

# Audit and Accountability Committee



November 29, 2017

---

# Pre Solicitation Briefing for 1305 Workers' Compensation Health Care Network Services

---

Presented by  
Debra M. Ojo, MPA  
Director, Office of Risk Management

# Solicitation Overview

## Originating Department

- Office of Risk Management

## Solicitation Type

- Request for Proposals

## High Profile Designation

- Contract Value Over \$1 Million

## Estimated Value

- \$448,000 annually / \$2.240 Million total

## Current Contract Status

- New Contract

## Proposed Term

- 3 years with 2, 1 year options

# Project Overview

## City's Current Workers' Compensation Program

- Self-insures its Workers' Compensation (WC) claims
- Utilizes Tristar Risk Management for claims administration
- Annual claims costs average \$8.4M

## Workers' Compensation Healthcare Networks (HCN)

- In 2005, HCNs were certified by Texas Department of Insurance (TDI) to assist employers with management of WC costs
- HCNs utilize contracted and credentialed physicians to treat WC employees
- The most notable difference between the HCN and the current WC system is the employee's selection of a treating physician

## Benefits

- Benefits to employees are early medical intervention, better coordination of care and medical provider accountability
- An analysis of the City's WC data showed the highest costs are influenced by chiropractors, primary care physicians, hospital bills and medical prescriptions
- Based on the data analysis, employees using these services within a HCN environment could potentially save the City in excess of \$1.6M during the initial year of implementation

# Project Scope

## Scope

- Manage a network/panel of medical providers and specialists to provide the highest quality of medical care in accordance with the TDI
- Ensure access to medical care in all medical specialty areas
- Implement Quality Improvement Plan

## Applicable Laws

- Texas Labor Code
- Texas Workers' Compensation Health Care Network Act effective 09/01/05 by the Texas Legislature as codified in the Texas Insurance Code.
- Chapter 1305 and 28 Texas Admin Code, Chapter 10

# Solicitation Requirements

---

<b>Evaluation Criteria</b>	Experience, Background, Qualifications: 25 Points
	Proposed Plan: 30 Points
	Pricing: 30 Points
	Local Preference: 10 Points
	Veteran Owned Small Business Preference: 5 Points

---

<b>Additional Requirements</b>	SBEDA Program Requirements: Waived
	Audited Financial Statements: Not Required

# Outreach Efforts

## NIGP Codes Identified

- 918-78 Medical Consulting

## Number of Vendors notified

- Central Vendor Registry: 36
- Veteran Owned Small Business (SBA): 73
- Targeted Vendor Outreach: 30

## Advertising

- TVSA Channel 21
- COSA Bidding Opportunities Website
- San Antonio Express News

# Project Evaluation Committee

## Voting Members

Ben Gorzell, Jr., CPA, Chief Financial Officer, City Manager's Office

Debra M. Ojo, Director, Office of Risk Management

Lori Steward, Director, Human Resources Department

Troy Elliott, CPA, Deputy Chief Financial Officer, Finance Department

Noel Horan, Assistant to the Director, SAFD

Steven Baum, Assistant Director, SAPD

Melissa Steger, Assistant Director, WCI UT Systems

## Advisory Member

Lauren O'Connor, Assistant City Attorney, Office of the City Attorney

# Project Timeline

## Pre-Solicitation

### Pre Solicitation Briefing:

- 11/29/2017

### Release RFP:

- 12/06/2017

## Solicitation

### Pre-Submittal Conference:

- 12/14/2017

### Deadline for Questions:

- 01/05/2018

### RFP Due:

- 01/18/2018

## Post – Solicitation

### Evaluation Complete:

- 02/16/2018

### Contract Negotiated:

- February 2018

### Post Solicitation Briefing:

- February 2018

## Finalization

### City Council Consideration:

- March 2018

### Contract Start Date:

- April 2018



# Audit and Accountability Committee



November 29, 2017

# Pre Solicitation Briefing for 1305 Workers' Compensation Health Care Network Services

---

Presented by  
Debra M. Ojo, MPA  
Director, Office of Risk Management