

Renewal Fee Proposal for County of Ventura

Contract Term: 07/01/2023 through 06/30/2026

Claims Services

We are proposing the following staffing for claims handling:

Claims Administration Fee

Workers' Compensation	Expiring Rates 7/1/2022 - 06/30/2023 (Normalized to 12 months)	3 Year Extension 7/1/23 – 6/30/26 Annual Fee Current Staffing With Additional Sheriff Senior Examiner, Added Team Lead and Removing 2 Team Lead Assists
Claims Administration Annual Fee	\$2,669,463	\$2,688,761
Fire Senior Claims Examiner Annual Fee	\$224,000	\$224,000
Sheriff Senior Claims Examiner Annual Fee*	-	\$186,000

Flat Annual Fee: Current Staffing with the addition of the Sheriff senior claims examiner, adding 1 team lead position, and removing 2 team lead assist positions

This staffing would promote 1 team lead assist to team lead and create a Fire team. We would remove one team lead assist position and distribute the approximately 70 claims assigned to the team lead assists to the senior claims examiner team

**One senior claims examiner and one team lead added, and two team lead assists removed through Amendment 1 of the original contract.*

Staffing Position	Count	Proposed Rate
Team Lead	3	\$3,098,761
Team Lead Asst	0	
Senior Claims Examiner	3	
Claims Adjuster	2	
Future Medical/Medical Only Examiner	2	
Fire – Senior Examiner	2	

IAP – Claims Representative	2
Sheriff – Senior Examiner	3
Claims Assistant	2
TOTAL STAFFING	19

Annual Fee: Our Annual Fee quotation is a guaranteed flat fee and applies to claims administration services provided during each 1-year period of the 3-year contract term. Any additional administration beyond the 3-year term will be subject to an additional negotiated fee or other mutually agreed upon rate structure. If there is a significant increase in claims volume, we may propose additional charges based on staffing costs as outlined. If County of Ventura agrees to such additional charges, the fees will be adjusted accordingly. Annual fees are billed monthly and due thirty days from receipt of invoice.

Additional Claims Staff:

Sedgwick offers the County of Ventura the ability to add claims professionals above the levels quoted in our annual fee. Changes in staff would be carefully considered, based on claim volume and desire of the County. The annual fee per additional claims professional is quoted below, would be billed monthly and prorated to the month the claims professional began work.

Additional Claims Staffing Professional	Annual Fee (7/1/23 – 6/30/26)
Team Lead	\$197,800
Team Lead Asst	\$190,490
Senior Claims Examiner	\$174,865
Claims Adjuster	\$137,865
Future Medical/Medical Only Examiner	\$99,731
IAP – Claims Representative	\$109,980
Claims Assistant	\$84,630

Managed Care Fees:

Utilization Review/Certification

Detail	Unit	Expiring Rates 07/1/2022 - 06/30/2023	3 Year Extension 07/01/2023 – 06/30/2026
Nurse Review	Per Review	\$109.00	\$112.00
Physician Review	Per Review	\$232.00	\$232.00
Specialty Review	Per Review	\$275.00	\$275.00

Peer Review

Detail	Unit	Expiring Rates 08/1/2020 - 06/30/2022	3 Year Extension 07/01/2023 – 06/30/2026
Peer Review	Per Hour / Review	\$350.00/review	\$350.00/review
Physician Intervention Review (Pharmacy Review with Peer to Peer Contact)	Per Hour	\$275.00	\$275.00
Rush Fee	Per Event	\$100.00	\$100.00

Medicare Secondary Payer Service (MSA)

Detail	Unit	Expiring Rates 07/1/2022 - 06/30/2023	3 Year Extension 07/01/2023 – 06/30/2026
Mandatory CMS MMSEA Reporting (Claims Reported On or After Contract Commencement)	Per Claim	\$8.75	\$8.75
Medicare Set-Aside (MSA)	Per Referral	\$2,950	\$2,500
MSA Without Submission	Per Referral	\$2,000	\$2,000
Zero-dollar MSA Waiver	Per Referral	\$2,500	\$2,500
Complex MSA	Per Referral	\$2,950	\$3,150
MSA CMS Submission	Per Referral	Waived	\$800
P.R.O. Nurse (Proactive Reduction Outreach)	Per Physician	\$110	\$110
MSA Update	Per Update	\$615	\$615
Medical Cost Projections	Per Referral	\$2,250	\$2,250
MSA/MCP Combination Report	Per Referral	\$3,300	\$3,300
Social Security Disability Check	Per Referral	\$350	\$350
Rated Age Request	Per Referral	\$27	\$27

