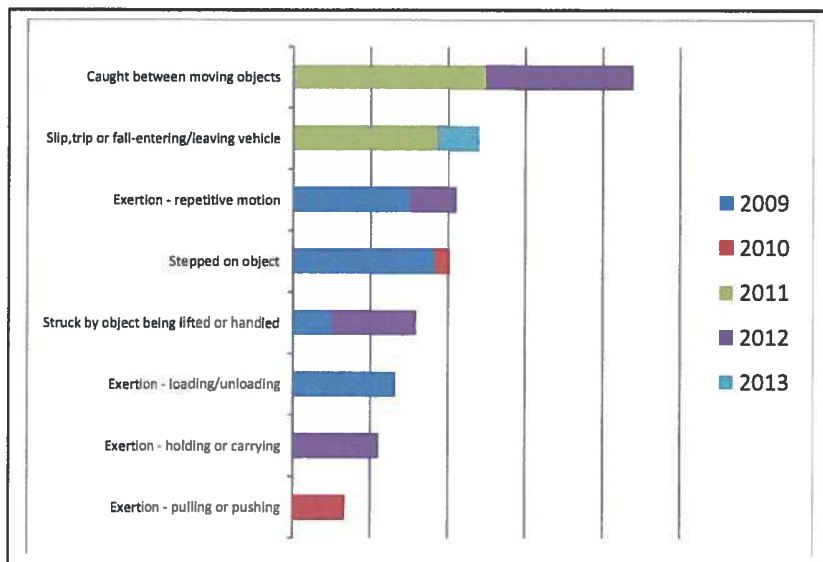
- Claim frequency spiked in 2012, because of a series of repetitive motion claims.
- There has been one vehicle fall lost time injury in each of the past three years.
- Vehicular accidents are the most frequent cause of injury.

# Public Works

### Public Works – LT Claims by Type (>1)



### Public Works – LT Claims by Type – Incurred (>\$10K)



## ■ ■ Incognito Marina Site Inspection

Following the wrap-up conference, a site visit was made to the Incognito Marina operation in the company of the Safety Officer. While there were minimal operations in progress at the time, several observations were noted:

36. The forklift operator, who has been trained under the OSHA criteria, was operating a forklift without a seatbelt. He was coached by the Safety Officer.
37. The forklift in question did not have a functioning back up alarm. The pre-use checklist should be referenced to see if the operator has reported this deficiency.
38. A small crew was observed do some brush clearing near the water. One employee was operating a chainsaw, without any of the appropriate personal protective equipment (wearing ordinary street sunglasses, short sleeve shirt, no gloves or leggings). Use of hearing protection was not determined.



## Accident Repeaters

The Repeater Index is an attempt to quantify the problem of employees who have multiple injuries. It compares the number of reported claims with the number of individual employees who reported injuries (# claims/#workers reporting injuries). If no employees suffered more than one injury in the reporting period, the index would be 1.00.

Multiple factors affect the repeater number, including average tenure of employees, return to work policies, and reporting practices.

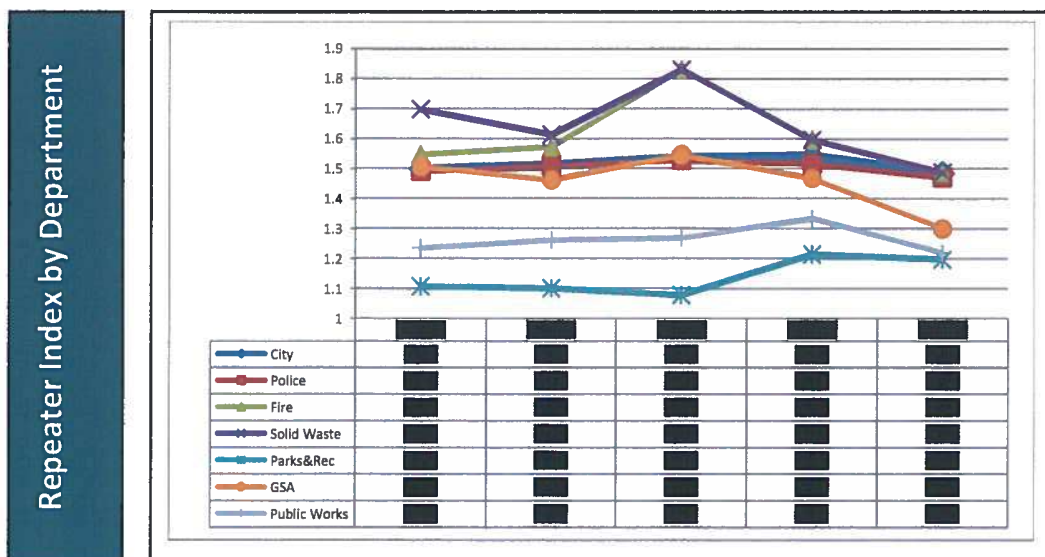
Repeater Index Value	Impact
1.00 – 1.25	Little, if any problem
1.25 - 1.50	Problem developing – early intervention may help
1.75 – 2.00	You have a problem that needs attention
2.00 +	The problem is serious – involve your carrier / TPA - get going!

The rolling averages are intended to show a general trend of improvement or deterioration. The legend indicates a guideline to interpreting the severity of the problem.

### Comments

The overall City loss history has experienced some impact by employees with multiple injuries, but not to the extent that has been observed in other public entities. The index has been highest in the solid waste department, but is trending downward as equipment upgrades and attrition of the workforce take place. Notable is the steep decline in this figure in the GSA, and the consistently low figure in Public Works. Parks & Rec has been consistently the lowest in this metric but has trended slightly upward in the past two rolling three-year periods.

A comprehensive approach to coaching employees with multiple injuries is addressed in the attached article, "Accident Repeaters: An Examination and Structure for Action," from the November 2007 edition of *Public Risk*.



## ■ ■ Appendix: Sample Materials

- Benchmarking Metrics
- Accident Investigation Quality Control
- Post Injury Contact
- Accident Repeater Article

## Appendix: Sample Materials

### Standard Metrics for Risk Management

#### Liability Metrics

<b>1. Average Cost per Claim</b>	
Total claim costs (paid value plus reserves) of all liability claims, divided by the number of claims reported during the selected period of time (EX: 1 year, 2 years, and 5 years).	$\frac{\text{Total Claims Costs}}{\text{Total \# of Reported Claims}}$
<b>2. Percentage of Open Claims</b>	
The total number of claims marked as open and active, divided by total number of claims reported during the selected period of time multiplied by 100. Suggest running a yearly comparison to the percentages from prior years.	$\frac{\text{Number of Open Claims}}{\text{Total Claims Reported}} \times 100$
<b>3. Average Claim Duration</b>	
Total number of days a claim is open (from the date reported to final closure), divided by the total number of liability claims reported during that time frame.	$\frac{\text{Total \# of Days Open}}{\text{Total \# Reported Liability Claims}}$
<b>4. Frequency Rate (per 10,000 citizens)</b>	
Total number of liability claims reported during the calendar year, divided by the size of the organization, which is based on population for cities and counties, divided by 10,000 citizens. [NOTE: The size measure for schools is Average Daily Attendance, where the attendance is based on 1,000 students.	$\frac{\text{Total \# Liability Claims}}{\text{Size Measure/10,000 (population) or Size Measure/1,000 (students)}}$
<b>5. Type of Loss Percentage</b>	
Total claim costs by line of coverage (i.e., crime, OGL, law enforcement, etc.), divided by all liability claim costs (paid plus reserves) incurred over the selected period of time (EX: 1 year, 2 years, and 5 years) multiplied by 100.	$\frac{\text{Claim Costs by Type of Liability}}{\text{Total Cost of All Liability Claims}} \times 100$
<b>6. Average Reporting Lag Time</b>	
Total number of days between the date of occurrence and the date reported (for each claim) added together for all claims, divided by the total number of liability claims reported during that time frame.	$\frac{\text{Total \# of Reporting Days}}{\text{Total \# Reported Liability Claims}}$
<b>7. Percentage of Litigated Claims</b>	
Total number of liability claims marked as assigned to legal counsel divided by the total number of liability claims reported during the same time frame (EX: 1 year, 2 years, and 5 years) multiplied by 100.	$\frac{\text{Total \# of Claims in Litigation}}{\text{Total \# Reported Liability Claims}} \times 100$



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# Appendix: Sample Materials

## Workers' Compensation Metrics

<b>1. Average Cost per Claim</b>	
Total claim costs (paid value plus reserves) of all compensable Workers' Compensation claims reported during the selected time period (EX: 1 year, 2 years, and 5 yrs.) divided by the number of claims reported during the selected period of time.	$\frac{\text{Total Claims Costs}}{\text{Total \# of Reported Claims}}$
<b>2. Annual Cost per FTE</b>	
Total claim costs during the selected calendar year, divided by the total number of Full-Time Equivalent (FTE) Employees covered under workers' compensation for that year.	$\frac{\text{Total Claims Costs}}{\text{Total \# FTEs Covered under WC}}$
<b>3. Frequency Rate (per 100 employees)</b>	
Total number of workers' compensation claims reported during the selected calendar year, divided by the total number of Full-Time Equivalent (FTE) Employees covered under workers' compensation divided by 100 (based on 100 employees).	$\frac{\text{Total \# WC Claims}}{\text{Total \# FTEs Covered under WC/100 emp}}$
<b>4. Percentage of Open Claims</b>	
The total number of claims marked as open and active during the selected period of time (EX: 1 year, 2 years, and 5 years), divided by total number of workers' compensation claims reported during the selected period of time multiplied by 100. Suggest running a yearly comparison to the percentages from prior years.	$\frac{\text{Total \# of Open Claims}}{\text{Total \# Reported WC Claims}} \times 100$
<b>5. Percentage of Annual Indemnity Claims</b>	
The total number of indemnity claims with a date of injury occurring during the selected calendar year divided by the total number of all new claims (medical only claims plus indemnity claims) in the same calendar year multiplied by 100.	$\frac{\text{\# of New Indemnity Claims}}{\text{Total \# of All New Claims}} \times 100$
<b>6. Average Reporting Lag Time</b>	
Total number of days that elapsed between the date of injury and the date the injury was reported (for each claim) added together for all claims, divided by the total number of workers' compensation claims reported during that time frame.	$\frac{\text{Total \# of Reporting Days}}{\text{Total \# Reported WC Claims}}$
<b>7. Percentage of Claims by Part of Body</b>	
The total claim costs incurred for a specific type of injury (i.e., head, arm, leg) over a selected period of time, divided by all workers' compensation costs incurred over the selected period of time multiplied by 100.	$\frac{\text{Claim Costs by Specific Part of the Body}}{\text{Total Cost of All WC Claims}} \times 100$
<b>8. Average Claim Duration</b>	
Total number of days all claims reported during a selected time period are open (from the date of injury to final closure), divided by the total number of compensable workers' compensation claims reported during that time frame (EX: 1 year, 2 years, and 5 yrs.).	$\frac{\text{Total \# of Days Open}}{\text{Total \# Reported WC Claims}}$
<b>9. Percentage of Litigated Claims</b>	
Total number of workers' compensation claims reported for a selected time period (EX: 1 year, 2 years, and 5 yrs.) that are marked as assigned to legal counsel divided by the total number of workers' compensation claims reported during the same time frame multiplied by 100.	$\frac{\text{Total \# of Claims in Litigation}}{\text{Total \# Reported WC Claims}} \times 100$
<b>10. WC Costs as Percentage of Payroll</b>	
Total incurred value for workers' compensation claims (medical, indemnity and expenses) during a selected time period (EX: 1 year, 2 years, and 5 yrs.), divided by the total payroll during that time frame multiplied by 100.	$\frac{\text{Total Claim Costs}}{\text{Total Payroll}} \times 100$

# Appendix: Sample Materials

## PMA Accident Investigation Quality Control Program

The objective of accident reports/investigations is twofold:

1. Capture the information regarding the incident in a timely manner.
2. Encourage supervisors, employees and managers to identify and where possible correct as many root causes as possible.

The purpose of the QC process is to provide feedback on whether the system is accomplishing those two objectives.

### Evaluation Criteria

Category	Scoring (points)			
	10	7	3	0
Timely (reported within)*	1 day	2 days	3 to 6 days	7 or more days
Detail	Accident clearly defined and includes cause, specific body part and nature of injury	Accident clearly defined but only limited information on type and nature of injuries.	Some or incomplete information on one or more items in the "3 point" column.	No specific information regarding accident or injury.
Quality of Investigation	Good focus and efforts on identifying more than one root cause.	Specific causes were identified and there is indication that they were working toward identifying root causes.	Some effort made to identify causes	None conducted.
Corrective Action	Specific corrective actions identified and implemented with planned follow up.	Specific corrective actions identified but no indication that they were implemented or were implemented without planned follow up.	Some effort made to define corrective actions.	No effort made to identify corrective action.

\* Report is only considered submitted if it is received complete. Incomplete reports should be sent back to the manager/supervisor for additional information.

### Recommended Process

The criteria listed below can be used to numerically grade the quality of the accident investigations. The purpose of the process is to change manager and supervisor behaviors regarding completing accident investigations. The QC process is utilized initially with all reports and should provide specific comments and feedback to managers and supervisors completing the forms. You can transition into random sampling for experienced managers/supervisors and 100 percent sampling for new managers/supervisors.

Basic implementation steps:

1. An average score of 8 points will be considered an acceptable score. An appropriate goal is for 75% of the reports to achieve an acceptable score.
2. Conduct and track QC process for all investigation reports. Comment sheet and score should be sent to manager/supervisor completing the form. Manager/supervisor can submit improved report to increase score.
3. Transition to reporting scores and overall comments to department managers. Track overall QC score relative to organizational goals.
4. Once you feel that the QC and education process has established a sustained improvement in the quality of the accident investigations, you move to random sampling for experienced managers and 100 percent sampling for new managers/supervisors.



# Appendix: Sample Materials

## *The Post Injury Call*

*Staying in touch with injured employees is critical in preventing the alienation that often follows a disabling injury. Business Insurance reports that employers who utilize this procedure speed return to work by 21%.*

### **Who calls?**

Ideally the injured employee's immediate supervisor should make the call, or some other representative of management. This reaffirms management's interest in the employee as a person. Avoid having a clerical or administrative person make the call, if possible.

### **When to call?**

The first call should occur no more than 24 hours after the injury; depending on the circumstances (severity of the injury, relationship with employees, projected length of disability), a personal visit to the employee at home, or at the treating facility may be appropriate. After the initial call, stay in contact at least weekly; more if the situation warrants it.

### **What to discuss:**

#### **Do**

- Listen to the injured worker. Express your concern for the employee and interest in their recovery; offer assistance where possible.
- Advise the employee that your workers' compensation administrator will be contacting them to administer the claim.
- Discuss the details of the accident with the employee and solicit his/her thoughts on how the accident could be avoided in the future; involve them in accident prevention.
- Remind the employee that their job is open and the employer wants him/her back as soon as physically able.
- Discuss the options for modified duty with the employee in a positive manner; as a means of bringing the employee back to the workplace within any restrictions imposed by their injury.
- Keep the employee informed of matters at the workplace; news of new projects, news of fellow employees. Look for opportunities to keep the employee involved.
- Remind the employee to use your Designated Physician Panel. Solicit comments on the quality of medical care being rendered

#### **Do not**

- Be accusatory toward the employee concerning the circumstances of the injury or the severity of the disability.
- Promise a benefit check by a certain date.

*It is helpful to maintain a log of employee contacts. This can help track the employee's progress and serve as a reminder to maintain continual contact.*



# Appendix: Sample Materials

Accident Repeater Article

# Table of Contents

Executive Summary.....	Section 1
Financial Statistics.....	Section 2
Pending Analysis.....	Section 3
Risk Analysis.....	Section 4

	
	
	
February 25, 2014	Data valued: April 9, 2008 through December 31, 2013 As of December 31, 2013

Prepared for:  
**ABC Company**

# Executive Summary

PMA Management Corp. is pleased to present our Stewardship Report to XYZ Company. We appreciate the partnership we have established with XYZ Company in providing an outcome-driven Workers' Compensation program with measurable results. Through our day-to-day claims activities, our intent is to continue to favorably impact the financial health of your organization during the coming year. The data prepared in this presentation shows how your account has performed over the past 3 fiscal years. (Most reports were run using dates 7/1/08-4/30/11. Note that the 2011 fiscal year numbers reflect only 10 months of information for dates 7/1/10 to 4/30/11.)

