STATE OF TEXAS §
§
COUNTY OF FORT BEND §

AGREEMENT FOR PROPERTY AND CASUALTY INSURANCE PROGRAM
THIRD PARTY ADMINISTRATION SERVICES
PURSUANT TO RFP 19-086

This Agreement is entered into between Fort Bend County ("County"), a body corporate and politic under the laws of the State of Texas, having offices at 301 Jackson Street, Richmond, Texas 77496 and Cannon Cochran Management ("Contractor"), a Delaware Corporation with its principle place of business at 2 East Main Street., Towne Centre Bldg., Suite 208, Danville, IL 61832-5852a company authorized to conduct business in the State of Texas.

W I T N E S S E T H

WHEREAS, County desires that Contractor provide Third Party Administration Services for County's Property and Casualty Insurance Programs (hereinafter "Programs") pursuant to RFP 19-086; and

WHEREAS, Contractor represents that it is qualified and desires to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties agree as follows:

AGREEMENT

Section One. Definitions

A. "Claims Administration Services" shall include the administration, adjustment, management, oversight and handling of Claims arising out of County's Programs. Claims Administration Services shall also include, but not limited to, the following services:

1. Providing supervision of the loss adjustment process;
2. Determining and implementing appropriate claims practices to conclude Claims in accordance with Contractor's established practices;
3. Adhering to high standards of professional conduct;
4. Adjusting and managing Claims to assure that County and claimants receive high quality service;
5. Establishing, monitoring and timely revisions of case reserves;
6. Settling Claims within the applicable coverage terms and conditions;

7. Maintaining current knowledge of applicable adjustment practices and procedures, local practices, applicable insurance coverage, court decisions, current guidelines in the claims function, and Program changes and modifications (as advised by County);

8. Assisting in the preparation of Claims for suit, hearing, trial, or subrogation as appropriate;

9. Acting as County's liaison with medical bill reviewers, first notice of loss reporting services and defense counsel;

10. Reviewing bills of service providers;

11. Preparing and submitting status and administrative reports in accordance with Contractor's established practices; and

12. Preserving subrogation rights and overseeing subrogation recovery.

B. "Claim" or "Claims" shall mean claims, arising under the Programs and which are referred to Contractor for adjusting during the term of this Agreement.

C. "Loss Adjustment Expense" shall mean, in addition to fees to be paid in accordance with this Agreement, all reasonable expenses necessary to the adjustment of a Claim in accordance with this Agreement, including but not limited to, legal fees, court costs and fees for court reporters, expert witnesses, investigation, photocopies, subpoenas, photographs, bill review, utilization review and any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a Claim, loss, subrogation right or recovery. Contractor may, but need not, elect to utilize its own staff or affiliated entities to perform these services.

D. "Systems" shall mean severally or collectively, Contractor's claims handling system.

Section Two. <u>Services to be Provided by Contractor</u>

A. County hereby appoints Contractor and Contractor hereby agrees to serve, as Third Party Administrator of the County's self-insurance Programs created and existing under the State of Texas Self-Insurance Regulations.

B. Claim Administration.

1. Claim Management and Administration. In compliance with its Best Practices, attached as Exhibit C, CONTRACTOR will manage and administer all claims of the County that occur during the period of this Agreement. All claim payments shall be made with County funds. CONTRACTOR will act on behalf of County in handling, monitoring, investigating, overseeing and adjusting all such actual and alleged claims.

2. Claim Reserves. CONTRACTOR will establish reserves for unpaid reported claims and unpaid claim expenses.

3. Allocated Claim Expenses. CONTRACTOR will pay all Allocated Claim Expenses with County Funds. Allocated Claim Expenses are charges for services provided in connection with specific claims by persons or firms, which are eligible claim expenses under the County's program. Notwithstanding the foregoing, Allocated Claim Expenses will include all expenses incurred in connection with the investigation, adjustment, settlement or defense of County claims, even if such expenses are incurred by CONTRACTOR. Allocated Claim Expenses will include, but not be limited to, charges for:

a. Independent medical examinations of claimants;
b. Managed care expenses, which include the services provided by (comp mc TM) CONTRACTORs proprietary managed care program. Examples of managed care expenses includes but is not limited to state fee schedule, PPO networks, utilization review, nurse case management, medical bill audits and medical bill review;
c. Fraud detection expenses, such as surveillance, which include the services provided by FIRE, CONTRACTORs proprietary Special Investigation Unit (SIU), and other related expenses associated with the detection, reporting and prosecution of fraudulent claims, including legal fees;
d. Attorneys, experts and special process servers;
e. Court costs, fees, interest and expenses;
f. Depositions, court reporters and recorded statements;
g. Independent adjusters and appraisers;
h. Index bureau and OFAC (Office of Foreign Assets Control) charges;
i. MMSEA/SCHIP compliance charges;
j. Electronic Data Interchanges, EDI, charges if required by State law;
k. CONTRACTOR personnel, at their customary rate or charge, but only with respect to claims outside the State and only if such customary rate is communicated to the County prior to incurring such cost;
l. Actual reasonable expenses incurred by CONTRACTOR employees outside the State for meals, travel, and lodging in conjunction with claim management provided that all expenses comply with Section 7E of this Agreement;
m. Police, weather and fire report charges that are related to claims being administered under County's program;
n. Charges associated with accident reconstruction, cause and origin investigations, etc.;
o. Charges for medical records, personnel documents, and other documents necessary for adjudication of claims under County's program;

p. Charges associated with Medicare Set-Aside Allocations; and
q. Other expenses normally recognized as ALAE by industry standards.
r. CONTRACTOR will charge travel expenses in accordance with Section 7E of this Agreement for any requests for attendance at mediation, field investigation or claims related travel beyond 30 miles one way.

C. Subrogation. CONTRACTOR will monitor claims for subrogation.
D. Provision of Reports. CONTRACTOR agrees to provide reports to the County as specified in the Schedule of Reports attached hereto as Exhibit A.
E. Risk Management Services. CONTRACTOR will provide the County with additional Risk Management Services not contemplated in the Agreement upon mutual agreement of the parties. The Schedule of additional Risk Management Services to be provided is attached hereto as Exhibit B.
F. Loss Control Services. CONTRACTOR will provide the County loss control services upon mutual agreement of the parties. The County shall remain fully responsible for the implementation and operation of its own safety programs and for the detection and elimination of any unsafe conditions or practices.
G. CONTRACTOR assumes no responsibility for the detection, identification, communication, mitigation, or elimination of any unsafe condition or practice associated with the safety program of any client. Further, CONTRACTOR assumes no responsibility for any injury sustained by an employee of the County. The Schedule of Loss Control Services to be provided is attached hereto as Exhibit C.
H. Managed Care Services. CONTRACTOR will provide the County with managed care services (comp mc TM) upon mutual agreement of the parties. The Schedule of Managed Care Services to be provided is attached hereto as Exhibit D.

I. Contractor shall provide Claim Administration Services (hereinafter "Services") as set forth in this Agreement, including any Exhibits attached hereto, for the Claims that arise out of County's Programs and that are assigned by County to Contractor.

J. The Claims Administration Services to be rendered by Contractor shall meet or exceed the requirements of RFP 19-086 (attached as Exhibit A); Contractor's Response to RFP 19-086 (attached as Exhibit B) and Best Practices (attached as Exhibit C), all of which are incorporated by reference herein.

K. Contractor represents that Exhibit C contains industry best standards, which County has relied on in selecting Contractor. Contractor shall ensure that these policies are updated if law or industry standards mandate stricter requirements. A copy of any updated policies will be provided to County without delay. Contractor shall also ensure all employees are trained to adhere to the requirements of their current polices and as may be updated during the course of the Agreement.

L. Contractor's performance of Services shall comply with all applicable rules, orders, and interpretations issued by any applicable regulatory authorities as of the date hereof and as may be amended during the course of this Agreement.

M. Contractor acknowledges that execution of this Agreement does not mean that Contractor will be assigned any particular number of Claims by County.

N. Contractor will investigate, evaluate, negotiate, settle, or deny Claims within the standing authority, as has been granted in writing, to Contractor from time to time by the County Director of Risk Management. Contractor may settle Claims in excess of its standing authority limits only with prior written approval of County, which the County shall, in writing, promptly grant or deny upon Contractor's request for authority.

O. Contractor acknowledges that all of the Claims files in its possession are the property of County and agrees to promptly provide access to or deliver any such file to County, at County's expense, at any time upon County's request. In exchange for County's absolute right to obtain the Claims files, County agrees that it shall not have the right to set off any sums claimed due from Contractor against fees due Contractor under this Agreement.

P. Contractor expressly agrees to hold all funds and assets of County that come into its control or possession during the term of this Agreement subject to the regulatory limitations of deposits insured by FDIC.

Q. Contractor will make available, through Contractor's proprietary claims system, claim-related data with "web-enabled" access. County will have "view only" access to the system. County will bear its own hardware, software, connection and similar costs for accessing Contractor's electronic claims management system.

R. During the Term of this Agreement and at all times that there are open Claims being handled by Contractor, Contractor will fully cooperate with County.

S. Contractor will notify County's insurer of all claims, which may affect the insurer's coverage in excess of County's self-insured retention layer in accordance with the instructions of County's insurer.

T. Contractor acknowledges that all attorney services, except for worker's compensation, are provided by the County Attorney's Office unless County specifically requests that Contractor assist County in its selection of other counsel. County's preferred legal counsel is Dean Pappas Law Firm and any references to other preferred counsel are hereby deleted. Contractor acknowledges that other counsel are only appropriate if County determines that the nature of the representation requires specialized knowledge and experience that outside counsel be secured. Any statements made by Contractor in any attached Exhibit involving representation by outside attorneys only apply when County requests this assistance in writing. In all cases in which the County Attorney represents

the County, Contractor shall cooperate with County and the County Attorney fully and assist with case preparation and presentation in the same manner as if Contractor had selected its choice of counsel.

Section Three. Personnel

A. Contractor represents that it presently has, or is able to obtain, adequate qualified personnel in its employment for the timely performance of Services required under this Agreement and that Contractor shall furnish and maintain, at its own expense, adequate and sufficient personnel, in the opinion of County, to perform the Services when and as required and without delays.

B. All employees of Contractor shall have such knowledge and experience as will enable them to perform the duties assigned to them. Any employee of Contractor who, in the opinion of County, is incompetent or by his conduct becomes detrimental to the project shall, upon request of County, immediately be removed from association with the Adjusters assigned to the Claims shall have an average case load of 150 files for workers compensation and liability case loads, an average of 80 cases for property claims.

C. Contractor will utilize only licensed adjusters and licensed private investigators, where applicable, and such adjusters and investigators shall in the rendering of their services conform to the provisions of all applicable laws, rules, orders, or written interpretations issued by the applicable regulatory authorities.

Section Four. Warranty of Contractor Capability

Contractor covenants, represents and warrants that it is not prohibited by any loan, contract, financing arrangement, trade covenant, or similar restriction from entering into this Agreement and that Contractor is financially capable of fulfilling all requirements of this Agreement.

Section Five. Corporate Good Standing

Contractor covenants, represents and warrants that Contractor: (a) is a corporation duly incorporated, validly existing, and in good standing; (b) has all requisite corporate power and authority to execute, deliver, and perform its obligations herein; (c) is duly licensed, authorized, or qualified to do business and is in good standing in every jurisdiction in which a license, authorization, or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it except when the failure to be so licensed, authorized, or qualified would not have a material adverse effect on Contractor's ability to fulfill its obligations herein.

Section Six. Duties of County

A. County agrees to the following actions:

1. Report all claims, incidents, reports or correspondence relating to potential claims in a timely manner.
2. Reasonably cooperate in the disposition of all claims.
3. Provide adequate funds to pay all claims and expenses in a timely manner.
4. Respond to reasonable information requests in a timely manner.
5. Identify in writing all insurance carriers applicable to CONTRACTOR's claim handling responsibilities contemplated in this Agreement that CONTRACTOR will have claim or data reporting requirements. In this regard, County agrees to provide CONTRACTOR with a complete copy of the current excess or other insurance policies, including applicable endorsements and audits, applicable to County's insurance program and this Service Agreement. CONTRACTOR assumes no responsibility of any kind for not reporting an otherwise reportable claim to any carrier that County has failed to disclose to CONTRACTOR and/or provide CONTRACTOR with a copy of the applicable insurance policy and reporting instructions relative to that carrier.
6. Pay any fees or costs charged by any carrier or prior TPA of County for the conversion of data associated with CONTRACTOR handling run off claims for County, or for the general transfer of data to CONTRACTOR's operating systems.
7. Promptly pay CONTRACTOR's fees.

B. County agrees to be responsible for and pay all of its own operating expenses other than service obligations of CONTRACTOR.

1. All costs associated with County meeting its State security and licensing requirements
2. Certified Public Accountants
3. Attorneys, other than provided for in this Agreement;
4. Outside consultants, actuarial services or studies and State audits;
5. Independent payroll audits;
6. Allocated Claims Expenses incurred pursuant to this Agreement;
7. All applicable regulatory fees and taxes;
8. Educational and/or promotional material, industry-specific loss control material, customized forms and/or stationery, supplies and extraordinary postage, such as bulk mailing, express mail or messenger service.
9. National Council on Compensation Insurance, NCCI, charges;
10. Excess and other insurance premiums;
11. Costs associated with the development, record keeping and filing of fraud statistics and plans, but only if required by any State or regulatory authority having jurisdiction over County;
12. Other operating costs as normally incurred by the County.

Section Seven. Compensation and Payment

A. Contractor's fees shall be calculated at the rates set forth in the attached Exhibit D. If there is not a fee listed for a particular service, the Contractor shall not charge County any fee for that Service.

B. The Maximum Compensation for capitated fees during the Term of the Agreement is three hundred twenty-five thousand dollars and 00/100 ($325,000.00). In no case shall the amount paid by County under this Agreement exceed the Maximum Compensation without an approved change order.

C. Services shall be performed as described herein. Any changes to the Services and revision of work satisfactorily performed will be performed only when approved in advance and authorized by the County Director of Risk Management

D. County will pay Contractor based on the following procedures: Upon completion of the Services, Contractor shall submit to County two (2) original copies of invoices showing the amounts due for services performed in a form acceptable to County. County shall review such invoices and approve them within 30 calendar days with such modifications as are consistent with this Agreement and forward same to the Auditor for processing. County shall pay each such approved invoice within thirty (30) calendar days. County reserves the right to withhold payment pending verification of satisfactory work performed and to withhold payment for any disputed charge.

E. Travel and mileage expenses incurred in the performance of required Services will be compensated only when approved in advanced by the County Director of Risk Management and provided that expenses do not exceed the amounts stated in the County's Travel Policy, a copy of which is attached as Exhibit E to this Agreement.

Section Eight. Limit of Appropriation

A. Contractor clearly understands and agrees, such understanding and agreement being of the absolute essence of this Agreement, that County shall have available the total maximum sum of three hundred twenty-five thousand dollars and 00/100 ($325,000.00) specifically allocated to fully discharge any and all liabilities County may incur to Contractor for capitated fees.

B. Contractor does further understand and agree, said understanding and agreement also being of the absolute essence of this Agreement, that the total maximum compensation that Contractor may become entitled to and the total maximum sum that County may become liable to pay to Contractor for capitated fees shall not under any conditions, circumstances, or interpretations thereof exceed three hundred twenty-five thousand dollars and 00/100 ($325,000.00).

Section Nine. Modifications and Waivers

A. The parties may not amend or waive this Agreement, except by a written agreement executed by both parties.

B. No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no course of dealing between the parties, operates as a waiver or estoppel of any right, remedy, or condition.

C. The rights and remedies of the parties set forth in this Agreement are not exclusive of, but are cumulative to, any rights or remedies now or subsequently existing at law, in equity, or by statute.

Section Ten. Term and Termination

A. The term of this Agreement shall commence on January 1, 2022 and shall continue until and through December 31, 2022 (the "Term") and may be renewed in accordance with Exhibit A. Upon termination of this Agreement for any reason and in accordance with Section Eleven, all hard copy and electronic Claims files will be transferred to County at County's expense.

B. Termination for Convenience: Either Party may terminate this Agreement at any time upon thirty (30) days written notice issued by the terminating Party.

C. Termination for Default

1. County may terminate the whole or any part of this Agreement. If Contractor materially breaches any of the covenants or terms and conditions set forth in this Agreement or fails to perform any of the other provisions of this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in any of these circumstances does not cure such breach or failure to County's reasonable satisfaction within a period of ten (10) calendar days after receipt of notice from County specifying such breach or failure.

2. If, after termination, it is determined by County that for any reason whatsoever that Contractor was not in default, or that the default was excusable, services may continue in accordance with the terms and conditions of this Agreement or the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the County in accordance with this Section.

D. Upon termination of this Agreement, County shall compensate Contractor in accordance with the *Compensation and Payment Section* above, for those services which were provided under this Agreement prior to its termination and which have not been previously invoiced to County. Contractor's final invoice for said services will be presented to and paid by County in the same manner set forth in Section 3 above.

E. If County terminates this Agreement as provided in this Section, no fees of any type, other than fees due and payable at the Termination Date, shall thereafter be paid to Contractor.

Section Eleven. Ownership and Reuse of Documents

All documents, data, reports, research, graphic presentation materials, etc., developed by Contractor as a part of its work under this Agreement, shall become the property of County upon completion of this Agreement, or in the event of termination or cancellation thereof, at the time of payment under Section 3 for work performed. Contractor shall promptly furnish all such data and material to County on request.

Section Twelve. Inspection of Books and Records

Contractor will permit County, or any duly authorized agent of County, to inspect and examine the books and records of Contractor for the purpose of verifying the performance the Services. County's right to inspect survives the termination of this Agreement for a period of four years.

Section Thirteen. Insurance

A. Prior to commencement of the Services, Contractor shall furnish County with properly executed certificates of insurance which shall evidence all insurance required. Such insurance shall not be canceled, except on 60 days' prior written notice to County. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by County. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form from such companies having Bests rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

1. Workers Compensation insurance with statutory limits, and Employer's Liability Insurance with limits of not less than $1,000,000:

   Employer's Liability – Each Accident $1,000,000

   Employer's Liability – Each Employee $1,000,000

   Employer's Liability – Policy Limit $1,000,000

   Workers' Compensation policy must include on the information page of the Workers' Compensation policy the state in which Work is to be performed for Fort Bend County.

2. Employers' Liability insurance with limits of not less than $1,000,000 per injury by accident, $1,000,000 per injury by disease, and $1,000,000 per bodily injury by disease.

3. Commercial general liability insurance with a limit of not less than $1,000,000 each occurrence and $2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

4. Professional Liability (Errors & Omissions) Insurance with limits of not less than $1,000,000 each occurrence, $2,000,000 aggregate. Such insurance will cover all Work performed by or on behalf of Contractor and its subcontractors under this Agreement. No Professional Liability policy written on an occurrence form will include a sunset or similar clause that limits coverage unless such clause provides coverage for at least twenty-four (24) months after the expiration or termination of this Agreement for any reason.

