



JOLIET JUNIOR COLLEGE
— 1901 —

REQUEST FOR PROPOSAL
R #18005

CLAIMS ADMINISTRATOR FOR SELF-INSURED
WORKERS' COMPENSATION



Joliet Junior College Request for Proposal

RFP Opening May 7, 2018

BACKGROUND

Joliet Junior College is a comprehensive community college. The college offers pre-baccalaureate programs for students planning to transfer to a four-year university, occupational education leading directly to employment, adult education and literacy programs, work force and workplace development services, and support services to help students succeed. The College has a combined total of 15,383 full time and part time students enrolled in Fall 2017 classes on its main campus located within the city of Joliet, and its five (5) extension campuses located in Romeoville, Morris, Frankfort, Weitendorf, and City Center in downtown Joliet.

VISION STATEMENT

Joliet Junior College will be the first choice.

MISSION STATEMENT

Joliet Junior College is an innovative and accessible institution, dedicated to student learning, community prosperity, cultural enrichment, and inclusion. Joliet Junior College delivers quality lifelong learning opportunities empowering diverse students and the community through academic excellence, workforce training, and comprehensive support services.

OVERVIEW

The Board of Trustees of Joliet Junior College (hereinafter, "JJC") is requesting proposals from providers for services relating to administration of self-insured workers' compensation claims.

Term of Program

July 1, 2018 to June 30, 2021 with two (2) one-year renewal options

Loss Deposit Requirement

The current loss deposit on hand is \$70,000.



Allocated Claim Expenses

The following expenses will be allocated to the respective claim file. Any expenses not listed below which are not defined as loss and are directly related and directly allocated to the handling of a particular claim will be considered an allocated claim expense:

- Independent medical examinations and medical records/reports
- Court costs and fees for service of process
- Attorneys
- Court reporter services and transcripts
- Witness fees and expenses
- Bond premiums
- Printing costs related to trials and appeals
- Testimony, opinions, appraisals, reports, surveys and analyses of professionals and experts
- Trial and hearing attendance fees
- Depositions, video statements, private
- Alternative dispute resolutions (ADR) fees
- On-site investigation if completed by a vendor (cost is a pass-through)
- Central Bureau Indexing
- Expenses which are not defined as loss and are directly related to and directly allocated to the handling of a particular claim
- Subrogation (percentage of recoveries)

I. RFP SCHEDULE/TIMELINE

Date (2018)	Event
April 13, 2018	Vendors contacted via email / advertised
April 19, 2018 @ Noon CST	Last date/time for submission of written questions via email to purchasing@jjc.edu
April 25, 2018 by 4:00 p.m. CST	Responses to questions emailed
May 7, 2018 at 2:00 p.m. CST	Proposals must be submitted to the attention of: Janice Reodus, Director of Business & Auxiliary Service, Campus Center Building A, Room 3100, 1215 Houbolt Road, Joliet, IL 60431
May 8, 2018 – May 11, 2018	JJC Evaluation Team reviews proposal
May 14, 2018	Possible presentations by two top short-listed firms
June 14, 2018	Notification of Award



II. INSTRUCTIONS TO VENDORS

ADVICE: The department responsible for this RFP is the Business and Auxiliary Services located at Campus Center, Building A, Room 3100, 1215 Houbolt Rd., Joliet, IL 60431-8938. The JJC contact will be Janice Reedus, Director of Business & Auxiliary Services, telephone (815) 280-6640; fax (815) 280-6631.

Questions concerning this RFP will be answered if sent to the Purchasing Department via email to purchasing@jjc.edu on or before April 19, 2018 at Noon CST.

All questions and answers will be published and provided to all potential suppliers by end of business day on April 25, 2018 by 4:00 p.m. CST.

Interested parties must email purchasing@jjc.edu to request the 5-year loss runs.

SUBMISSION: the submission of a response shall be prima facie evidence that the supplier has full knowledge of the scope, nature, quality of work to be performed, the detailed requirements of the project, and the conditions under which the work is to be performed.

