



Finance Department | Purchasing Division

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DATE: November 9, 2023
TO: Prospective Proposers
FROM: Jolene Coulter, Director of Purchasing
RE: **CITY OF AURORA Request for Proposal 23-106 – Addendum No. 1
Third Party Administrator (TPA) For Risk Management and Workers’
Compensation**

This notice forms a part of the Request for Proposal to 23-106 Third Party Administrator (TPA) for Risk Management and Workers’ Compensation. All other information pertaining to this Request for Proposal shall remain the same.

Sealed Proposals will be received at the City of Aurora, Attn: City Clerk’s Office, 44 East Downer Place, Aurora, Illinois 60507, until 5:00 pm, CST, Friday, November 17, 2023. It is the sole responsibility of the Proposer to see that their Proposal is received by the due date and time. No Late proposals will be accepted.

Following are responses to questions received by 12:00 pm, Tuesday, November 7, 2023:

Correction for Appendix A, Section 3, b: **Transition of Claims**. The contractor will start with all new claims received by the City as of the Commencement Date. The transition of historical claims and open claims will occur up to 1 day prior and no later than 10 days after the Commencement date.

[Please adjust all Transition of Claims to March 1, 2024.](#)

1. Page 17, Background. In order to accurately provide pricing, can the City share a loss run, preferably in Excel Format, for the past five years inclusive of paid and incurred fields, accident date, coverage code (Medical Only vs. Indemnity, Bodily Injury vs. Property Damage), and open/closed status?

[See attachment A & B](#)

2. Page 17, Background. Can the City provide normalized claim count data, for newly arising and takeover claims, so as to ensure all competitors are using uniform claim count forecasts?

[See attachment A & B](#)

3. Page 17, Background. What are the three primary reasons that the City is out to market?

[Due to rising costs of claims, the city would like to explore the market options and see technology options.](#)

4. Page 17, Background. Can the City elaborate upon the occupational health relationships you currently partner with?

Currently the City partners with Advocate Occupational Health in Aurora, IL. Per state law, employees are able to use other medical that the TPA would have to work with for continued care.

5. Page 18, 3b, Transition of Claims. We do not recommend transitioning historical and open claim volume with an effective date of January 1, 2023 because typical data conversions begin 60-90 days in advance of an effective date. Would we be disqualified for recommending the historical and open claim volume go-live on or after March 1, 2023?

You would not be disqualified for recommending. We will be correcting the commencement date to March 1, 2024 for all.

6. Page 18, 3b, Transition of Claims. Excess insurance carriers can require approval of a TPA transfer of open/historical claim volume as well. Has Safety National been notified that City of Aurora is considering moving the same?

City staff will notify the parties if needed.

7. Page 19, e, Electronic Claims Information System. In order to provide electronic access, how many Risk Management Information System (RMIS) Users would the City utilize? Of that count, how many users will need to be RMIS Full Access Users versus RMIS View-Only Users?

We will need up to 10 users. Please detail what options/capabilities are provided with full access vs view only and the associated costs with each.

8. Page 19, f, Claims Handling Instructions. Can the City please provide a copy of the current Service Instructions?

See attachment C

9. Page 20, h, Audit of Claims Files. Who is the City's current contracted broker?

Hub is the broker for purchase of commercial insurance policies.

We work directly with our TPA for workers compensation and risk, there is no broker. We are currently in the process of renewing our policies for 2024.

10. Page 20, 4a. What are the name(s) of the City's HRIS and UKG systems?

UKG Dimensions. TTD will be administered in house due to the complexity of city payroll systems and should be reflected in the costs proposed.

11. Page 24, Wx. Of the quarterly claim reviews, how many would the City mandate take place in-person versus virtual?

At least one in person per year and the remaining could be virtual and defense attorneys should be included.

12. Page 27, cxvi. Given that the workers' compensation settlement authority is \$50,000 (Page 23, 4p), would the City consider raising liability settlement authority higher than \$0? Please note that the TPA may charge a fee for limiting settlement authority.

The City would consider but provider will need to provide their cost options and explanation of why.

13. A excel loss run of all claims, for the last three to five years, including as many of the below data fields as possible.

- State of Jurisdiction
- Year of Loss
- Date of Loss
- Coverage
- Claim #
- Claim Type
- Status
- Total Paid
- Outstanding Reserve
- Total Incurred
- Paid (Expense)
- Paid (Indemnity)
- Paid (Legal)
- Paid (Med)
- Paid(Other)
- Reserve (Expense)
- Reserve (Indemnity)
- Reserve (Legal)
- Reserve (Med)
- Reserve (Other)
- Incurred (Expense)
- Incurred (Indemnity)
- Incurred (Legal)
- Incurred (Med)
- Incurred (Other)
- Suit Filed (Y/N)
- Nurse Assigned (Y/N)
- Job Title
- NCCI Job Code

See attachment A & B

14. A transaction report for the last 12 months including all payments and the information below for each.

- Payee
- Amount charged
- Amount paid
- Payment class
- Payment sub-class
- Date of payment

See attachment A & B

15. Can we please be provided a complete loss run in MS excel for all lines to be handled (workers' compensation, auto, GL, property, etc.)? Please provide loss runs which include claim status, claim type, medical paid/incurred experience going back to the oldest open claim file.

See attachment A & B

16. Would the City split the lines of coverage with the best service provider for each or do they prefer to have one company administer all of the lines of coverage?

The City would prefer one provider, but will consider splitting.

17. What is the highest priority service improvement that the City is seeking in its next TPA partner?

RMIS that works for both WC and general liability insurance (technology); Claim processing and responsiveness, and improved communication.

18. Regarding the specifications section (Appendix A, Section 3, paragraph 3 - is the City open to alternatives to it's claims payment process?

The City's request is a bare minimum. Provider may propose an improved option but must include the costs associated with that method.

19. Same section (Appendix A, Section 3, paragraph 3. e. i - What are the national data-marts PERI or WCRI? Can sample reports be provided (or at least the particular elements being requested) be provided?

This is optional for Workers Compensation.

20. Same section d. i. - Regarding loss control, does the city contract with a vendor for loss control service or is any loss control being provided by the incumbent?

We do receive some free services through our broker.

Workers' Comp loss control through Advocate – ergonomic work assessment, back lifting, and internal surveillance.

For General Liability we outsource contracted services as needed.

If the provider has these services, please submit your proposal and include costs of the options.

21. Regarding litigation management - who does the city use for outside counsel?

We utilize a rotation of approved firms; two for worker compensation and six defense firms. Names will be provided to the awarded provider.

End of Addendum #1