B. County and the members of Commissioners Court shall be named as additional insured to all required coverage except for Workers' Compensation and Professional Liability (if required). All Liability policies written on behalf of contractor shall contain a waiver of subrogation in favor of County and members of Commissioners Court.

C. If required coverage is written on a claims-made basis, contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the Contract and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time the work under this Contract is completed.

D. Contractor shall not commence any portion of the work under this Contract until it has obtained the insurance required herein and certificates of such insurance have been filed with and approved by Fort Bend County.

E. No cancellation of or changes to the certificates, or the policies, may be made without sixty (60) days prior, written notification to Fort Bend County.

Section Fourteen. Indemnity

A. CONTRACTOR SHALL SAVE HARMLESS COUNTY FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, ARISING FROM ACTIVITIES OF CONTRACTOR, ITS AGENTS, SERVANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF CONTRACTOR OR ANY OF CONTRACTOR'S AGENTS, SERVANTS OR EMPLOYEES.

B. Contractor shall timely report all such matters to Fort Bend County and shall, upon the receipt of any such claim, demand, suit, action, proceeding, lien or judgment, not later than the fifteenth day of each month; provide Fort Bend County with a written report on each such matter, setting forth the status of each matter, the schedule or planned proceedings with respect to each matter and the cooperation or assistance, if any, of Fort Bend County required by Contractor in the defense of each matter.

C. Contractor's duty to defend, indemnify and hold Fort Bend County harmless shall be absolute. It shall not abate or end by reason of the expiration or termination of any contract unless otherwise agreed by Fort Bend County in writing. The provisions of this section shall survive the termination of the contract and shall remain in full force and effect with respect to all such matters no matter when they arise.

D. In the event of any dispute between the parties as to whether a claim, demand, suit, action, proceeding, lien or judgment appears to have been caused by or appears to have arisen out of or in connection with acts or omissions of Contractor, Contractor shall never-the-less fully defend such claim, demand, suit, action, proceeding, lien or judgment until and unless there is a determination by a court of competent jurisdiction that the acts and omissions of Contractor are not at issue in the matter.

E. The provision by Contractor of insurance shall not limit the liability of Contractor under an agreement.

F. Loss Deduction Clause - Fort Bend County shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of deductibles shall be the sole responsibility of Contractor and/or trade Contractor providing such insurance.

Section Fifteen. <u>Confidential and Proprietary Information</u>

A. Contractor acknowledges that it and its employees or agents may, in the course of performing their responsibilities under this Agreement, be exposed to or acquire information that is confidential to County. Any and all information of any form obtained by Contractor or its employees or agents from County in the performance of this Agreement shall be deemed to be confidential information of County ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information. Confidential Information shall be deemed not to include information that (a) is or becomes (other than by disclosure by Contractor) publicly known or is contained in a publicly available document; (b) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; or (c) is independently developed by employees or agents of Contractor who can be shown to have had no access to the Confidential Information.

B. Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than the provision of Services to County hereunder, and to advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use its best efforts to assist County in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limitation of the foregoing, Contractor shall advise County immediately in the event Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Agreement and Contractor will at its expense cooperate with County in seeking injunctive or other equitable relief in the name of County or Contractor against any such person. Contractor agrees that, except as directed by County, Contractor will not at any time during or after the term of this Agreement disclose, directly or indirectly, any Confidential Information to any person, and that upon termination of this Agreement or at County's request, Contractor will promptly turn over to County all documents, papers, and other matter in Contractor's possession which embody Confidential Information.

C. Contractor acknowledges that a breach of this Section, including disclosure of any Confidential Information, or disclosure of other information that, at law or in equity, ought to remain confidential, will give rise to irreparable injury to County that is inadequately compensable in damages. Accordingly, County may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interest of County and are reasonable in scope and content.

D. Contractor in providing all services hereunder agrees to abide by the provisions of any applicable Federal or State Data Privacy Act.

E. Contractor expressly acknowledges that County is subject to the Texas Public Information Act, TEX. GOV'T CODE ANN. §§ 552.001 et seq., as amended, and notwithstanding any provision in the Agreement to the contrary, County will make any information related to the Agreement, or otherwise, available to third parties in accordance with the Texas Public Information Act. Any proprietary or confidential information marked as such provided to County by Consultant shall not be disclosed to any third party, except as directed by the Texas Attorney General in response to a request for such under the Texas Public Information Act, which provides for notice to the owner of such marked information and the opportunity for the owner of such information to notify the Attorney General of the reasons why such information should not be disclosed. The terms and conditions of the Agreement are not proprietary or confidential information.

Section Sixteen. Systems and Data Processing.

A. Although Contractor authorizes County to use or have access to its Systems in performance of Claims Administration Services enumerated in this Agreement, this does not license Contractor's system to County nor shall County have, or assert, any property interest whatsoever in the Systems or any improvements or additions Contractor makes to its Systems during and/or in the course of Contractor's performance under this Agreement, whether or not such improvements or additions were made at the suggestions, request or direction of County. Notwithstanding the foregoing, Contractor expressly agrees that Claim-related data generated and/or maintained in connection with this Agreement or any Exhibit hereto shall be and remain the sole property of County and Contractor shall have no right, title, or interest in such data other than such rights necessary to perform Claim Administration Services. Contractor shall use anonymized, aggregated data for auditing, compliance, internal assessments, process improvement and related analytics.

B. This Agreement grants to County no right to possess or reproduce all or any part of the Systems used, owned or controlled by Contractor performing all or any part of Claims Administration Services and County covenants that it shall not do so.

C. Contractor warrants any System furnished against malfunctions, errors or loss of data which are due solely to errors on its part. If County notifies Contractor in writing and furnishes adequate documentation of any such malfunction, error or loss of data, then:

1. In the event of a malfunction, error or loss of data, upon notice by County within twenty (20) days of the malfunction, Contractor will without an additional fee re-create the reports designated by County, using data as of the recreation date; and

2. The maximum and only liability of Contractor for such malfunction, error or loss of data shall be its obligation to reprocess reports or regenerate data as described above.

Section Seventeen. Independent Contractor

A. In the performance of work or services hereunder, Contractor shall be deemed an independent contractor, and any of its agents, employees, officers, or volunteers performing work required hereunder shall be deemed solely as employees of contractor or, where permitted, of its subcontractors.

B. Contractor and its agents, employees, officers, or volunteers shall not, by performing work pursuant to this Agreement, be deemed to be employees, agents, or servants of County and shall not be entitled to any of the privileges or benefits of County employment.

Section Eighteen. Notices

A. Each party giving any notice or making any request, demand, or other communication (each, a "Notice") pursuant to this Agreement shall do so in writing and shall use one of the following methods of delivery, each of which, for purposes of this Agreement, is a writing: personal delivery, registered or certified mail (in each case, return receipt requested and postage prepaid), or nationally recognized overnight courier (with all fees prepaid).

B. Each party giving a Notice shall address the Notice to the receiving party at the address listed below or to another address designated by a party in a Notice pursuant to this Section:

County:	Fort Bend County Attn: County Judge 401 Jackson Street Richmond, Texas 77469
With a copy to:	Attn: Fort Bend County Risk Management 301 Jackson Street, Suite 224 Richmond, Texas 77469
Contractor:	CCMSI Corp Attn: Chief Operating Officer 2 E. Main Street, Suite 208 Danville, IL 61832

C. Notice is effective only if the party giving or making the Notice has complied with the requirements of this Section and if the addressee has received the Notice. A Notice is deemed received as follows:

1. If the Notice is delivered in person, or sent by registered or certified mail or a nationally recognized overnight courier, upon receipt as indicated by the date on the signed receipt.

2. If the addressee rejects or otherwise refuses to accept the Notice, or if the Notice cannot be delivered because of a change in address for which no Notice was given, then upon the rejection, refusal, or inability to deliver.

Section Nineteen. Compliance with Laws

Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations,

licensing laws and regulations. When required by County, Contractor shall furnish County with certification of compliance with said laws, statutes, ordinances, rules, regulations, orders, and decrees above specified.

Section Twenty. Performance Warranty

A. Contractor warrants to County that Contractor has the skill and knowledge ordinarily possessed by well-informed members of its trade or profession practicing in the greater Houston metropolitan area and Contractor will apply that skill and knowledge with care and diligence to ensure that the Services provided hereunder will be performed and delivered in accordance with the highest professional standards.

B. Contractor warrants to County that the Services will be free from material errors and will materially conform to all requirements and specifications contained in the attached Exhibits.

Section Twenty One. Assignment and Delegation

A. Neither party may assign any of its rights under this Agreement, except with the prior written consent of the other party. That party shall not unreasonably withhold its consent. All assignments of rights by Contractor are prohibited under this subsection, whether they are voluntarily or involuntarily, without first obtaining written consent from County.

B. Neither party may delegate any performance under this Agreement.

C. Any purported assignment of rights or delegation of performance in violation of this Section is void.

Section Twenty Two. Applicable Law

The laws of the State of Texas govern all disputes arising out of or relating to this Agreement. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all legal actions or proceedings arising out of or relating to this Agreement and waive the right to sue or be sued elsewhere. Nothing in the Agreement shall be construed to waive the County's sovereign immunity.

Section Twenty Three. Successors and Assigns

County and Contractor bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of the other party, in respect to all covenants of this Agreement.

Section Twenty Four. Third Party Beneficiaries

This Agreement does not confer any enforceable rights or remedies upon any person other than the parties.

Section Twenty Five. Severability

If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, the remaining provisions remain in full force, if the essential terms and conditions of this Agreement for each party remain valid, binding, and enforceable.

Section Twenty Six. Publicity

Contact with citizens of Fort Bend County, media outlets, or governmental agencies shall be the sole responsibility of County. Under no circumstances whatsoever, shall Contractor release any material or information developed or received in the performance of the Services hereunder without the express written permission of County, except where required to do so by law.

Section Twenty Seven. Captions

The section captions used in this Agreement are for convenience of reference only and do not affect the interpretation or construction of this Agreement.

Section Twenty Eight. Certain State Law Requirements for Contracts: The contents of this Section are required by Texas Law and are included by County regardless of content.

A. Agreement to Not Boycott Israel Chapter 2270 Texas Government Code: By signature below, Contractor verifies that if Contractor employs ten (10) or more full-time employees and this Agreement has a value of $100,000 or more, Contractor does not boycott Israel and will not boycott Israel during the term of this Agreement."

B. Texas Government Code Section 2251.152 Acknowledgment: By signature below, Contractor represents pursuant to Section 2252.152 of the Texas Government Code, that Contractor is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153

Section Twenty Nine. Human Trafficking.

BY ACCEPTANCE OF CONTRACT, CONTRACTOR ACKNOWLEDGES THAT FORT BEND COUNTY IS OPPOSED TO HUMAN TRAFFICKING AND THAT NO COUNTY FUNDS WILL BE USED IN SUPPORT OF SERVICES OR ACTIVITIES THAT VIOLATE HUMAN TRAFFICKING LAWS

Section Thirty **Certain State Law Requirements for Contracts** For purposes of section 2252.152, 2271.002, and 2274.002, Texas Government Code, as amended, Contractor hereby verifies that Contractor and any parent company, wholly owned subsidiary, majority-owned subsidiary, and affiliate:

A. Unless affirmatively declared by the United States government to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization, is not identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 806.051, 807.051, or 2252.153 of the Texas Government Code.

B. If employing ten (10) or more full-time employees and this Agreement has a value of $100,000.00 or more, Contractor does not boycott Israel and is authorized to agree in such contracts not to boycott Israel during the term of such contracts. "Boycott Israel" has the meaning provided in section 808.001 of the Texas Government Code.

C. If employing ten (10) or more full-time employees and this Agreement has a value of $100,000.00 or more, Contractor does not boycott energy companies and is authorized to agree in such contracts not to boycott energy companies during the term of such contracts. "Boycott energy company" has the meaning provided in section 809.001 of the Texas Government Code.

D. If employing ten (10) or more full-time employees and this Agreement has a value of $100,000.00 or more, Contractor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and is authorized to agree in such contracts not to discriminate against a firearm entity or firearm trade association during the term of such contracts. "Discriminate against a firearm entity or firearm trade association" has the meaning provided in section 2274.001(3) of the Texas Government Code. "Firearm entity" and "firearm trade association" have the meanings provided in section 2274.001(6) and (7) of the Texas Government Code.

Section Thirty One. **Entire Agreement**

This Agreement contains the entire Agreement among the parties and supercedes all other negotiations and agreements, whether written or oral. Attached hereto are the following documents: Exhibit A: RFP 19-086; Exhibit B: Contractor Questionnaire Responses to RFP 19-086; Exhibit C: Best Practices; Exhibit D: Pricing and Exhibit E: County Travel Policy.

Section Thirty Two. **Conflict**

In the event there is a conflict, the following have priority with regard to the conflict: first: this document titled, "AGREEMENT FOR PROPERTY AND CASUALTY INSURANCE PROGRAM THIRD PARTY ADMINISTRATION SERVICES PURSUANT TO RFP 19-086;" second: Exhibit E: "County Travel Policy;" third: Exhibit D: "Pricing;": fourth: Exhibit C: "Best Practices;" and fifth: Exhibit B: "Contractor Questionnaire Responses to RFP 19-086."

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the _____ day of _____, 2021.

FORT BEND COUNTY

_____
KP George, County Judge

ATTEST:

_____
Laura Richard, County Clerk

CANNON COCHRAN MANAGEMENT

Rodney Golden
Rodney Golden

COO
Title

12/29/21
Date

APPROVED:

Wyatt Scott
Fort Bend County Risk Management Director

Exhibits:

Exhibit A:	RFP 19-086
Exhibit B:	Contractor Questionnaire Responses to RFP 19-086:
Exhibit C:	Best Practices
Exhibit D:	Pricing
Exhibit E:	County Travel Policy

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of **$**_____ to accomplish and pay the obligation of Fort Bend County under this contract.

_____
Robert Ed Sturdivant, County Auditor

i:\agreements\2022 agreements\risk management\canon tpa\canon.tpa.19-086.12.7.21 mlt.docx 12.29.21

Exhibit A:
RFP 19-086

COUNTY PURCHASING AGENT

Fort Bend County, Texas

Debbie Kaminski, CPPB
County Purchasing Agent

(281) 341-8640
Fax (281) 341-8645

August 28, 2019

TO: All Prospective Bidders

RE: Addendum No. 2 – Fort Bend County RFP 19-086 Property and casualty insurance third party administration services

Addendum 1:

Attached is addendum 2. Vendors are to use the Addendum 1 document while preparing their solicitation response. Addendum is to extend response due date until September 10, 2019 and amend Attachment 2 Pricing.

****

Immediately upon your receipt of this addendum, please fill out the following information and email this page to Jessica Carabajal with the Fort Bend County Purchasing Department at jessica.carabajal@fortbendcountytx.gov.

_____

Company Name

_____

Signature of person receiving addendum Date

If you have any questions, please contact this office.

Sincerely,

Debbie Kaminski, CPPB
County Purchasing Agent

**AMENDED 8/21/19 **AMENDED 8/29/19*
Fort Bend County, Texas
Request for Proposals

Property and Casualty Insurance Program Third Party Administration Services for Fort Bend County
RFP 19-086

SUBMIT PROPOSALS TO:

Fort Bend County
Purchasing Department
Travis Annex
301 Jackson, Suite 201
Richmond, TX 77469

Note: All correspondence must include the term "Purchasing Department" in address to assist in proper delivery

SUBMIT NO LATER THAN:

****Tuesday, September 10, 2019**
2:00 PM (Central)

MARK ENVELOPE:

RFP 19-086
Property and Casualty 3rd Party Admin Srvs

ALL RFPs MUST BE RECEIVED IN AND TIME/DATE STAMPED BY THE PURCHASING OFFICE OF FORT BEND COUNTY ON OR BEFORE THE SPECIFIED TIME/DATE STATED ABOVE.

RFPs RECEIVED AS REQUIRED WILL THEN BE OPENED AND NAMES PUBLICLY READ.

RFPs RECEIVED AFTER THE SPECIFIED TIME, WILL BE RETURNED UNOPENED.

Result will be provide, upon request, after final agreement is approved by Commissioners Court

Requests for information must be in writing and directed to:
Debbie Kaminski, CPPB
County Purchasing Agent
Debbie.Kaminski@fortbendcountytx.gov

Vendor Responsibilities:

- Download and complete any addendums. (Addendums will be posted on the Fort Bend County website no Later than 48 hours prior to bid opening)
- Submit response in accordance with requirements stated on the cover of this document.
- DO NOT submit responses via email or fax.

COUNTY PURCHASING AGENT
Fort Bend County, Texas

Vendor Information

Debbie Kaminski, CPPB
County Purchasing Agent

Office (281) 341-8640

Legal Company Name (top line of W9)		
Business Name (if different from legal name)		
Federal ID # or S.S. #	DUNS #	
Type of Business	___ Corporation/LLC ___ Partnership ___ Sole Proprietor/Individual ___ Tax Exempt Organization	Age in Business?
Publicly Traded Business	___ No ___ Yes Ticker Symbol _____	
Remittance Address		
City/State/Zip		
Physical Address		
City/State/Zip		
Phone/Fax Number	Phone: _____ Fax: _____	
Contact Person		
E-mail		
Check all that apply to the company listed above and provide certification number.	DBE-Disadvantaged Business Enterprise _____ **Certification #** _____ SBE-Small Business Enterprise _____ **Certification #** _____ HUB –Texas Historically Underutilized Business _____ **Certification #** _____ WBE-Women's Business Enterprise _____ **Certification #** _____	
Company's gross annual receipts	<$500,000 _____	$500,000-$4,999,999 _____
	$5,000,000-$16,999,999 ___	$17,000,000-$22,399,999 _____
	>$22,400,000 _____	
NAICs codes (Please enter all that apply)		
Signature of Authorized Representative		
Printed Name		
Title		
Date		

THIS FORM MUST BE SUBMITTED WITH THE SOLICITATION RESPONSE

1.0 INTRODUCTION:

Fort Bend County, Texas (hereafter referred to as the ("County") seeks Proposals ("Proposals" or "RFP") for selection of firm ("Respondent") to provide Third Party Administration Services for the Fort Bend County Property and Casualty Insurance Program ("Project") in accordance with the terms, conditions and requirements set forth in this RFP.

2.0 GUIDELINES:

By virtue of submitting a proposal, interested parties are acknowledging:

2.1 The County reserves the right to reject any or all proposals if it determines that select proposals are not responsive to the RFP. The County reserves the right to reconsider any proposal submitted at any phase of the procurement. It also reserves the right to meet with select Respondents at any time to gather additional information. Furthermore, the County reserves the right to delete or add scope up until the final contract signing.

