



## TPA & Risk Services for Workers' Compensation, Auto, General Liability

Presented to:



### Response to Clarification Questions For Proposers on RFP-4522-16-RD

**25 Years**

TPA & Risk  
Services  
Expertise

**95%**

Avg. Client  
Retention

**100**

**Years**  
in Workers'  
Compensation

**95%**

Avg. Client  
Satisfaction



OLD REPUBLIC INSURANCE GROUP

November 9, 2016

Linda Silvey, Procurement Contracts Officer  
City of Hollywood  
Procurement Services  
2600 Hollywood Blvd., Room 303  
Hollywood, FL 33020

Dear Ms. Silvey,

On behalf of PMA Companies, thank you for your email of November 8, 2016 and the opportunity to respond to additional questions with regard to RFP-4522-16-RD. Please find our responses to your clarification questions. We understand that the solicitation is still under review and remains under the cone of silence.

PMA Management Corp. truly welcomes the opportunity to partner with you in managing your risk, improving your program results, and exceeding your service expectations.

Sincerely,

Michael MacAulay  
Sr. Vice President, Sales



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## CLARIFICATION QUESTIONS FOR PROPOSERS ON RFP-4522-16-RD

- 1. The City would like to explore the potential of having a dedicated workers compensation adjuster to handle new and existing lost time AND medical only claims. Please indicate if you are able to staff this position and if so, please provide flat fee pricing for same as well as a brief explanation of how you arrived at the pricing.**

If the city decides on this option, a dedicated workers' compensation adjuster to handle new and existing lost time and medical take over claims can be staffed and this would be included in the attached flat fee pricing.

If not, PMA Management Corp. assigns designated team of claim service professionals to each account. This team will include claims adjusters, an account executive, a claims supervisor, a client service manager, and a nurse case manager. In the designated team model PMA envisions utilizing two lost time adjusters, one medical only adjuster and one supervisor. This allows us to develop stronger working relationships, and enhances our ability to understand each of our clients' unique servicing needs.

- 2. Please indicate if you are able to provide a workers compensation adjuster with a minimum of five (5) years of experience as a lost time adjuster (regardless of whether the adjuster is dedicated or designated) with experience adjusting public entity claims.**

Yes, PMA can accommodate this request. PMA has developed particular expertise in your industry. As our largest TPA business segment, we serve 300+ state and local governments, transit and utility authorities, in addition to K-12 schools, colleges and universities, and healthcare organizations.

- 3. Please confirm your best practices for initial contact on medical only claims (i.e., - 1 point contact, 2 point contact, 3 point contact? No contact?)**

PMA's best practices for medical only claims include a 24 hour 2-point contact process. The typical medical only claim will include contact with the client and with the medical provider that is document in the claims file. There are instances where a 3-point contact is necessary on a medical only claim (scheduling of follow up visits, etc) and will be utilized, as necessary.

- 4. Please provide your definition for record only, medical only and lost time claims**

The PMA Management Corp. definition for a "record only", "medical only" and "lost time" claim is as follows:

**"Lost Time Claim"** shall mean any timely reported workers' compensation 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. A claim shall become a Lost Time Claim when PMA initiates an investigation of any kind to resolve issues regarding compensability without regard to: (1) whether or not the injured employee has actually lost time from work or (2) whether the claim is ultimately accepted or denied. Lost Time Claim shall also include a claim previously classified as a Medical Only Claim which required PMA to perform additional claim handling services of any nature.



**“Medical Only Claim”** shall mean any timely reported workers’ compensation claim involving an injured employee 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.

**“Record Only Claim”** shall mean any timely reported workers’ compensation injury or accident specifically designated by Client to be Record Only, and not otherwise classified by PMA as a Lost Time Claim or Medical Only Claim.

**5. Does your flat fee claim pricing include taking a recorded statement on all lost time (indemnity claims) or other questionable claims?**

Yes, the flat fee pricing includes taking a recorded statement on all lost time claims and/or other questionable claims.

**6. Please provide an hourly rate for field adjusting services? (for both workers compensation claims and liability claims)**

PMA Management Corp. rarely requires the use of field case adjusters on workers’ compensation claims. Rates for field case adjusters for liability claims will vary depending on the situation (i.e., appraisal, onsite investigation, etc.) and range from \$85 to \$155 per hour.