- Closure Rates for all claims on the account (87.3%) are strong compared to all other Maryland PMA clients (76.9%). Closure rates on Lost Time Claims closed within 90 days (33.3%) are even stronger compared to all other Maryland PMA clients (23.3%).

- The Closing Ratio for the account on Lost Time claims received in the last 12 months is excellent at 1.62%. This means that we close more claims than we receive, which is a key indicator for profitability. The longer the claim stays open, the more it is likely to cost.

- From 1/01/04 to 5/01/11, the Average Paid amount on Closed Lost Time claims for your account is \$10,841 vs. \$13,068 compared to all other PMA clients. This means that almost \$3,000 less is spent on each closed claim for XYZ Company compared to other PMA clients. There are many contributing facts for this result, including the consistently proactive claims management provided by the PMA team, which has been in place for several years.

- The Fiscal Year Payments report shows actual total paid amounts made during a given fiscal year. Because the most recent available data is through 4/30/11, the amount for the 2011 year is incomplete by 2 months. Using the 10 month amount showing, if we project out through 6/30/11, the total paid amount for the current fiscal year will be approximately \$2,229,572.

- The Expense Payments Summary shows a normal distribution over the past 3 year period for the three major categories used to mitigate exposure: Defense Counsel (48% of the total), Nurse Case Management (113% of the total), and Private Investigation (12% of the total). This is similar to the percentage shown in the 2008 Stewardship, wherein the breakdown was 45%, 22%, and 13%, respectively.

# Executive Summary (cont'd)

- Total Medical Cost Containment Savings since 7/01/08 equates to \$2,353,928 and represents 45% of the total amount billed. This result is 2% better compared to 43% for other PMA claimants who treated in Maryland over the same period of time. Again, this is similar to the 2008 Stewardship report, wherein PMA bill review processes saved 48% of the total billed amount.

- The average Preferred Provider Network (PPN) usage over the past 4 payment years is 59.3% compared to 61% for all other PMA claimants who treated in Maryland over the same time frame. The current year PPN usage is 61.3%.

- Controlling prescription expenses is a growing concern for the Workers' Compensation industry. PMA has partnered with PMSI/Timesys, a pharmacy benefit manager, whose processes have saved your account \$108,811 since 7/01/08. The savings represents 44.7% of the total amount invoiced.

- Since 2005, PMA has recovered \$73,610 in Subrogation. (Note that nothing is yet showing for 2008 and 2010, as those claims are still active.)

- Of the 113 open claims, there are currently 28 claims reportable to the Excess Carrier. Of these 28 excess reportable claims, 7 are reimbursable. Over the last 3 years, PMA has recovered \$676,683 from excess.

Section 2

Financial Statistics

Lost Time Closure Rates

Comparison to Other PMA Clients for Jurisdiction State MD

Accident Dates 01/01/04 To 05/01/11

Lost Time Claim Closure Rates

All Lost Time Claim Closures

Acct Yr	Total LT Claims	XYZ Co.		OTHER PMA CLIENTS	
		# Closed	Closure Rate	# Closed	Closure Rate
2004	164	156	95.1%	533	94.0%
2005	131	132	101.5%	542	93.1%
2006	131	132	101.5%	549	91.0%
2007	80	78	97.5%	707	88.7%
2008	115	101	87.8%	796	82.4%
2009	85	66	77.6%	509	71.4%
2010	68	41	60.3%	360	53.7%
2011	22	5	22.7%	198	19.2%
	796	696	87.3%	4,854	78.9%

Lost Time Claims Closed Within 90 Days

Acct Yr	Total LT Claims	XYZ Co.		OTHER PMA CLIENTS	
		# Closed	% Closed < 90 Days	# Closed	% Closed < 90 Days
2004	164	62	37.8%	533	20.0%
2005	136	42	30.9%	552	28.0%
2006	121	58	47.9%	625	26.7%
2007	85	24	28.2%	767	27.5%
2008	115	35	30.4%	796	19.0%
2009	85	28	32.8%	713	18.1%
2010	68	11	16.2%	670	17.0%
2011	22	5	22.7%	188	17.2%
	796	268	33.3%	4,884	23.2%

# Average Paid Per Closed Claim

Comparison to Other PMA Clients for Jurisdiction State MD  
 Accident Dates 8/1/01 to 4/30/11

## Average Paid Per Closed Claim

### Closed Indemnity Claims

XYZ Co.	XYZ Co.			OTHER PMA CLIENTS		
	Acct Yr	Claim Count	Avg. Total Paid	Acct Yr	Claim Count	Avg. Total Paid
2004	132	\$10,793	\$81	2004	514	\$17,663
2005	116	\$10,198	\$87	2005	589	\$15,845
2006	78	\$14,212	\$182	2006	680	\$14,225
2007	60	\$5,520	\$92	2007	509	\$12,241
2008	41	\$7,303	\$178	2008	390	\$4,462
2009	5	\$1,748	\$349	2009	38	\$1,403
2010	886	\$12,841	\$145	2010	2,830	\$13,089

### Closed Medical Only Claims

XYZ Co.	XYZ Co.			OTHER PMA CLIENTS		
	Acct Yr	Claim Count	Avg. Total Paid	Acct Yr	Claim Count	Avg. Total Paid
2004	603	\$340	\$0.56	2004	1,623	\$332
2005	572	\$340	\$0.59	2005	1,921	\$431
2006	16	\$67	\$4.19	2006	2,146	\$374
2007	46	\$35	\$0.76	2007	3,206	\$274
2008	435	\$454	\$1.03	2008	3,472	\$415
2009	402	\$543	\$1.35	2009	2,433	\$417
2010	32	\$121	\$3.78	2010	2,043	\$201
2011	3,678	\$391	\$0.11	2011	18,738	\$285

### Compare

Year	Closed Indemnity Claims		Closed Medical Only	
	Claim Count	Average Total Paid	Claims Count	Average Total Paid
2004	143	\$13,421	464	\$469
2005	173	\$13,548	489	\$755
2006	159	\$11,595	482	\$5,487
2007	166	\$13,810	542	\$682
2008	169	\$11,597	634	\$804
2009	128	\$6,281	578	\$684

# Closing Ratio

## CLOSING RATIO - LAST 12 MONTHS

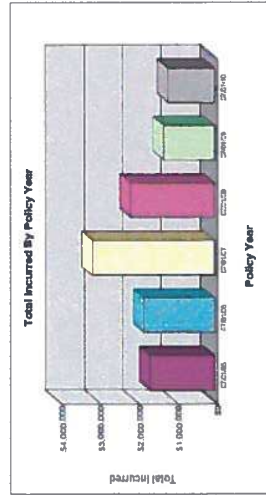
BEGINNING PENDING @ 5/1/10	157
NEW LT CLAIMS (STATUTORY) RECEIVED LAST 5/1/10 to 4/30/11	71
BEGINNING PENDING @ 5/1/11	113
CLOSING RATIO	1.62 %

CLOSING FORMULA: (BEGINNING PENDING PLUS NEW MINUS END PENDING) DIVIDED BY NEW

# Loss Summary by Policy Year

Loss Summary by Policy Year  
Accident Dates 7/01/05 To 4/30/11

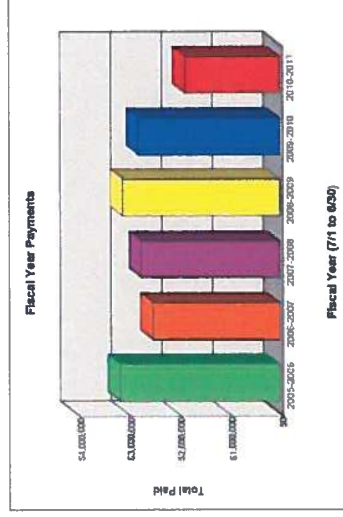
Effective Date	Expiration Date	Claims	Total Incurred	Total Paid	Total Reserve
07/01/05	07/01/06	719	\$1,862,047	\$1,465,719	\$186,024
07/01/06	07/01/07	67	\$1,197,177	\$1,197,177	\$0
07/01/07	07/01/08	624	\$3,151,100	\$2,690,130	\$451,820
07/01/08	07/01/09	535	\$2,152,486	\$1,681,352	\$571,116
07/01/09	07/01/10	475	\$1,203,781	\$808,056	\$395,700
07/01/10	07/01/11	388	\$1,164,243	\$540,187	\$624,254
		3,522	\$11,286,273	\$8,583,528	\$2,264,824



# Fiscal Year Payments

Fiscal Year Payments - Workers' Compensation  
Payments From 6/7/01/06 To 6/30/11

Fiscal Yr (7/1 to 6/30)	Medical	Indemnity	Voc Rehab	Expenses	Total
2005-2006	\$1,340,894	\$1,464,657	\$10,133	\$322,440	\$3,144,214
2006-2007	\$887,124	\$1,279,006	\$59,862	\$300,832	\$2,501,023
2007-2008	\$1,117,401	\$1,104,527	\$18,656	\$391,481	\$2,720,064
2008-2009	\$1,250,387	\$1,481,262	\$20,721	\$407,174	\$3,065,644
2009-2010	\$1,108,737	\$1,214,134	\$53,705	\$384,531	\$2,771,107
2010-2011	\$1,007,476	\$533,817	\$23,662	\$268,229	\$1,867,877
	\$8,688,111	\$7,684,362	\$117,859	\$2,109,887	\$18,600,019





# Fiscal Year Payments by Policy Year

Fiscal Year Payments by Policy Year - Workers' Compensation  
Payments From 07/01/05 To 04/30/11

Policy Year	Medical	Indemnity	Voc Rehab	Expenses	Total
07/01/05	\$3,015	\$10,232	\$0	\$9,625	\$33,741
07/01/06	\$112	\$6,770	\$0	\$2,661	\$9,443
07/01/07	\$260	\$0,000	\$0	\$3,058	\$3,318
07/01/08	\$2,774	\$1,109	\$0	\$0,350	\$4,233
07/01/09	\$6,359	\$7,966	\$3,300	\$8,072	\$25,727
07/01/10	\$7,750	\$20,001	\$0	\$11,624	\$39,375
07/01/11	\$371,455	\$65,844	\$950	\$27,578	\$445,827
07/01/05	\$348,115	\$396,501	\$16,849	\$103,624	\$865,139
07/01/06	\$378,802	\$162,284	\$0	\$61,625	\$602,711
07/01/07	\$1,359,984	\$1,484,887	\$14,133	\$322,449	\$3,281,453

7/1 to 6/30 of Fiscal Year: 2006-2007

Policy Year	Medical	Indemnity	Voc Rehab	Expenses	Total
07/01/04	\$0	\$1,488	\$0	\$6,136	\$7,624
07/01/05	\$1,706	\$25,000	\$0	\$2,231	\$28,937
07/01/06	\$1,300	\$570	\$0	\$320	\$2,190
07/01/07	\$310	\$1,257	\$0	\$1,151	\$2,718
07/01/08	\$28,998	\$40,600	\$52,825	\$2,830	\$125,253
07/01/09	\$15,791	\$0	\$0	\$293	\$16,084
07/01/10	\$20,470	\$26,333	\$0	\$15,730	\$62,533
07/01/11	\$67,918	\$320,774	\$0	\$36,429	\$425,121
07/01/04	\$114,310	\$300,038	\$2,700	\$63,740	\$780,788
07/01/05	\$35,714	\$202,444	\$1,807	\$1,935	\$581,900
07/01/06	\$867,124	\$1,278,888	\$64,902	\$300,832	\$2,511,846

7/1 to 6/30 of Fiscal Year: 2007-2008

Policy Year	Medical	Indemnity	Voc Rehab	Expenses	Total
07/01/04	\$300	\$20,634	\$0	\$0,053	\$21,687
07/01/05	\$5,742	\$10,260	\$0	\$2,251	\$18,253
07/01/06	\$1,070	\$8,025	\$0	\$1,058	\$10,153
07/01/07	\$5,175	\$68,025	\$0	\$3,857	\$77,057
07/01/08	\$0,803	\$125,319	\$0	\$4,138	\$130,260
07/01/09	\$58,165	\$113,082	\$0	\$31,848	\$203,100
07/01/10	\$29,484	\$15,100	\$0	\$41,159	\$85,743
07/01/11	\$48,980	\$62,058	\$4,134	\$42,230	\$158,402
07/01/04	\$465,988	\$320,401	\$170,275	\$87,878	\$1,044,542
07/01/05	\$45,988	\$205,044	\$0	\$88,444	\$749,486
07/01/06	\$1,117,281	\$1,184,827	\$16,888	\$381,481	\$2,720,486

# Fiscal Year Payments by Policy Year

Fiscal Year Payments by Policy Year - Workers' Compensation  
Payments From 07/01/08 To 04/30/11

Policy Year	Medical	Indemnity	Voc Rehab	Expenses	Total
07/01/05	\$5,322	\$10,883	\$0	\$683	\$25,988
07/01/06	\$18,254	\$30,426	\$0	\$0	\$48,680
07/01/07	\$4,008	\$11,619	\$0	\$3,556	\$19,184
07/01/08	\$12,863	\$31,245	\$0	\$6,254	\$50,362
07/01/09	\$4,719	\$12,245	\$617	\$0	\$17,581
07/01/10	\$41,730	\$128,245	\$617	\$0	\$170,592
07/01/11	\$44,402	\$102,420	\$1,339	\$21,686	\$170,148
07/01/05	\$21,510	\$44,461	\$1,030	\$24,255	\$91,656
07/01/06	\$58,945	\$300,000	\$16,906	\$176,688	\$1,051,619
07/01/07	\$489,719	\$156,325	\$0	\$130,231	\$806,275
07/01/08	\$1,288,387	\$1,687,382	\$20,721	\$487,174	\$3,093,664

7/1 to 6/30 of Fiscal Year: 2008-2010

Policy Year	Medical	Indemnity	Voc Rehab	Expenses	Total
07/01/04	\$7	\$0	\$0	\$0	\$7
07/01/05	\$5,174	\$20,420	\$0	\$720	\$26,614
07/01/06	\$11,414	\$0	\$0	\$0	\$11,414
07/01/07	\$5,674	\$32,839	\$0	\$2,725	\$41,238
07/01/08	\$168,250	\$125,046	\$0	\$3,671	\$316,967
07/01/09	\$48,035	\$100,243	\$925	\$25,871	\$175,074
07/01/10	\$6,484	\$22,980	\$10,020	\$4,339	\$43,823
07/01/11	\$82,678	\$108,889	\$0	\$22,375	\$214,042
07/01/04	\$11,111	\$20,019	\$33	\$40,645	\$71,809
07/01/05	\$320,817	\$220,818	\$0	\$140,629	\$682,264
07/01/06	\$1,088,737	\$1,214,134	\$23,195	\$54,487	\$2,376,553

7/1 to 6/30 of Fiscal Year: 2010-2011

Policy Year	Medical	Indemnity	Voc Rehab	Expenses	Total
07/01/05	\$3,008	\$16,022	\$0	\$874	\$20,904
07/01/06	\$1,204	\$0	\$0	\$2,028	\$3,232
07/01/07	\$1,204	\$0	\$0	\$2,028	\$3,232
07/01/08	\$965	\$28,969	\$0	\$2,602	\$33,536
07/01/09	\$20,124	\$79,010	\$0	\$2,308	\$101,442
07/01/10	\$64,291	\$57,190	\$0	\$27,277	\$148,758
07/01/11	\$4,851	\$5,000	\$0	\$9,615	\$19,466
07/01/05	\$30,025	\$29,500	\$20,650	\$30,226	\$110,401
07/01/06	\$72,008	\$100,024	\$0	\$45,364	\$217,411
07/01/07	\$214,265	\$100,024	\$0	\$177,711	\$502,000
07/01/08	\$1,087,878	\$823,817	\$23,482	\$293,239	\$1,935,416

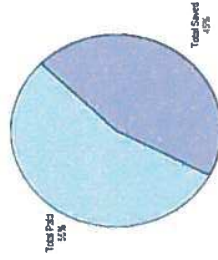
# Medical Cost Containment Savings



The FIA Insurance Group  
Medical Cost Containment Savings

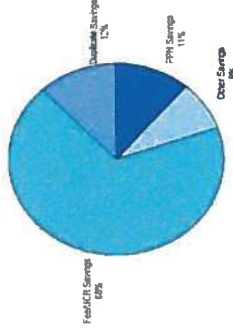
For Payments Made From 07/01/08 To 04/30/11