2.2 All Respondents submitting proposals agree that their pricing is valid for a minimum of ninety (90) days after proposal submission to the County. Furthermore, the County is by statute exempt from the State Sales Tax and Federal Excise Tax; therefore, proposal prices shall not include taxes.

2.3 This Proposal does not commit the County to award nor does it constitute an offer of employment or a contract for services. Costs incurred in the submission of this proposal, or in making necessary studies or designs for the preparation thereof, are the sole responsibility of the Respondents. Further, no reimbursable cost may be incurred in the anticipation of award. Proposals containing elaborate artwork, expensive paper and binding and expensive visual or other presentations are neither necessary nor desired.

2.4 In an effort to maintain fairness in the process, all inquiries concerning this procurement are to be directed only to the County's Purchasing Agent in writing. Attempts to contact any members of the County's Commissioners' Court or any other County employee to influence the procurement decision may lead to immediate elimination from further consideration.

2.5 When responding to this Proposal, follow all instructions carefully. Submit proposal contents according to the outline specified and submit all hard copy and electronic documents according to the instructions. Failure to follow these instructions may be considered a non-responsive proposal and may result in immediate elimination from further consideration.

***AMENDED 8/21/19 **AMENDED 8/29/19**

3.0 PROPOSAL CONTACT:

This Proposal is being issued by the County Purchasing Agent on behalf of Fort Bend County, Texas. Thus, responses should be directed to the Assistant Purchasing Agent, as outlined below. **Respondents are specifically directed NOT to contact any County personnel for meetings, conferences or technical discussions that are related to this Proposal other than specified herein. Unauthorized contact of any County personnel will likely be cause for rejection of the Respondent's proposal. All communications regarding the Proposal shall be directed to the County's Proposal Contact.** Communication with the Proposal Contact is permitted via email, facsimile, or written correspondence.

PROPOSAL CONTACT:

Debbie Kaminski, CPPB
County Purchasing Agent
Fort Bend County Travis Annex
301 Jackson, Suite 201
Richmond, Texas 77469
Debbie.Kaminski@fortbendcountytx.gov

**4.0 SUBMISSION REQUIREMENTS:

*4.1 Submission requirements: one (1) original proposal, eight (8) paper copies, and one (1) electronic response on CD or flash drive are required by RFP opening time of 2:00 PM on Tuesday, September 10, 2019. CD or flash drive must contain only one (1) file in PDF format and must match written response identically. Failure to provide proper CD or flash drive is cause for disqualification. Proposal shall be submitted to the address shown below. Proposal shall be signed, in ink, by a person having the authority to bind the firm in a contract.

Fort Bend County	Proposal Number: R19-086
Purchasing Department	Due Date: Tuesday, September 10, 2019
301 Jackson, Suite 201	Time: 2:00 PM (CST)
Richmond, Texas 77469	For: Property and Casualty Insurance Program Third Party Administration

4.2 Respondents may submit their proposal any time prior to the Opening Date and time. The Respondent's name and address as well as a distinct reference to the Proposal number above shall be marked clearly on the submission. All proposals are time-stamped upon receipt and are securely kept, unopened, until the Opening Date. No responsibility will attach to the County, or any official or employee thereof, for the pre-opening of, post-opening of, or the failure to open a proposal not properly addressed and identified. No oral, telegraphic, telephonic, or facsimile proposals will be considered.

4.3 Proposals may be modified or withdrawn prior to the established opening date by delivering written notice to the proposal contact. Any alteration made prior to opening date and time shall be initialed by the signer of the proposal, guaranteeing authenticity.

4.4 Proposals time-stamped after the due date and time will not be considered and will be returned to the Respondent unopened. Regardless of the method used for delivery, respondents shall be wholly responsible for the timely delivery of submitted proposals.

4.5 The Respondent's name and address shall be clearly marked on all copies of the proposal.

5.0 INCURRED COSTS:

Those submitting proposals do so entirely at their expense. There is no expressed or implied obligation by the County to reimburse any individual or firm for any costs incurred in preparing or submitting proposals, for providing additional information when requested by the County or for participating in any selection interviews, including discovery (pre-contract negotiations) and contract negotiations.

6.0 ACCEPTANCE:

6.1 Submission of any proposal indicates a Respondent's acceptance of the conditions contained in this Proposal unless clearly and specifically noted otherwise in their proposal.

6.2 Furthermore, the County is not bound to accept a proposal on the basis of lowest price, and further, the County has the sole discretion and reserves the right to cancel this Proposal, to reject any and all proposals, to waive any and all informalities and or irregularities, or to re-advertise with either the identical or revised specifications, if it is deemed to be in the County's best interests. The County reserves the right to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part and/or negotiate any or all items with individual Respondents if it is deemed in the County's best interest.

6.3 Although Fort Bend County desires to negotiate toward a contract with a selected Respondent, the Commissioners' Court may award the contract on the basis of the initial proposals received, without discussions. Therefore, each initial proposal should contain the Respondent's best terms.

7.0 INTERPRETATIONS, DISCREPANCIES, AND OMISSIONS:

7.1 It is incumbent upon each potential Respondent to carefully examine these specifications, terms, and conditions. Should any potential Respondent find discrepancies, omissions or ambiguities in this Proposal, the Respondent shall at

***AMENDED 8/21/19 **AMENDED 8/29/19**

once request in writing an interpretation from the County's Proposal Contact. Any inquiries, suggestions, or requests concerning interpretation, clarification or additional information shall be made in writing via e-mail only to the County's Proposal Contact, as specified in Section 3.0. Deadline for submission of questions and/or clarification is no later than **Tuesday, August 20, 2019 at 10:00 AM. (central).** Requests received after the deadline will not be responded to due to the time constraints of this Proposal process.

7.2 The issuance of a written addendum is the only official method by which interpretation, clarification or additional information will be given by the County. Only questions answered by formal written addenda will be binding. Oral and other interpretations or clarification will be without legal effect. If it becomes necessary to revise or amend any part of this Proposal, notice will be given by the County Purchasing Agent to all prospective Respondents who were sent a Proposal. The Respondent in their proposal shall acknowledge receipts of amendments. Each Respondent shall ensure that they have received all addenda and amendments to this Proposal before submitting their proposals.

**8.0 TENTATIVE SCHEDULE:

Release of RFP:	August 12, 2019
Deadline for Questions:	August 20, 2019
Submission Due Date:	September 10, 2019
Evaluation of Submissions:	Week of September 17, 2019
Commissioners Court Permission to Negotiate:	September 24, 2019
Negotiations:	Begin September 25, 2019
Final Contract Approval Commissioners Court:	November 12, 2019

9.0 PRE-RFP CONFERENCE:

There is no Pre-RFP meeting for this solicitation.

10.0 RETENTION OF RESPONDENT'S MATERIAL:

The County reserves the right to retain all proposals regardless of which response is selected. All proposals and accompanying documents become the property of the County.

11.0 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION:

By submission of a proposal, each Respondent certifies, that in connection with this procurement:

11.1 The prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other Respondent; with any competitor; or with any County employee(s) or consultant(s) for the purpose of restricting competition on any matter relating to this Proposal.

11.2 Unless otherwise required by law, the prices which have been quoted in this proposal have not been knowingly disclosed by the Respondent and will not knowingly be disclosed by the Respondent prior to award directly or indirectly to any other Respondent or to any competitor; and;

11.3 No attempt has been made or will be made by the Respondent to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

12.0 ASSIGNMENT:

The Respondent may not sell, assign, transfer or convey the contract resulting from this Proposal, in whole or in part, without the prior written approval from Fort Bend County Commissioners' Court.

13.0 CONFIDENTIAL MATTERS:

13.1 All data and information gathered by the Respondent and its agents, including this Proposal and all reports, recommendations, specifications, and data shall be treated by the Respondent and it's agents as confidential. The Respondent and it's agents shall not disclose or communicate the aforesaid matters to a third party or use them in advertising, publicity, propaganda, and/or in another job or jobs, unless written consent is obtained from the County.

13.2 Proposals will only be publicly received and acknowledged only so as to avoid disclosure of the contents to competing Respondents and kept secret during negotiation. However, all proposals shall be open for public inspection after the contract is awarded. Trade secrets and any material that is considered to be confidential information contained in the proposal and identified by Respondent as such will be treated as confidential to the extent allowable in the Open Records Act.

14.0 LIMITS OF SUBCONTRACTORS:

14.1 The County has approval rights over the use and/or removal of all subcontractors and/or vendor(s). Subcontractors shall conform to all County policies.

14.2 Any dispute between the Respondent and subcontractors, including any payment dispute, will be promptly remedied by the Respondent. Failure to promptly remedy or to make prompt payment to subcontractor may result in the withholding of funds from the Respondent by the County for any payments owed to the subcontractor.

15.0 JURISDICTION, VENUE, CHOICE OF LAW:

This Proposal and any contract resulting there from shall be governed by and construed according to the laws of the State of Texas. Should any portion of any contract be in conflict with the laws of the State of Texas, the State laws shall invalidate only that portion. The remaining portion of

the contract(s) shall remain in effect. Any lawsuit shall be governed by Texas law and Fort Bend County, Texas shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Proposal process and resulting Agreements.

16.0 INDEPENDENT CONTRACTOR:

The Respondent is an independent contractor and no employee or agent of the Respondent shall be deemed for any reason to be an employee or agent of the County.

17.0 AMERICANS WITH DISABILITIES ACT (ADA)

Proposals shall comply with all federal, state, county, and local laws concerning this type of products/service/equipment/project and the fulfillment of all ADA requirements.

18.0 DRUG-FREE WORKPLACE:

All Respondents shall provide any and all notices as may be required under the Drug-Free Workplace Act of 1988, 28 CFR Part 67, Subpart F, to their employees and all sub-contractors to insure that the County maintains a drug-free workplace.

19.0 PERFORMANCE AND PAYMENT BOND:

No performance nor payment bond is required for this project.

20.0 POWER OF ATTORNEY:

An attorney-in-fact who signs a bid bond, performance bond or payment bond must file with each bond a certified and effectively dated copy of his or her power of attorney.

21.0 TEXAS ETHICS COMMISSION FORM 1295:

21.1 Effective January 1, 2016 all contracts executed by Commissioners Court, regardless of the dollar amount, will require completion of Form 1295 “Certificate of Interested Parties”, per the new Government Code Statute §2252.908. All firms submitting a response to a formal Bid, RFP, SOQ or any contracts, contract amendments, renewals or change orders are required to complete the Form 1295 online through the State of Texas Ethics Commission website. Please visit:
https://www.ethics.state.tx.us/File/

21.2 On-line instructions:

21.2.1 Name of governmental entity is to read Fort Bend County.

21.2.2 Identification number use: RFP 19-086

21.2.3 Description is: Property and Casualty Insurance Program Third Party Administration Services

21.3 Highest evaluated vendor will be required to provide the Form 1295 within three (3) calendar days from notification; however, if your company is publicly traded you are not required to complete this form.

22.0 INSURANCE:

22.1 All respondents must submit, with RFP, a current certificate of insurance indicating coverage in the amounts stated below. In lieu of submitting a certificate of insurance, respondents may submit, with RFP, a notarized statement from an Insurance company, authorized to conduct business in the State of Texas, and acceptable to Fort Bend County, guaranteeing the issuance of an insurance policy, with the coverage stated below, to the firm named therein, if successful, upon award of this Contract. Failure to provide current insurance certificate or notarized statement will result in disqualification of submittal.

22.2 At contract execution, contractor shall furnish County with properly executed certificates of insurance, which shall evidence all insurance required and provide that such insurance shall not be canceled, except on 30 days prior written notice to County. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by County. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form (or a Claims Made form for Professional Liability insurance) from such companies having Best's rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

22.2.1 Workers' Compensation insurance. Substitutes to genuine Workers' Compensation Insurance will not be allowed.

22.2.2 Employers' Liability insurance with limits of not less than $1,000,000 per injury by accident, $1,000,000 per injury by disease, and $1,000,000 per bodily injury by disease.

22.2.3 Commercial general liability insurance with a limit of not less than $1,000,000 each occurrence and $2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

22.2.4 Professional Liability (Errors & Omissions) Insurance with limits of not less than $1 ,000,000 each occurrence, $2,000,000 aggregate. Such insurance

will cover all Work performed by or on behalf of Contractor and its subcontractors under this Agreement. No Professional Liability policy written on an occurrence form will include a sunset or similar clause that limits coverage unless such clause provides coverage for at least twenty-four (24) months after the expiration or termination of this Agreement for any reason.

22.3 County and the members of Commissioners Court shall be named as additional insured to all required coverage except for Workers' Compensation and Professional Liability (Medical Malpractice) Insurance. All Liability policies including Workers' Compensation written on behalf of contractor, shall contain a waiver of subrogation in favor of County and members of Commissioners Court.

22.4 If required coverage is written on a claims-made basis, contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning from the time that work under the agreement is completed.

23.0 INDEMNIFICATION:

Respondent shall save harmless County from and against all claims, liability, and expenses, including reasonable attorney's fees, arising from activities of Respondent, its agents, servants or employees, performed under this agreement that result from the negligent act, error, or omission of Respondent or any of Respondent's agents, servants or employees.

23.1 Respondent shall timely report all such matters to Fort Bend County and shall, upon the receipt of any such claim, demand, suit, action, proceeding, lien or judgment, not later than the fifteenth day of each month; provide Fort Bend County with a written report on each such matter, setting forth the status of each matter, the schedule or planned proceedings with respect to each matter and the cooperation or assistance, if any, of Fort Bend County required by Respondent in the defense of each matter.

23.2 Respondent's duty to defend, indemnify and hold Fort Bend County harmless shall be absolute. It shall not abate or end by reason of the expiration or termination of any contract unless otherwise agreed by Fort Bend County in writing. The provisions of this section shall survive the termination of the contract and shall remain in full force and effect with respect to all such matters no matter when they arise.

23.3 In the event of any dispute between the parties as to whether a claim, demand, suit, action, proceeding, lien or judgment appears to have been caused by or appears to have arisen out of or in connection with acts or omissions of Respondent, Respondent shall never-the-less fully defend such claim, demand, suit, action, proceeding, lien or judgment until and unless there is a determination by a court of competent jurisdiction that the acts and omissions of Respondent are not at issue in

the matter.

23.4 Respondent's indemnification shall cover, and Respondent agrees to indemnify Fort Bend County, in the event Fort Bend County is found to have been negligent for having selected Respondent to perform the work described in this request.

23.5 The provision by Respondent of insurance shall not limit the liability of Respondent under an agreement.

23.6 Respondent shall cause all trade contractors and any other contractor who may have a contract to perform construction or installation work in the area where work will be performed under this request, to agree to indemnify Fort Bend County and to hold it harmless from all claims for bodily injury and property damage that arise may from said Respondent's operations. Such provisions shall be in form satisfactory to Fort Bend County.

23.7 Loss Deduction Clause - Fort Bend County shall be exempt from, and in no way liable for, any sums of money which may represent a deductible in any insurance policy. The payment of deductibles shall be the sole responsibility of Respondent and/or trade contractor providing such insurance.

24.0 EVALUATION CRITERIA:

In order to facilitate the analysis of responses to this Proposal, Respondents are required to prepare their proposals in accordance with the instructions outlined in this part. Proposals should be prepared as simply as possible and provide a straightforward, concise description of the Respondent’s capabilities to satisfy the requirements of the Proposal. Emphasis should be concentrated on accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled.

24.1 Respondents are required to follow the outline below when preparing their proposals:

Tab	Title
	Title Page
	Table of Contents
	Executive Summary
1	Understanding Requirements
2	Qualifications/Experience/References
3	Price
4	Required forms and overall completeness of submission

24.2 Any exceptions to the Proposal requirements shall be identified in the applicable section.

24.3 Executive Summary - This section should be limited to a brief narrative highlighting the company's background and experience. Narrative should clearly demonstrate compliance with Respondent qualifications listed in the RFP specifications. Include length of time the company has been in business and provide examples of past projects. Include a list of current and/or pending installations, including number of licensed users.

24.4 Respondents will be evaluated utilizing the factors, as weighted below:

Tab 1

Understanding Requirements (weight factor = 25%)

- Provide written response to all questions in Attachment 1.

Tab 2

Qualifications/Experience/References (weight factor = 35%)

- Provide the following information: Length of time respondent has been in the business of Third Party Administration; current and recent history of past performance by the Respondent of a similar nature to the performance offered in response to the RFP; any evidence submitted (letters of reference) or readily attainable regarding the quality of past performance and the reliability of responsiveness of the Respondent; the apparent capabilities of the Respondent to perform well in the execution of its obligations under a contract with the County as evidenced by its leadership and management personnel, size of organization, length of time in business, past performance, and other current contractual obligations defining the Respondents capability to undertake and successfully fulfill the obligations proposed to be undertaken by its submission of a proposal in response to this RFP. Respondent should outline experience with clients of the same size and/or same vicinity/state as this County.

Tab 3

Price (weight factor = 35%)

- Complete Attachment 2.

Tab 4

Required forms and overall completeness of submission (weight factor = 5%)

- Proof of Insurance
- Completed Respondent forms
- Completed W9 form
- Completed debt form

25.0 AWARD:

RFP will be evaluated by a committee comprised of County staff. The committee will review Request for Qualifications submitted and may develop a short list of not more than four (4) firms. These firms will be requested to submit additional information and may be invited for a presentation with the Committee. Based on further review after the interviews, the committee will forward their recommendations to the Fort Bend County Commissioners Court.

26.0 TERM OF CONTRACT:

The term of this contract is for a period of twenty-four (24) months, commencing on January 1, 2020, and ending at the close of business on December 31, 2020, with three (3) additional one-year renewal options under the same terms and conditions if mutually agreeable to both parties. Either party for any reason may terminate this contract by giving thirty (30) days written notice of the intent to terminate.

27.0 STATE LAW REQUIREMENTS FOR CONTRACTS:

The contents of this section are required by Texas Law and are included by County regardless of content.

27.1 Agreement to Not Boycott Israel Chapter 2270 Texas Government Code: By signature on vendor form, Contractor verifies Contractor does not boycott Israel and will not boycott Israel during the term of this Contract.

27.2 Texas Government Code Section 2251.152 Acknowledgment: By signature on vendor form, Contractor represents pursuant to Section 2252.152 of the Texas Government Code, that Contractor is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153.

28.0 REQUIRED FORMS:

All respondents submitting are required to complete the attached/included and return with submission:

28.1 Vendor Form

28.2 W9 Form

28.3 Tax Form/Debt/Residence Certification

28.4 No Bid/RFP Questionnaire (if applicable)

29.0 ATTACHMENTS:

29.1 General Questionnaire

29.2 Pricing

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See **Specific Instructions** on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number

			–		–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	**Signature of U.S. person** ▶	**Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.ssa.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor[2]
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee[1] The actual owner[1]
5. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity[4]
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

***Note.** Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov.* You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: *spam@uce.gov* or contact them at *www.ftc.gov/idtheft* or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Job No.: _____

TAX FORM/DEBT/ RESIDENCE CERTIFICATION
(for Advertised Projects)

Taxpayer Identification Number (T.I.N.): _____

Company Name submitting Bid/Proposal: _____

Mailing Address: _____

Are you registered to do business in the State of Texas? Yes No

If you are an individual, list the names and addresses of any partnership of which you are a general partner or any assumed name(s) under which you operate your business

_____

_____

I. **Property:** List all taxable property in Fort Bend County owned by you or above partnerships as well as any d/b/a names. Include real and personal property as well as mineral interest accounts. (Use a second sheet of paper if necessary.)