**7. Please provide a breakdown and brief explanation of the liability flat fee pricing provided (i.e, how much is allocated for AL versus GL versus PPL)**

Pricing assumes a split of 40%for Auto; 50% for GL and 10% for Professional Liability.

**8. Will you agree to in-person claims reviews twice a year if requested?**

Yes. PMA Management Corp. Agrees to provide the City of Hollywood in-person claim review meetings twice a year, if requested.

**9. Please describe in detail any loss control / safety services included in your flat fee pricing and if those services are provided by internal staff or outsourced to a third party vendor. Please indicate what loss control services, if any, are included in the flat fee pricing. If not included in the flat fee pricing, please provide pricing for those services.**

**Proposed Action plan for the City of Hollywood.**

Included in the flat fee amount attached, we have included, provided by our risk control staff, the following risk control services to support the City’s safety and risk management program, which is included in the quotation for third party administration services:

**Risk Management Assessment** – We propose to start our engagement by completing a Risk Management Assessment (PMA) of current safety and risk management programs. The end result of this process will be a comprehensive report which outlines historic loss trends, the strengths of current safety and risk management programs and opportunities for improvement. Elements of the RMA will address:

- Loss Trending Analysis: We will examine performance across time at multiple levels, including lost time and medical only frequency rates and loss leaders, while identifying department and location-specific loss activity.
- Safety Management – We will look at the overall structure of the City’s program, including policies, reporting relationships, and accountabilities.
- Claims Management – Practices including reporting, investigation and follow up procedures, and return to work are examined.
- Safety Programs – Even though the City’s workforce is not under the jurisdiction of the OSHA, their standards provide a guideline for programs that should be in place and how they are administered.



- Employee Selection – We will look at hiring practices including use of job descriptions, preplacement medical exams, background checks, substance screening, and motor vehicle record utilization.
- Driver Management – Considering that the most dangerous task in 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 – We will look at self-inspection programs, contractual controls for use of City facilities, basic security issues, evacuation and emergency planning and life safety.
- Risk Transfer & Contractual – How the City transfers risk where appropriate, and what proof of insurance is required will be reviewed.
- Police Practices – Use of CALEA<sup>®</sup> accreditation standards, accident review, departmental committees and training will be reviewed. Based on the loss experience from the Police category, we will examine current practices in verbal de-escalation and strategies to affect apprehensions without injury to the officer. Driving practices, including pursuit policies, training, and accident review will be addressed. We will also examine any existing wellness and fitness initiatives, as both factors contribute to the incidence of strain injuries and slip/falls.
- Fire Department Safety Practices – We will review usage of NFPA guidelines, and practices in place to prevent the major sources of fire fighter fatalities: cardiac events and vehicular accidents. Training practices on vehicular operation will be considered, as well as wellness issues.
- Safety Committees and Employee Involvement – We will look at what mechanisms exist to engage the workforce and reinforce a culture of safety.

These services will be included in the flat fee pricing and additional initiatives in support of organizational improvement opportunities identified in the RMA, or other needs identified by the City will be quoted on a project basis.

PMA Management Corp. is uniquely qualified to meet the risk control needs of The City of Hollywood. Drawing on over 100 years of commercial insurance experience from its sister company, the PMA Insurance Group, PMAMC has provided cost effective risk control services to private companies and public entities throughout the United States. The services proposed for the city will be coordinated out of our Tampa, FL office by PMA professionals.

With over 60 consultants throughout our operating territory, PMAMC has the ability to combine industry and local expertise. Our concentration of staff and specialization assures that risk control service is available in a timely manner.

PMAMC is affiliated with a number of organizations to assist in the development of staff expertise, and to provide access to information and materials. These organizations currently include:

- The National Safety Council
- Engineering and Safety Services (ISO)
- The American Society of Safety Engineers
- The Society of CPCU
- The Insurance Institute for Business and Home Safety
- Public Risk Management Association (PRIMA)

While recognized as industry leaders in the management of workers' compensation costs, our risk control team is well positioned to support all of your risk control needs. Listed is a sampling of some of the risk control services frequently provided to our clients.