Total Paid vs Savings



Category	Value
Total Paid	7,051,118.32
Total Saved	7,343,828.29
<b>Total Savings</b>	<b>5,292,647.81</b>

Savings Breakdown



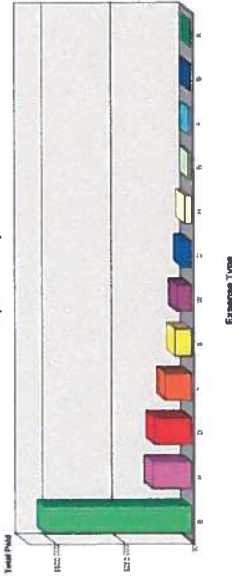
Category	Value
Duplicate Savings	279,042.31
Fee/CR Savings	1,611,962.36
PPH Savings	262,219.36
Other Savings	197,214.08
<b>Total Savings</b>	<b>2,350,438.01</b>

# Expense Payment Summary

Expense Payment Summary - Workers' Compensation  
Payments From 07/01/08 To 04/30/11

Expense Code	Expense Type	Paid
E	Attorney	\$23,110.1
R	DMC/Case Mgmt.	\$14,515
D	Prvt Investig	\$134,527
S	PHS	\$10,000
S	RR Review	\$60,152
NY	Regulated Service	\$62,489
C	Welf Exam	\$32,264
A	Medical Review	\$1,000
B	Independent Adj	\$5,010
F	Expert Witness	\$6,044
G	Record Repro	\$2,000
K	Med Peer Review	\$1,824,824

Expense Summary



# Tmesys Savings

Account: **XYZ Co.**

## Additional RX Savings - TMESYS

(July 2008 through April 2011)

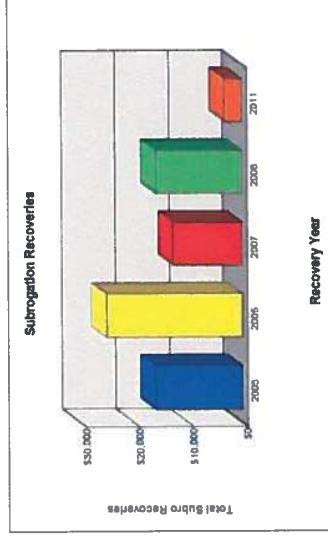
Total # of RX bills Filled	1,584
Total # of RX bills Blocked	+ 433
Total # of RX bills Submitted	2,017
<b>FILLED</b>	
Total Amount Billed on Filled RX	\$211,839
Total Amount Paid on Filled RX	- \$135,664
Total Amount Saved on Filled RX	\$ 76,177
<b>BLOCKED</b>	
Total Amount Billed on Blocked RX	\$33,634
Total Amount Paid on Blocked RX	- 0
Total Amount Saved on Blocked RX	\$33,634
<b>SAVINGS</b>	
Total Amount Saved on Filled RX	\$ 76,177
Total Amount Saved from Block	+ \$ 33,634
<b>TOTAL RX SAVINGS</b>	<b>\$109,811</b>

44.7% of the Total Submitted Amount

# Subrogation Recoveries

Subrogation By Year of Recovery - Workers' Compensation  
Recoveries Paid From 07/01/04 To 04/01/11

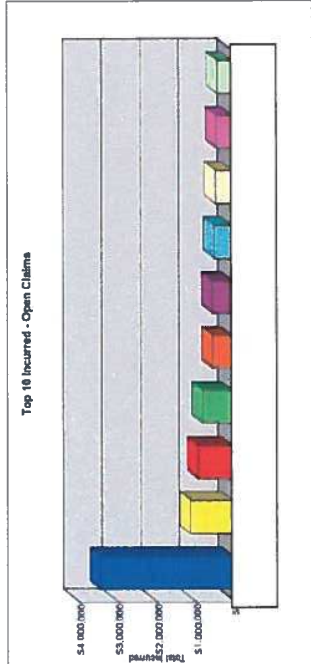
Year Recovered	Medical	Indemnity	Expense	Total
2005	\$5,932	\$10,283	\$0	\$16,215
2006	\$5,881	\$16,415	\$1,037	\$23,333
2007	\$10,875	\$2,186	\$0	\$12,862
2008	\$1,244	\$14,756	\$0	\$16,000
2011	\$1,000	\$1,000	\$0	\$3,200
	<b>\$26,333</b>	<b>\$47,240</b>	<b>\$1,037</b>	<b>\$75,610</b>



# Top Ten Incurred

Top 10 Incurred - Open Lost Time Claims  
Accident Dates 07/01/01 To 04/30/11

Claim Number	Injured Worker	Accident Date	Location	Total Incurred	Total Paid	Total Reserve
		04/09/03		\$3,403,338	\$2,342,168.85	\$1,061,169.00
		11/28/03		\$1,064,002	\$256,405	\$789,407
		11/28/03		\$888,128	\$704,649	\$124,480
		11/15/05		\$756,817	\$416,662	\$339,055
		01/30/01		\$504,498	\$474,191	\$30,295
		07/20/05		\$474,191	\$474,191	\$0
		12/18/02		\$452,088	\$281,062	\$171,174
		05/13/04		\$425,728	\$415,667	\$9,961
		05/12/05		\$388,520	\$268,748	\$105,778
		05/13/04		\$377,075	\$302,167	\$74,908



# Excess Reimbursements

Claim Number	IV	Ar Date	Paid	SIR	Over SIR	Total Reimb	Since 7/08
		04/09/03	2,342,318.85	250000	2,092,318.95	2,053,916.70	382,511.11
		11/28/03	288,124.78	350000	included with the next claim (same accident)		88,461.76
		11/28/03	764,649.22	350000	414,649.22	684,857.51	61,264.89
		11/15/05	418,956.60	350000	68,956.60	61,264.89	2,364.49
		01/30/01	474,191.08	250000	224,191.08	220,186.65	
		07/20/05	480,434.76	250000	230,434.76	364,724.29	
		12/18/02	281,692.26	350000	-68,307.74	0.00	
		06/12/05	350,228.73	350000	166,016.07	151,985.43	142,090.54
		05/13/04	303,321.67	350000	228.73		
		02/23/09	105,460.78	1,000,000.00			
		11/10/01	202,222.19	250000			
		01/08/04	227,946.22	350000			
		07/15/07	180,539.95	1,000,000.00			
		01/22/04	161,251.47	350000			
		11/08/06	159,943.43	1,000,000.00			
		04/04/08	142,411.81	1,000,000.00			
		09/26/04	122,838.67	350,000.00			
		09/13/04	121,784.71	1,000,000.00			
		01/16/09	115,782.28	1,000,000.00			
		04/30/08	72,165.34	1,000,000.00			
		06/03/04	133,139.86	350,000.00			
		06/13/01	119,927.58	250,000.00			
		09/24/07	106,751.17	1,000,000.00			
		10/28/08	65,664.60	1,000,000.00			
		02/23/07	116,479.13	1,000,000.00			

Total Recovery Over Last 3 Years: \$676,693

### Section 3

## Pending Analysis

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## Pending Analysis

- Timely Reporting for all claims (LT, MO, RO) over the past 3 fiscal years averages 15.3 days. The current year's result represents improvement over prior years. Studies show that the sooner a claim is reported, the less it is likely to cost.
- Claim Counts over the past 10 years have fluctuated from a high of 1148 in 2001-2002 to a low of 475 from 2009-2010. Using the 10 months of data for the 2010-2011 number showing (386), we project @ 463 claims by 6/30/11.
- As of 5/01/11, there were 113 OPEN LOST TIME claims for the account. Most are from policy years 7/01/07 to present.
- The bulk of your open lost time claims are currently reserved between \$1000 and \$25,000. There are 7 open lost time claims reserved for over \$100,000.
- We have provided a list of the Top 10 Incurred lost time claims, which breaks down the total incurred, total paid and total reserved amounts. These are many of the same claims noted on the aforementioned Excess list.

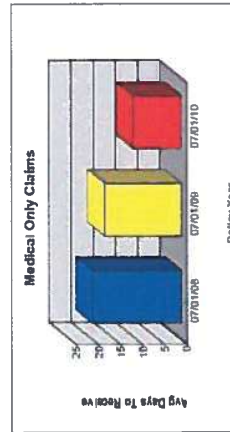
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# Timely Reporting

## WORKERS' COMPENSATION TIMELY REPORTING - POLICY YR SUMMARY

Claim Type: Lost Time, Medical Only, Record Only  
 Accident Dates 07/01/08 To 04/30/11

Effective Date	Claim Type	Claims	Avg Days to Receive
07/01/08	Lost Time	103	10.9
	Medical Only	487	20.1
	Record Only	26	11.4
07/01/09	Lost Time	57	17.8
	Medical Only	397	11.8
	Record Only	13	4.0
07/01/10	Lost Time	57	8.8
	Medical Only	259	11.0
	Record Only	30	6.3
		<b>1,397</b>	<b>15.3</b>

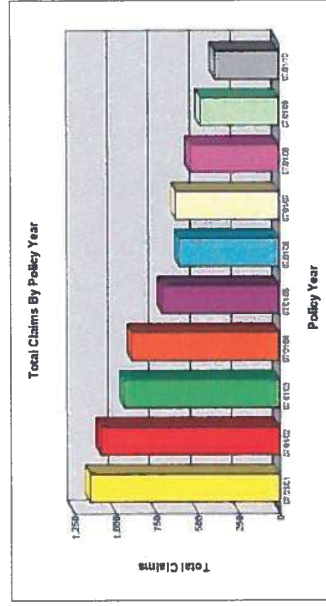


# Claim Counts by Policy Year

## Claim Counts By Policy Year

Accident Dates 7/01/01 To 4/30/11

Effective Date	Expiration Date	Lost Time	Med Only	Record Only	Total
07/01/01	07/01/02	194	901	23	1,118
07/01/02	07/01/03	150	867	22	1,039
07/01/03	07/01/04	144	472	8	624
07/01/04	07/01/05	154	63	86	203
07/01/05	07/01/06	122	544	43	709
07/01/06	07/01/07	102	470	30	602
07/01/07	07/01/08	113	488	23	624
07/01/08	07/01/09	100	407	25	532
07/01/09	07/01/10	67	355	13	475
07/01/10	07/01/11	57	259	30	346
		<b>1,271</b>	<b>5,794</b>	<b>329</b>	<b>7,394</b>

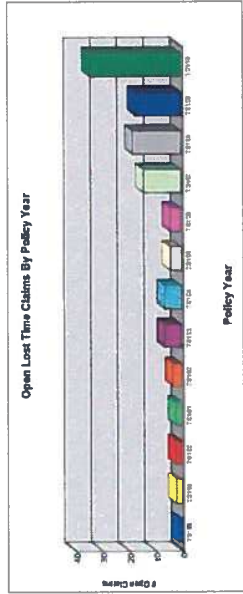




# Open Lost Time Claims by Policy Year

Open Lost Time Claims By Policy Year  
Accident Dates 07/01/88 To 6/30/11

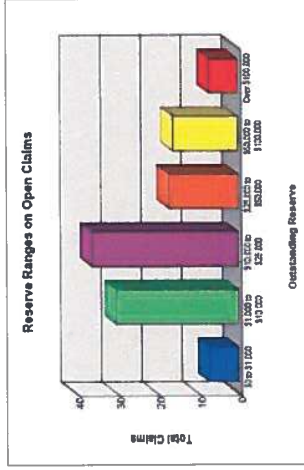
Effective Date	Expiration Date	Open Claims
07/01/88	07/01/89	1
07/01/89	07/01/90	2
07/01/90	07/01/91	2
07/01/91	07/01/92	3
07/01/92	07/01/93	6
07/01/93	07/01/94	6
07/01/94	07/01/95	6
07/01/95	07/01/96	4
07/01/96	07/01/97	4
07/01/97	07/01/98	14
07/01/98	07/01/99	16
07/01/99	07/01/10	17
07/01/10	07/01/11	34
		113



# Open Lost Time Claims by Reserve Range

Open Lost Time Claims By Reserve Range  
Accident Dates 07/01/88 To 6/30/11

Outstanding Reserve Range	Open Claims	Total Reserved
\$0 to \$1,000	7	423
\$1,000 to \$10,000	30	184,542
\$10,000 to \$25,000	36	620,561
\$25,000 to \$50,000	17	857,058
\$50,000 to \$100,000	16	1,102,380
Over \$100,000	7	2,760,869
	113	5,228,637



## Section 4 Predicting the Future Through Risk Analysis

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## Risk Analysis

During the past 3 years, XYZ Company partnered with PMA to conduct Risk Control Surveys for 40 members whose frequency and severity were of concern. The greatest need appeared to be educating the members on best practices. Instruction on proper lifting techniques helps reduce strains, while instruction on proper footwear and floor mats helps reduce slip and fall events.

Loss trends from 2004 through 2011 indicate above normal peaks in 2004 and 2007, but low points in 2005, 2006 and 2009. Both 2008 and 2010 are closer to the mid line for what is expected, and claim frequency and severity over the past 3 years appears favorable.

The Lost Time Claims Profile shows both open and closed claims from 7/1/08 to 4/30/11. The Top 10 Incurred for that time frame is shown in the upper right hand box.

Due to the nature of the restaurant business, the frequency of finger and hand injuries involving lacerations is higher than that found in another type of industry. However, low back claims continue to carry the highest dollar exposure.

Due to the nature of your business, most claims occur on Friday and Saturday.

The highest number of claims received in any month occur in July.

For your reference, we have provided a partial list of locations to show where the highest frequency and severity claims occurred over the past 3 fiscal years. 26

## PMA Risk Control Activities

### XYZ Company

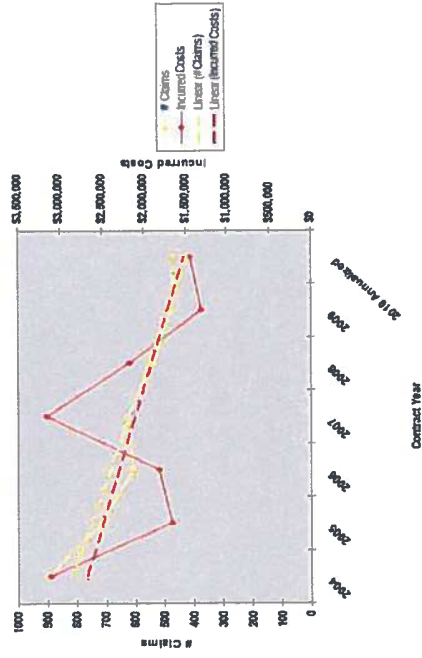
#### Risk Control Activities: 7/1/08 – 5/1/11

- 40 member risk control surveys conducted
- Each survey consists of the following:
  - Loss trend analysis
  - On site survey
  - Letter of suggestions
  - Risk management assessment summary
- 9 more surveys will be conducted in the summer of 2011

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## Loss Trends

### XYZ Company Loss Trends (7/1/08 – 5/1/11)



Both claim frequency and severity have trended downward from the 2004 contract year to present. 2010 actuals through 5/1 are 386 claims and \$1,194,543 in incurred costs.