Optional Managed Care Fees:

Case Management

Detail	Unit	Expiring Rates 07/1/2022 - 06/30/2023	3 Year Extension 07/01/2023 – 06/30/2026
Telephonic Case Management	Per Hour	\$105.00	\$105.00
Field Case Management	Per Hour	\$105.00 Plus Mileage (IRS Reimbursement Rate & Expenses)	\$105.00 Plus Mileage (IRS Reimbursement Rate & Expenses)
Pharmacy Benefit Management	N/A	Included	Included

Our medical management services include a complete suite of all ancillary medical services, using multiple networks that address County's needs – including, but not limited to, pharmacy benefit management, diagnostics, durable medical equipment, transportation and translation, home health, physical therapy and independent medical exams. These services are subject to the bill review rates as quoted above, plus the applicable percentage of network savings achieved below the fee schedule or usual and customary charges.

General Fees, Services, Terms and Conditions

- If the parties agree to extend the contract beyond 3 year extension, the parties will enter good faith negotiations on pricing for each additional one-year term.
- RMIS Platform: We will waive the cost of 15 licenses for access to our RMIS platform.
- Billing: we will issue an electronic invoice monthly, via email. Payments shall be due and payable no later than thirty days from the submission of the electronic invoice.
- The County of Ventura may request that the services we perform be rendered in a particular or different way or additional services be provided, and we will make all reasonable efforts to comply. If such request increases our cost of providing the services, we shall be entitled to an equitable adjustment in its compensation.
- Subrogation: Our pricing includes placing parties that it deems responsible on notice. Pursuit of subrogation beyond this point if performed outside of the dedicated unit at the County's request can be performed at 20% of recovery, plus costs, such as locate searches, skip traces, collection counsel fees and expenses, etc.
- Claims and Allocated Loss Adjustment Expenses (ALAE) will be handled in the following way:

The County of Ventura will fund an account established and maintained by us. In this case, the County of Ventura will maintain and provide timely replenishment of funds to pay all Claims and ALAE and to avoid penalties and late payments. We will electronically provide a monthly recap of all deposits as well as Claims and ALAE payments. We will be responsible for bank fees with respect to the account.

Additionally, the County may elect to make claim payments directly to claimants but will be required to send us the payment records promptly for proper inclusion in our claims system.

Allocated Loss Adjustment Expenses

We will arrange for various services and other costs as agent for the County. These costs are referred to as Allocated Loss Adjustment Expenses (ALAE). Payment of ALAE is the responsibility of the County of Ventura. Our fees do not cover ALAE, and we are under no obligation to pay ALAE with our own funds. ALAE may include services provided by us as listed in this Attachment. A list of ALAE expenses includes, but may not be limited to:

- Fees of outside counsel from a panel of approved counsel provided by County for claims in suit, coverage opinions and litigation and for representation at hearings or pretrial conferences
- Fees of court reporters
- All court costs, court fees and court expenses
- Fees for service of process
- Costs of outside investigation, signed or recorded statements and undercover operatives and detectives from a panel of County approved investigators
- Costs for employing experts
- Costs for employing experts for the advice, opinions or testimony concerning claims under investigation or in litigation or for which a declaratory judgment is sought
- Costs for independent medical examination or evaluation for rehabilitation
- Costs of legal transcripts of testimony taken at coroner's inquests, criminal or civil proceeding
- Costs for copies of any public records or medical records
- Costs of depositions and court reported or recorded statements
- Costs and expenses of subrogation
- Witness fees and travel expenses
- Costs of photographers and photocopy services
- Costs of appraisal fees and expenses (not included in flat fee or performed by others)
- Costs of indexing claimants
- Services performed outside of our normal geographical regions
- Out of the ordinary expenses incurred in connection with an individual claim or requiring meeting with Customer
- Any other extraordinary services performed by us at Customer's request
- Investigation of possible fraud including SIU services and related expenses
- Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or loss or to the protection or perfection of the subrogation rights of Customer.

We may, but need not, elect to utilize our own staff or affiliated entities to perform any of these services. Associated fees and costs will be charged as ALAE.