PMA Risk Control Services are categorized in these major groups and are provided by our internal staff and selected vendor associates:

**Consulting Services** - Risk Control Consulting is the foundation of PMA Risk Control Services. It's a comprehensive model delivering sustainable solutions to improve your loss frequency and lower your total cost of risk. We help you protect your workers and reduce your loss potential by delivering practical solutions that offer a financial return on investment. Our consultants function as an extension of your team, working in a collaborative way, marked by ongoing communication and interaction with your staff.



- **Business Analytics** - More than ever before, organizations are leveraging data analytics to better understand their business, their industry, their strengths, and their opportunities for improvement. PMA Companies, through their Risk Control Business Analytics solutions, can bring clarity to the complex world of data. By using cutting edge technology, combined with a collaborative approach and backed by more than 100 years of insurance industry expertise, PMA helps clients improve performance, develop long-term risk control strategies, and reduce frequency and severity of loss.
- **Organizational Safety Institute and Client Education Services** - Learn “virtually” about emerging best practices in organizational safety with PMA’s Organizational Safety Institute. You can be assured of practical, current solutions and knowledge with our online learning events. PMA’s Organizational Safety Institute sessions integrate the collective knowledge of our risk control organization with the specialized expertise of PMA risk control professionals who have real-world experience in solving employers’ risk management challenges.
- **Organizational Safety Management Services** - Employers face the challenge of protecting workers and ensuring business continuity, while meeting rigorous federal, state and industry regulatory requirements. The cost of compliance—and protecting workers and organizational assets—requires careful resource allocation decisions, which can lead to important safety and risk management projects being delayed. PMA Risk Control provides an expert level of assistance with your organizational safety management needs. Our consultants meet with you to discuss and evaluate your needs—and help you prioritize implementation of solutions.

Our Organizational Safety Management Services include:

- **Risk Management Assessment (RMA)** – Our RMA process assesses the current state of an organization’s risk management efforts with a focus on understanding historic loss trends, claim management efforts, safety management programs, employee selection and training programs, employee engagement activities such as safety committees, fleet management efforts, management of liability exposures and property conservation programs.
- **Safety Perception Surveys** – Through our proprietary safety perception survey we assess employee beliefs regarding current safety and risk control efforts. By coding surveys by operating units and organizational hierarchy, we can identify gaps that may exist between work groups and front line employees, middle managers and the senior management team regarding safety and risk management issues.
- **Solutions Center** - Access to experienced PMA Risk Control consultants through our convenient, online forum where you can ask safety, compliance and other risk control questions and receive a response within 24 business hours. Our consultants provide expertise in technical areas—industrial hygiene, ergonomics, property, transportation— and industry-specific topics (manufacturing, healthcare, food, education, construction, public entities and other specialty businesses).

**PMA Online resources:** Online media catalogs, Organizational and Safety Solutions technical bulletins, Comprehensive Loss Management Inc. online streaming digital videos, Organizational Safety Institute web-based training, state safety committee certification guidance.

- **Specialized Services** - PMA Risk Control offers a suite of specialized services for specific loss exposures. Our risk control professionals are certified and experienced in a variety of areas that can be crucial to your employees’ safety and organization’s success. Everything we do is about reducing our clients’ total cost of risk and helping make our clients’ organizations better. PMA ‘s Specialized Services include:

Ergonomic Services

An improper fit between the worker and the work being performed can result in inefficiency and injury. PMA Risk Control can help your organization make ergonomic improvements with services including:



- Evaluating job tasks to identify and quantify ergonomic risk factors. We utilize internationally recognized ergonomic assessment tools.
- Collaborating with your employees and you to identify feasible and cost-effective solutions to improve productivity and reduce or eliminate ergonomic risk factors.
- Verifying the effectiveness of these ergonomic improvements by conducting post-implementation assessments of job tasks.

We offer ergonomics awareness training, as well as technical bulletins that provide guidance in tool and workstation design or redesign.

Our Ergonomics Problem Solving (EPS) enables you to develop solutions to your ergonomic challenges and prioritize improvements in your operations. EPS integrates your organization's knowledge of job tasks with PMA's ergonomic assessment and problem-solving tool. A PMA Risk Control consultant can facilitate EPS training at your facility.