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# Lost Time Claims Profile

Wentworth Compensation - Lost-Time Claims Profile  
 Accidents 6/1/18 To 6/30/19  
 Subject: Workers' Compensation

Gender	# of Claims	% of Claims	Total Incurred	Avg Incurred	Total Paid	Avg Paid
MALE	156	80.0%	\$2,743,318	\$17,585	\$1,616,616	\$10,424
FEMALE	39	20.0%	\$1,749,259	\$44,853	\$1,048,309	\$26,880
UNASSIGNED	5	2.7%	\$4,121,383	\$824,277	\$1,511,222	\$302,244

Accident Cause Group	# of Claims	% of Claims	Total Incurred	Avg Incurred
FALL OR SLIP/INJURY	34	17.4%	\$2,028,839	\$59,672
STRUCK OR IMPALED BY	24	12.4%	\$1,778,411	\$73,684
CUT/PUNCTURE/SOARPE	29	8.8%	\$14,664	\$506
BURN OR SCALD/HEAT OR COLD EXPOSURE	15	7.8%	\$11,039	\$736
INFECTION	0	0.0%	\$0	\$0
MOTOR VEHICLE	7	3.1%	\$10,660	\$1,523
MISCELLANEOUS CAUSES	5	2.7%	\$35,337	\$7,067
<b>Total</b>	<b>227</b>	<b>100.0%</b>	<b>\$18,227,180</b>	<b>\$80,312</b>

Age At Accident	# of Claims	% of Claims	Total Incurred	Avg Incurred
0-14 Years	1	0.4%	\$1,622	\$1,622
15-24 Years	29	12.8%	\$1,123	\$38.7
25-34 Years	78	34.4%	\$19,319	\$247.7
35-44 Years	51	22.5%	\$21,922	\$430.0
45-54 Years	3	1.3%	\$2,919	\$973
55+ Years	3	1.3%	\$18,777	\$6,259
<b>Total</b>	<b>227</b>	<b>100.0%</b>	<b>\$18,227,180</b>	<b>\$80,312</b>

Policy Yr Summary	# of Claims	% of Claims	Total Incurred	Avg Incurred
6/1/18	183	80.6%	\$14,058,616	\$76,823
6/1/19	67	29.4%	\$4,168,564	\$62,217
<b>Total</b>	<b>227</b>	<b>100.0%</b>	<b>\$18,227,180</b>	<b>\$80,312</b>

Part of Body	# of Claims	% of Claims	Total Incurred	Avg Incurred
LOWER BACK AREA	29	12.8%	\$21,296	\$734
ARM	20	8.8%	\$16,937	\$847
ANKLE	19	8.4%	\$8,568	\$451
MULTIPLE BODY PARTS	15	6.6%	\$35,718	\$2,381
HAND	14	6.2%	\$8,684	\$620
FOOT	12	5.3%	\$8,791	\$733
WHIST	11	4.8%	\$44,611	\$4,056
NECK	8	3.5%	\$17,937	\$2,242
UPPER BACK AREA (THORACIC)	6	2.6%	\$1,268	\$211
UPPER ARM	4	1.8%	\$7,887	\$1,972
CHEST	4	1.8%	\$5,471	\$1,368
MULTIPLE TRUNK	3	1.3%	\$8,629	\$2,876
UPPER LEG (FEMUR)	3	1.3%	\$2,500	\$833
UPPER LEG (TIBIA)	3	1.3%	\$11,720	\$3,907
MULTIPLE UPPER EXTREMITY	3	1.3%	\$14,115	\$4,705
SKIN/TISSUE	3	1.3%	\$6,623	\$2,208
SHOULDER	2	0.9%	\$1,829	\$915
GREAT TOE	2	0.9%	\$8,629	\$4,315
SKULL	2	0.9%	\$82,285	\$41,143
ABDOMEN INCLUDING GROWN	2	0.9%	\$2,332	\$1,166
ELBOW	2	0.9%	\$2,019	\$1,010
WHIST(2) & HAND(S)	1	0.4%	\$2,019	\$2,019
TOE(1)	1	0.4%	\$2,561	\$2,561
FELT/VS	1	0.4%	\$8,174	\$8,174
CONJ	1	0.4%	\$6,357	\$6,357
BODY SYSTEMS & MAX/PALE D	1	0.4%	\$7,819	\$7,819
WHIST	1	0.4%	\$1,272	\$1,272
INDEX	1	0.4%	\$34	\$34
INSUFFICIENT INFO TO BEN	227	100.0%	\$18,227,180	\$80,312

# Top 5 Part, Type, Cause by Frequency

Top 5 Part, Type and Cause Group - By Claims Frequency  
 Accident Dates 7/8/18 To 6/30/19

Next Part of Body	Claims	Total Incurred	Total Paid	Avg Incurred
FINGERS	278	\$234,189	\$180,276	\$842
HAND	152	\$173,241	\$136,170	\$1,148
LOWER BACK AREA	96	\$654,008	\$382,305	\$6,822
MULTIPLE BODY PARTS	84	\$156,360	\$143,723	\$1,734
KNEE	81	\$351,354	\$255,188	\$3,287

Top 6 Injury Types

NCCI Injury Description	Claims	Total Incurred	Total Paid	Avg Incurred
LACERATION	307	\$33,772	\$26,251	\$84
STRAIN	195	\$877,644	\$628,843	\$3,225
ALL OTHER SPECIFIC INJURIES, NOC	170	\$876,580	\$568,140	\$3,380
CONTUSION	132	\$306,528	\$307,709	\$2,324
BURN	119	\$251,254	\$165,083	\$1,387

Top 6 Accident Cause Groups

Accident Cause Category	Claims	Total Incurred	Total Paid	Avg Incurred
CUT/PUNCTURE/SOARPE INJURED BY	377	\$418,255	\$284,324	\$1,109
FALL OR SLIP/INJURY	356	\$2,078,821	\$1,353,800	\$5,839
STRUCK OR IMPALED BY	182	\$288,335	\$919,483	\$4,499
BURN OR SCALD/HEAT OR COLD EXPOS	142	\$472,020	\$274,607	\$1,927
WHIST	127	\$51,887	\$165,018	\$1,299

# Top 5 Part, Type, Cause by Frequency

Top 5 Part, Type and Cause Group - By Total Incurred  
Accident Dates 7/01/08 To 04/30/11

NCI Part of Body	Claims	Total Incurred	Total Paid	Avg Incurred
LOWER BACK AREA	96	\$654,826	\$392,395	\$6,822
SHOULDER(S)	42	\$564,731	\$406,272	\$13,446
WRIST	50	\$511,348	\$300,154	\$10,227
KNEE	81	\$351,304	\$255,108	\$4,337
MULTIPLE LOWER EXTREMITIES	18	\$252,450	\$129,548	\$14,025

Top 6 Part of Body

Top 6 Injury Types

NCI Injury Description	Claims	Total Incurred	Total Paid	Avg Incurred
STRAIN	185	\$877,644	\$626,843	\$5,014
ALL OTHER SPECIFIC INJURIES, NOC	170	\$676,590	\$568,140	\$5,745
FRACTURE	49	\$647,533	\$379,630	\$13,215
CONTUSION	132	\$393,528	\$302,789	\$2,754
LACERATION	367	\$354,772	\$267,261	\$843

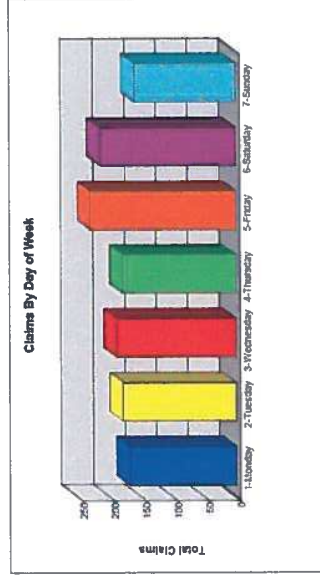
Top 6 Accident Cause Groups

Accident Cause Category	Claims	Total Incurred	Total Paid	Avg Incurred
FALL OR GLIP INJURY	245	\$7,078,871	\$1,243,870	\$5,839
STRAIN OR INJURY BY	102	\$626,335	\$519,453	\$4,825
STRUCK OR INJURED BY	142	\$472,000	\$274,907	\$3,330
CUT, PUNCTURE, SCRAPE INJURED E	377	\$418,255	\$284,324	\$1,109
BURN OR SCALD HEAT OR COLD EXP	127	\$251,967	\$165,816	\$1,984

# Claims Frequency by Day of Week

Claims by Day of Week  
Accident Dates 07/01/08 To 04/30/11

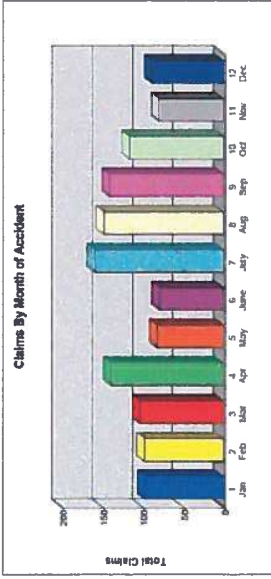
Day of Week	Least Time Claims		Med Only Claims		Total	
	Claims	Avg Incurred	Claims	Avg Incurred	Claims	Avg Incurred
1-Monday	45	\$21,320	125	\$644	170	\$5,117
2-Tuesday	27	\$17,436	153	\$319	180	\$2,987
3-Wednesday	23	\$20,473	107	\$487	130	\$2,922
4-Thursday	31	\$17,072	148	\$498	179	\$3,352
5-Friday	34	\$18,067	197	\$471	231	\$3,029
6-Saturday	31	\$18,009	130	\$542	161	\$3,021
7-Sunday	227	\$18,222	1,181	\$488	1,228	\$3,485



# Claims Frequency by Month of Accident

Claims by Month of Accident  
Accident Dates 07/01/08 To 06/30/11

Month	Last Time Claims		Med Only Claims		Total	
	Claims	Avg Incurred	Claims	Avg Incurred	Claims	Avg Incurred
January	23	\$24,433	73	\$2744	96	\$6,032
February	15	\$31,530	62	\$3368	77	\$5,212
March	18	\$19,508	65	\$4180	100	\$3,731
April	14	\$24,285	59	\$4159	82	\$4,489
May	14	\$4,665	68	\$419	82	\$4,489
June	17	\$4,665	62	\$407	79	\$1,319
July	26	\$14,849	133	\$459	159	\$2,812
August	22	\$10,805	128	\$482	148	\$2,020
September	21	\$10,805	114	\$377	135	\$4,369
October	21	\$22,330	65	\$397	116	\$4,369
November	6	\$8,081	71	\$954	90	\$1,890
December	22	\$12,446	66	\$900	88	\$3,007
	227	\$18,225	1,101	\$488	1,328	\$3,486



# Frequency and Severity by Location

WC Claims Frequency and Severity by Location  
Accident Dates 7/1/08 To 6/30/11

Location Code	Location Name	Claims	Total Incurred	Total Paid	Total Reserve
147		147	\$602,226	\$473,949	\$179,208
3		3	\$294,456	\$171,608	\$167,519
73		73	\$795,346	\$142,716	\$142,631
6		6	\$120,644	\$66,331	\$66,331
3		3	\$177,698	\$39,772	\$39,126
12		12	\$125,189	\$79,179	\$79,179
2		2	\$119,793	\$65,170	\$65,170
13		13	\$110,304	\$82,762	\$82,762
6		6	\$90,811	\$74,628	\$74,628
12		12	\$89,607	\$79,734	\$10,175
14		14	\$80,046	\$46,462	\$46,462
6		6	\$83,970	\$75,869	\$8,102
35		35	\$78,220	\$50,220	\$28,000
2		2	\$71,373	\$62,210	\$9,163
4		4	\$68,770	\$59,258	\$9,512
3		3	\$63,677	\$50,400	\$12,268
6		6	\$55,381	\$49,650	\$5,731
8		8	\$53,531	\$45,969	\$7,564
27		27	\$53,224	\$5,690	\$48,114
7		7	\$52,867	\$33,500	\$19,285
1		1	\$45,195	\$45,195	\$0
33		33	\$43,656	\$13,172	\$31,284
36		36	\$43,125	\$31,294	\$11,831
31		31	\$42,687	\$28,839	\$16,033
6		6	\$42,078	\$29,077	\$14,002
5		5	\$41,218	\$14,945	\$26,272
4		4	\$30,298	\$30,298	\$0
4		4	\$30,056	\$29,105	\$9,316
32		32	\$29,147	\$1,056	\$34,000
4		4	\$32,783	\$32,784	\$0
12		12	\$32,080	\$14,814	\$17,246
2		2	\$29,470	\$29,469	\$0
6		6	\$27,608	\$27,605	\$3
3		3	\$25,237	\$25,132	\$10,105
4		4	\$25,033	\$25,093	\$0



# Frequency and Severity by Location

WC Claims Frequency and Severity by Location  
 Accident Dates 7/6/08 To 4/30/11

Location Code	Location Name	Claims	Total Amount	Total Paid	Total Reserves
5		5	\$24,811	\$4,597	\$19,214
3		3	\$22,255	\$2,255	\$19,999
7		7	\$22,085	\$6,971	\$15,113
26		26	\$22,654	\$27,453	\$0
13		13	\$22,751	\$27,252	\$0
19		19	\$21,988	\$21,988	\$0
5		5	\$21,758	\$21,755	\$3
5		5	\$18,536	\$10,280	\$8,255
2		2	\$17,541	\$17,542	\$0
1		1	\$17,421	\$17,421	\$0
20		20	\$17,419	\$17,410	\$9
4		4	\$16,755	\$16,755	\$0
4		4	\$16,107	\$0,227	\$15,880
3		3	\$14,852	\$14,855	\$0
1		1	\$13,729	\$13,722	\$7
4		4	\$13,106	\$13,100	\$6
4		4	\$12,070	\$12,071	\$0
3		3	\$12,100	\$12,100	\$0
3		3	\$11,979	\$11,979	\$0
3		3	\$11,824	\$11,824	\$0
2		2	\$11,104	\$1,243	\$9,861
0		0	\$10,771	\$10,771	\$0
3		3	\$10,602	\$2,144	\$8,458
4		4	\$10,025	\$2,103	\$7,922
21		21	\$10,004	\$0,542	\$9,461
16		16	\$9,775	\$9,775	\$0
3		3	\$9,531	\$9,531	\$0
3		3	\$8,753	\$8,752	\$1
1		1	\$7,819	\$7,819	\$0
3		3	\$7,515	\$7,515	\$0
3		3	\$7,025	\$1,052	\$5,972
5		5	\$6,000	\$6,212	\$607
4		4	\$6,700	\$6,700	\$0
7		7	\$6,210	\$6,208	\$2
7		7	\$6,481	\$2,417	\$4,064
2		2	\$6,406	\$6,406	\$0
2		2	\$6,108	\$6,108	\$0
0		0	\$6,750	\$6,740	\$10
11		11	\$6,100	\$6,100	\$0
11		11	\$6,033	\$6,033	\$0
3		3	\$5,680	\$5,680	\$0
13		13	\$5,356	\$5,356	\$0
43		43	\$4,646	\$4,645	\$1
5		5	\$4,813	\$4,813	\$0
8		8	\$4,825	\$4,827	\$2

**AGREEMENT FOR THIRD PARTY  
CLAIMS ADMINISTRATIVE SERVICES**

**THIS IS AN AGREEMENT**, for third party claims administrative services (TPA services) made as of the [insert number] day of [month], 200[ ], by and between PMA Management Corp. (PMAMC), a corporation duly incorporated under the laws of the Commonwealth of Pennsylvania, whose principal offices are located at 380 Sentry Parkway, Blue Bell, PA, 19422 and [Name of the Self Insured Client] (Client), [a corporation duly authorized under the laws of the] [Commonwealth or State of ] {or} [a political subdivision of the Commonwealth {or} State of ], whose principal place of business is located at [insert complete business address].

**RECITALS**

**CLIENT** is authorized by the [State of ] {or} [Commonwealth of ] to self insure its workers' compensation injuries or occupational illnesses incurred by its employees arising during the course and scope of their employment; and,

**PMAMC**, a duly authorized provider of third party administrator (TPA) services in the [State of ] {or} [Commonwealth of ], has submitted its proposal to Client to provide TPA and other services which are more fully described herein; and,

**CLIENT**, having selected PMAMC to provide TPA and other services, desires to enter into an agreement with PMAMC on the terms and conditions set forth herein.

**ACCORDINGLY**, in consideration of the forgoing and the mutual covenants contained herein (the receipt and sufficiency of which is hereby acknowledged), and intending to be legally bound hereby, the parties agree as follows:

**1. DEFINITIONS**

- a. **“Allocated Loss Adjustment Expenses” (ALAEs):** shall mean any cost or expense incurred by PMAMC in connection with the administration, investigation, adjustment or defense of claims on behalf of Client. **ALAEs** include but are not limited to: any and all legal fees, court costs and legal expenses; fees and expenses billed by attorneys for legal services; court reporters, fees for service of process; pre and post judgment interest paid; professional photographs; medical records; any and all costs associated with Medicare §111 reporting; the cost to retain experts; cost containment fees; rehabilitation costs; accident reconstruction; architects; chemist; contractors; engineers, police, fire, coroner, weather or other such reports; extraordinary costs for witness statements; the cost to obtain official documents and transcripts; sub rosa investigations; medical examinations; extraordinary travel made by Client's request; collection costs payable to third parties on subrogation; or, any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or

defense of a **Qualified Claim**; or, the protection of subrogation, contribution, indemnification rights of the Client.