Fort Bend County Tax Acct. No.*	Property address or location**
_____	_____
_____	_____
_____	_____
_____	_____

** This is the property account identification number assigned by the Fort Bend County Appraisal District.*

*** For real property, specify the property address or legal description. For business personal property, specify the address where the property is located. For example, office equipment will normally be at your office, but inventory may be stored at a warehouse or other location.*

II. **Fort Bend County Debt** - Do you owe any debts to Fort Bend County (taxes on properties listed in I above, tickets, fines, tolls, court judgments, etc.)?

☐ Yes ☐ No If yes, attach a separate page explaining the debt.

III. **Residence Certification** - Pursuant to Texas Government Code §2252.001 *et seq.*, as amended, Fort Bend County requests Residence Certification. §2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of governmental contracts; pertinent provisions of §2252.001 are stated below:

(3) "Nonresident bidder" refers to a person who is not a resident.

(4) "Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

☐ I certify that _____ is a Resident Bidder of Texas as defined in Government Code
[Company Name]
§2252.001.

☐ I certify that _____ is a Nonresident Bidder as defined in Government Code
[Company Name]
§2252.001 and our principal place of business is _____.
[City and State]

COUNTY PURCHASING AGENT
Fort Bend County, Texas

Debbie Kaminski, CPPB
County Purchasing Agent
Office (281) 341-8640

NO BID/PROPOSAL/QUALIFICATIONS FORM

Bid/RFP/RFQ Number: _____

Vendor's not responding to this solicitation are requested to complete and submit this form to: Jessica.Carabajal@fortbendcountytx.gov

Please provide your purpose for not responding to this solicitation.

Do not provide this type of product. Please remove us from your notification list for this solicitation.

Cannot supply item/service by the delivery/completion date.

Not equipped to complete this project.

Not within the scope of our expertise.

Can supply item, but it is not competitive.

Project size is too large.

Project size is too small.

Not enough time to respond to this solicitation.

Unable to obtain required insurance.

Unable to obtain required bonding.

Do not desire to remain on your notification list.

Not interested in this type of project.	Explain:	
Cannot comply with specifications.	Explain:	
Other:		

Please complete the below information:

Company Name:	
Mailing Address:	
Physical Address:	
City:	
State:	
Zipcode:	
Name of Signatory:	
Title of Signatory:	
Signature:	

ATTACHMENT 1: GENERAL QUESTIONNAIRE

A. Location and Personnel

1. List the location of your firm's main office and the locations of offices in the State of Texas. Provide the address of the office location that will service the County.
2. Identify the person directly responsible as the Account Coordinator on behalf of the County and provide contact information for that person and include a brief description of the representative's background, experience and qualification, as well as an explanation of the representative's role and responsibilities for the firm.
    a. What are the responsibilities of this position?
    b. What additional duties may be required of this individual besides that of account coordinator?
    c. What authority does this individual have to affect action and changes on behalf of the County?
    d. How is the account coordinator monitored and evaluated? By whom and how frequently?
    e. Is the account coordinator's compensation related to performance?
    f. Please provide a resume of the Account Coordinator recommended for the County's program. Please include prior experience in this position.
    g. From which office is this person based?

B. Designated Adjusters

1. If you designate an adjuster, or a team, will this person handle more than one jurisdiction? If so, how many jurisdictions and which ones?
2. What training or development is provided to adjusters who manage claims for multiple jurisdictions?
3. Please provide resumes of the adjusters who are recommended to be assigned to the County account. Please include the jurisdictions with which they currently work and length of experience with each jurisdiction.
4. What are adjuster turnover rates, nationally and by branch?
5. What are adjuster caseloads, nationally and by branch?
6. What is the maximum adjuster caseload allowed?
7. Will adjusters work from a company office or from home?

C. Firm Overview

1. Provide an overview of the firm, including the full legal name of the institution, state of organization and supervisory and regulatory authorities that oversee the institution.
2. Provide a summary of the ownership and management of the firm. Describe any significant changes in the management and/or structure of your firm, including mergers that have occurred during the past three years. Does your firm foresee or anticipate any organizational changes in the next 24 months?
3. Provide an annual report or other information describing your business, its scope, size and structure.

ATTACHMENT 1: GENERAL QUESTIONNAIRE

4. When was your business started and how long has it provided claims administration services?
5. How many clients do you support and what is the average size of the clients business?
6. Does your firm carry Errors and Omissions coverage for its staff? Who is covered?

D. Claim Office Structure

1. What is the structure of each claim office?
2. What is the supervisor to adjuster ratio? What are the specific supervisory duties and responsibilities? Do supervisors supervise any staff other than adjusters?
3. Do supervisors manage claims? If so, what is their caseload?
4. How are supervisors monitored and evaluated, how frequently and by whom? Is compensation related to performance?
5. What internal audit functions does your company perform, either at the home office or claim office level?

E. Volume of Business.

1. Provide a summary of the firm's claim volume for each of the past three years by the following categories: commercial property, general liability, commercial umbrella and commercial automobile, public official liability and bond, and workers' compensation.
2. If the office that will service the County's account is a branch or subsidiary of a national or regional firm, the above information should be provided for both the office providing services to the County and the entire firm.

F. References.

1. Provide a list of at least three clients with insurance adjusting needs similar to the County which may include public schools, city, county or state governmental entities.
2. Describe your firm's specific experience providing services to each of those clients.
3. Describe your experience, if any, providing third party claims administration services to counties in the State of Texas
4. Describe any issues or problems that have impacted any of the client accounts described in this section.
5. Identify ways in which you added unique value or problem solving to any of the client accounts.
6. Provide contact information to enable the County to contact those accounts as references.
7. Identify any new accounts for governmental entities obtained in the past three years and any such accounts that the firm has lost. Provide an explanation for the lost accounts.

G. Customer Support.

1. Describe and discuss your staff available to support the County.

ATTACHMENT 1: GENERAL QUESTIONNAIRE

2. How much of that staff is located in the state of Texas?
3. How many dedicated claims support staff does the firm maintain?
4. What portion of the claims support staff is located in the state of Texas?
5. How many claims support staff are located in the office that will service the County?
6. Identify the average number of claims support staff per customer account and the average number of claims handled by each claims support staff member each year.
7. Identify any technology or related tools available from your firm and describe the advantages those tools offer the County.
8. What are your internal quality assurance processes? Please provide your company's service standards or best practices?
9. How are adjusters monitored and/or compensated to ensure compliance with your internal service standards or best practices with the County's client service instructions?
10. Describe your risk management information system (RMIS). What controls are in place to ensure data integrity?
11. Describe what type of access and training you will be offering the County to your RMIS

H. **Claim Notes**

1. What information is required to be included in the claim notes?
2. What are the supervisory file review criteria? What supervisory note documentation is required?
3. Are medical case manager notes included?
4. Who else enters claim notes?

I. Reserving Practices

1. What is your company's reserving philosophy?
2. When are initial reserves established?
3. When and how do you communicate reserve information to the client?
4. When do supervisors review initial reserves, reserve changes and conduct periodic reserve reviews?
5. What subjective information and/or objective tools are used by your company to establish reserves?
6. Does your company use an automated reserving program to establish reserves?

J. **Diary System**

1. What automatic system diary notices are provided, to whom and when?
2. How frequently do supervisors monitor/review claims?
3. How frequently are adjusters expected to review a claim? Other diary notices.

ATTACHMENT 1: GENERAL QUESTIONNAIRE

K. Subrogation

1. The County does not allow subrogation to be pursued without County approval.
2. How are subrogation claims managed?
3. Please provide pricing options.

L. Litigation Management Strategies

1. What are your litigation management practices?
2. What is the procedure for assigning defense counsel to a claim?
3. What is the adjuster and supervisor involvement in a litigated claim?
4. Describe your process for coordinating with County counsel.

M. Allocated Loss Adjustment Expenses (ALAE)

1. What do you define as ALAE?
2. What are the adjuster's responsibilities?

N. Client Instructions

1. How are client service instructions made available to adjusters?
2. Is there a gate-keeping system that will require the adjuster to complete or comply with all items of the client special handling instructions?
3. How do supervisors ensure adjuster's compliance with client service instructions?

O. Claim Review Meetings

1. Claim review meetings will be conducted with the County on a quarterly basis.
2. What are your recommendations for scheduling and accomplishing the quarterly claim review meetings?
3. What fees are assessed for this service, if any?

P. Claim Reporting Options

1. What options are available to the County for reporting new losses to your company?
2. How are new losses disbursed to claim offices? What is the guaranteed time frame?
3. What are the internal service standards for establishing a claim file for a new loss?
4. County has a proprietary incident reporting system. Can County system interface with your RMIS to upload incident reports to you? Is there a cost for this service?
5. Please provide pricing options.

ATTACHMENT 1: GENERAL QUESTIONNAIRE

Q. Centralized Medical Only Claim Handling

1. Please provide a detailed description of your capabilities relative to the administration of medical only claims.
2. If so, please provide details of locations, personnel, and best practices.

R. Billing/Funding

1. What billing options are available to the County? How are fees estimated if billed on a per-claim basis?
2. What banking arrangements are available to the County?
3. How is the imprest/escrow fund determined?
4. Please outline your internal procedures to ensure security of claim checks.
5. Are benefit checks issued from the claim office or from a central facility?

S. Carrier Protocols

1. How is claim data transferred to an excess insurance carrier? Is there a cost associated with this service?
2. How are claims with excess insurance potential identified?
3. How are claims with excess insurance potential reported?
4. When, and how, is the client notified of these types of claims?
5. The County is self-insured and has its' own RMIS for internally-handled claims, to review third party administered claims and to run combined reports of internally/externally handled claims. Does your system have the ability to interface with the County's RMIS (Origami) to include notes, reserves, financial transactions, photos, accident investigative reports, incident reports, etc.? Is there a cost for this interface or data transfer service? If, please include pricing in your quote.

T. Implementation Plan

1. Please provide a management plan and timeline for the implementation of the County's program.
2. Please include who will be responsible for each activity.

U. Cost Reduction Results

1. Please provide your average cost per claim for workers' compensation medical only and lost time claims, auto liability bodily injury and general liability bodily injury claims.
2. Please provide the average number of days a workers' compensation medical only and lost time, auto liability bodily injury and general liability bodily injury claim is in an open status.

ATTACHMENT 1: GENERAL QUESTIONNAIRE

3. Please provide the average number of days your claimants are on temporary total disability.
4. Please provide details on your temporary transitional assignment (modified duty) process for compensable injured employees on workers compensation.
5. Please provide additional information that reflects your company's cost reduction outcomes.

V. Legal, Regulatory and Ethics Actions

1. Provide a summary of any litigation, arbitration and regulatory proceedings, pending, adjudicated or settled that your firm has been subject to within the last three years involving services your firm provided as a third party claims administrator.
2. Please describe each regulatory proceeding in detail and any litigation or arbitration proceeding resulting in judgments, settlements or damage claims.

W. Licenses

1. Provide evidence that the third party administrator and persons performing the work for the County maintain all Texas licenses in order to provide the service insurance sought pursuant to this RFP/Q relating to third party administration.

Print Name and Title of person completing this form: _____

Name of Agency/Company: _____

Signature: _____

ATTACHMENT 2: PRICING **AMENDED 8/29/19

Please fill in a rate or dollar amount and check mark where applicable in the appropriate column. Please fill in your estimate of claims. Only fill in areas that apply to your proposal. Should you need to explain a fee/charge that was not addressed, use the bottom of the page and you may go into greater detail in your individual proposal. Please attach this page to the section of your proposal that deals with pricing.

	Fee per Claim	**Flat Fee**	**Fee per Hour**	**Life of file**	**Life of contract**	**Per bill**	**T/E mileage**	**Your estimate of the number of annual claims**
Workers Compensation								160
Medical only								136est.
Indemnity								24est.
AL/GL								275 / 24
Property Damage Non litigated								90
Bodily Injury Non litigated								69
Bodily Injury Litigated								2
Law Enforcement Liability Litigated (Civil Rights)								6
Employment Practices Liability Litigated								3
Subrogation for Property Damage								0
Subrogation for Workers' Compensation								5
Subrogation for GL/AL								62 AL
Attending TDI Hearings Other								
Data Conversion								
On-Line Computer Services (Incident Reporting)								
RMIS System and Services – Annual Administration Fee (Interfaces and other fees)								
Run-Off Costs								
Run IN costs								
Field Services/Investigation								

Designated Doctor review								
RME Coordination								

INSURANCE COMPANY ADMINISTRATION, THIRD PARTY ADMINISTRATION

AND COST CONTAINMENT ADMINISTRATION

	Fee per Claim	**Flat Fee**	**Fee per Hour**	**Life of file**	**Life of contract**	**Per bill**	**T/E mileage**	**Your estimate of the number of claims**
Hospital Bill Audit								
Physician Peer-Review								
Chiropractic Peer-Review								
Pre-Authorization								
Utilization Review								
Medical/Rx Bill Audits								
Use of PPO Networks								
Rehabilitation Services								
Vocational Case Management								
Impairment Rating review								

Other Charges/Fees Explanation:
Other Charges/Fees Explanation:
Other Charges/ Fees Explanation:
Other Charges/Fees Explanation:
Do you require any deposits? Y / N If yes, please explain purpose and dollar amounts:
Does your proposal offer multi-year pricing? Y / N If yes, explain how long pricing is in effect:
State your guaranteed annual flat fee:
State your estimated annual fee including all charges:
Name/Signature:
Company/Agency:

Full Legal Name of Firm/Entity: _____

Name of Person(s) Completing this form: _____

_____

_____

Physical Address of Firm/Entity: _____

City, State, Zip: _____

Mailing Address:

(if different from above) _____

City, State, Zip: _____

Phone Number: _____ Fax Number: _____

Name and Email Address for the Individual acting as the Primary Contact:

Name: _____

Email Address: _____

Website of Firm/Entity: _____

Exhibit B:
Contractor Questionnaire
Responses to RFP 19-086

ATTACHMENT 1: GENERAL QUESTIONNAIRE

A. Location and Personnel

1. List the location of your firm's main office and the locations of offices in the State of Texas. Provide the address of the office location that will service the County.

CCMSI – Corporate Headquarters
2 East Main Street
Danville, IL 61832

DALLAS, TX
Providence Towers
5001 Spring Valley Rd, Suite 750 W
Dallas, TX 75244

HOUSTON, TX
1500 CityWest, Suite 120
Houston, TX 77042

The office that will service Fort Bend County will be our Houston office with support from our Dallas office as well.

2. Identify the person directly responsible as the Account Coordinator on behalf of the County and provide contact information for that person and include a brief description of the representative's background, experience and qualification, as well as an explanation of the representative's role and responsibilities for the firm.

a. What are the responsibilities of this position?

CCMSI will designate a Manager who will serve as the single point of contact, and manage your account to ensure we are delivering excellent service every day. In addition, the designated State Director who reports to the Regional VP of Operations will oversee the program from a senior corporate level.

Texas State Director, Kristen Messina
The State Director's role:

- Senior Corporate Level management and oversight
- Management and deployment of all critical corporate resources to ensure service excellence
- Selection and oversight of the Client Service Team
- Design (collaboratively with the County) of the optimum service model
- Client Communication and resolution of any service Issues

Account Manager, Julie Sacaudo
The Account Manager's role:

- Manage the transition from your current third party administrator to CCMSI
- Coordinate and select the team of professionals who will be assigned to the client service team
- Serve as your singular point of contact for all technical and administrative questions
- Establish Client specific Account Handling Instructions (The Quality Service Plan)

- Deliver and train the client service team on the Quality Service Plan
- Prepare the Client Scorecard and perform Quarterly Scorecard Evaluations
- Conduct quarterly Claim Reviews and annual Stewardship Meetings - agendas will be provided to the County in advance of all such meetings
- Coordinate training of the County's users on the iCE system - a scheduled educational session will be arranged to all users of the system
- Coordinate banking arrangements
- Produce loss runs and other necessary reporting and analytics each month
- Facilitate all audit requests
- Manage the billing process for our service fees
- Work with our claims office to ensure data integrity
- Provide other communication and services as the County deems necessary

b. What additional duties may be required of this individual besides that of account coordinator?

Julie is also a Sales Executive that works on obtaining new accounts within the State of Texas.

c. What authority does this individual have to affect action and changes on behalf of the County?

The designated account manager is additionally empowered with decision-making authority for prompt responses to the County needs.

d. How is the account coordinator monitored and evaluated? By whom and how frequently?

Account Managers are monitored and evaluated through annual performance evaluations by their State Director and Regional Vice President.

e. Is the account coordinator's compensation related to performance?

Performance evaluations are conducted with each employee on an annual basis with compensation raises based on audit scores and performance during the past year. Spot awards are given to employees that show exemplary service at indiscriminate intervals throughout the year.

f. Please provide a resume of the Account Coordinator recommended for the County's program. Please include prior experience in this position.

Julie Saucedo
National Account Manager
Biographical Information

Professional Experience
Julie joined CCMSI in September of 2013 as the Texas State Director after working as a Claims Manager for her prior employer, TRISTAR Risk Management. She transitioned to National Account Manager after demonstrating success in operational growth for CCMSI in Texas.

Julie began her experience as an intern in the public entity industry for City of Austin where she was introduced to public risk management, return to work programs, salary continuation programs, safety and

workers' compensation. She began her insurance career in 1990 working for GAB handling various industries insured by the high risk pool for Texas workers' compensation claims. She later worked for Willis-Rollinson TPA for nine years progressively moving into a management role.

Following the sale of Willis-Rollinson, Julie continued to gain valuable management experience in start-up programs for a captive carrier handling Texas workers' compensation and CGL claims for the industries of PEO, staff leasing, construction, trucking and warehouse. This allowed her the experience to expand claims handling in the jurisdictions of Florida, Oklahoma, Illinois, Louisiana, Alabama, Kentucky, Georgia, and Tennessee.

As an Account Manager for CCMSI, Julie has gained valuable experience resulting in successful implementations and ongoing management of her accounts. Due to her diversified background in claims management with TPAs and Carrier's she has been able to develop protocols and reports to identify key performance issues resulting in targeted resources to bring claims expenditures down for record savings. In addition to savings, the clients have been able to operate with high levels of customer service due to the continual oversight of adjuster caseloads and productivity to avoid negative impacts on claims costs.