- **Employee Wellness Strategic Services** - Increasingly, the health and well-being of your workforce is impacting your workers' compensation program and costs. Any combination of five key comorbidities (diabetes, high blood pressure, high BMI, smoking and depression) as well as poor sleep, unhealthy eating, lack of physical exercise and stress can increase the risk of a workplace accident, injury or illness. PMA Companies provides employee wellness strategic services designed to impact your workers' compensation performance.
- **PMA Webservice<sup>®</sup>** - Through PMA Webservice<sup>®</sup>, we make technical support material available to our clients when they need it. Technical guides, safety committee resources, safety video training materials and our "here to help" services are available to clients as part of the PMA relationship.

While recognized as industry leaders in the management of workers' compensation costs, our risk control team is well positioned to support all of your risk control needs. Listed is a sampling of some of the risk control services frequently provided to our clients:

#### **Workers' Compensation**

- Employee and management safety training
- Claim management programs such the use of modified duty, the claim reporting and working with medical providers
- OSHA compliance training including OSHA 10 and 30 hour Outreach certification programs
- Accident investigation programs
- Safety committee leadership and support
- Industrial hygiene services such as sound level assessments, air sampling and indoor air quality assessments
- Ergonomic assessment and solutions
- Vulnerability & threat assessments
- Safety-inspection programs

#### **Fleet Safety Programs**

- Fleet safety program assessment and support
- Driver selection support
- Driver safety training and development programs such as Coaching the Maintenance Truck Operator
- Pre-trip inspection programs
- Vehicle maintenance programs
- DOT compliance audits and support

#### **General Liability**

- General liability site assessments
- Slip and fall prevention and mitigation strategies
- Employment practices liability assessments and training
- Safety self-inspection programs



- Accident Investigation training
- Post- incident response strategies

**Property Assessments**

- Property safety assessments
- Property self-inspection programs
- Fire suppression system evaluations
- Building valuation assessments
- Employee property hazard recognition training
- Disaster recovery/continuity of operations planning

**10. Does your claims system have the capability to provide auto generated e-mail monthly loss runs, reserve increase e-mail alerts, first reports on injury, claim closure alerts, etc....?**

Yes, 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). There is no charge for these reports.

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. Reports can be generated based on any of the dozens of data fields captured on our system.

PMA Management Corp. does have email alerts for incurred/reserve changes as well as claim closures. These are system generated, and are a secondary notice to the reserve authority process the City outlines in their Special Handling Instructions (which typically include a detailed reserve evaluation being sent by the adjuster for authorization prior to a reserve increase, at a specified threshold).

**11. Can you provide monthly adjuster open case load reports if requested?**

Yes. The City will have access to all if its claim information, including handling adjuster information, and open adjuster case load reports through CINCH , our Risk Management Information System. This access is included in our flat fee pricing. If the City of Hollywood requires that a custom report be generated on a regular basis, outside of CINCH, that report can be sent manually or added to the list of standard reports available on-line.

**12. Will there be a designated Account Executive assigned to our account?**

Yes. Elizabeth Smith is the city's designated Client Service Manager and will be responsible for the complete onboarding and account management process for the City. Her contact information is ad follows:

**Elizabeth Smith**  
 Elizabeth\_Smith@pmagroup.com  
 PMA Companies  
 2701 North Rocky Point Drive, Suite 250





Tampa, FL 33607  
 T: 813.207.4197  
 C: 813.545.1071  
 F: 813.207.4441

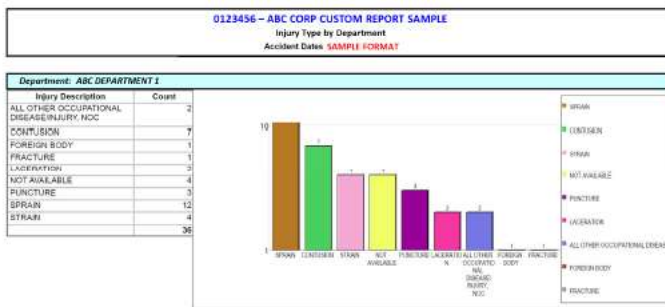
**13. Will you provide an annual stewardship report and meeting to discuss the City's program performance?**

Yes. PMA Management Corp. provides detailed stewardship reports on an annual basis to review the overall results of our clients' programs. These reports provide an extensive financial analysis, a detailed analysis of loss information, and a comprehensive review of risk-management data. These reports are used both to demonstrate the results that have been obtained and to identify loss trends, allowing our clients to determine exactly where to focus their ongoing risk control efforts.