- b. **“Claim Files”**: shall mean the files, either electronic or paper, for all open or closed claims which are provided to PMAMC at the inception of this Agreement and created during this Agreement and which shall be considered the sole property of the Client.
- c. **“Disability Management Coordinator” (DMC)**: shall mean PMAMC’s Registered Nurses who telephonically manage workers’ compensation claims.
- d. **“Discretionary Authority Limit”**: shall mean the maximum amount PMAMC is authorized to pay on Client’s behalf for any **Qualified Claim** without first obtaining prior approval from Client.
- e. **“Late Reported Claims”**: shall mean a claim reported after the expiration or termination of this Agreement or renewals regardless of whether the injury or occupational illness was incurred during the term of this Agreement.
- f. **“Lost Time Claims”**: shall mean any timely reported workers’ compensation accident or claim where the injured employee will likely be entitled to medical benefits and has lost or may lose time from work or will submit or has submitted a claim for indemnity benefits. Claims shall be identified as **Lost Time Claims** when PMAMC initiates investigation of any kind to resolve issues regarding compensability without regard to: (1) whether or not the injured worker has actually lost time from work or (2) whether the claim is ultimately approved or denied. **Lost Time Claims** shall also include a claim previously classified as a **Medical Only Claim** which required PMAMC to perform additional claim handling services of any nature.
- g. **“Medical Case Managers” (CM)**: shall mean PMAMC’s Registered Nurses who provide on site case management services in connection with severe or catastrophic workers’ compensation claims.
- h. **“Medical Only Claims”**: shall mean any reported workers’ compensation accident or claim involving an injured worker who is or may be entitled to medical benefits; but, is not likely to lose time from work or submit a claim for indemnity benefits.
- i. **“Qualified Claim”**: shall mean any claim, loss, monetary demand, or suit occurring within the term of this Agreement and every **Takeover Claim**, *provided* that Takeover Claims have been mutually agreed upon to be obligations of PMAMC under this Agreement.

- j. **“Record Only Claims”**: shall mean a claim which is specifically reported to PMAMC by Client as **Record Only** and not otherwise classified by PMAMC as **Lost Time** or **Medical Only**. **Record Only Claim** only obligates PMAMC to memorialize a notice of an occurrence or incident.
- k. **“Takeover Claims”**: shall mean any open claim which has been: (1) administered by Client or Client’s third party administrator prior to the inception of this Agreement; and, (2) subsequently transferred to PMAMC for servicing on or after the inception of Agreement. Closed **Lost Time Claims** with accident dates prior to the date set forth in Section 2 and are subsequently reopened during the term of this Agreement requiring services provided herein will be considered a **Takeover Claim** for billing purposes. Closed **Medical Only Claims** with accident dates prior to the date set forth in Section 2 which are subsequently reopened during the term of this Agreement requiring services provided herein will be considered a **Takeover Claim** for billing purposes.

## 2. TERM

- a. This Agreement is effective beginning [month] [date], 200[ ], for a term of [number of years or months] until [month] [date], 200[ ], and shall remain in full force and effect unless otherwise amended or terminated.

## 3. TPA SERVICES

- a. PMAMC shall provide customary and appropriate workers’ compensation claims handling services for all **Qualified Claims**, including up to X Lost Time and Y Medical Only **Takeover Claims** with an occurrence date of [month] [date], [year]. Such services include but are not limited to: the investigation of each **Qualified** and/or **Takeover Claim** or to the extent deemed necessary by PMAMC or according to claims handling guidelines provided by Client; adjusting, settling or litigating all **Qualified** and/or **Takeover Claims** subject to the **Discretionary Authority Limit** or with Client’s approval if outside the **Discretionary Authority Limit**; investigation and pursuit of subrogation on behalf of Client; setting appropriate claim reserves; and, necessary and customary administrative tasks. Specifically, with regards to:
  - i. **Lost Time Claims**, PMAMC will provide the services required to make a determination regarding compensation compensability, pay the appropriate level of indemnity benefits, and attempt to achieve a return to full duty for the affected employee.

- ii. **Medical Only Claims**, PMAMC services will be limited to recording the claim and associated data and payment of medical bills and expenses as provided in this Agreement.
- b. In the event that Client provides hard-copy files to PMAMC at the inception of the Agreement for data conversion, PMAMC shall return such files to Client within one (1) year of receipt in paper or electronic format, at PMAMC's election.
- c. PMAMC shall administer the **Qualified Claims** for the payment set forth in Section [ ] of this Agreement from the date of first report of injury or first notice of claim [for the term of this Agreement] {or} [through the resolution of each such claim]. Fees for the administration of claims beyond such period shall be negotiated by the Parties]. With respect to **Takeover Claims**, PMAMC shall administer such claims at rates set forth in Section [for the term of this Agreement] {or} [through the resolution of each such claim]. Fees for the administration of Claims beyond such period shall be negotiated by the Parties].
  - i. [If Cradle to Grave is Selected] Client acknowledges that it is not entitled to any refund if Client requests that PMAMC return **Claim Files** prior to resolution of any open claim.
- d. PMAMC shall file all forms required to be filed in the adjustment of workers' compensation claims pursuant to the applicable workers' compensation statutory and regulatory scheme.
- e. PMAMC shall prepare and issue medical or indemnity payments to Client's injured employees. PMAMC agrees to review with and seek approval from Client with respect to a recommended course of action regarding a **Qualified or Takeover Claim** valued in excess of the **Discretionary Authority Limit**.

#### 4. EXCESS REPORTING SERVICES

- a. PMAMC will report to Client's excess insurance carrier or carriers ("Carrier(s)") all **Qualified or Takeover Claims** administered by PMAMC which meet Client's excess insurance reporting requirements, subject to the following requirements:
  - i. Client shall promptly deliver to PMAMC copies of all applicable excess policies and contact information, as well as amended or modified policies, endorsements, and any excess claim reporting thresholds or standards agreed upon between the Client and Carrier(s) as they arise.

- ii. Client shall direct Carrier(s) to provide PMAMC with copies of all claim notice confirmations, claim reports, and any similar reports provided by Carrier(s) to Client.
  - iii. Client shall provide data for conversion to PMAMC's computer system for purposes of determining historical loss information.
  - iv. Client shall instruct its attorneys to advise PMAMC when in the attorney's professional opinion one of Client's claims meets those thresholds.
- b. Client's failure to supply the information set forth above shall relieve PMAMC of liability for the timely reporting of excess claims to Client's Carrier(s). PMAMC shall not be liable for reporting any **Qualified or Takeover Claims** not administered by PMAMC, nor for claims not timely filed by Client's prior TPA.
- c. If requested by Client, PMAMC shall provide Client with a cumulative listing of all claims which have been reported by PMAMC to Carrier(s). Within ninety (90) days of its receipt of said listing, Client shall notify PMAMC of any claims which the Client knew or should have known met the reporting thresholds and which are not included on the listing. Client's failure to so notify PMAMC shall relieve PMAMC of its obligation to report such claims to Carrier(s).

## 5. MANAGED CARE SERVICES

- a. PMAMC may provide **CM's** and **DMC's** for the management of certain workers' compensation claims, as requested by Client. **CM's** and **DMC's**, in conjunction with PMAMC claims professionals, will provide the following services, including but not limited to: monitor the treatment programs recommended for each claimant by the relevant health care providers; coordinate necessary services; recommend utilization review; review pertinent medical reports; perform all investigative activities as may be appropriate.
- b. PMAMC shall provide Cost Containment Programs to review medical bills and bills for other services performed in connection with each **Qualified or Takeover Claim**, for appropriateness, relatedness to the injury or accident, unbundling, and for conformity to any applicable fee schedule or usual and customary repricing (UCR).
- i. PMAMC shall provide access to its preferred provider network (PPN) vendor for health care services which may include hospitals, physicians, and ancillary care providers from which Client and its



employees may obtain medical services. In addition, PMAMC shall provide Client access to its Out of Network (OON) vendor.

- ii. PMAMC shall provide Client access to its pharmacy benefit management program. The pharmacy benefit management program provides prescription drugs and durable medical equipment at discounted prices.
- c. When deemed appropriate by PMAMC, third party vendors may be retained by PMAMC for the purpose of directly or indirectly providing managed care services or any services as may become necessary for PMAMC to provide such managed care services.
- d. Client agrees to use PMAMC's healthcare provider networks.

## **6. RISK CONTROL SERVICES**

- a. At Client's request, PMAMC shall perform a Risk Management Assessment (RMA) through interviews, review of records and on-site inspections, to assess operational, administrative, behavioral and managerial systems as they relate to accident prevention and loss control for a negotiated fee set forth herein. The results will be provided to Client.
- b. At Client's request, PMAMC will prepare a more detailed analysis of specific risk-related issues, or prepare custom risk control strategies and implementation plans based on PMAMC's initial RMA assessment for an additional negotiated fee set forth herein.
- c. At Client's request, PMAMC will provide any or all the following Risk Control Services (RCS) for the fees set forth herein:
  - i. Industrial Hygiene Assessment (additional fees may apply): including identification of dangerous occupational exposures to noise, chemicals, air contaminants, heat stress, and other environmental hazards.
  - ii. Ergonomic Risk Assessment: including evaluations for cumulative trauma disorders for an entire operation or selected tasks, jobs, workstations or worksites.
  - iii. Risk Control Program Consultation Services including the following:
    1. Strategic Risk Control Plan Facilitation
    2. Management Development Programs
    3. Supervisor Development Programs

4. Employee Development Programs
5. Employee Communication Initiatives
6. Occupational Health Services Programs

- d. Any RCS services provided are to assist Client in reducing Client's exposure to risk of loss. Evaluations concern only such conditions and practices as may be evident at the time of PMAMC's visits. **THE SERVICES PERFORMED HEREUNDER BY PMAMC SHALL NOT BE CONSTRUED AS APPROVAL BY PMAMC OF CLIENT'S OPERATIONS, PROCESSES, SERVICES, PRODUCT DESIGN OR PRODUCT FUNCTION BY PMAMC. THE PARTIES AGREE THAT WHILE PMAMC WILL PERFORM RCS SERVICES WITHIN INDUSTRY STANDARD, NO GUARANTEES OR OTHER SIMILAR ASSURANCES CAN BE MADE BY PMAMC THAT IT HAS DISCOVERED ALL OF CLIENT'S PAST, CURRENT, OR FUTURE RISKS OR HAZARDS. THE PARTIES FURTHER AGREE THAT BY PROVIDING THE SERVICES SPECIFIED HEREUNDER, PMAMC IS NOT MAKING ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY OR FITNESS OF CLIENT'S PRODUCTS OR PROCESSES FOR A PARTICULAR PURPOSE, COMPLIANCE WITH ANY LAW OR REGULATION, OR ANY OTHER WARRANTY, AND ANY LIABILITY OF PMAMC, ITS AFFILIATES OR AGENTS, FOR DIRECT, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, FOR ANY CAUSE WHATSOEVER, IS EXPRESSLY DISCLAIMED, EVEN IF PMAMC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS SECTION OF THE AGREEMENT SHALL SURVIVE THE TERMINATION OF THE AGREEMENT.**

**7. RISK MANAGEMENT INFORMATION SYSTEM (RMIS)**

- a. PMAMC may provide the following RMIS services for an additional fee:
- i. conversion of Client's existing claims data, subject to additional fees if not otherwise explicitly stated.
  - ii. access to PMAMC's RMIS for the fee stated herein; *provided*, Client agrees to the terms and conditions of the License Agreement, applicable when first accessing PMAMC's RMIS.
  - iii. Standard Reports available through PMAMC's RMIS.
  - iv. Customized reporting reasonably acceptable to PMAMC, subject to the terms, conditions and fees as may be stated herein. PMAMC will

provide a reasonable estimate of the costs of preparation of any such reports to Client in advance.

b. Warranty and Limitation of Liability for PMAMC's RMIS:

i. PMAMC warrants any RMIS furnished against malfunctions, errors or loss of data which are due solely to errors on its part. If Client notifies PMAMC in writing and furnishes adequate documentation of any such malfunction, error or loss of data, then:

- 1) In the event of a malfunction, error or loss of data, upon notice by Client within twenty (20) days of the malfunction, PMAMC will without an additional fee re-create the reports designated by Client, using data as of the recreation date.
- 2) The maximum and only liability of PMAMC for such malfunction, error or loss of data shall be its obligation to reprocess reports or regenerate data as described above.

c. **THE WARRANTIES STATED IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ANY SOFTWARE, HARDWARE, EQUIPMENT OR DATA SUPPLIED TO CLIENT BY PMAMC. IN NO EVENT SHALL PMAMC BE LIABLE FOR ANY LOSS OR DAMAGE TO REVENUES, PROFITS OR GOODWILL OR OTHER DIRECT, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND RESULTING FROM ITS PERFORMANCE OR FAILURE TO PERFORM UNDER THIS SECTION OR RESULTING FROM THE FURNISHING, PERFORMANCE, USE OR LOSS OF USE OF ANY SOFTWARE PROVIDED TO CLIENT HEREUNDER, INCLUDING WITHOUT LIMITATION ANY INTERRUPTION OF BUSINESS, EVEN IF PMAMC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. THIS SECTION OF THE AGREEMENT SHALL SURVIVE THE TERMINATION OF THE AGREEMENT.**

d. Obligations of Client regarding use of PMAMC's RMIS:

i. Client shall adhere to state and federal law with regard to protecting the privacy of any claimant whose information may appear in the RMIS. Client agrees to use all available security

features and to notify PMAMC promptly of all potential and actual breaches of the security system.

- ii. Client agrees that no information recorded in PMAMC's RMIS will be used as a pretext for retaliatory or other illegal or unfair discriminatory employment practices in violation of any federal or state statute or regulation.

e. General Provisions regarding PMAMC'S RMIS:

- i. PMAMC will remove Client's password from the list of authorized users promptly upon termination or expiration of the Agreement.
- ii. Client agrees to limit access to PMAMC's RMIS to those persons who perform the essential functions of claim and risk management, including protecting security access passwords to hardware and communications, except that this provision is not intended to limit Client from generating and using reports and statistics for legitimate business purposes.

**8. LEGAL SERVICES**

- a. In the event a claim managed by PMAMC pursuant to this Agreement: (i) enters into litigation; or (ii) is scheduled for a workers' compensation hearing; or (iii) involves a potential third-party (subrogation) claim, PMAMC will:
  - i. Make recommendations to Client regarding litigation of claims handled under this Agreement.
  - ii. Assist Client in the retention and appointment of counsel selected by Client to represent Client in and regarding such legal matters, and assist Client in the selection of expert witnesses and vendors.
  - iii. At direction of Client and/or its authorized counsel, pursue all appropriate subrogation/contribution claims on behalf of Client.
- b. In the event a claim managed by PMAMC pursuant to this Agreement enters into litigation or is a potential third-party subrogation/contribution claim, PMAMC will assist outside legal counsel selected or approved by Client to handle such legal matters. If Client so desires, PMAMC will manage such claims litigation in accordance with its Defense Counsel Guidelines. PMAMC will make settlement recommendations to Client, but the final decision regarding the disposition of any claim, suit or proceeding will be made solely by Client.

**9. SECTION 111 REPORTING**

- a. Client understands and acknowledges that it is a Responsible Reporting Entity (RRE) as defined by the Centers for Medicare and Medicaid Services (CMS), and primarily responsible for the reporting requirements as set forth in Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007.
- b. Client authorizes and PMAMC agrees to undertake Client's Section 111 reporting requirements as Client's Account Manager/Reporting Agent as it relates to Client's non-**Record Only** claims being administered pursuant to the Agreement. This reporting shall be limited to new **Qualified Claims** and all **Takeover Claims** which are open or opened by PMAMC during the Agreement. Client further agrees to fully cooperate with PMAMC, including the execution of any documents necessary for such authorization.
  - i. PMAMC shall not provide any Section 111 reporting services for Client's **Record Only** claims.
  - ii. PMAMC shall not undertake Section 111 reporting activities for Client's claims which were converted from Client's prior TPA to PMAMC but were never opened or handled by PMAMC.
- c. PMAMC shall charge and Client shall pay a fee of \$6.00 per claim for any claim PMAMC needs to query pursuant to the Agreement.
- d. Client acknowledges and agrees to provide PMAMC with complete, accurate, and timely data for Section 111 reporting purposes.
- e. Conditioned on the aforementioned, PMAMC shall commence reporting of Client's data as directed by CMS, and shall continue for as long as PMAMC is contractually obligated to administer Client's claims.
- f. Indemnification between the parties for Section 111 reporting shall be governed by the indemnification provisions of the Agreement. PMAMC shall not indemnify, and specifically disclaims liability for any failure of: (1) Client to register as a RRE; (2) Client to execute any documents necessary to authorize PMAMC as its Account Manager/Reporting Agent; or (3) Client or its prior TPA to report Client's claims when they were first required to do so.

