



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

00-393

SYNOPSIS -

AGENDA:

AUGUST 28, 2000

Modification of an existing agreement with EMC Risk Services, Inc., 717 Mulberry, Des Moines, IA 50309 (Bruce Kelley, CEO) for the period 9/1/2000 thru 1/31/2002 to electronically transmit First Reports of Injury information to the State of Iowa and to provide on-line workers' compensation claims administration service.

SUBJECT:

WORKERS
COMPENSATION
ADMINISTRATION
SERVICES

FISCAL IMPACT -

The cost for these services includes a one-time set up fee of \$6,000, a \$3,000 annual charge, a \$250-per-month user fee and \$6.50 per transaction fee (estimated at \$700 per 12-month period). Workers' Compensation Administration fees are paid from Trust and Agency Accounts.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

RECOMMENDATION -

Approval.

SUBMITTED BY:

TOM TURNER
HUMAN
RESOURCES
DIRECTOR

BACKGROUND -

Effective July 1, 2001, The Iowa Administrative Procedures Act requires all self-insured employers to electronically transmit Workers' Compensation Claims information to the State. The electronic data transfer program, called EDI, is being implemented in stages. The City of Des Moines has been assigned a November 11, 2000 test and implementation date.

To meet the reporting requirements, the City has the choice of becoming a "Trading Partner" with the State or using a state approved vendor. Information Technology staff has recommended the City contract for this service rather than become its own "Trading Partner" due to the considerable time

needed to modify and maintain People Soft and develop dedicated transmission software.

EMC currently has a contract to provide Workers' Compensation (WC) medical bill review and payment services. To provide that service, they have utilized software that is compatible with City needs and already maintain a Workers' Compensation database that can be utilized with little modification. EMC has also been selected by the State to implement the first Electronic Data Interchange program in Iowa.