In addition to an annual stewardship report, the City's dedicated Client Service Manager will meet with you to develop customized quarterly analytics reports based on your program's needs. A couple of examples currently used by clients are the Injury Type by Department and Monthly Count by Department & Additional Cause:

**Sample Report 1**

Injury Type by Department



**Sample Report 2**

Monthly Count by Department & Additional Cause



**14. Does your proposed fee schedule contain an annual cap for claims files? If so, what is the cap for liability claims, WC Indemnity claims and WC Medical-only claims? What are the additional costs for exceeding the cap?**

Proposed Life of contract, flat fee pricing includes all new claims after inception date. Flat fee pricing also includes takeover claims up to: 72 Lost Time and 65 Medical Only workers compensation claims, 145 AL/GL BI claims, 42 AL/GL PD claims, 18 Auto Physical Damage and 15 Professional Liability claims. For any takeover claims received over the included take over numbers the following per claim charge will apply: \$850 per WC LT, \$125/WC MO, \$650/AL-GL BI, \$395/AL-GL PD, \$325/Physical Loss Damage and \$995/Professional Liability claim.

**15. What is the makeup of your network? Size and geographical coverage.**



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PMA offers clients access to many networks including core PPO networks, specialty networks with direct access to physical therapy, DME, and durable medical providers and deep discounts and or to our pharmacy network, Express Scripts, Inc.

Specific to our core network, Coventry Workers' Comp Services is PMA's primary Preferred Provider Network, offering access to over 450,000 providers throughout the US which is the largest national provider in the workers compensation industry. The Coventry Integrated Network® is composed of some of the best known and most highly regarded PPO's in the nation, including The First Health Network, FOCUS Network, MetraComp Network, and other top-performing PPOs.

To ensure that our clients' members are receiving quality care, Coventry has developed quality assurance procedures that include credentialing, re-credentialing and provider evaluation. Procedures are in place to monitor unusual provider billing activity and complaints about service or care. Our principal objectives are to reliably identify significant variations in physician practice behavior for further clinical investigation and intervention where appropriate. Data sources for physician evaluation include aggregated paid claims information from our bill review system

#### **16. How do you manage network relationships?**

PMA employs a dedicated Network Management team whose responsibilities include managing network optimization opportunities; providing oversight on all Network & Specialty Network direction; & ensuring appropriate PPO & fee schedule application. Furthermore, PMA has a Quality Assurance & Review team dedicated to managing all aspects of effective and appropriate Network utilization/execution as well auditing all Network & Specialty Network compliance per PMA Managed Care standards. PMA manages the Coventry relationship to assure proper operational delivery. Additionally, Coventry Integrated Network, a wholly owned Aetna company, is comprised of local, state, regional and national network relationship owners that ensure Providers receive ongoing information regarding the Network, industry, and regulatory developments.

#### **17. Do you conduct Physician Evaluations? If so, please detail your criteria.**

Yes, to ensure that our clients' members are receiving quality care, Coventry has developed quality assurance procedures that include credentialing, re-credentialing and provider evaluation. Procedures are in place to monitor unusual provider billing activity and complaints about service or care. Our principal objectives are to reliably identify significant variations in physician practice behavior for further clinical investigation and intervention where appropriate. Data sources for physician evaluation include aggregated paid claims information from our bill review system.

Provider complaints are researched and reviewed by trained, experienced specialty teams with oversight by Coventry Healthcare's Quality Assurance Committee and Medical Directors. Provider education is conducted by those teams after the research and reviews have been completed as appropriate.

#### **18. Please describe your Physician Credentialing process? How often is it reviewed?**

Coventry Health Care Network's credentialing processes follow standards established by state, regulatory bodies and accrediting organizations such as the National Committee for Quality Assurance (NCQA).

For non-individual providers we confirm that the facility is in good standing with state and federal regulatory bodies and has been reviewed and approved by an accrediting entity deemed appropriate by Coventry. In instances where a facility is not accredited, an on-site quality assessment is performed.