**10. FUNDING of CLAIMS and EXPENSES**

- a. PMAMC will establish a non-interest bearing checking account in PMAMC's name ("Claim and Expense Account") with Wachovia Bank, N.A. (Wachovia), which is to be funded by Client, but, which PMAMC will administer for the purposes of paying **Qualified** or **Takeover Claims**

and **ALAEs** in accordance with the procedures set forth in this Section. PMAMC will provide Client with a monthly Payment Register outlining all claims payments, **ALAEs** and correction items funded by PMAMC. The Payment Register will contain the name of the payee, date of payment, amount of payment and claim number for all funding transactions occurring during the prior month.

- b. **[Escrow with Monthly Reimbursement Option]** The Claims and Expense Payments Account will initially be funded by Client in the amount of [insert dollar amount] (\$X,XXX) which shall be equal to three (3) months estimated claims payments and **ALAEs** and which may be revised at PMAMC's discretion based upon actual claims and expense payment history. After the expiration of each calendar month, PMAMC will provide Client with a Payment Register and Invoice detailing all payments made for **Qualified Claims** and **ALAEs** during the prior month. The Payment Register will contain the name of the payee, date of payment, amount of payment and the claim number for all funding transactions occurring during the prior month. Within [fifteen] (15) calendar days of the receipt of the Payment Register and Invoice, Client shall reimburse PMAMC for the total amount of payments made, which reimbursement shall replenish the Claims and Expense Payment Account to its prior required balance. If at any time the Claims and Expense Payment Account balance is depleted by [seventy-five percent] (75%) or more during the course of any given month, PMAMC shall provide written notice of such depletion to Client, and Client will replenish the balance within two (2) business days of receipt of notice.
- i. Should Client fail at any time to maintain adequate funding after receiving notification from PMAMC, then PMAMC may suspend all contractual obligations under this Agreement until such funding has been retained and payment of any related PMAMC bank charges, fees, or penalties have been paid by Client.
- c. **[ACH Debit Option]** PMAMC will automatically withdraw funds from Client's account at Client's bank through the Automated Clearing House System ("ACH Debit") for deposit to the Claim and Expense Payment Account. ACH Debit activities will occur on a [monthly] [weekly] [daily] basis. [If on a monthly basis:] The Claims and Expense Payment Account will initially be funded by Client in the amount of [insert written dollars amount] (\$X,XXX) which shall be equal to one and one half (1 ½) months of estimated claims payments and **ALAEs** and which may be revised at PMAMC's discretion based upon actual claims and expense payment history. If at any time the Claim and Expense Payment Account balance is depleted by [insert written dollar amount] (\$X,XXX) (equal to seventy-five percent (75%) of the escrow balance), PMAMC will automatically



withdraw funds sufficient to replenish the Claim and Expense Payment Account. [If on a weekly basis:] The Claims and Expense Payments Account will initially be funded by Client in the amount of [insert written dollar amount] (\$X,XXX) which shall be equal to [two] (2) weeks estimated claims payments and ALAEs and which may be revised at PMAMC's discretion based upon actual claims and expense payment history. If at any time the escrow balance is depleted by [insert written dollar amount] (\$X,XXX) (equal to 75% of the escrow balance), PMAMC will automatically withdraw funds sufficient to replenish the Claim and Expense Payment Account. [If on a daily basis:] The amount of the automatic withdrawal shall equal the total amount of payments made during that business day. Client shall not be required to maintain a minimum balance in the Claim and Expense Payment Account.

- i. Client acknowledges that it has signed an Authorization to Access Account Form prior to the inception of PMAMC services.
  
- d. In no instance will any payment of claims or expenses be made by PMAMC on behalf of Client, including but not limited to ALAEs, unless the required funds are made available by Client to PMAMC to do so. Should PMAMC advance funding on the part of Client, then Client shall immediately reimburse PMAMC or PMAMC may suspend all contractual obligations under this Agreement until full reimbursement has been received as well as any related PMAMC bank charges, fees, or penalties have been paid by Client.
  
- e. Client agrees to reimburse PMAMC on behalf of Client the cost it is obligated to pay by court order as a result of requesting a stop payment on a negotiable instrument made to Client's employee who is entitled to receive benefits under the applicable workers' compensation statute or regulation.
  
- f. This Section of the Agreement shall survive the termination of the Agreement.

## 11. PAYMENT of CLAIMS SERVICES FEES

- a. **[Flat Fee Accounts]** For claims services to be rendered under this Agreement, Client agrees to pay PMAMC an Annual Flat Fee of [insert written dollar amount] (\$X,XXX), to be paid in [four] (4) equal installments of [insert written dollar amount] (\$X,XXX). Client further agrees to pay the initial installment at the inception of this Agreement and subsequent installments [monthly/quarterly] thereafter.
  - i. If, during the term of this Agreement, any individual occurrence results in more than ten (10) claimants as determined by PMAMC,

then the following additional claim handling fees above and beyond the Annual Flat Fee shall apply, commencing with the eleventh (11<sup>th</sup>) claim and every claim thereafter for that aforementioned individual occurrence:

1. Seven Hundred Fifty Dollars (\$750) for each Lost Time Claim;
2. One Hundred Ten Dollars (\$110) for each Medical Only Claim;

**b. [Annual Estimated Fee Accounts]** Client shall pay PMAMC an Annual Estimated Fee, based upon the projected number of new claims to be handled by PMAMC during the term of this Agreement. The Annual Estimated Fee due to PMAMC is [insert written dollar amount] (\$X,XXX), to be paid in [four] (4) equal installment of [insert written dollar amount] (\$X,XXX). Client further agrees to pay the initial installment at the inception of this Agreement.

- i. At the end of each term year of this Agreement, PMAMC shall calculate for that year the actual fees for services based upon the number of claims multiplied by the following per claim fees:
  1. [Insert written dollar amount] (\$X,XXX) for each Lost Time Claim;
  2. [Insert written dollar amount] (\$X,XXX) for each Medical Only Claim;
  3. [Insert written dollar amount] (\$X,XXX) for each Record Only Claim.]
- ii. **[Standard Annual Estimated Fee Arrangement]** If PMAMC determines that the Annual Estimated Fee paid by Client is less than the calculated actual fee incurred by Client, then PMAMC shall issue a Claim Fee Adjustment Bill to reflect the amount due and owing by Client. Client shall pay this Claim Fee Adjustment Bill to PMAMC promptly upon receipt. If PMAMC determines that the Annual Estimated Fee paid by Client is greater than the calculated actual fees incurred by Client, then PMAMC shall promptly return the overpayment to Client, subject to any minimum claim service fee arrangements.

**[Minimum Fee Arrangement]** If PMAMC determines that the Annual Estimated Fee paid by Client is more than the calculated

actual fee incurred by Client, then nothing is due and owing Client at the end of each term year.

**[Maximum Fee Arrangement]** If PMAMC determines that the Annual Estimated Fee paid by Client is less than the actual fee incurred by Client, Client agrees to pay the balance due, subject to a maximum amount.

- c. PMAMC will bill Client for claims services to be rendered on a [monthly/quarterly] basis, along with any annual fees (hereinafter identified) which shall be paid in full at inception. Client will pay such bills within thirty (30) days after receipt. If bills are not paid within thirty (30) days after receipt, commencing at that time, PMAMC reserves the right to charge Client monthly interest of two percent (2%) above prime on all overdue payments, as well as to suspend all contractual obligations under this Agreement until such bills and interest have been paid in full.

## 12. TAKEOVER CLAIM FEES

- a. **[Flat Fee Accounts]** For up to X Loss Time and Y Medical Only **Takeover Claims** handling services as stated in Section 3 of this Agreement, Client agrees to pay PMAMC an Annual Flat Fee of [insert written dollar amount] (\$X,XXX), to be paid in [four/twelve] (4/12) equal [monthly/quarterly] installments of [insert written dollar amount] (\$X,XXX). Client further agrees to pay the initial installment at the inception of this Agreement and subsequently installments [monthly/quarterly] thereafter.
- b. Should the number of Client's Loss Time Takeover Claims exceed the X in number as stated in Section 3 of this Agreement, then PMAMC may bill and Client shall pay a fee of [insert written dollar amount] (\$X,XXX) per claim for each and every Loss Time Takeover Claim starting with the Xth + 1 claim.
- c. Should the number of Client's Medical Only Takeover Claims exceed the Y in number as stated in Section 3 of this Agreement, then PMAMC may bill and Client shall pay a fee of [insert written dollar amount] (\$X,XXX) per claim for each and every Medical Only Takeover Claim starting with the Yth + 1 claim.
- d. **[Annual Estimated Fee Accounts]** Client shall pay PMAMC an Annual Estimated Fee, based upon the projected number of **Takeover Claims** to be handled by PMAMC during the term of this Agreement. Client agrees to pay PMAMC an Annual Estimated Fee of [insert written dollar amount]

(\$X,XXX), to be paid in [four] (4) equal installment of [insert written dollar amount] (\$X,XXX). Client further agrees to pay the initial installment at the inception of this Agreement.

i. At the end of each term year of this Agreement, PMAMC shall calculate for that year the actual fees for services based upon the number of **Takeover Claims** multiplied by the following per claim fees:

1. [Insert written dollar amount] (\$X,XXX) for each Lost Time Claim;
2. [Insert written dollar amount] (\$X,XXX) for each Medical Only Claim;
3. [Insert written dollar amount] (\$X,XXX) for each Record Only Claim.]

ii. **[Standard Annual Estimated Fee Arrangement]** If PMAMC determines that the Annual Estimated Fee paid by Client is less than the calculated actual cost incurred by Client, then PMAMC shall issue a Claim Fee Adjustment Bill to reflect the amount due and owing by Client. If PMAMC determines that the Annual Estimated Fee paid by Client is greater than the calculated actual costs incurred by Client, then PMAMC shall promptly return an overpayment to Client.

**[Minimum Fee Arrangement]** If PMAMC determines that the Annual Estimated Fee paid by Client is more than the calculated actual cost incurred by Client, then nothing is due and owing Client at the end of each term year.

**[Maximum Fee Arrangement]** If PMAMC determines that the Annual Estimated Fee paid by Client is less than the actual cost incurred by Client, Client agrees to pay the balance due, subject to a maximum amount.

e. PMAMC will bill Client monthly for claims services [monthly/quarterly]. Client will pay such bills within thirty (30) days after receipt; if not paid within thirty (30) days of the due date, commencing at that time, PMAMC reserves the right to charge Client monthly interest of two percent (2%) above prime on all overdue payments.

### 13. ANNUAL ADMINISTRATIVE FEE

- a. At the inception of this Agreement and annually thereafter, Client shall pay PMAMC an Annual Administrative Services Fee of [insert written dollar amount] (\$X,XXX) to cover the costs of basic administrative services and fees, which may include but are not limited to, account setup, account maintenance and incurred banking fees.
- b. **[For Cradle to Grave only]** This section of the Agreement shall survive the termination of the Agreement until no open claims remain at PMAMC.
- c. **[For Cradle to Grave when fee included in Claims Handling Charge]** Upon termination of this Agreement and should claims remain open and unresolved, PMAMC shall charge the Client an annual fee of [insert written amount] (\$X,XXX) to cover the costs of basic administrative services and fees, which may include but are not limited to, account setup, account maintenance and incurred banking fees.

**14. MANAGED CARE FEES**

- a. Upon request, PMAMC shall provide Client use of **CMs** services, which shall be billed to Client at an hourly rate of ninety-five dollars (\$95.00) per hour for onsite case management.
- b. Upon request, PMAMC shall provide Client use of **DMCs** services, which shall be billed to Client at an hourly rate of ninety-five dollars (\$95.00) per hour for telephonic case management.
- c. For medical bill review and repricing services, Client shall pay a fee [of eight dollars and twenty-five cents (\$8.25) per bill review, plus thirty-five percent (35%) of the savings resulting from use of PMAMC's Cost Containment Programs] {or} [ [insert percentage] (X%) of the total savings resulting from use of PMAMC's Cost Containment Programs].

**15. RISK CONTROL SERVICE FEE**

- a. At Client's request, PMAMC shall provide RCS at an hourly rate of One Hundred Twenty-Five Dollars (\$125.00) per hour.

**16. DATA CONVERSION FEE**

- a. At the inception of this Agreement, Client shall pay PMAMC a fee of [insert written dollar amount] (\$X,XXX) for conversion of Client's existing electronic data into a format for use with PMAMC's computer systems.

**17. RISK MANAGEMENT INFORMATION SYSTEM FEE**

- a. At the inception of this Agreement and annually thereafter, Client shall pay PMAMC an annual fee of [insert written dollar amount] (\$X,XXX) to access PMAMC's RMIS for up to three (3) users.
- b. **[For Cradle to Grave only]** This section of the Agreement shall survive the termination of the Agreement until no open claims remain at PMAMC.
- c. **[For Cradle to Grave when fee included in Claims Handling Charge]** Upon termination of this Agreement and should claims remain open and unresolved, PMAMC shall charge the Client an annual fee of [insert written amount] (\$X,XXX) to access PMAMC's RMIS for up to three (3) users.

## 18. INDEMNIFICATION and HOLD HARMLESS

- a. Client will indemnify, defend and hold harmless PMAMC, its officers, directors, employees, and agents, from all claims, losses, damages, costs, liability or expenses, including attorneys' fees, caused by or resulting from negligence or willful misconduct of Client, its officers, directors, employees or agents, to the extent permitted by law.
- b. PMAMC will indemnify, defend and hold harmless Client, its officers, directors, employees, and agents, from all claims, losses, damages, costs, liability or expenses, including attorneys' fees, caused by or resulting from negligence or willful misconduct of PMAMC, its officers, directors, employees or agents, to the extent permitted by law, however the parties agree that PMAMC, its directors, officers, agents or employees, will not be liable to Client or any third party for claims arising from PMAMC's performance under this Agreement in those cases where PMAMC acted at the request of or with the consent of Client.
- c. Client agrees that it will not hold PMAMC liable for, or reduce the compensation of PMAMC with respect to, any failure of PMAMC to deliver any services resulting from any failure of cooperation on the part of Client or the prior administrator, or from any files for takeover claims which have not been properly maintained or are not delivered to PMAMC in good order.
- d. This Section of the Agreement shall survive the termination of the Agreement.

## 19. NATURE of RELATIONSHIP



- a. PMAMC agrees to perform the services described in this Agreement as an independent contractor and not as an agent or employee of Client. Client retains no control or direction over PMAMC, its employees or agents, or over the detail, manner or methods of the performance of the services described herein.
- b. PMAMC shall be entitled to retain third party vendors to provide any or all services herein when deemed appropriate by PMAMC.

## 20. TERMINATION

- a. This Agreement will be terminable upon ninety (90) days advance written notice by either party with or without cause.
- b. This Agreement will terminate immediately upon the happening of any of the following events:
  - i. Mutual agreement of the parties; or,
  - ii. Client is in default in payment of any fees or expenses due hereunder or fails to maintain the requisite funding levels stated herein and PMAMC has given Client prior written notice of such default five (5) days prior to the date set for termination; or,
  - iii. Either party defaults (other than a monetary default) under any of the terms, covenants and conditions hereunder and the non-defaulting party has given the defaulting party prior written notice of such default twenty (20) days prior to the date set for termination and the defaulting party has failed to cure such default prior to the termination date; or,
  - iv. Either party becomes insolvent or bankrupt, is placed into receivership, makes an assignment for the benefit of creditors, or is levied upon or sold out by Sheriff's sale; or,
  - v. PMAMC fails to obtain any required state or federal licensing for providing services hereunder; or,
  - vi. Any state regulatory entity which fails to approve or subsequently disapproves or revokes the self-insurer status of Client.
- c. In the event that this Agreement is terminated by PMAMC due to any Client default, or terminated by either party in accordance with this Agreement, PMAMC shall be entitled to return the **Claim Files** to Client in electronic

form, and PMAMC shall have no further obligations hereunder with respect to such claims. Client shall be responsible for payment of all fees incurred by PMAMC up to and including the date of termination. Nothing in this section is intended to limit any other remedy which may be available to PMAMC.