Professional Training
Julie has formal educational training as a Texas Court Reporter and holds an all lines Texas adjuster license as well as various property/casualty multi-state licenses. She has over 27 years of claims experience overall with 20 years of operations and account management experience in various industries. She has successfully completed management training programs with her employers as well as various targeted courses on six sigma, mediation, negotiation and problem resolution. She is currently working on completion of the ARM designation through the Insurance Institute of America. Julie is an active member of Texas PRIMA, Insurance Council of Texas and Dallas Claims Association.

g. From which office is this person based?

Julie is located in Austin, TX.

B. Designated Adjusters

1. If you designate an adjuster, or a team, will this person handle more than one jurisdiction? If so, how many jurisdictions and which ones?

The team assigned to the County will handle only Texas claims.

2. What training or development is provided to adjusters who manage claims for multiple jurisdictions?

The local offices provide training to their claim representatives quarterly, if not monthly. Here are examples of training sessions held at the local offices:

- IWCC: Legal Forms/Arbitration
- Conditional Payments
- CSA/MSA's
- Statutory Losses/Death Claims

- Diagnostic Testing
- Aggravation vs Exacerbation
- FCE/Permanent Restrictions/Vocational Rehabilitation
- Physical Therapy vs Chiropractic Treatment
- Usual & Customary/Utilization Review

Training sessions are also held regularly at the Corporate Office for claim representatives, supervisors and managers who have been on the job for at least six months. This is held through the CCMSI Corporate Training program. This program is designed to provide a consistent approach to training and hardwire best practices throughout CCMSI. This consistent approach to training will ultimately improve business outcomes to include improved audit scores, increased client satisfaction, ability to interact and recruit and retain talented staff, and improved financial results to name just a few.

The Corporate Training Program serves to provide direction and leadership for CCMSI's training initiatives including the development and coordination of focused annual training sessions at the corporate office in Danville for adjusters, supervisors, and account managers. The recent development of our Computer Lab provides the ideal setting for staff to experience hands on training. Additionally, the Corporate Trainer conducts and coordinates on-site training sessions at CCMSI offices as needed.

The training sessions focus on a number of areas including, but not limited to the following:

- Company Overview
  - How we got started
  - Where we are at today
  - Where we see ourselves in the future
- Medicare Compliance
  - Navigating the changes implemented by the government
- Preparing for a Claim Review
  - Discussing the key areas to focus on before and during a claim review with your client
- Deductible versus SIR
  - Knowing the difference and why it's important to know the difference
- Carrier Reimbursement Team
  - Who they are and what they do
  - Why they are a huge benefit to the adjusters
- Future Changes in Claimant and Vendor Payments
  - Utilizing today's technology to get away from paper checks
- Motivating Staff and Retaining Valuable Employees
  - Ideas for praise and recognition
  - Ideas to help motivate staff that doesn't cost the company any money
- Quality Control Audit Training
  - Get to know our internal auditors
  - What they are looking for when doing their audits
  - How to get a high score
- Corporate Department Overview
  - Getting a better understanding of how each department works
  - Learning which department to go to when a need arises
- iCE/iCEBAR/My Reports

- Learning the benefits of the latest updates with our technology
- Time Management
- How to get yourself organized
- What to work on first if you're behind
- How to stay on top of your work
- Comp MC/Conduent
- Who is Comp MC
- Why is our partnership with Conduent important
- How does our system interface with Conduent's system
- Carrier Claim Audits
- Who are the carriers we work with
- How have we scored in the past
- What are their hot spots
- How can we score well

Additionally, staff and leaders of CCMSI have access to educational offerings on a variety of topics relevant to their roles through our CCMSI's Learning Management System. The Learning Management System provides leaders and staff with access to hundreds of educational programs, as well as assigned learnings based upon specific roles and responsibilities with CCMSI.

3. Please provide resumes of the adjusters who are recommended to be assigned to the County account. Please include the jurisdictions with which they currently work and length of experience with each jurisdiction.

CCMSI will assign an extensive designated Client Service team to the County. This team will not only include an Account Manager and claims staff but also representatives from IT data and reporting, accounting and managed care personnel. Each member of this team will become familiar with the County to ensure we deliver superior claims AND administrative service on your account.

The designated Regional Vice President and State Director will oversee the program from a senior corporate level. The designated Account Manager will serve as the single point of contact and manage your account to ensure we are delivering excellent service every day. The Claims Supervisor will oversee all claims handling and ensure we are complying with the County's Quality Service Plan. We have included the County's Client Service Team below.

CLIENT SERVICE TEAM		
Management Team		
Role	**Name**	**Location**
Regional Vice President	Rich Cangiolosi	Albuquerque, NM
Texas State Director	Kristen Messina	Dallas, TX
Account Manager	Julie Sacaudo	Austin, TX
Workers' Compensation Team		
Title	**Name**	**Location**
Claims Supervisor	Timothy Lott	Houston, TX
Senior Claims Representative	Vicki Ragsdale	Dallas, TX
Med Only Claims Adjuster	Elisha Parker	Houston, TX

Liability Team		
Title	**Name**	**Location**
Vice President of Liability Claims	Brian Poust	Denver, CO
Liability Claims Supervisor	Marg LeBlanc	Denver, CO
Liability Claims Adjuster	Mark Yurkovich	Austin, TX

Biographies may be referenced within Exhibit 1.

4. What are adjuster turnover rates, nationally and by branch?

CCMSI's turnover ratio has remained under 5% across all our offices.

5. What are adjuster caseloads, nationally and by branch?

Corporately, our goal is to assign claims representative workloads that allow them to proactively and aggressively handle claims. Therefore, there is some variance on a jurisdiction-by-jurisdiction basis, which is further tempered by their experience level.

Average caseloads for claim representatives depend upon the below factors:

- Total number of claims
- Type of claims being handled
- Number of new claims received monthly
- Number of claims closed monthly
- Severity/complexity of claims
- Level of experience of the claim representative
- Claim Handling/Reporting Requirements of the County

The average caseload variance for adjusters is:

Indemnity & Liability Adjusters 125 (MAX 150)
Medical Only Adjusters 250-300 (MAX 350)

Account managers run claims representative caseload reports on a monthly basis to verify maintain reasonable and manageable case- loads.

6. What is the maximum adjuster caseload allowed?

See previous question.

7. Will adjusters work from a company office or from home?

All adjusters assigned to the County's account work within an office.

C. Firm Overview

1. Provide an overview of the firm, including the full legal name of the institution, state of organization and supervisory and regulatory authorities that oversee the institution.

Cannon Cochran Management Services, Inc. (CCMSI) is a privately held, employee-owned company and leading third-party administrator for property/casualty programs including workers' compensation, liability, and property claims management. Since 1978, we've successfully provided claim services, loss control, managed care, Internet claims analysis and reporting services to self-insured groups and individual employers in a wide range of industries, including governmental, retail, manufacturing, health care, gaming, construction, transportation, higher education and more.

CCMSI is a Delaware registered S-Corporation. ***Our company is 100% employee owned.*** Unlike other TPA's, we are not owned by an insurance carrier, broker or private equity fund; this allows us to make client-centric decisions and focus on long-term client value creation versus short-term financial performance. Our employee ownership culture allows us to attract and retain the best employees and drives our ***exceptionally low turnover rate of 5%.***

CCMSI has been certified as a great workplace by the analysts at Great Place to Work®. With a 90% confidence level, 80% of CCMSI's workforce participated in the anonymous survey. Ensuring that we have a positive work environment is essential to CCMSI's success and future growth. Without our greatest asset, our staff, we would not be able to successfully *deliver what matters most* to our clients. See all results here: http://reviews.greatplacetowork.com/ccmsi

We see the world from a risk management perspective. We recognize that each client is unique and we take the time to understand each one of their goals and expectations. We deliver flexible, customized and cost-effective solutions utilizing experienced personnel and cutting-edge technology.

We are known for quality client satisfaction and superior results, and we are respected for our integrity and the fulfillment of promises. We work hard to develop long-term partnerships with our clients — partnerships that add value to their risk management programs and a difference to their bottom line.

CCMSI offers clients a wide range of risk management services designed for comprehensive coverage and administration efficiencies. Services include:

- Client specific claims administration
- iCE – CCMSI's Internet claims analysis and reporting tool
- Industry-specific loss control programs
- Comp MC – CCMSI's private label managed care program
- Administration services – accounting, underwriting, marketing, excess placement, etc.
- Ability to unbundle vendor services.

CCMSI has over 1,300 employees from 33 office locations for 500+ individual self-insured employers, 10+ captives, 40+ primary insurance companies and 50+ self-insurance groups.

2. Provide a summary of the ownership and management of the firm. Describe any significant changes in the management and/or structure of your firm, including mergers that have occurred during the past three years. Does your firm foresee or anticipate any organizational changes in the next 24 months?

CCMSI is a Delaware registered S-Corporation. ***Our company is 100% employee owned.*** Unlike other TPA's, we are not owned by an insurance carrier, broker or private equity fund; this allows us to make client-centric decisions and focus on long-term client value creation versus short-term financial performance. Our employee ownership culture allows us to attract and retain the best employees and drives our ***exceptionally low turnover rate of 5%.***

There have been no changes in management or structure in the past three years. There are no anticipated changes in the next 24 months.

3. Provide an annual report or other information describing your business, its scope, size and structure.

Please see Exhibit 2 for our most recent audited financial statement.

4. When was your business started and how long has it provided claims administration services?

CCMSI was formed February 15. 1978 and has provided claims administration services since that time.

5. How many clients do you support and what is the average size of the clients business?

CCMSI has over 1,300 employees from 33 office locations for 500+ individual self-insured employers, 10+ captives, 40+ primary insurance companies and 50+ self-insurance groups. The average size of business varies and we treat small and large clients the same.

6. Does your firm carry Errors and Omissions coverage for its staff? Who is covered?

Yes, see **Exhibit 3 for our certificate** which covers all employees.

D. Claim Office Structure

1. What is the structure of each claim office?

CCMSI is comprised of three Regions each led by a Regional Vice President who reports to our COO Rod Golden. We operate 33 offices across the country. Either a State Director or Branch Manager who reports to the RVP leads each Office. Within each office the Claims Assistants, Administrative Assistants and Adjusters report to a Claim Supervisor who reports to the Branch Manager. Each client is assigned an Account Manager who reports to either the State Director or on larger accounts the Regional Vice President or COO. Our "flat" organizational structure is influenced by our desire to provide the highest level of customer service to our clients. ***We accomplish this goal by giving our offices and designated Client Service Teams the authority to tailor our services to meet the specific needs of our clients.***

2. What is the supervisor to adjuster ratio? What are the specific supervisory duties and responsibilities? Do supervisors supervise any staff other than adjusters?

The supervisor to adjuster ratio is 1:4. Supervisor responsibilities include the oversight of all claims staff to ensure compliance with best practices and client service instructions. Supervisors also supervise claims assistants.

3. Do supervisors manage claims? If so, what is their caseload?

Yes, supervisors have minimal caseloads of no more than 50 claims. This is dependent on the number of staff they supervise.

4. How are supervisors monitored and evaluated, how frequently and by whom? Is compensation related to performance?

Claims supervisors are audited by Account Managers on a monthly basis, along with annually by our Corporate Quality Assurance Team.

5. What internal audit functions does your company perform, either at the home office or claim office level?

CCMSI annually audits a sample of claims handled by each adjuster. This is done through a standard method understood by all of the claims staff. After each review, discussion and feedback sessions take place with the individual office and claim personnel applicable to the audit. If needed, management of that office implements action plans to address any areas identified as needing improvement. The audit team can also assist with this, if requested.

If there are any serious issues identified, an earlier repeat-audit may be recommended. This continuous evaluation of the claims staff, as well as, the processes and systems, is communicated to senior management. This constant communication fosters growth and development in the claims staff and local management, and encourages continuous improvement in CCMSI's quality handling of claims.

The annual audit is supplemented by regular claims supervisor reviews. ***Any consistent deficiencies in complying with corporate best practices and client service instruction compliance are noted and a corrective action plan is developed.*** If the adjuster does not immediately take the necessary corrective action they are coached, counseled and trained. If they still are unable to meet our strict standards their employment is swiftly discontinued.

E. Volume of Business.

1. Provide a summary of the firm's claim volume for each of the past three years by the following categories: commercial property, general liability, commercial umbrella and commercial automobile, public official liability and bond, and workers' compensation.

Commercial Property – 1867
General Liability – 51462

Commercial Umbrella – 1
Commercial Automobile – 62317
Public Office Liability – 319
Bond – 0
Workers' Compensation – 337626

2. If the office that will service the County's account is a branch or subsidiary of a national or regional firm, the above information should be provided for both the office providing services to the County and the entire firm.

Commercial Property – 0
General Liability – 399
Commercial Umbrella – 0
Commercial Automobile – 230
Public Office Liability – 6
Bond – 0
Workers' Compensation – 6860

F. References.

1. Provide a list of at least three clients with insurance adjusting needs similar to the County which may include public schools, city, county or state governmental entities.

University of Texas System
220 West Seventh Street
Austin, TX 78701-2981
Contact: Melissa Steger
Phone: 512-579-5021
E-mail Address: msteger@utsystem.edu
Services provided: Claims management services, RMIS

City of Arlington, TX
101 S. Mesquite St.
Suite 790
Arlington, TX 76004
Contact: Robert Warren, Risk Manager
Email Address: robert.warren@arlingtontx.gov
Phone: 817-459-6402

Houston Independent School District (HISD)
4400 West 18th Street
Houston, TX 77092
Contact: Brad Bailey
Phone: 713-5566657
E-mail Address: bbailey@houstonisd.org
Services provided: Workers compensation claims management

2. Describe your firm's specific experience providing services to each of those clients.

CCMSI employs a strong team of professionals highly experienced in all aspects of compliance in Texas claims which has resulted in very successful outcomes in all state audits and Performance Based Oversight (PBO). We are familiar with the handling of non-network, 1305 and 504 healthcare networks. We provide quality one on one training when onboarding new staff ensuring their success in learning the application of rules specific to the client. For example, the University of Texas System follows Chapter 503 of the Texas Labor Code, while the Houston Independent School District follows Chapter 504. The timeliness and accuracy of the delivery of income benefits are controlled by these specific statutes. We set out to learn the requirements, goals and expectations of a new program and then proceed to implement the necessary workflows to make it successful.

3. Describe your experience, if any, providing third party claims administration services to counties in the State of Texas

CCMSI has extensive experience with the following Texas clients:

CLIENT PRIMARY NAME	CLIENT SINCE DATE
CITY OF ARLINGTON	1/1/2015
CITY OF WICHITA FALLS	2/1/2019
COUNTY OF BEXAR	8/1/2019
HOUSTON INDEPENDENT SCHOOL DISTRICT	11/1/2014
NORTH FOREST ISD	11/1/2014
TEXAS ASSOCIATION OF COUNTIES	2/8/2017
THE UNIVERSITY OF TEXAS SYSTEM	12/1/2013

4. Describe any issues or problems that have impacted any of the client accounts described in this section.

CCMSI has not experienced problems managing any of these accounts requirements. We customize our service to the program's needs and in doing so, we have improved each and every one of these clients in many areas resulting in improved workflows, cost savings and lower caseloads.

5. Identify ways in which you added unique value or problem solving to any of the client accounts.

HISD

- Implementation of 504 network
- HR Feed – facilitate filing first reports reducing employer's lag
- Because all payments must be approved by client, CCMSI modified payment workflows which satisfy their unique banking and wire procedures
- Modified internal protocols to ensure all referrals comply with Outside Referral Form (OSF)
- Triage Desk – Because all incidents are reported, implemented a triage desk that facilitates identification and processing of record only, medical only and indemnity claims.
- Clean up and merge conversion data from prior 20 years enabling client to evaluate complete financial history

University of Texas System

- Customized hierarchy based on the needs of fourteen different members (Institutions) facilitating the evaluation of the individual program's performance based on their unique needs
- Converted over 20 years of Explanation of Benefits (EOB) zero pays historical data into standardized forms

City of Arlington

- Implemented unique invoice system for full salary claimants
- Upon conversion, evaluated all losses and secured substantial recoveries previously overlooked by TPA

Bexar County

- Hierarchy modification to integrating cost centers to implement a charge back model

All Clients - Extensive Reporting Capability– Daily, weekly, monthly and quarterly reports are scheduled to assist the client, adjusters and managers with tracking program's performance from a high level or a close up perspective for in depth monitoring of claim costs, processes, or loss control needs.

6. Provide contact information to enable the County to contact those accounts as references.

See contact information above.

7. Identify any new accounts for governmental entities obtained in the past three years and any such accounts that the firm has lost. Provide an explanation for the lost accounts.

CCMSI has not lost any Texas clients. Our Texas client list with inception dates may be referenced above.

G. Customer Support.

1. Describe and discuss your staff available to support the County.

The County will have access to the assigned account manager, state director and sales executive as supportive staff besides the claims specialists. Also, the County will have the support of our full complement of IT staff, compliance, operations and implementation team as well.

2. How much of that staff is located in the state of Texas?

51 employees.

3. How many dedicated claims support staff does the firm maintain?

145 Clerks, Associates and Admin staff.

4. What portion of the claims support staff is located in the state of Texas?

11 employees

5. How many claims support staff are located in the office that will service the County?

1 claims support employee in our Houston office.

6. Identify the average number of claims support staff per customer account and the average number of claims handled by each claims support staff member each year.

The average claim support staff per account would be 1. Three if you include office support (mail, front desk). The average number of claims by each claim support staff per year would be 600.

7. Identify any technology or related tools available from your firm and describe the advantages those tools offer the County.