Faxed proposals ARE NOT acceptable. All RFPs must be submitted by the date and time of public opening (see above). RFPs must be submitted on the forms provided in a sealed envelope clearly marked (typed or blocking lettering only) with the vendor's name, return address, RFP for Claims Administrator for self-insured workers' compensation claims, the opening date and time. An original and five (5) copies of the RFP, and a complete electronic copy (DVD or flash drive) of the proposal shall be provided. Each hard copy shall be submitted in a binder. RFPs must be addressed to Joliet Junior College, Janice Reedus, Director of Business & Auxiliary Services, Campus Center Room A3102, 1215 Houbolt Rd., Joliet, IL 60431-8938.

RFPs not submitted in the format as instructed by this RFP will not be accepted. Addendums to this RFP, once filed, may be submitted in a sealed envelope only, and properly identified, prior to the opening hour.

Receipt of RFP / Late RFP: Sealed RFPs shall be received at the place and until the time indicated in this RFP. It is the sole responsibility of the vendors to ensure timely delivery of the RFP. JJC will not be responsible for failure of service on the part of the U.S. Postal Service, courier companies, or any other form of delivery service chosen by the vendor.

RFPs received after the date and time specified shall be considered LATE, and shall not be opened.

Accuracy of Proposals / Withdrawal of Proposals prior to RFP Opening: Proposals will represent a true and correct statement and shall contain no cause for claim of omission or error. Proposals maybe withdrawn in writing or by facsimile (provided that the facsimile is signed and dated by vendor's authorized representative) at any time prior to the opening hour. However, no proposal may be withdrawn for a period of one hundred twenty (120) days subsequent to the opening of the



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RFP without the prior written approval of the Director of Business and Auxiliary Services or Joliet Junior College.

ADDENDA: The only method by which any requirement of this solicitation may be modified is by written addendum.

PROPOSAL DUE DATE: The proposal must be received on or before 2:00 P.M. CST on May 7, 2018 at the Business and Auxiliary Services Department, Campus Center, Room A3100, 1215 Houbolt Rd., Joliet, IL 60431-8938

INSURANCE:

The supplier performing services for JJC shall:

Maintain worker's compensation insurance as required by Illinois statutes, for all employees engaged in the work.

Maintain commercial liability, bodily injury and property damage insurance against any claim(s), which might occur in carrying out the services, referenced in this RFP. Minimum coverage will be TWO MILLION DOLLARS (\$2,000,000) liability for bodily injury and property damage including product liability and completed operations.

Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out the services described in this RFP. Minimum coverage shall be TWO MILLION DOLLARS (\$2,000,000) per occurrence combined single limit for automobile liability and property damage.

TAXES:

JJC is exempt from all federal excise, state and local taxes unless otherwise stated in this document. In the event taxes are imposed on the services purchased, JJC will not be responsible for payment of the taxes. The supplier shall absorb the taxes entirely. Upon request, JJC's Tax Exemption Certificate will be furnished.

Note: The College will be responsible for all applicable state sales, use and excise taxes with respect to state taxes and /or assessments imposed on Service fees.

INDEMNIFICATION:

The supplier shall protect, indemnify and hold JJC harmless against any liability claims and costs of whatsoever kind and nature for injury to or death of any person or persons and for loss or damage to any property occurring in connection with or in any incident to or arising out of occupancy, use, service, operations or performance of work in connection with the contract, resulting in whole or in part from the negligent acts or omissions of the supplier.



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DISCLOSURE:

Vendor shall note any and all relationships that might be a conflict of interest and include such information with the bid.

TERM OF CONTRACT:

Any contract, which results from this RFP, shall be for a period of two (2) years from the date of the contract award. Assuming continued availability of funding, JJC may, at its sole option and with the consent of the supplier renew the contract for up to an additional three (3) one- year terms.

BLACKOUT PERIOD:

After the College has advertised for proposals, no pre-proposal vendor shall contact any College officer(s) or employee(s) involved in the solicitation process, except for interpretation of specifications, clarification of bid submission requirements or any information pertaining to prebid conferences. Such vendors making such request shall email Janice Reedus, Director of Business & Auxiliary Services, at purchasing@jjc.edu .