- d. **[Insert if Cradle to Grave is selected]** Upon termination of this Agreement for any reason other than Client default, PMAMC shall handle the remaining open claims pursuant to the terms of this Agreement or otherwise at Client's direction. **[Insert if Life of Contract is selected]** Upon termination of this Agreement for any reason other than Client default, and, if no open claims remain, PMAMC will provide a final accounting of any amounts due either party. If no other provision is made specifically herein for claims handling subsequent to the termination date, claims service fees will be allocated on a pro-rata basis on the actual period of time services are provided prior to termination. Upon final closing of the account, PMAMC shall return the **Claim Files** to Client in electronic form.
- e. Client and PMAMC acknowledge that certain approved medical or indemnity payments may still be in process upon the date of termination. Therefore, Client agrees that, Client will remain responsible for payment of any legitimate indemnity or expense payments which may be processed by PMAMC for a **Qualified** or **Takeover Claim**. In addition, PMAMC shall return to Client any outstanding checks remaining unpaid after termination. PMAMC shall not be responsible for Client's escheat obligations with regard to issued but unrepresented checks either before or after the termination of this Agreement.
- f. **In the event Client terminates this Agreement and requests that PMAMC convert any data into a format compatible with Client's computer system, PMAMC may charge Client a reasonable fee, not to exceed [insert written dollar amount] (\$X,XXX).**

## 21. CONFIDENTIALITY

- a. The parties acknowledge and agree that any and all information emanating from either party's business in any form, including compilations of otherwise public information, is confidential and proprietary in nature. Each party will use its best efforts during and after the termination of this Agreement to preclude the duplication, use or disclosure of any such confidential and proprietary information to any third party, unless such duplication or disclosure is specifically authorized under this Agreement or otherwise by the party claiming ownership. In addition, the parties agree that information provided by PMAMC's RMIS or otherwise in the context of this relationship shall be considered confidential and proprietary, and may

constitute privileged and/or attorney work product protected from discovery by law and/or rules of court. Therefore, neither party will release any such information unless:

- i. compelled by an order of a court of competent jurisdiction;
  - ii. mandated by an insurance code, claim practices act, workers' compensation law, or other applicable law or regulation to provide information to the claimant or other person;
  - iii. mandated by applicable court discovery rules in the opinion of the claim professional responsible for the adjustment of the claim or defense counsel, if any.
- b. Any information sought to be produced will be prescreened by PMAMC in consultation with Client, provided such discovery requests comply with applicable rules of court governing discovery in litigation.
- c. If there is an obligation to release part but not all of the information, the part deemed not responsive will be withheld, but nothing in this Agreement is intended to abrogate the duty of either party to comply in good faith with such discovery requests.
- d. Each party agrees that the information contained within PMAMC's RMIS must be treated in a confidential manner by all users who may gain authorized access to the RMIS. In the event of a third party suit alleging defamation, false light, or other invasion of privacy tort, violation of civil rights, violation of federal or state medical privacy statutes, or violation of fair employment practice laws, arising from either party's use of PMAMC's RMIS under this Agreement, the liable party agrees to indemnify and hold harmless the other party for all sums due under the terms of a judgment or reasonable settlement, including interest and attorneys' fees, upon a final judgment or mutual agreement that one of the parties hereto is liable as charged in such allegations.
- e. This Section of the Agreement shall survive the termination of the Agreement.

## **22. NOTICES**

- a. All notices required to be given by one party to the other under this Agreement will be in writing and will be sent by first class US mail, postage prepaid, or by express mail and will be addressed as set forth below or to such other address as may be designated in writing by either party in

accordance with the provisions of this Agreement and will be effective upon receipt.

For Client:

For PMAMC: Frank X. Altieri, President  
PMA Management Corp.  
380 Sentry Parkway  
PO Box 3031  
Blue Bell, PA 19422-0754

**23. NON HIRE of OTHER’S EMPLOYEES**

Each party to this Agreement agrees not to solicit or hire for employment, either as an employee or an independent contractor, employees or former employees of the other party or of an affiliate of the other party during the term of this Agreement or for a period of one year following its termination. The parties acknowledge the difficulty in determining a specific damage amount for breach of this section, therefore, as liquidated damages and not as a penalty, if either party breaches the terms of this section, the breaching party shall pay the other party an amount equal to one year's base salary of each employee hired. This section of the Agreement shall survive the termination of the Agreement.

**24. ASSIGNMENT**

- a. This Agreement will be binding upon the parties, their successors and assigns; provided, however, PMAMC may assign this Agreement to a current affiliate.

**25. COOPERATION**

- a. Client and its agent, representatives and employees will promptly report to PMAMC all notices of injuries, losses or claims for which Client may be liable under its self-insurance program, and to provide all necessary documents and materials to PMAMC, including but not limited to excess policies, which are necessary to provide the services hereunder.
- b. Each party and its agents will cooperate fully with the other party in connection with its obligations hereunder and upon reasonable request, assist in the investigation, litigation, settlement and/or defense of a particular claim. Upon prior notice from Client, all **Claim Files** will be open to Client’s inspection at reasonable times, at the office of PMAMC. PMAMC will provide copies of individual claims files to Client or Client’s designated

representative within five (5) business days of a request by Client. Client agrees to pay PMAMC its costs to provide copies of individual **Claim Files**.

- c. This Section of the Agreement shall survive the termination of the Agreement.

## **26. MEDIATION**

- a. The parties agree to submit any dispute arising under this Agreement to independent professional non-binding mediation within ten (10) working days after they have determined that they are unable to reach a resolution thereof. The party raising the dispute shall contact a mediation service which shall assist the parties in selecting a mediator. Thereafter, the parties shall commence mediation not more than ten (10) working days from the determination of the mediator. The costs of such mediation shall be borne equally by both parties. The location of the mediation shall be at a mutually agreeable place. This Section shall be specifically enforceable, and time shall be considered to be of the essence of this Agreement. This Section of the Agreement shall survive the termination of the Agreement.

## **27. WARRANTIES and REPRESENTATIONS**

- a. By affixing its authorized signature below, Client warrants that it has been duly authorized and/or otherwise possesses all requisite authority and may lawfully enter into this Agreement.
- b. By affixing its authorized signature below, PMAMC warrants that it has been duly authorized and/or otherwise possesses all requisite authority and may lawfully enter into this Agreement.

## **28. MODIFICATION**

- a. PMAMC may seek to modify fees if (i) PMAMC's fees and charges were based upon historically inaccurate or erroneous data, or Client's business changes materially in the nature or volume of business or claims as originally contemplated at the inception of the Agreement, or (ii) during the term of this Agreement, legislative and/or regulatory changes materially impact or change the scope of PMAMC's services or responsibilities.
- b. Upon the occurrence of either of the events in subsection (a) above, PMAMC may request an increase in current fees, which increase must be agreed to in writing by PMAMC and Client in order to become effective. If the parties are unable to reach an agreement with regard to the fee

increase, then either party may terminate this Agreement with sixty (60) days written notice to the other party. PMAMC will continue to provide services for the sixty day notice period, after which PMAMC may return files to Client and submit a final billing to Client.

**29. BREACH of AGREEMENT**

- a. If Client breaches the terms and conditions set forth in this Agreement, it shall be deemed that the non-breaching party has suffered an irreparable harm and may seek injunctive and any other relief a court of competent jurisdiction may award.

**30. MISCELLANEOUS**

- a. **Governing Law.** This Agreement and all disputes relating in any way to this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of laws.
- b. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes all prior written or oral agreements, representations, warranties, negotiations, or understandings. This Agreement may not be amended except in a writing executed by all authorized parties hereto. The parties further represent and warrant that they have not relied on any representations, warranties or statements as an inducement to entering this Agreement other than what is expressly written herein.
- c. **No Waiver.** No delay or omission on the part of any party in exercising any right hereunder will operate as a waiver of such right or of any other right under this Agreement. A waiver on any one occasion will not be construed as a bar to or waiver of any right or remedy on any other occasion.
- d. **Severability.** The provisions of this Agreement are to be deemed severable, and the invalidity or unenforceability of any provision will, unless material and going to the essence of the Agreement as a whole, not affect or impair the remaining provisions which will continue in full force and effect.
- e. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which will constitute but one and the same Agreement.



- f. **Captions.** The captions and headings to the various Sections of this Agreement have been inserted for convenience of reference only, and shall not have the effect of amending or changing the express terms or provisions of this Agreement.
- g. **Ambiguities.** The parties agree that the terms and language of this Agreement are the result of detailed negotiations by, between and among the parties and, as a result, there shall be no presumption that any ambiguities in this Agreement shall be resolved against either party. Any controversy over the construction of this Agreement shall be decided in light of its business purposes, without regard to events of authorship or negotiation. In the event of any inconsistency or conflict between the terms or provisions of this Agreement and the terms or provisions of any other pre-existing or contemporaneous document or agreement as to the subject matter of this Agreement, the terms and provisions of this Agreement shall control and shall supersede the terms or provisions of such other document or agreement.
- h. **Calculation of Time.** All references herein to days shall be to calendar days, unless an express reference is made to business days. In the event the last day for compliance falls on a Saturday, Sunday, or Holiday, the period for compliance shall be deemed to include the following business day.
- i. **Modification.** This Agreement will not be modified except as mutually agreed in a writing signed by both parties.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have caused this Agreement to be executed by their duly authorized officers on the day and year first written above.

PMA MANAGEMENT CORP.

[INSERT CLIENT'S NAME]

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

Issue Date \_\_\_\_\_

**ACKNOWLEDGMENT AND SIGNATURE PAGE**

This form must be completed and submitted by the date and the time of bid opening.

Legal Company Name (include d/b/a if applicable): PMA Management Corp. Federal Tax Identification Number: 23-2652239

If Corporation - Date Incorporated/Organized: June 14, 1991

State Incorporated/Organized: Pennsylvania

Company Operating Address: 380 Sentry Parkway

City Blue Bell State PA Zip Code 19422

Remittance Address (if different from ordering address): 2701 North Rocky Point Dr., Ste 250

City Tampa State FL Zip Code 33607

Company Contact Person: Mark Davis Email Address: Mark-Davis@pmagroup.com

Phone Number (include area code): 813-207-4428 Fax Number (include area code): 813-207-4418

Company's Internet Web Address: www.pmacompanies.com

IT IS HEREBY CERTIFIED AND AFFIRMED THAT THE BIDDER/PROPOSER CERTIFIES ACCEPTANCE OF THE TERMS, CONDITIONS, SPECIFICATIONS, ATTACHMENTS AND ANY ADDENDA. THE BIDDER/PROPOSER SHALL ACCEPT ANY AWARDS MADE AS A RESULT OF THIS SOLICITATION. BIDDER/PROPOSER FURTHER AGREES THAT PRICES QUOTED WILL REMAIN FIXED FOR THE PERIOD OF TIME STATED IN THE SOLICITATION.

Michael MacAulay 7/29/14  
Bidder/Proposer's Authorized Representative's Signature: Date

Type or Print Name: Michael MacAulay

THE EXECUTION OF THIS FORM CONSTITUTES THE UNEQUIVOCAL OFFER OF BIDDER/PROPOSER TO BE BOUND BY THE TERMS OF ITS PROPOSAL. FAILURE TO SIGN THIS SOLICITATION WHERE INDICATED BY AN AUTHORIZED REPRESENTATIVE SHALL RENDER THE BID/PROPOSAL NON-RESPONSIVE. THE CITY MAY, HOWEVER, IN ITS SOLE DISCRETION, ACCEPT ANY BID/PROPOSAL THAT INCLUDES AN EXECUTED DOCUMENT WHICH UNEQUIVOCALLY BINDS THE BIDDER/PROPOSER TO THE TERMS OF ITS OFFER.

ANY EXCEPTION, CHANGES OR ALTERATIONS TO THE GENERAL TERMS AND CONDITIONS, HOLDHARMLESS/INDEMNITY DOCUMENT OR OTHER REQUIRED FORMS MAY RESULT IN THE BID/PROPOSAL BE DEEMED NON-RESPONSIVE AND DISQUALIFIED FROM THE AWARD PROCESS.

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**HOLD HARMLESS AND INDEMNITY CLAUSE**

(Company Name and Authorized Representative's Name)

, the contractor, shall indemnify, defend and hold harmless the City of Hollywood, its elected and appointed officials, employees and agents for any and all suits, actions, legal or administrative proceedings, claims, damage, liabilities, interest, attorney's fees, costs of any kind whether arising prior to the start of activities or following the completion or acceptance and in any manner directly or indirectly caused, occasioned or contributed to in whole or in part by reason of any act, error or omission, fault or negligence whether active or passive by the contractor, or anyone acting under its direction, control, or on its behalf in connection with or incident to its performance of the contract.

Michael MacAulay  
SIGNATURE

Michael MacAulay  
PRINTED NAME

PMA Management Corp.  
COMPANY OF NAME

7/29/16  
DATE

**Failure to sign or changes to this page shall render your bid non-responsive.**

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**NONCOLLUSION AFFIDAVIT**

STATE OF: New Jersey

COUNTY OF: Burlington, being first duly sworn, deposes and says that:

- (1) He/she is Sr. VP Sales of PMA Management Corp the Bidder that has submitted the attached Bid.
- (2) He/she has been fully informed regarding the preparation and contents of the attached Bid and of all pertinent circumstances regarding such Bid;
- (3) Such Bid is genuine and is not a collusion or sham Bid;
- (4) Neither the said Bidder nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the contractor for which the attached Bid has been submitted or to refrain from bidding in connection with such contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices, profit or cost element of the Bid price or the Bid price of any other Bidder, or to secure an advantage against the City of Hollywood or any person interested in the proposed Contract; and
- (5) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

(SIGNED) Michael McAuley  
Title

**Failure to sign or changes to this page shall render your bid non-responsive.**

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**SWORN STATEMENT PURSUANT TO SECTION 287.133 (3) (a) FLORIDA  
STATUTES ON PUBLIC ENTITY CRIMES**

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR  
OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS

1. This form statement is submitted to the City of Hollywood  
by Michael MacAulay for PMA Management Corp.  
(Print individual's name and title) (Print name of entity submitting sworn statement)  
whose business address is 2701 North Rocky Point Drive, Ste 250, Tampa, FL 33607  
and if applicable its Federal Employer Identification Number (FEIN) is 23-2165229 if the entity has no FEIN,  
include the Social Security Number of the individual signing this sworn statement.

2. I understand that "public entity crime," as defined in paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any bid, proposal, reply, or contract for goods or services, any lease for real property, or any contract for the construction or repair of a public building or public work, involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misinterpretation.

3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in an federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that "affiliate," as defined in paragraph 287.133(1)(a), Florida Statutes, means:

1. A predecessor or successor of a person convicted of a public entity crime, or
2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that "person," as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or any entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies.)

Neither the entity submitting sworn statement, nor any of its officers, director, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

Issue Date

The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime, but the Final Order entered by the Hearing Officer in a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings, determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. (attach a copy of the Final Order).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THAT PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017 FLORIDA STATUTES FOR A CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Michael MacAulay  
(Signature)

Sworn to and subscribed before me this 29th day of July, 2016.

Personally known Michael MacAulay

Or produced identification \_\_\_\_\_ Notary Public-State of New Jersey

my commission expires 7/15/18  
(Type of Identification)

Kimberly DeFranco  
(Printed, typed or stamped commissioned name of notary public)

**KIMBERLY DEFRANCO  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES JULY 16, 2018**

**Failure to sign or changes to this page shall render your bid non-responsive.**



Issue Date

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**CERTIFICATIONS REGARDING DEBARMENT, SUSPENSION AND OTHER  
RESPONSIBILITY MATTERS**

The applicant certifies that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default.

