

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL,
SIGNED ORDINANCE ADOPTED BY THE CITY COUNCIL.**

AN ORDINANCE

AUTHORIZING EXECUTION OF A CONTRACT WITH AS&G CLAIMS ADMINISTRATION, INC. TO PROVIDE THIRD-PARTY ADMINISTRATION SERVICES FOR WORKERS' COMPENSATION CLAIMS FOR THE CITY IN AN ESTIMATED ANNUAL AMOUNT OF \$1,032,000.00 FOR THE FIRST YEAR OF THE CONTRACT, FUNDED BY THE WORKERS' COMPENSATION SELF INSURANCE FUND.

* * * * *

WHEREAS, the City of San Antonio ("City") released a Request for Proposals ("RFP") for Third Party Claims Administration and Medical Cost Containment Services for the City's self-insured workers' compensation program; and

WHEREAS, the Third Party Administrator investigates, adjusts, and pursues subrogation on all claims for the City arising out of workers' compensation claims in accordance with the requirements of the Texas Worker's Compensation Act; and

WHEREAS, the Third Party Administrator also administers the City's program to monitor and control medical costs for its workers' compensation plan; and

WHEREAS, of the five responses received to City's RFP, two were deemed responsive and reviewed by a scoring panel; and

WHEREAS, staff recommends AS&G Claims Administration, Inc. to provide said services;
NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. AS&G Claims Administration, Inc. is hereby selected to provide Third Party Administration and Medical Cost Containment Services for a period commencing on January 1, 2017 and ending on December 31, 2019, for an estimated cost of \$1,032,000.00 for the first year, and costs for subsequent years, including renewals, if authorized, as provided for in the contract. The City Manager, the City Manager's designee, and the Director of the Office of Risk Management, are authorized to execute the contract with AS&G Claims Administration, Inc. in the form attached hereto and incorporated herein for all purposes as **Exhibit I**. The terms of said contract are hereby approved. This contract may be renewed for two successive one-year periods. This contract may also be extended on a monthly basis, not to exceed a total of six months, beyond the term or any renewal period. Neither renewal nor extension shall require additional action by the San Antonio City Council so long as funds are appropriated for the expenditures required thereby.

SECTION 2. Funding in the amount of \$ 1,032,000.00 for this ordinance is available as part of the Fiscal Year 2017 Budget per the table below.

Amount	Fund	Cost Center	General Ledger
\$1,030,000.00	75003000	709040003	5201040
\$2,000.00	75001000	709020009	5201040

SECTION 3. Payment in the amount up to \$1,032,000.00 is authorized to AS&G Claims Administration, Inc. and should be encumbered with a purchase order. Additional funding and payment for this ordinance in the amount up to \$5,586,000.00 for year 2 and 3 of the contract term is contingent upon City Council approval of the Fiscal Year 2018 & 2019 respective budgets.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 5. This ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 13th day of October, 2016.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

City Attorney