No vendor shall visit or contact any College officers or an employee until after the proposal is awarded, except in those instances when site inspection is a prerequisite for the submission of a proposal. During the black-out period, any such visitation, solicitation or sales call by any representative of a prospective vendor in violation of this provision may cause the disqualification of such bidder's response

III. GENERAL TERMS AND CONDITIONS

Applicability: These general terms and conditions will be observed in preparing the proposal to be submitted.

Purchase: After execution of the contract, purchases will be put into effect by means of purchase orders or suitable contract documents executed by the Director of Business and Auxiliary Services.

Right to Cancel: JJC may cancel contracts resulting from this RFP at any time for a breach of any contractual obligation by providing the contractor with thirty-calendar days written notice of such cancellation. Should JJC exercise its right to cancel, such cancellation shall become effective on the date as specified in the notice to cancel.

Governing Law and Venue: This contract shall be construed in and governed under and by the laws of the State of Illinois. Any actions or remedies pursued by either party shall be pursued in the State and Federal Courts of Will County, Illinois, only after Alternate Dispute resolution (ADR) has been exhausted.

Dispute Resolution: JJC and the contractor shall attempt to resolve any controversy or claim arising from any contractual matter by mediation. The parties will agree on a mediator and shall share in the mediation costs equally.



Costs: All costs directly or indirectly related to preparation of a response or oral presentation, if any, required to supplement and/or clarify a proposal shall be the sole responsibility of and shall be borne by the vendor.

Proprietary Information: Vendor should be aware that the contents of all submitted proposals are subject to public review and will be subject to the Illinois Freedom of Information Act. All Information submitted with your proposal will be considered public information unless vendor identifies all proprietary information in the proposal by clearly marking on the top of each page so considered, "Proprietary Information." The Illinois Attorney General shall make a final determination of what constitutes proprietary information or trade secrets. While JJC will endeavor to maintain all submitted information deemed proprietary within JJC, JJC will not be liable for the release of such information.

Conflict of Interest: Any vendor awarded a contract resulting from this RFP represents and warrants the following

- a. **No Current or Prior Conflict of Interest.** Vendor has no business, professional, personal or other interest, including, but not limited to, the representation of other clients, that would conflict in any manner or degree with the performance of its obligations under the contract.
- b. **Notice of Potential Conflict.** If any such actual or potential conflict of interest arises before or during the course of the contract, vendor shall immediately inform Joliet Junior College in writing of such conflict.
- c. **Termination of Material Conflict.** If, in the reasonable judgment of Joliet Junior College, such conflict to and with the performance of vendor's obligations under the contract, then Joliet Junior College may terminate the contract immediately upon written notice to vendor; such termination of the contract shall be effective upon the receipt of such notice by vendor.

Business Enterprise Program (BEP):

Minorities, Females, and Persons with Disabilities Participation and Utilization Plan:

Joliet Junior College will make every effort to use local business firms and contract with small, minority-owned, and/or women-owned businesses in the procurement process. This solicitation contains a goal to include businesses owned and controlled by minorities, females, and persons with disabilities in the College's procurement and contracting processes in accordance with the State of Illinois' Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575). Because these goals vary by business ownership status and category of procurement, we urge interested businesses to visit the Department of Central Management Services (CMS), [Business Enterprise Program \(BEP\)](#) web site to obtain additional details. To qualify, prime vendors or subcontractors must be certified by the CMS as BEP vendors prior to contract award. Go to (<http://www2.illinois.gov/cms/business/sell2/bep/Pages/default.aspx>) for complete requirements for BEP certification. For applicable projects, vendors may be asked to submit a [utilization plan](#) and [letter of intent](#) that meets or exceeds the identified goal. If a vendor cannot meet the goal, documentation and explanation of good faith efforts to meet the specified goal may be required within the utilization plan.