Applicant Name and Address:

FMA Management Corp.  
2701 North Rocky Point Dr., Ste. 250  
Tampa, FL 33607

Application Number and/or Project Name:

RFP-4522-16-RD/TPA Services For Workers' Compensation  
and Liability Claims

Applicant IRS/Vendor Number: 23-2652239

Type/Print Name and Title of Authorized Representative:

Michael MacAulay, Sr. VP Sales

Signature: Michael MacAulay Date: 7/29/16

**Failure to sign or changes to this page shall render your bid non-responsive.**

Issue Date \_\_\_\_\_

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

### DRUG-FREE WORKPLACE PROGRAM

**IDENTICAL TIE BIDS** - Preference shall be given to businesses with drug-free workplace programs. Whenever two or more bids which are equal with respect to price, quality, and service are received by the State or by any political subdivision for the procurement of commodities or contractual services, a bid received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for processing tie bids will be followed if none of the tied vendors have a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employee that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program (if such is available in the employee's community) by, any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of these requirements.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.



VENDOR'S SIGNATURE

Michael MacAulay

PRINTED NAME

PMA management Corp.

NAME OF COMPANY

Issue Date

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

**SOLICITATION, GIVING, AND ACCEPTANCE OF GIFTS POLICY**

Florida Statute 112.313 prohibits the solicitation or acceptance of Gifts. - "No Public officer, employee of an agency, local government attorney, or candidate for nomination or election shall solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, based upon any understanding that the vote, official action, or judgment of the public officer, employee, local government attorney, or candidate would be influenced thereby.". The term "public officer" includes "any person elected or appointed to hold office in any agency, including any person serving on an advisory body."

The City of Hollywood policy prohibits all public officers, elected or appointed, all employees, and their families from accepting any gifts of any value, either directly or indirectly, from any contractor, vendor, consultant, or business with whom the City does business.

The State of Florida definition of "gifts" includes the following:

- Real property or its use,
- Tangible or intangible personal property, or its use,
- A preferential rate or terms on a debt, loan, goods, or services,
- Forgiveness of indebtedness,
- Transportation, lodging, or parking,
- Food or beverage,
- Membership dues,
- Entrance fees, admission fees, or tickets to events, performances, or facilities,
- Plants, flowers or floral arrangements
- Services provided by persons pursuant to a professional license or certificate.
- Other personal services for which a fee is normally charged by the person providing the services.
- Any other similar service or thing having an attributable value not already provided for in this section.

Any contractor, vendor, consultant, or business found to have given a gift to a public officer or employee, or his/her family, will be subject to dismissal or revocation of contract.

As the person authorized to sign the statement, I certify that this firm will comply fully with this policy.

Michael MacAnuly      Michael MacAnuly  
 SIGNATURE                      PRINTED NAME

PMA Management Corp.      Sr. VP Sales  
 NAME OF COMPANY                      TITLE

**Failure to sign this page shall render your bid non-responsive.**

### Bid RFP-4522-16-RD Third Party Claims Administration Services for Workers Comp & Liability Claims

Bid Number RFP-4522-16-RD  
Bid Title Third Party Claims Administration Services for Workers Comp & Liability Claims

Bid Start Date Jul 15, 2016 10:05:42 AM EDT  
Bid End Date Aug 4, 2016 3:00:00 PM EDT  
Question & Answer End Date Jul 26, 2016 5:00:00 PM EDT

Bid Contact Ralph Dierks  
954-921-3223  
RDIERKS@hollywoodfl.org

Bid Contact Linda Silvey  
954-921-3200  
LSILVEY@hollywoodfl.org

*✓ acknowledged - Mark Dier*

**Addendum # 1**

New Documents	Agreement - Employers Mutual Inc dba Ascension - Third Party Claims Adm Services for WC Liability Claims .pdf
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**Addendum # 2**

New Documents	Loss Run - General Auto - RFP-4522-16-RD.xlsx Loss Run - Work Comp - RFP-4522-16-RD.xlsx
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**Addendum # 3**

New Documents	Answers to Question 6 and Question 7 - RFP-4522-16-RD.pdf
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**Addendum # 4**

New Documents	Addendum 1 2008 Agreement - EMI dba Ascension.pdf
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**Description**

Third-Party Claims Administration  
Workers' Compensation Claims

Competitive proposals are being sought for third-party claims administration services for the City's self-insurance workers' compensation program. Competitive proposals also are being sought for third-party claims administration services for the City's self-insurance liability program, which includes the following lines of coverage: general liability, automobile liability and police professional

Issue Date

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

### REFERENCE QUESTIONNAIRE

It is the responsibility of the contractor/vendor to provide a minimum of three (3) similar type references using this form and to provide this information with your submission. Failure to do so may result in the rejection of your submission.

Giving reference for: City of Hollywood

Firm giving Reference: Lee County BOCC

Address: 2115 Second Street Ft. Myers, FL 33901

Phone: (239) 533-2310

Fax: (888) 242-3233

Email: mfigueroa@leegov.com

1. Q: What was the dollar value of the contract?  
A: Roughly \$150,000 for the handling of AL, GL, and WC.
2. Q: Have there been any change orders, and if so, how many?  
A: No, change orders
3. Q: Did they perform on a timely basis as required by the agreement?  
A: Yes, all work completed timely as agreed
4. Q: Was the project manager easy to get in contact with?  
A: Yes, I have both Account Executive and Account Manager's cell phone numbers. Both Mark and Elizabeth are accessible.
5. Q: Would you use them again?  
A: Yes, just renewed contract for 3-years with (3) 1-year options
6. Q: Overall, what would you rate their performance? (Scale from 1-5)  
A: 5 Excellent 4 Good 3 Fair 2 Poor 1 Unacceptable
7. Q: Is there anything else we should know, that we have not asked?  
A: Great team of adjusters and staff with constant communication

The undersigned does hereby certify that the foregoing and subsequent statements are true and correct and are made independently, free from vendor interference/collusion.

Name: Mr. Mike Figueroa

Title: Risk Manager

Signature: 

Date: Aug. 1, 2016

Issue Date

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

### REFERENCE QUESTIONNAIRE

It is the responsibility of the contractor/vendor to provide a minimum of three (3) similar type references using this form and to provide this information with your submission. Failure to do so may result in the rejection of your submission.

Giving reference for: City of Hollywood

Firm giving Reference: City of Ocala

Address: 110 SE Watula Avenue Ocala, FL 34471

Phone: (352) 401-3991

Fax: (352) 401-6942

Email: lviselli@ocalafl.org

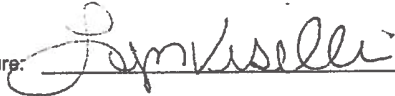
1. Q: What was the dollar value of the contract?  
A: 188,000 annually
2. Have there been any change orders, and if so, how many? A: N/A
3. Q: Did they perform on a timely basis as required by the agreement? A: YES
4. Q: Was the project manager easy to get in contact with?  
A: YES
5. Q: Would you use them again?  
A: YES
6. Q: Overall, what would you rate their performance? (Scale from 1-5)  
A: 5 Excellent 4 Good 3 Fair 2 Poor 1 Unacceptable
7. Q: Is there anything else we should know, that we have not asked?  
A: N/A

The undersigned does hereby certify that the foregoing and subsequent statements are true and correct and are made independently, free from vendor interference/collusion.

Name: Ms. Lyn Viselli

Title: Assistant Director HR & Risk Management

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

7/29/16



Issue Date

City of Hollywood, Florida  
Solicitation #RFP-4522-16-RD

### REFERENCE QUESTIONNAIRE

It is the responsibility of the contractor/vendor to provide a minimum of three (3) similar type references using this form and to provide this information with your submission. Failure to do so may result in the rejection of your submission.

Giving reference for: City of Hollywood

Firm giving Reference: Prince William County, Virginia

Address: 4379 Ridgewood Center Drive Suite #201 Woodbridge, VA 22192

Phone: (703) 792-6754

Fax: (703) 792-7174

Email: lgray@pwcgov.org

1. Q: What was the dollar value of the contract?

A: \$128,750

2. Have there been any change orders, and if so, how many?

A: No

3. Q: Did they perform on a timely basis as required by the agreement?

A: yes

4. Q: Was the project manager easy to get in contact with?

A: yes

yes

5. Q: Would you use them again?

A: yes; been working with them since 2002

6. Q: Overall, what would you rate their performance? (Scale from 1-5)

A:  5 Excellent   4 Good   3 Fair   2 Poor   1 Unacceptable

7. Q: Is there anything else we should know, that we have not asked?

A: Their claims system is user friendly. an Great data collected for analysis.

The undersigned does hereby certify that the foregoing and subsequent statements are true and correct and are made independently, free from vendor interference/collusion.

Name: Ms. Lori Gray

Title: Risk Manager

Signature: Lori Gray

Date: 8/2/16



CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
STATE OF FLORIDA

February 11, 2016

Ms. Bridget Byrne  
Senior Paralegal  
PMA Management Corp.  
380 Sentry Parkway  
Blue Bell, PA 19422

Re: Qualified Servicing Entity Annual Report

Dear Ms. Byrne:

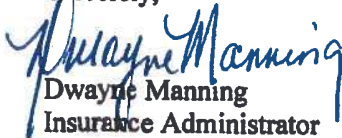
The Qualified Servicing Entity Annual Report Form for your company has been received. I have reviewed this report and found that your company is in compliance with Rule 69L-5.230(11) F.A.C. (Retaining Authorization as a Qualified Servicing Entity). This letter will confirm that your company has been recertified for the period **March 1, 2016 through February 28, 2017**.

Attached is a copy of Form DFS-F2-SI-23 (Qualified Servicing Entity Annual Report Form), to be used for future filing as we no longer mail the form prior to the due date. Also attached is a copy of Form DFS-F2-SI-19 (Certification of Servicing for Self-Insurers), this form is to be completed thirty (30) days of entering into a contract for servicing.

Your next annual report is due in our office no later than **March 1, 2017**.

Should you have any questions or need further assistance, please contact me at (850) 413-1784.

Sincerely,

  
Dwayne Manning  
Insurance Administrator

Attachments

FLORIDA DEPARTMENT OF FINANCIAL SERVICES  
Dwayne Manning • Insurance Administrator  
Division of Workers' Compensation • Bureau of Financial Accountability  
200 East Gaines Street • Tallahassee, Florida 32399-4221 • Tel. 850-413-1784 • Fax 850-414-2244  
Email • [Dwayne.Manning@Myfloridacfo.com](mailto:Dwayne.Manning@Myfloridacfo.com)  
AFFIRMATIVE ACTION • EQUAL OPPORTUNITY EMPLOYER



## Detail by Entity Name

### Foreign Profit Corporation

PMA MANAGEMENT CORP.

### Filing Information

<b>Document Number</b>	F05000000931
<b>FEI/EIN Number</b>	23-2652239
<b>Date Filed</b>	02/11/2005
<b>State</b>	PA
<b>Status</b>	ACTIVE
<b>Last Event</b>	CANCEL ADM DISS/REV
<b>Event Date Filed</b>	04/18/2007
<b>Event Effective Date</b>	NONE

### Principal Address

380 SENTRY PARKWAY  
BLUE BELL, PA 19422

Changed: 04/18/2007

### Mailing Address

380 SENTRY PARKWAY  
BLUE BELL, PA 19422

Changed: 04/18/2007

### Registered Agent Name & Address

HARVEY, GARY W  
2701 N. ROCKY POINT DRIVE  
TAMPA, FL 33607

### Officer/Director Detail

#### **Name & Address**

Title P/D

ALTIERE, FRANCIS X  
380 SENTRY PARKWAY  
BLUE BELL, PA 19422

Title D

DONNELLY, VINCENT T  
380 SENTRY PARKWAY  
BLUE BELL, PA 19422

Title Treasurer, Director

COCHRANE, JOHN M  
380 SENTRY PARKWAY  
BLUE BELL, PA 19422

Title S/D

KIBBLEHOUSE, STEPHEN L  
380 SENTRY PARKWAY  
BLUE BELL, PA 19422

Title ASEC

GARTNER, STEPHEN R  
380 SENTRY PARKWAY  
BLUE BELL, PA 19422

Title EVP

JOHN, SANTULLI III  
380 SENTRY PARKWAY  
BLUE BELL, PA 19422

**Annual Reports**

Report Year	Filed Date
2014	02/25/2014
2015	01/09/2015
2016	01/26/2016

**Document Images**

<a href="#">01/26/2016 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">01/09/2015 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">02/25/2014 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">02/11/2013 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">01/06/2012 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">01/07/2011 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">02/18/2010 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">02/10/2009 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">04/14/2008 -- ANNUAL REPORT</a>	View image in PDF format
<a href="#">04/18/2007 -- REINSTATEMENT</a>	View image in PDF format
<a href="#">02/11/2005 -- Foreign Profit</a>	View image in PDF format



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
06/14/2016

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Aon Risk Services Central, Inc. 200 East Randolph Street Chicago, IL 60601	<b>CONTACT NAME:</b> Mike Tatum / Emily Truesdell <b>PHONE (A/C, No, Ext):</b> 312-381-4269 / 312-381-4259 <b>FAX (A/C, No):</b> <b>E-MAIL ADDRESS:</b>														
<b>INSURED</b> PMA Management Corp. c/o Old Republic International Corporation 307 North Michigan Avenue Chicago, IL 60601	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC#</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Zurich American Insurance Co.</td> <td style="text-align: center;">16535</td> </tr> <tr> <td>INSURER B: American Zurich Insurance Co.</td> <td style="text-align: center;">40142</td> </tr> <tr> <td>INSURER C: Continental Casualty Company</td> <td style="text-align: center;">20443</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC#	INSURER A: Zurich American Insurance Co.	16535	INSURER B: American Zurich Insurance Co.	40142	INSURER C: Continental Casualty Company	20443	INSURER D:		INSURER E:		INSURER F:	
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INSURER D:															
INSURER E:															
INSURER F:															

**COVERAGES**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER		X	GL 0269598 05	06/15/2016	06/15/2017	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED. EXP (Any one person) \$5,000 PERSONAL & ADV. INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		X	BAP0269599 05	06/15/2016	06/15/2017	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$		X	5093924134	06/15/2016	06/15/2017	EACH OCCURRENCE \$25,000,000 AGGREGATE \$25,000,000
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICERS/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	X	WC 0269596 05 (DED)	06/15/2016	06/15/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (Attach ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

<b>CERTIFICATE HOLDER</b> EVIDENCE OF INSURANCE	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. <b>AUTHORIZED REPRESENTATIVE</b> Aon Risk Services Central, Inc.
--	--

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)  
06/17/2016

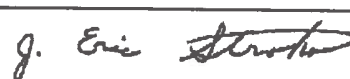
<b>PRODUCER</b> Brummel Brothers, Inc. 307 N. Michigan Ave. Chicago, Illinois 60601 (312) 762-4274	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURERS AFFORDING COVERAGE	
<b>INSURED</b> PMA Management Corp. Old Republic International Corporation 307 North Michigan Avenue Chicago, Illinois 60601	INSURER A:	Old Republic Insurance Company
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS								
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$								
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$								
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$								
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>				<table border="1"> <tr> <td>WC STATU-TORY LIMITS</td> <td>OTH-ER</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$</td> </tr> </table>	WC STATU-TORY LIMITS	OTH-ER	E.L. EACH ACCIDENT	\$	E.L. DISEASE - EA EMPLOYEE	\$	E.L. DISEASE - POLICY LIMIT	\$
WC STATU-TORY LIMITS	OTH-ER												
E.L. EACH ACCIDENT	\$												
E.L. DISEASE - EA EMPLOYEE	\$												
E.L. DISEASE - POLICY LIMIT	\$												
A	<b>OTHER</b> Professional Liability	0Z03946627	07/01/2016	07/01/2017	\$5,000,000 each occurrence \$5,000,000 aggregate								

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

<b>CERTIFICATE HOLDER</b>	ADDITIONAL INSURED; INSURER LETTER:	<b>CANCELLATION</b>
<b>EVIDENCE OF INSURANCE</b>		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
		AUTHORIZED REPRESENTATIVE 



## Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

Print or type  
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>PMA MANAGEMENT CORP.</b>	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification; check only <b>one</b> of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) <b>5</b> Exemption from FATCA reporting code (if any) <b>E</b> <small>(Applies to accounts maintained outside the U.S.)</small>
5 Address (number, street, and apt. or suite no.) <b>380 SENTRY PKWY</b>	Requester's name and address (optional)
6 City, state, and ZIP code <b>BLUE BELL, PA 19422</b>	
7 List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number												
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2	3		-	2	6	5	2	2	3	9		

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶ <u>2/17/15</u>
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### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.  
**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/fw9](http://www.irs.gov/fw9).

#### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.