See Exhibit 4 detailing our iCE system. We offer superior technology that allows us to adapt the capture and reporting of data to the client's specific needs. Our technology allows the delivery of key performance metrics and analytics to measure and improve program performance. Just a few examples include our Client Dashboard Report and our mobile app that allows our clients to review claims data directly on their iPhone. A few key features of RMIS "iCE" include:

General Features –

iCE
Internet Claims Edge

- 24-7 internet access to live data
- Flexible user friendly navigation
- Capability to receive data from multitude of data sources
- Password protection with varying levels of security access
- Allows hierarchy of up to 25 levels to track data by state, department etc.
- Ability to create customized user fields
- Ability to view all claim summary and detail
- Ability to view adjuster notes by category including; summary, medical, litigation, reserves etc.
- Ability to generate state specific First Report of Injury and other state forms in PDF
- OSHA reporting
- Medical bill and medical report viewing on-line
- CCMSI Mobile app allowing the client to view claim data including summary and notes.
- CCMSI ClaimView app allowing claimants to view payments made to them, view active drug card, and communicate with their adjuster

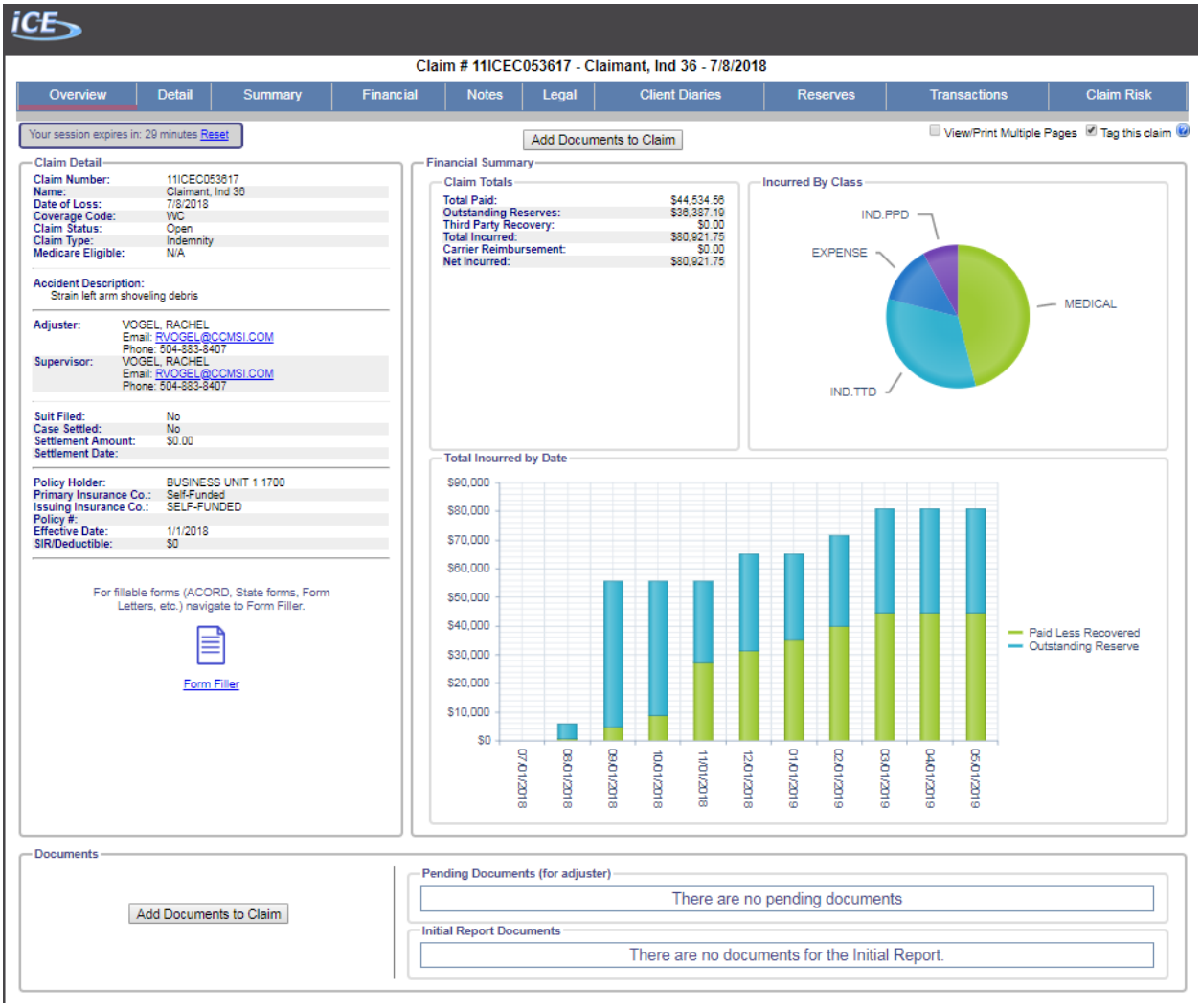
Reporting Features –

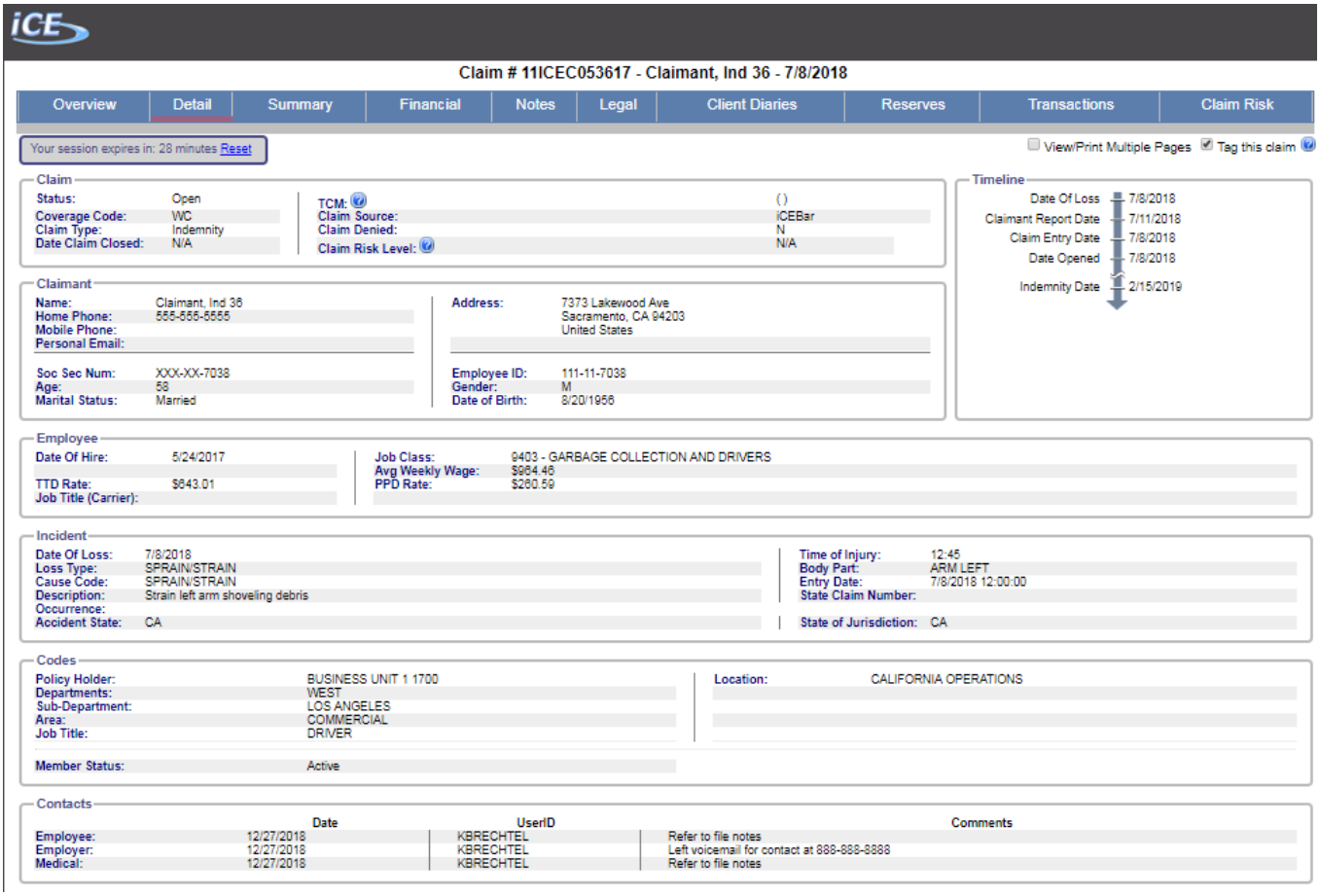
- On-line access to monthly standard reports dating back 24 months
- User specific Executive Portal showing key data upon log-in
- Complete ad-hoc reporting capabilities including financial, claims detail and loss control data.
- Summary and detail claim reporting including drill-down capabilities
- Analytical tools including historical and current period comparisons including various graphical presentation
- Customizable dashboard that allows user to create a view of their data
- Cost containment savings and fee reporting

Each new client's designated employees that are given appropriate access levels will be able to review all aspects of the claims file through CCMSI's Internet Based Risk Management system, iCE. The Quick Claim Look Up function, allows the user to go directly to an individual claim for review. The information outlined below can be viewed for a particular claim file, a selected group of files, (e.g. department or division,) a particular time period, or the client as a whole. Client specific reports including loss reports, financial reports, summary reports, monthly check registers and monthly vendor payments will be posted at the client's iCE report tab. Reports in PDF format are maintained there for a rolling 12-month period.

Each electronic claim file is complete with commentary on the items listed below as well as the associated financial data. All payments made on a claim are listed on the financial transaction screens. That screen provides information on each individual payment and also contains a link to the scanned images of medical bills and reports. In addition, we offer "as of date" financial information. A simple calendar selection function allows a rollback of information to a previous date.

The following print screen details the categories viewable to a client for a particular claim file along with the tab header which displays other key elements available for client review.





iCE

Claim # 11ICEC053617 - Claimant, Ind 36 - 7/8/2018

Overview | Detail | Summary | Financial | Notes | Legal | Client Diaries | Reserves | Transactions | Claim Risk

Your session expires in: 28 minutes Reset

View/Print Multiple Pages Tag this claim

Claim

Status:	Open	TCM:	( )
Coverage Code:	WC	Claim Source:	iCEBar
Claim Type:	Indemnity	Claim Denied:	N
Date Claim Closed:	N/A	Claim Risk Level:	N/A

Timeline

Date Of Loss	7/8/2018
Claimant Report Date	7/11/2018
Claim Entry Date	7/8/2018
Date Opened	7/8/2018
Indemnity Date	2/15/2019

Claimant

Name:	Claimant, Ind 36	Address:	7373 Lakewood Ave Sacramento, CA 94203 United States
Home Phone:	555-555-5555		
Mobile Phone:			
Personal Email:			
Soc Sec Num:	XXX-XX-7038	Employee ID:	111-11-7038
Age:	58	Gender:	M
Marital Status:	Married	Date of Birth:	8/20/1956

Employee

Date Of Hire:	5/24/2017	Job Class:	9403 - GARBAGE COLLECTION AND DRIVERS
TTD Rate:	$643.01	Avg Weekly Wage:	$964.46
Job Title (Carrier):		PPD Rate:	$260.59

Incident

Date Of Loss:	7/8/2018	Time of Injury:	12:45
Loss Type:	SPRAIN/STRAIN	Body Part:	ARM LEFT
Cause Code:	SPRAIN/STRAIN	Entry Date:	7/8/2018 12:00:00
Description:	Strain left arm shoveling debris	State Claim Number:	
Occurrence:			
Accident State:	CA	State of Jurisdiction:	CA

Codes

Policy Holder:	BUSINESS UNIT 1 1700	Location:	CALIFORNIA OPERATIONS
Departments:	WEST		
Sub-Department:	LOS ANGELES		
Area:	COMMERCIAL		
Job Title:	DRIVER		
Member Status:	Active		

Contacts

	Date	UserID	Comments
Employee:	12/27/2018	KBRECHTEL	Refer to file notes
Employer:	12/27/2018	KBRECHTEL	Left voicemail for contact at 888-888-8888
Medical:	12/27/2018	KBRECHTEL	Refer to file notes

CCMSI's clients have the ability to filter claims information by any or all of the following:

- Date of loss
- Date of entry
- Date closed
- Policy Holder (if applicable)
- Claimant name
- Claimant social security number
- Claim number
- Total incurred over a specific dollar amount
- Total incurred between specific dollar amounts
- Type of claim (indemnity, medical, and/or incident)
- Claim status (open, closed, pending)
- Location/Cabinet/Division/Department, etc.
- Description codes (customized by each client with up to 25 possible fields)
- View claims under investigation
- View denied claims
- View claimants with 1, 2, 3, 4, 5 or more claims

Once the desired claim has been located, the client will have the ability to view the following information with a simple click of the mouse and download the information to Excel format:

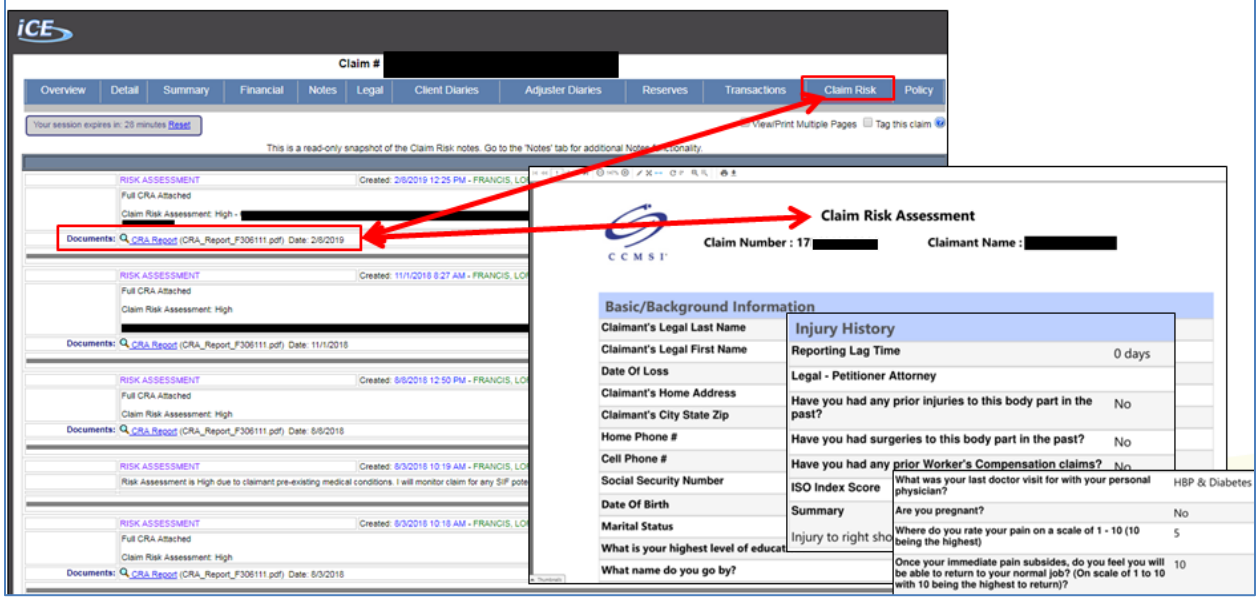
- Claim status (open, closed, pending)

- Claimant information (name, address, etc.)
- Employment information (Average weekly wage, PPD rate, etc.)
- Accident information (loss type, loss cause, accident description, etc.)
- Detailed summary of claim facts and information
- Contact information (claimant, client, and medical provider)
- Ability to e-mail adjuster with any questions
- Legal information (if applicable)
- All adjuster log notes, which can be sorted by date, note activity, or adjuster in ascending or descending order. Adjuster log notes may include the following:
  - Action plan/diary review
  - Claimant contact and summary of conversations
  - Client contact and summary of conversations
  - Excess insurance information and reporting
  - All information obtained during the investigation process
  - A summary of all legal correspondence
  - A summary of all medical treatment
  - A summary of all medical case management activity
  - Reserve rational
  - Settlement evaluation
  - State reporting and correspondence
  - A summary of information regarding subrogation potential, and efforts to recover
  - Supervisor comments and direction to the adjuster
  - A summary of all vocational rehab activity
- Financial and payment transaction analysis which includes the following:
  - Pie and bar charts to provide a comprehensive and visual breakdown of claim reserves and reserve development
  - Financial information valued as of a specific date
  - Payment transactions list all financial transactions. Including check number, input date, payment amount, payee name, payment status, print date, invoice number and comment
  - Medical invoices may also include a scanned image of the invoice, any related attachments such as medical records, as well as the explanation of review.

CCMSI Claim Risk Assessment (CRA) & New Gradient AI Claim Daily Claim Scorecard

Since 2015, CCMSI has been utilizing a customized in-house claim scoring system based on the capturing of 65 new data fields built around customized algorithms to score indemnity claims as potential high, moderate or low risk claims. Some of the fields utilized in this analysis included – comorbidities, BMI, distance to work, distance to doctor, pain threshold, claimants probability of returning to work, prior surgeries, etc. (Note: Complete lists of these fields are available if requested).

Claim Risk Assessment (CRA) –Adjuster Tool

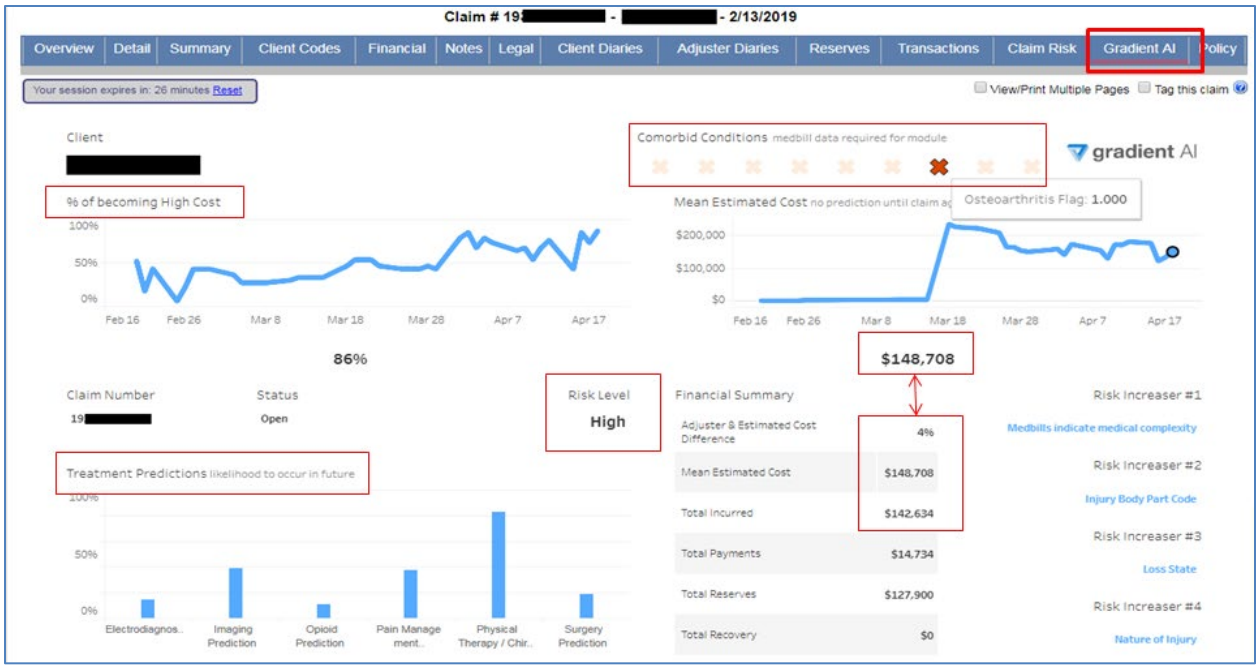


In 1st quarter of 2019, CCMSI completed its integration with Milliman Gradient AI, utilizing its artificial intelligence product to score all indemnity and medical only claims nightly. Gradient utilizes over 26,000,000 WC claims and additional third party datasets to analyze all claims daily. . The enhanced AI the product has been extremely successful with earlier identification of claim drivers and costs.