Negotiation: JJC reserves the right to negotiate all elements, which comprise the vendor's proposal to ensure the best possible consideration, be afforded to all concerned. JJC further reserves the right to waive any and all minor irregularities in the proposal, waive any defect, and/or reject any and all proposals, and to seek new proposals when such an action would be deemed in the best interest of JJC.

Award: The successful vendor, as determined by JJC, shall be required to execute a contract for the furnishing of all services and other deliverables required for successful completion of the proposed project. The supplier may not assign, sell, or otherwise transfer its interest in the contract award or any part thereof without written permission from JJC.

Retention of Documentation: All proposal materials and supporting documentation that is submitted in response to this proposal becomes the permanent property of JJC.

Opening of Proposals: Proposals will be opened in a manner that avoids disclosure of the contents to competing vendors. Contents for proposals will remain confidential during the negotiations period. Only the proposal number and the identity of the vendor submitting the proposal response will be made available to the public.

IV. **FORMAT FOR RESPONSE**

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that the proposal be organized in the format specified. An original and five (5) copies of the RFP and a complete electronic copy (DVD or flash drive) of the proposal shall be provided. Each hard copy shall be submitted in a binder. The original copy should be so noted and signed.

1. Title Page

Show the RFP subject, the legal name of the vendor's firm, address, telephone number, name of contact person, and date.

2. Table of Contents

Clearly identify the materials by sections and page number(s).

3. Letter of Transmittal

Limit to one or two pages.

- a. Briefly state the vendor's understanding of the scope of services to be provided and make a commitment to provide the services within the time period.
- b. List the names of the persons who will be authorized to make representations for the vendor, their titles, address, and telephone numbers.



4. Profile of the Vendor

Indicate the number of people in the organization and their level of experience and qualification and the percentage of their time that will be dedicated to this process.

- a. Provide a list of the vendor's top ten current and prior two-year clients indicating the type of services the organization has performed for each client.
- b. Submit independently audited financial statements (one copy only). Such information will be considered in strict confidence.
- c. Indicate any third-party firms involved with your program and state their role(s).
- d. Provide contact information (name, phone number, and email address of at least three (3) references for projects of similar size and scope.

5. Scope Section

Clearly describe the scope of services to be provided based upon the information in the scope section. Respond to each item listed.

6. Responses to Addendum

7. Prices Responses

8. Invoicing Procedure

- a. Describe the firm's invoicing procedures.
- b. Include documentation identifying all of the vendor's fees.

9. Proposed Contract

Please submit a draft contract for the services offered.

10. Bidder's Certification Statement



V. EVALUATION

In evaluating the proposals submitted, JJC will apply the "Best Value" standard in selecting the supplier to be awarded a contract for this project. Purchase price is not the only criteria that will be used in the evaluation process. Any award resulting from this RFP will be made to that vendor whose offer conforms to the RFP and it is determined to be the most advantageous, of "best value" to JJC, in the sole judgment of JJC. The selection process will include, but not be limited to, the following considerations:

1. The provider's ability to assist JJC in meeting the overall goals and to reduce JJC administrative costs associated with the procurement process.
2. The quality and range of services the firm proposes to provide.
3. The extent to which the goods or services meet JJC needs.
4. The firm's overall experience, reputation, expertise, stability and financial responsibility.
5. The vendor's past relationship with JJC, if any.
6. The experience and qualifications of the staff that will be assigned to service JJC's account
7. The ability to provide service in an expedient and efficient manner.
8. Facilities (computerized information systems, access to industry facilities, quality and range of management reports, etc.) that will be used in auditing JJC's expenditures.
9. Vendor's financial terms offered to JJC.
10. The training options available.
11. The total, long-term cost to JJC to acquire the vendor's goods and services.
12. Any other relevant factor that a private business entity would consider in selecting a supplier.