For individual providers, we consider the following factors in the credentialing process and secure primary source verification, as required:

\* Licensure and/or certification verified through state licensing boards in geographical areas where network providers will care for our members



- \* Board certifications (when applicable)
- \* Loss of/limitation of hospital admitting privileges (when applicable)
- \* Current professional liability coverage
- \* Drug Enforcement Agency (DEA) and state controlled drug substance registration, when applicable, through verification by the U.S. Department of Commerce National Technical Information Service (when applicable)
- \* Disciplinary history or adverse actions related to licensure and DEA registration, which we query through state licensing boards and the National Practitioner Databank (NPDB)
- \* Malpractice insurance claim history to examine any possible trends and to look for evidence that might suggest any probable substandard professional performance in the future
- \* Mental and physical health to determine if the provider's history might suggest any probable substandard professional performance in the future
- \* Medicare/Medicaid disciplinary actions
- \* Professional education and training through verification by the American Medical Association (AMA) Masterfile, American Osteopathic Association (AOA) and specialty board or specific residency/training program (highest level of education, depending on provider type)
- \* Work history

Individuals and Non-Individual providers will be recredentialed using the Coventry standard credentialing process every three (3) years. In addition, in between formal credentialing cycles, Coventry will monitor the following as part of the ongoing quality review:

For all individual providers:

- \* state board sanctions,
- \* loss of license
- \* Office of Personnel Management/Office of Inspector General reports
- \* Medicare Opt Out
- \* Member complaints
- \* Internally identified potential quality of care concerns

For all non-individual providers

- \* Office of Personnel Management/Office of Inspector General reports
- \* Internally identified potential quality of care concerns



# 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:

- Webservice 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

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



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## Option 1 – Life of Contract All lines

PMA Management Corp. will provide comprehensive Life of Contract Third Party Administration Services for all take over and new claims for the period of 1/1/2017 through 12/31/19 for the flat annual fees listed below with two optional years as noted:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
<b>Contract Type:</b>			
Life of Contract - Flat Fee	\$249,500	\$249,500	\$249,500
<b>Bundled Services:</b>			
Annual Administration Fee	Included	Included	Included
Claims Handling	Included	Included	Included
CINCH - 3 Users included @ \$500 for each additional	Included	Included	Included
Web Imaging	Included	Included	Included
OSHA Log	Included	Included	Included
Nurse Triage - Lost Time Claims	Included	Included	Included
Claims Reviews - Semi-Annually On-site	Included	Included	Included
Risk Control – Risk Management Assessment	Included	Included	Included
Risk Control - WC Performance Indicator Report	Included	Included	Included
<b>Unbundled Services:</b>			
Cost Containment fee, % Savings below fee schedule:	25%	25%	25%
Med Bill Review Fee, Per Bill	\$7.00	\$7.00	\$7.00
<b>Optional Unbundled Services:</b>			
Telephonic / On-Site Case Management, per hour:	\$95	\$95	\$95
Risk Control, per hour:	\$125	\$125	\$125
Custom, IS reporting, per hour	\$95	\$95	\$95

For all Flat Fee Pricing agreements, if during the term of the contract, any individual occurrence results in more than ten claimants, as determined by PMAMC, then the following additional claims handling fees above and beyond the Annual Flat Fee shall apply: Beginning with the 11th claim and for every claim thereafter, \$850.00 will be charged for each Lost Time Claim and \$125.00 for each Medical Only Claim.

For all Flat Fee Pricing agreements, if during the term of the contract, any individual occurrence results in more than ten loss lines, as determined by PMAMC, then the following claims fees beginning with the 11th loss line shall apply: \$650/AL-GL BI, \$395/AL-GL PD, \$325/Physical Loss Damage and \$995/Professional Liability loss line.

\*On-site semi-annual claims reviews are included in the flat fee.

\*Flat fee pricing is contingent upon the number of takeovers assumed. This quote includes up to 72WC LT; 65WC MO; 145 AL/GL BI; 42AL/GL PD; 18 Auto Phys Damange; and 15 Professional Liability claims. If more are received additional claims handling fees will be charged.

\*This pricing is for a 3 year contract. Years 4&5 are optional extensions years. We agree to hold our pricing flat through both extension years.