CCMSI sends Gradient AI nightly all claims data fields captured in our system including transaction data, adjuster notes, medical bills, prescription data and our claim risk assessment fields. Gradient scores the claims nightly and provides CCMSI with the following information:

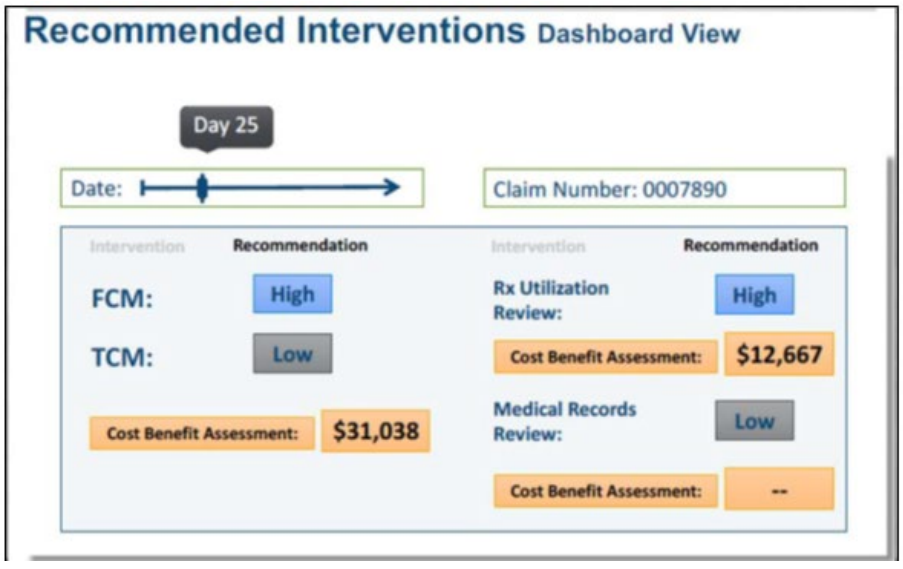
- High, Medium and Low risk of claim being a high cost claim
- Total incurred predication (starting 30 days after receipt by CCMSI)
- Treatment predictions – surgery, PT, electro diagnostics, imaging, opioids, pain management
- List of all comorbidities
- List of factors that are impacting the cost of the claim

The screen shot below shows the information described above and how it is depicted in our client's ICE portal:



CCMSI adjusters, supervisors & account managers use this new information as an additional tool in the assessment of the claim and in discussions with the client.

Phase 2 of the Gradient product with be rolled in 3rd quarter of 2019, and provide the claims team and client with additional AI claim intervention information which can be utilized to assist the team with recommended interventions in six key areas:



Interventions:

- NCM
- IME
- RX Utilization
- Settlement
- Subrogation
- MSA

Additional predictive models that CCMSI is working with Gradient AI on are:

- Evaluation of medical only claims that will convert to indemnity claims
- Evaluation of claims that will have attorney representation
- Estimate of average duration of lost days
- Medical providers with best outcomes

iCE Reports Overview

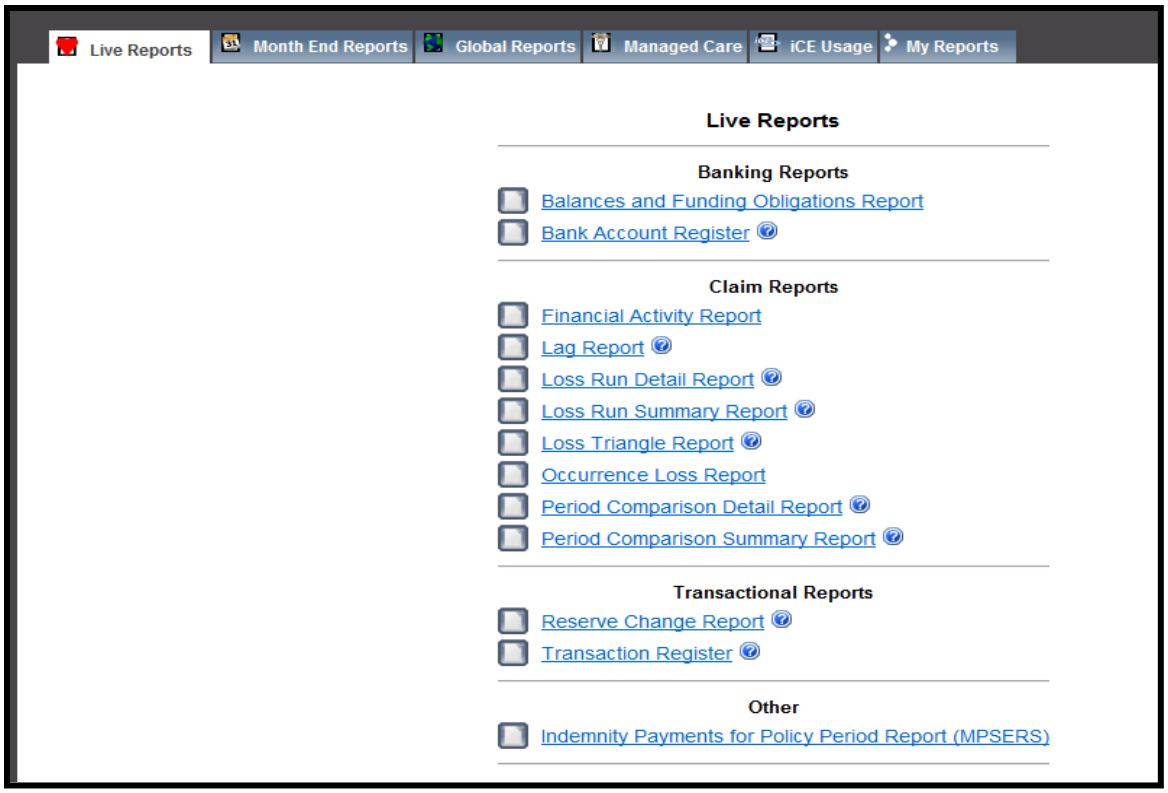
CCMSI's iCE (Internet Claims Edge) risk management system is designed to provide timely, accurate and rich data for our clients. All key claims and loss control data are captured in our system, and can be retrieved via standard, and ad hoc on line reports. Based upon the desired selection criteria, ad hoc reports can be generated by the user with a few selective mouse clicks. Reports can be detailed or have simple summaries with pie charts.

Standard Reports – CCMSI over the years has developed a catalogue of over 400 reports based specifically upon the requirements of our clients. The standard reports include Detail Claim Information Reports, Summary Reports at various reporting levels, Check and Payment registers, late reporting information, loss ratio reports by desired operating levels, etc. These static reports are posted on-line within 5 business days and available 24-7 within our on-line RMIS system.

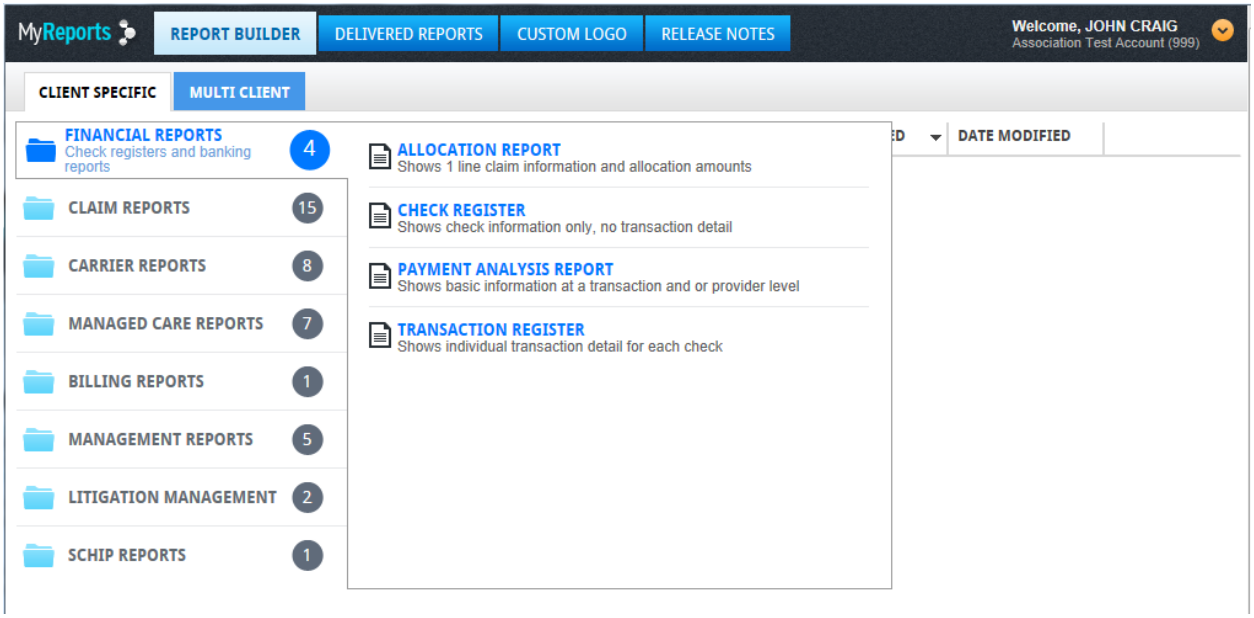
Ad hoc reporting – through iCE our clients can generate a wide array of useful ad-hoc reports with the opportunity to sort and categorize by various fields and data. Robust analytics are provided including useful charts and graphs.

Special Customized Reports – in the rare occasion our clients reporting needs cannot be met by our catalogue of standard reports, or ad hoc reporting capabilities, we can custom design and develop the necessary reports to meet your needs. Our standard fee is $150/hour to for development however if the custom report requests are minimal there most likely we will not charge for this service.

Live Reports – this feature provides the 13 most commonly used reports by our clients, including detail and summary loss runs, transaction, comparative period, loss triangles and reserve change reports. These reports can be generated with user-selected periods and as of dates.



My Reports – This allows you to build a Loss Run exactly the way you want to see it. There are over 300 fields to choose from. You can choose the fields you want, the order you want them to appear, and the hierarchy that you want to have totals for .This report can then be scheduled to be run automatically on a regular basis and then emailed to you (pdf or xls) or posted to our iCE application. Our Customer Service team is available to assist you in creating these reports.



8. What are your internal quality assurance processes? Please provide your company's service standards or best practices?

Annual Corporate Audits - CCMSI annually audits a sample of claims handled by each adjuster. This is done through a standard method understood by all of the claims staff. After each review, discussion and feedback sessions take place with the individual office and claim personnel applicable to the audit. If needed, management of that office implements action plans to address any areas identified as needing improvement. The audit team can also assist with this, if requested.

If there are any serious issues identified, an earlier repeat-audit may be recommended. This continuous evaluation of the claims staff, as well as the processes and systems, is communicated to senior management. This constant communication fosters growth and development in the claims staff and local management, and encourages continuous improvement in CCMSI's quality handling of claims.

External Audits and File Reviews - CCMSI coordinates audits and file reviews with the client, broker, or excess insurer, as requested by the client or on an annual basis. In fact, we welcome this opportunity to validate our quality procedures, to gauge our performance and to address any improvements that are needed. The Account Manager facilitates the auditor's review and coordinates the company's written response and procedural action items.

Supervisor Audits – File audits are conducted on a designated number of files for each Adjuster and Client on a monthly basis.

Supervisor Reviews - We perform reviews utilizing a detailed quality checklist to ensure compliance with internal best practices and the client's specific Quality Service Plan. Supervisor reviews are performed upon claim intake and no less than 30-90 days thereafter.

Any consistent deficiencies in complying with corporate best practices and client service instruction compliance are noted and a corrective action plan is developed. If the adjuster does not immediately take the necessary corrective action they are coached, counseled and trained. If they still are unable to meet our strict standards their employment is swiftly discontinued.

See Exhibit 5 for our Corporate Claims Handling Best Practices and Exhibit 6 for our Internal Auditing Guidelines & Worksheets used during all Quality Assurance Team annual audits.

9. How are adjusters monitored and/or compensated to ensure compliance with your internal service standards or best practices with the County's client service instructions?

Our quality-focused performance metrics and compensation structure aligns our account managers and adjusters performance evaluations and compensation with quality and client service.

Our adjusters and account manager performance evaluations are directly based on the following metrics:

- Client audit scores
- Internal audit scores (compliance with Best Practices and client instructions)
- Timely state filings

- Client Scorecard results
- Closing ratios (loss cost savings)
- File close duration (loss cost savings)

Therefore, each of the team members assigned to your account is compensated based on their ability to provide excellent client service and effectively managing your files and reducing your loss costs.

10. Describe your risk management information system (RMIS). What controls are in place to ensure data integrity?

SOC 1 - CCMSI has a current SOC 1 audit. This audit provides evidence that a CCMSI has been through an in-depth audit of its internal control activities, including independent review of our controls over information technology and related processes. The SOC 1 signifies that we have developed and implemented adequate controls and safeguards within our operating environment.

CCMSI employs custom developed, proprietary application systems for claims administration. These systems are written with Microsoft Development products Visual Studio, .Net Framework, and SQL Server. The applications developed by CCMSI are:

Majestico – a policy management, carrier and broker relationship database driven to capture all required policy information by carrier, coverage, effective date, etc.

iCEBAR– a property / casualty claims management software application linked to Vision data tables for claims handling within policy requirements. This system is designed around adjuster workflow for increased accuracy and productivity.

iCE (Internet Claims Edge) – a web-based tool designed to give client organizations complete, accurate and around-the-clock access to key data in both the Vision and iCEBAR applications. Additionally, this system allows on-line reporting of claims, policy changes, access to loss control activity, and other related features including access to management reports. **See Exhibit 4 for Print Screens.**

The following information relates to the controls affecting CCMSI's claim administration systems and procedures.

Policy Management – Client and related coverage information is entered into the Vision policy management system and databases at the time clients contract with CCMSI for TPA services. The set up is performed by the Information Systems Database Administrator and verified by the designated CCMSI manager.

Claim Entry – Claims are received via mail, fax, email, internet via iCE, and on the 800 line. CCMSI encourages entry through iCE since it is secure, direct and immediately available for processing. Claims called in are entered in iCE by CCMSI personnel answering the call, as are claims from other sources. The iCE application enforces entry of required information and edits for valid codes and an active policy before the claim is accepted for processing in iCEBAR. Notifications of claims received are reported to state agencies if required by state statute or regulation.

Claim Investigation – Claims entered and accepted for processing are routed to the appropriate claim personnel responsible. Initial inquiry of the circumstances along with all inquiry and documentation

requests and responses is logged in the iCEBAR database records of each claim. The activity once entered cannot be altered or changed by claims personnel after 24 hours. Clarifications or corrections can only be noted through entry of additional file notes.

Check Release – This process involves multiple steps. The designated claim professional is responsible for payment approval. The approved payment is then forwarded for bill review / repricing or as direct payments as appropriate. Payments are then electronically loaded into the system or manually input into the system by the medical bill-processing unit. Once payments have been input, they are electronically returned to the designated claim personnel for review and final approval. Our custom claim system has built in checks and balances ensuring that the same person in unable to input, approve, and release a payment.

Cash Requirements and Disbursement – Before printing, designated claim personnel confirm that there is adequate funding for checks that have been authorized for payment. If funding is inadequate, a funding notice is sent to the client. Once funds are available and the disbursement is approved, client funds are drawn upon to produce the checks and release the transactions to the Information Systems Processing Unit where the checks are processed and distributed. Electronic signatures are used for checks and are applied at the time of check generation. The electronic signatures are maintained in files protected by the computer access security procedures.

Additional CCMSI application controls include the following:

- Payees require two independent parties to be set up in the system
- Edits for duplicates are enforced by the iCEBAR application
- Claims that do not have complete information are not accepted in the system
- Only payees set up in the system may be applied to claims
- Claim personnel are trained on Best Practices
- Management reports are reviewed by designated CCMSI management
- The system maintains a log of all activity against a claim
- Claim reserves are based on designated claim personnel's assessment of each claim
- Excess insurance carriers are informed of reportable losses
- The Information Systems Production unit applies signatures electronically as part of the check generation process from computer files with access controls

11. Describe what type of access and training you will be offering the County to your RMIS

Identification of those interested parties/departments will be a component of the Client's account transition process, and your Account Manager in conjunction with our Corporate IS department will provide the Client's users with their initial on-site training. A comprehensive, one day training program will provide a tutorial on all elements of the iCE system's functionality including:

- Internet claims reporting;
- How to access your claims representative's electronic claim files;
- How to access and download those static, standard reports that we provide the Client each month;
- How to access our report library and utilize/customize existing report templates; and
- How to write ad hoc reports peculiar to the need of each user.

H. Claim Notes

1. What information is required to be included in the claim notes?

Our General Practices on adjuster notes are explained below and although lengthy, we feel this will provide a strong understanding of the detail and functionality available to the County.

General Adjuster Note Practices and Client Viewing Capabilities

On all claim files, a summary of all highly sensitive correspondence, contacts (i.e. email, faxes) or information that changes the exposure of a claim will be logged in the claim notes within 10 business days of receipt. All other correspondence and pertinent information will be logged in claim notes and filed within the appropriate claim file within 30 days of receipt. The log notes should reflect the impact the correspondence/information may have on the outcome of the claim.

- All verbal contact must be handled/responded to appropriately and documented within 2 business days under the appropriate heading.
- All correspondence must be date-stamped and marked appropriately upon receipt.

Please find below current log note headings and recommendations on how they should be used.

- *Action Plan/Diary Review* – Explanation of your strategy will be going forward on the claim. Use this to convey what your current plan is, outlining the necessary steps to bring the file to resolution. A routine look at the claim by the designated claim professional. The claim log notes should reflect what you have done when reviewing the claim.
- *Client* - Any contact with the member/insured/client. It can also be used to document any contact with an agent for the insured/member/client. Many agents monitor the handling of the claims for the insured.
- *Claimant* - Any contact with the claimant or a person near them (wife, child, etc.), which includes a summary of any recorded statement.
- *Contact Information* – Document pertinent contact names, addresses and phone numbers for a given file. Note: This log note can be modified after 24 hours.
- *Excess* - Document any contact with the excess carrier including first reports, updates, requests for information, etc.
- *General* – Document any contact with an independent adjuster assigned to the file, used to communicate and provide direction to other internal team members, index search results and follow up activity as necessary. This heading should be used when no other heading applies.
- *Investigation* – Should be the initial note in the claim file summarizing the initial description of injury or loss. All coverage, compensability/liability issues should be documented under this heading. Also, a summary of all fieldwork, scene photos, witness statements, etc.
- *Legal* - Document any contact with the legal counsel or their office. This would be calls, e-mails, voicemails, letters, etc.
- *Medical* – Document when ordering records, writing to the doctor, speaking with the office, speaking w/ PT, logging the medical notes, etc. into the claim system. Any information regarding IME appointments and results should be logged under this heading.