VI. SCOPE OF SERVICES

1. In addition to the Claim Administrative Services described below, respondents should include the following information in their proposals:

- a. Describe the TPA's software capability for migrating and capturing claim data and images for each individual claim with no limit on the number of individual years to be captured. It would be desirable that the software program has the ability to provide a detailed dashboard of all medical and financial statistics that would assist in managing claims.
- b. Describe the TPA's claims management system and methodology for first report of claims to the TPA.
- c. Provide a sample check register used to authorize payments.
- d. Describe the methodology used to secure cyber risks.
- e. Explain how you safeguard and keep confidential the data and information provided by JJC to your firm.
- f. Provide your recommended preferred method of paying claims on JJC's behalf, i.e. monthly reimbursement against college's maintained escrow account



2. CLAIM ADMINISTRATIVE SERVICES

- a. Review and process each claim and loss report submitted by the college in a timely manner.
- b. Conduct an investigation on each qualified claim or loss to the extent deemed necessary.
- c. Maintain an electronic file for each qualified claim or loss which shall be available for review by the college.

Maintenance of full and proper historical data on all losses.
- d. Adjust, settle or resist all qualified claims or losses:
 - i. Within the stated discretionary authority limit;
 - ii. With specific approval of the client, if outside the stated authority limit.
- e. On receipt of required information from college, perform necessary and customary administrative and clerical work in connection with each qualified claim or loss, including the preparation of checks or vouchers, releases, agreements, state required reports and other documents need to finalize a claim.
- f. Establish and update claim reserves in consultation with the college and its carriers, as required.
- g. Process all loss and expense payments
- h. Notify college and carriers of all claims or losses which may exceed the college's retention, including specific reporting requirements of excess insurance carriers and, if requested, provide information on the status of those claims or losses.
- i. Assist college in obtaining reimbursements and all potential sources of recovery and subrogation of losses from its carriers.
- j. Coordinate investigations on litigated claims with attorneys representing the college and with representatives of the excess carrier, as required. It is expressly understood that all legal costs and loss payments will be paid as allocated claim expense.
- k. Maintain an electronic database and provide the college with reports or access to electronic reports.
- l. Provide appropriate forms, as determined by the awarded vendor, needed to administer the College's program.
- m. Provide additional ad hoc information, analysis, reports and services on a time and expense basis.



- n. Provide a written monthly status report on all claims.
- o. Assist the college in selecting experts or specialists as the claims may require.
- p. Provide personnel need to perform the services agreed to herein. In those states where awarded vendor does not have an office, the college agrees that the awarded vendor may utilize an independent adjusting agency or subcontractors located in the state (“instate adjusters”) at the awarded vendor’s discretion. The college shall pay for all costs related to the use of in-state adjusters.
- q. Assist college, as the account manager for the college, in meeting its responsibilities as a Responsible Reporting Entity (RRE) pursuant to the Medicare Secondary Payer (MSP) liability insurance (including self-insurance), no fault insurance and workers’ compensation reporting requirements mandated by Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) (P.L. 110-173) (MMSEA Section 111 reporting).

Obtain either from the college, claimant or through investigation, the necessary data required for MMSEA section 111 Reporting (MMSEA section 111 Data).

Using the query process provided by Centers for Medicare and Medicaid Services (CMS) and the information obtained as part of its claim handling process, determine which of the college’s claims are required to be reported as part of the MMSEA Section 111 Reporting process (Section 111 Claims).

Report all Section 111 claims to CMS in the CMS required format as required by CMS. The college agrees that in exchange for providing this reporting service, any MSAs will be placed with awarded vendor.

- r. Provide an annual SAS 70 Audit form.
- s. Comply with all statutory, contractual and regulatory requirements related to the services set forth herein.
- t. Advise JJC on updates or changes in Workers’ Compensation Insurance Law.
- u. Recognize and report claims to Excess Insurance carrier.

3. STAFFING

- a. Provide a list of all technical, supervisory and managerial personnel who will be involved in the handling of claims and administration of the program, including resumes that describe experience and qualifications.
- b. What is the ratio of supervisory to technical personnel?