\*This pricing requires a 3-year commitment. If a lesser term is requested we will reprice the account.



## Option 2 – Life of Contract Workers Compensation Only

PMA Management Corp. will provide comprehensive Life of Contract Third Party Administration Services for all take over and new claims for the period of 1/1/2017 through 12/31/19 for the flat annual fees listed below with two optional years as noted:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
<b>Contract Type:</b>			
Life of Contract - Flat Fee	\$95,500	\$95,500	\$95,500
<b>Bundled Services:</b>			
Annual Administration Fee	Included	Included	Included
Claims Handling	Included	Included	Included
CINCH - 3 Users included @ \$500 for each additional	Included	Included	Included
Web Imaging	Included	Included	Included
OSHA Log	Included	Included	Included
Nurse Triage - Lost Time Claims	Included	Included	Included
Claims Reviews - Semi-Annually On-site	Included	Included	Included
Risk Control - Risk Management Assessment	Included	Included	Included
Risk Control - WC Performance Indicator Report	Included	Included	Included
<b>Unbundled Services:</b>			
Cost Containment fee, % Savings below fee schedule:	25%	25%	25%
Med Bill Review Fee, Per Bill	\$7.00	\$7.00	\$7.00
<b>Optional Unbundled Services:</b>			
Telephonic / On-Site Case Management, per hour:	\$95	\$95	\$95
Risk Control, per hour:	\$125	\$125	\$125
Custom, IS reporting, per hour	\$95	\$95	\$95

For all Flat Fee Pricing agreements, if during the term of the contract, any individual occurrence results in more than ten claimants, as determined by PMAMC, then the following additional claims handling fees above and beyond the Annual Flat Fee shall apply: Beginning with the 11th claim and for every claim thereafter, \$850.00 will be charged for each Lost Time Claim and \$125.00 for each Medical Only Claim.

\*On-site semi-annual claims reviews are included in the flat fee.

\*Flat fee pricing is contingent upon the number of takeovers assumed. This quote includes up to 72WC LT; 65WC MO. If more are received additional claims handling fees will be charged.

\*This pricing is for a 3 year contract. Years 4&5 are optional extensions years. We agree to hold our pricing flat through both extension years.

\*This pricing requires a 3-year commitment. If a lesser term is requested we will reprice the account.



## Option 3 – Life of Contract Auto, GL, PPL only

PMA Management Corp. will provide comprehensive Life of Contract Third Party Administration Services for all take over and new claims for the period of 1/1/2017 through 12/31/19 for the flat annual fees listed below with two optional years as noted:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
<b>Contract Type:</b>			
Life of Contract - Flat Fee	\$164,500	\$164,500	\$164,500
<b>Bundled Services:</b>			
Annual Administration Fee	Included	Included	Included
Claims Handling	Included	Included	Included
CINCH - 3 Users included @ \$500 for each additional	Included	Included	Included
Web Imaging	Included	Included	Included
OSHA Log	Included	Included	Included
Nurse Triage - Lost Time Claims	Included	Included	Included
Claims Reviews - Semi-Annually On-site	Included	Included	Included
Risk Control - Risk Management Assessment	Included	Included	Included
Risk Control - WC Performance Indicator Report	Included	Included	Included
<b>Optional Unbundled Services:</b>			
Risk Control, per hour:	\$125	\$125	\$125
Custom, IS reporting, per hour	\$95	\$95	\$95

For all Flat Fee Pricing agreements, if during the term of the contract, any individual occurrence results in more than ten loss lines, as determined by PMAMC, then the following claims fees beginning with the 11th loss line shall apply: \$650/AL-GL BI, \$395/AL-GL PD, \$325/Physical Loss Damage and \$995/Professional Liability loss line.

\*On-site semi-annual claims reviews are included in the flat fee.

\*Flat fee pricing is contingent upon the number of takeovers assumed. This quote includes up to 145 AL/GL BI; 42AL/GL PD; 18 Auto Phys Damage; and 15 Professional Liability claims. If more are received additional claims handling fees will be charged.

\*This pricing is for a 3 year contract. Years 4&5 are optional extensions years. We agree to hold our pricing flat through both extension years.

\*This pricing requires a 3-year commitment. If a lesser term is requested we will reprice the account.

