

Office of the City Manager

June 24, 2013 Date: Agenda Item No. **39** Roll Call No. 13-327 **Communication No. Submitted by:** James R. Wells, **Human Resources Director**

AGENDA HEADING:

Approve three (3) month extension to agreement with EMC Risk Services (EMC), Barb A. Sullivan, President, 717 Mulberry Street, Des Moines Iowa 50309 to provide workers' compensation, bill review, bill payment and claims management for period July 1, 2013 through September 30, 2013.

SYNOPSIS:

Approve three (3) month extension to current agreement with EMC for workers' compensation claims administration and bill payment. Current agreement with EMC expires June 30, 2013 and additional time is needed to complete the request-for-proposal process for a successor agreement. EMC has agreed to extend the current agreement at current rates.

FISCAL IMPACT:

Amount: \$30,000 per month

Funding Source: Injury costs are incurred by the injured employee's department.

ADDITIONAL INFORMATION:

EMC provides workers' compensation services to the City. These services include claim adjusting, injury reporting, bill review, and bill payment. The current six (6) year agreement with EMC expires June 30, 2013. A Request for Proposal (RFP) for these services was posted and sent to vendors on April 22, 2013. Proposals were received from EMC, Sedgwick and Creative Risk Solutions. On June 6, 2013, on-site interviews were conducted by the evaluation committee. During the interview process, vendors stated that more detailed claims information was needed before they could submit a precise cost proposal. This information has now been provided to the vendors and their revised proposals are due July 3, 2013. More time is needed to complete the RFP process and the City needs EMC to continue to their work until it is complete. A waiver to the competitive bid process is allowed when good cause is shown. Extending the EMC agreement will provide the time necessary to adequately evaluate proposals and make an informed recommendation to City Council.

PREVIOUS COUNCIL ACTION(S):

Date: June 18, 2007

Roll Call Number: 07-1176

<u>Action</u>: <u>Agreement</u> with EMC Risk Services (ERS) for provision of bill review, bill payment administration of occupational health claims. (<u>Council Communication No. 07-353</u>) Moved Hensley to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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