- c. What is the ratio of technical to support personnel?
- d. What are the average caseloads for claim handlers?
- e. Does supervisory staff handle a caseload?
- f. What is the average experience level for supervisory and technical personnel?
- g. What is your turnover rate for supervisory and technical personnel during the past three years?
- h. What type of training/ continuing education is offered to your technical personnel?
- i. Provide information relating to employee performance criteria, describing how staff is evaluated and supervised?
- j. Will you allow the client and/or their broker to interview prospective technical and supervisory personnel?
- k. Availability of bilingual claim handlers if necessary?
- l. Will you commit in writing that temporary employees will not be used to handle claims for JJC?

VII. QUANTITY

There is no guaranteed amount of services intended either expressly or implied, to be purchased or, contracted for by JJC. However the supplier awarded the contract shall furnish all required services to JJC at the stated price, when and if required.

VIII. PROPOSED PRICING

The vendor should furnish a list of proposed prices for all services and materials to be used during the term of the contract. The list of proposed prices should be structured to allow for the calculation of unit cost analyses. The prices included herein are to be firm through the contract term, unless noted otherwise by the vendor.

1. Provide the all-inclusive cost for TPA claims service and disclose any fees, commissions, hourly or per item rates or costs for services such as medical not review, case management, excess insurance placement, other ancillary services, etc.
2. Provide the list of panel attorneys that handle claims progress and/or settlement agreements and indicate the legal services hourly rates and fee schedules.
3. Provide the list of Investigative firms used to perform physical surveillance and/or database checks and the hourly rates or fee schedules.



Claim administration minimum annual fee to include Medical Only claims, Indemnity claims and loss control visits. Provide additional cost for each Medical Only claim and each Indemnity claim.

Additional services to be included in claim administration minimum annual fee:

- Reporting
- Implementation management
- First report of injury files with respective state agency
- Customized claim handling instructions
- Circle of service – consultative program management stewardship reports
- Actuarial analysis
- Benchmarking analysis and reports
- Account Management
- PPO radius listing and mapping to locations
- Quality assurance program oversight
- Quarterly review of each examiner
- Annual maintenance (location updates, client file updates)
- Home Office consultant involvement in high dollar claims
- RN review of medical bills
- Catastrophic loss response
- Structured settlements
- Litigation plan development
- Bank account management and reconciliations
- Large loss notice
- Annual audit
- Reserve advisories
- Pre-settlement advisories
- Access to claim system
- 1099 reports
- Claim fees charged as incurred, no up-front investment on claim fees
- Claim acknowledgments
- Closing Notices
- Settlement authority
- Account set-up
- Include 2 file reviews each year



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FEE SCHEDULE SERVICE PROVIDED	FEE BASIS Fiscal Year Year 1 of 3 Year Agreement	FEE BASIS Fiscal Year Year 2 of 3 Year Agreement	FEE BASIS Fiscal Year Year 3 of 3 Year Agreement	Year 1 Optional Fee Basis Fiscal Year	Year 2 Optional Fee Basis Fiscal Year
Annual Claim Administration Fee	\$	\$	\$	\$	\$
Loss Control Visits	\$	\$	\$	\$	\$
Cost per Medical Only claim	\$	\$	\$	\$	\$
Cost per Indemnity claim claim	\$	\$	\$	\$	\$
Escrow Administration	\$	\$	\$	\$	\$
Supplemental on-line access	\$	\$	\$	\$	\$
CMS Reporting Service	\$	\$	\$	\$	\$
Managed Care Pharmacy Program	\$	\$	\$	\$	\$

**** Please attach pricing sheet for any additional fees such as Managed Care services and MSA-related costs.**



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CERTIFICATION OF CONTRACT/BIDDER

The below signed contractor/bidder hereby certifies that it is not barred from bidding on this or any other contract due to any violation of either Section 33E-3 or 33E-4 of Article 33E, Public Contracts, of the Illinois Criminal Code of 1961, as amended. This certification is required by Public Act 85-1295. This Act relates to interference with public contracting, bid rigging and rotating, kickbacks and bribery.

SIGNATURE OF CONTRACTOR/BIDDER

TITLE

DATE

THIS FORM **MUST** BE RETURNED WITH YOUR BID TO:

Joliet Junior College District #525
Director of Business & Auxiliary Services, A-3100
1215 Houbolt Road
Joliet IL 60431