- *Medical Case Management* – Document any contact or correspondence received with regard to the internal nurse/case manager, external case managers reports, etc. The internal case managers/telephonic case management nurse to relay their recommendations on the claim should use this heading. The heading "Medical" should be used whenever contact is made with the treating physician when applicable. Negotiated savings on bills, when negotiating a rate for services, or when negotiating a rate which varies from the state fee schedule or U&C rates should be logged under this heading.
- *Pre-Cert* – Document all pre-cert information.
- *Provider* – Document any discussion with providers regarding bills. This heading should NOT be used to document medical information.
- *Reserves* – This heading is for the designated claim professional or supervisor to use when discussing the reasoning of the reserve levels set. "Reserve Rationale".
- *Settlement/Evaluation* – This heading is for the adjuster to use when analyzing and/or evaluating the exposure of the case, final results, or when logging receipt of approved contracts and/or legal settlement documents.
- *State* - In many states, regular correspondence is required on claims. This would be used when forms are sent to or received from the Client. Example: when notifying the Client of a claim, or updating the Client that TTD has started or ended, etc. Also log any conversations with the Client here.
- *Subro/Recovery/Salvage* – Document if there is potential subrogation or recovery involved to summarize anything related to subrogation/recovery investigation, follow up, etc. This heading would also be used to document if salvage was involved and how it was handled.
- *Supervisor*- Monthly or routine look at the claim by the supervisor. Log what you have done when reviewing the claim and any recommendations for future handling. It should also be used for the adjuster or supervisor to input the setup instructions into the claim system.
- *Surveillance* – Document surveillance results, background checks and any contact with the surveillance company.
- *Utilization Review* - Document all activity exclusively related to utilization review determinations, case notes and other activity pertaining to the role of the utilization review personnel. Do not use this note heading for medical case management or other claim adjuster notes.
- *Voc Rehab* – Any contact with vocational rehabilitation person; reports, phone calls, etc.

2. What are the supervisory file review criteria? What supervisory note documentation is required?

Your designated supervisor will review every claim file upon receipt. The supervisor will evaluate the claim and based on complexity will assign to the appropriate staff. The supervisor will also identify any potential complexities and necessary actions in the file notes.

Per our Corporate Claim Standards, all files must have an initial Supervisor diary review within the first 30 days of receipt of a new claim. The Supervisor will also be responsible for maintaining subsequent diary reviews every 30-90 days depending on severity and activity of a claim.

Our claim system has an automated diary system for adjusters and supervisors. An automated supervisory diary notification is sent to the supervisor of the designated claim upon set up and is re-occurring until the claim is closed.

Below is what a supervisor looks at when reviewing/evaluating a claim on diary:

- Client Service Instructions – ensure that the adjuster is complying with all client service instructions.

- Coverage - Was coverage verified and/or were coverage issues clearly documented in the system and appropriate follow up action taken?
- Contact - was it documented clearly and in the time frame established by our Corporate Claim Standards or the client? Was this contact meaningful and was there appropriate follow-up contact?
- Investigation - Was a full investigation completed or attempted within the time frame established by our Corporate Claim Standards or by client specific handling guidelines? Was the investigation thorough enough to support the compensability decision on the claim? Was the compensability rationale clearly documented in the log notes? Was subro, recovery, salvage, or SIF investigated and documented? Was the Index Bureau utilized properly and documented in the log notes in accordance with our Corporate Claim Standards? Is additional investigation necessary?
- Reserves - Were the initial reserves established within Corporate Claim Standard guidelines? Were the reserves reviewed and updated timely as developments occurred? Was the reserve rationale from the adjuster clearly documented in the log notes? Are the reserves adequate based on known exposures?
- Medical & Disability Management - Were pertinent medical records requested, received and documented timely in the log notes? Were medical bills properly adjudicated within state specifications or within 30 days? The supervisor will also evaluate the appropriate use of IME's, Medical Case Management, & Vocational Rehab professionals. Did the adjuster make every effort to return the injured employee to work at the earliest possible time?
- Litigation Management - Was all pertinent legal information/requests handled in a timely manner. Was the litigation plan and/or settlement strategy of the claim managed and directed by the claim professional as well as clearly documented in the claim log notes?
- Excess/Reinsurance - If the claim met the reporting requirements was prompt notice given and documented clearly in the claim log notes. Were timely follow-up reports provided to the carrier/client once the initial report was made?
- File Documentation & Misc. - Was a meaningful initial action plan developed/documented and updated timely to reflect important changes? Were log notes and the claim summary current, concise and complete? Were client instructions followed? Was the claim file concluded effectively and timely?

Once a supervisor conducts their review of the file they will also document in the file notes their findings and recommendations for future handling. ***Most importantly, they will monitor the file to ensure that their recommendations were executed.***

3. Are medical case manager notes included?

Yes, all work products, including case manager notes, are integrated into our claims processing system user interface iCE.

These notes are integrated electronically. This is accomplished by providing nurses “defined access” to the claims files they are managing. They access iCE via our iCE platform and are given only the level of access needed to populate the claims file.

4. Who else enters claim notes?

The claim representative and supervisor have access to enter claim notes to files assigned to them.

I. Reserving Practices

1. What is your company's reserving philosophy?

Our practice is to establish reserves that reflect the expected financial result of the claim. Each claim is based on its own merits, and if, initially minimal information is available, then a minimum reserve is established based on the adjuster's experience.

2. When are initial reserves established?

Initial reserves are established and posted into the claims system ***no later than 10 business days from receipt of the loss.*** Reserves are evaluated on every file activity and upon each supervisory review. Reserves are re-evaluated every 30 days thereafter depending on the activity and severity of the claim.

3. When and how do you communicate reserve information to the client?

The County will have access to all reserve information 24/7 via iCE our RMIS. Within the system, you can view complete reserve history and specific adjuster reserve notes on specific claims including reserve worksheets when warranted.

The adjuster must document their reserves and the rationale for those reserves in their notes.

We also will prepare reserve worksheets and attach to the claim file to support reserve changes for claims that meet certain criteria. This criterion will be set based on the County's desired preferences.

In addition, in just a few easy steps our client users can generate a reserve change report that shows all reserve changes (or filtered amounts greater than a certain threshold).

4. When do supervisors review initial reserves, reserve changes and conduct periodic reserve reviews?

The claim supervisor becomes involved in the claim file from the moment the claim is received. The supervisor provides recommendations for investigation and counsels the adjuster, as needed, in evaluating the initial on ongoing reserve.

Subsequently, the supervisor reviews all files every 30 – 90 days depending upon the complexity of the claim. However, this review will occur more frequently if the complexity and exposure warrants. Upon each review ***the supervisor thoroughly reviews and evaluates reserves and provides direction for any necessary*** reserve adjustment.

Our system automatically sets all supervisor diaries.

5. What subjective information and/or objective tools are used by your company to establish reserves?

As discussed above, we do not utilize a standard cookie cutter approach to reserving***. We do use certain state and other medical standard guidelines, as well as, historical trend information to properly access exposure***. However, ultimately it is the adjusters and supervisors claims and jurisdictional experience along with collaboration with the County's that ultimately determines reserves.

Reserve calculations include wages, medical expenses, injury, potential permanent disability, claimant profile, outside expert needs, and potential legal expense.

6. Does your company use an automated reserving program to establish reserves?

CCMSI has built our own Reserving Worksheet incorporated into our proprietary RMIS. Used by all adjusters, the new Reserve Worksheet links into our adjusters' software application iCEBAR and allows them to save reserve changes as works in progress. This way, adjusters can stop their work, gather additional information or work on another claim, and return to complete the worksheet – with all required information – to capture the reserve in a complete and detailed format.

Moreover, the worksheet is tied to the claim file note, which is updated in CCMSI's claim system and iCE. This way, clients can view the adjuster notes and the entire Reserve Worksheet in iCE to better understand how the adjuster developed the reserve.

J. Diary System

1. What automatic system diary notices are provided, to whom and when?

iCEBAR, our proprietary claims system, automatically sets initial ten (10) day diaries for the supervisor and claims professional. The Adjuster is required to maintain a minimum of a thirty (30) day diary for file review including reserve adequacy. Additional diaries may be maintained for doctor visits, hearing or trials, etc.

The CCMSI claims system will not allow an open claim without an open diary to the adjuster. When a claim is input diaries are automatically sent to the owner of the file and the supervisor. Once the initial review is completed, diaries can be established within 1-30 days depending on severity and activity required.

Supervisors maintain adequate review diaries based on adjusters experience levels, and the complexity and severity of the file.

2. How frequently do supervisors monitor/review claims?

Per our Corporate Claim Standards all files must have an initial Supervisor diary review within the first 30 days of receipt of a new claim. The Supervisor will also be responsible for maintaining subsequent diary reviews no later than every 30-90 days depending on severity and activity of a claim.

Once a supervisor conducts their review of the file they will also document in the claim log notes their findings and recommendations for future handling.

3. How frequently are adjusters expected to review a claim? Other diary notices.

The adjuster is required to maintain a minimum of a thirty (30) day diary for file review including reserve adequacy. ***If any indemnity benefits are being paid the adjuster will review the file every 14 days.***

K. Subrogation

1. The County does not allow subrogation to be pursued without County approval.

CCMSI understands and will not pursue any subrogation without County approval.

2. How are subrogation claims managed?

Our claim representatives are versed in the pursuit of subrogation and the potential recovery of funds when available and/or accessible. When a claim representative becomes aware of a potential third party responsible party, they will first discuss the matter with a claim supervisor then the County's corporate office, obtaining authority to pursue the matter further. Once authorized, the claim representative will place that third party on notice of our rights of recovery. Subsequent follow-ups are performed in order to keep that third party apprised of the nature/extent of our damages and the progression of the claim towards conclusion. If that third party disputes the accident facts and/or the liability for the claimant's injuries, then the claim representative will attempt to negotiate a reasonable and timely settlement if it is financially prudent to do so. Should that third party continue to dispute liability or the extent of monies owed, then the claim representative will pursue the matter further through legal remedies (i.e. mediation, suit). ***Subrogation will be pursued until such time that it is deemed imprudent, improbable, or until the County's corporate office advises to discontinue***.

3. Please provide pricing options.

Please refer to the Pricing Tab.

L. Litigation Management Strategies

1. What are your litigation management practices?

CCMSI will work with the defense counsel of the County's choice including the firms listed previously within this RFP.

CCMSI's litigation philosophy is as follows: "To provide the best and most appropriate defense for CCMSI, its Clients and Insured's, and to vigorously defend non meritorious claims, as well as claims where the demands are excessive".

Equally important, we realize that the County has its unique needs and expectations and are prepared to meet with the appropriate parties to formalize the process.

Highlights of CCMSI's litigation management philosophy include:

- Timely, quality communication/interaction with the County designated individuals
- Consultative recommendations regarding the development, implementation and monitoring of the litigation strategy for each case
- Elimination of unnecessary, unproductive and duplicate efforts by members of the litigation team
- Monitoring defense counsel to insure timeliness of reports and adherence to budget

- Diary driven monitoring and re-evaluation of litigated claims and as appropriate, modification of the disposition strategy
- Concentration of legal expenditures on those activities that mitigate the County's financial exposure
- Timely payment of legal fees and associated expenses that have been budgeted and subsequently approved by the County

See Exhibit 7 for our full Litigation Management Guidelines.

2. What is the procedure for assigning defense counsel to a claim?

Criteria considered when making referral to legal counsel includes the following:

- Cases in suit
- Coverage opinion(s) needed if carrier reserve their rights or disclaim coverage
- Severe, catastrophic or highly questionable claim
- High profile (e.g. media sensitive) events
- Disputed, high dollar exposure cases that are heading towards litigation
- Cases that involve third party litigation, liens or subrogation recoveries
- Any claim wherein staff suspects fraud

The objective of our litigation management effort is to provide our clients with an appropriate, cost effective and professional defense. We are committed to controlling legal expenditures, and making sure that all expenses are consistent with the established litigation strategy. We insist that a prompt determination be made on the merits of every claim, and that a prompt strategy be adopted to settle or proceed to hearing.

3. What is the adjuster and supervisor involvement in a litigated claim?

CCMSI's claim professionals have ultimate accountability for all litigation activities. They direct and monitor defense counsel activities. Legal bills are closely reviewed to confirm that charges are appropriate and substantiated before payment. We maintain regular contact with the claimant's attorney to achieve a prompt resolution of the claim. We discuss and develop a defense strategy plan with defense counsel and update this plan when the situation dictates a change. When appropriate, a defense budget for costs and expenses is developed and updated. On appropriate cases, arbitration or mediation will be utilized in an effort to save costs and achieve prompt settlements.

4. Describe your process for coordinating with County counsel.

CCMSI has many clients that utilize their own counsel. We will work and communicate with them at the County's discretion.

CCMSI recognizes that the designated claim professional and defense counsel should maintain regular contact throughout the life of the case to ensure that opportunities to resolve the case where appropriate are pursued. Defense counsel should immediately communicate, verbally and in writing, important case developments to the designated claim professional, such as:

- settlement discussions/demands
- Any new defense strategies, new information obtained through discovery or other means

- Settlement conferences, mediations, arbitrations hearings or trial dates

CCMSI does not require defense counsel to exchange every document received during the course of a lawsuit or litigation. However, CCMSI does recommend that the following documents (but not limited to the below) be sent to the designated CCMSI claim professional in a timely manner

- Copies of substantive pleadings or motions
- State documents
- The answer to any complaint or response/filing to any legal proceeding, any amended complaints and any third party pleadings
- Written discovery (interrogatories)
- Statements of damages
- All settlement demands or offers; written or oral
- Any releases, dismissals or final judgments, awards and all orders of the court
- All discovery responses and deposition summaries
- Briefs
- Releases
- Detailed case summaries

M. Allocated Loss Adjustment Expenses (ALAE)

1. What do you define as ALAE?

CCMSI will pay all Allocated Claim Expenses with Client Funds. Allocated Claim Expenses are charges for services provided in connection with specific claims by persons or firms, which are eligible claim expenses under the Client's program. Notwithstanding the foregoing, Allocated Claim Expenses will include all expenses incurred in connection with the investigation, adjustment, settlement or defense of Client claims, even if such expenses are incurred by CCMSI. Allocated Claim Expenses will include, but not be limited to, charges for:

1) Independent medical examinations of claimants;
2) Managed care expenses, which include the services provided by comp mc™, CCMSI's proprietary managed care program. Examples of managed care expenses includes but is not limited to state fee schedule, PPO networks, utilization review, nurse case management, medical bill audits and medical bill review;
3) Fraud detection expenses, such as surveillance, which include the services provided by *FIRE,* CCMSI's proprietary Special Investigation Unit (SIU), and other related expenses associated with the detection, reporting and prosecution of fraudulent claims, including legal fees;
4) Attorneys, experts and special process servers;
5) Court costs, fees, interest and expenses;
6) Depositions, court reporters and recorded statements;
7) Independent adjusters and appraisers;
8) Index bureau and OFAC (Office of Foreign Assets Control) charges;
9) MMSEA/SCHIP compliance charges;
10) Electronic Data Interchanges, EDI, charges if required by State law;
11) CCMSI personnel, at their customary rate or charge, but only with respect to claims outside the State and only if such customary rate is communicated to the Client prior to incurring such cost;

12) Actual reasonable expenses incurred by CCMSI employees outside the State for meals, travel, and lodging in conjunction with claim management;
13) Police, weather and fire report charges that are related to claims being administered under Client's program;
14) Charges associated with accident reconstruction, cause and origin investigations, etc.;
15) Charges for medical records, personnel documents, and other documents necessary for adjudication of claims under Client's program;
16) Charges associated with Medicare Set-Aside Allocations; and
17) Other expenses normally recognized as ALAE by industry standards.

2. What are the adjuster's responsibilities?

The client service instructions should be followed regarding the use of outside vendors. All outside vendors must have appropriate certificates of insurance.

Outside vendors could include, but are not limited to: Nurse/Medical Case Management, Vocational Rehabilitation, IME's, Surveillance, & etc.

As the assignor of services, the designated claim professional's minimum responsibilities include:

- The designated claim professional will document their rationale for the referral to an outside vendor as well as a "brief" description of the scope of the assignment.
- Obtain an initial cost cap and monitor those expenses on-going where applicable.
- Keep the vendor on track with the strategy as outlined.
- Document the outcome of the vendor(s) as part of the larger strategy. (Are they reaching their goals?)

N. Client Instructions

1. How are client service instructions made available to adjusters?

The Account Manager will email all client service instructions to the adjusters. They are also uploaded wot the client's account within our systems.

2. Is there a gate-keeping system that will require the adjuster to complete or comply with all items of the client special handling instructions?

Client Service Instructions are part of all supervisory reviews, audits and annual Corporate audits.

3. How do supervisors ensure adjuster's compliance with client service instructions?

Client Service Instructions are part of all supervisory reviews which occur every 30-90 days depending upon the complexity of the claim.

O. Claim Review Meetings

1. Claim review meetings will be conducted with the County on a quarterly basis.

CCMSI agrees.

2. What are your recommendations for scheduling and accomplishing the quarterly claim review meetings?

CCMSI agrees to the above requirements. CCMSI encourages claims review meetings as an effective method of maintaining appropriate levels of communication with the County's risk management personnel. We intend to take a lead role in participating in the meetings based upon the claim review criteria set by the County's.

An agenda will be prepared and distributed prior to the review to allow all parties to prepare, resulting in a more efficient meeting and productive use of everyone's time.

All necessary members of the claims account team will attend the meetings and will have prepared to discuss the various claims according to the agenda criteria, make recommendations or to request settlement authority. In addition to the claim review the meeting will also serve the purpose of addressing procedural matters and other service issues.

If requested by the County's, CCMSI has the ability to also conduct claims reviews via conference call through an Internet link. Mini reviews can also be managed in this manner with individual claims representatives as required or necessary.

3. What fees are assessed for this service, if any?

These costs are included in our administration fees.

P. Claim Reporting Options

1. What options are available to the County for reporting new losses to your company?

1-800 Capability – This service is available. We script questions asked of callers to suit client needs. 24-7 capability can also be utilized if necessary.

Local Phone/Fax/Email transmissions – the County will be provided with their client service team's contact information for these transmissions.

On-line Reporting – With our "state of the art" claim system, the County can report claims 24/7/365 via "iCE", our proprietary Internet claims analysis and reporting tool. ***We highly recommend this method of reporting.*** The Initial Report section of iCE allows the user to create an Initial Report Form in accordance with the State Guidelines. Once submitted, notification is immediate to the claim supervisor, a claim number is automatically assigned, and viewable in iCE. Since the data submitted in real time populates our proprietary claims system, it enables our claim adjusters to begin working your new claims immediately. There is no charge for filing claims via the Internet.

A PDF file can be generated for these reports to be printed or saved on the user's computer. the County has the ability to view and recall all of the completed, uncompleted or report-only forms. This search feature may be expanded from viewing the most recent 10 – to all of your filed reports, based on the County needs.

2. How are new losses disbursed to claim offices? What is the guaranteed time frame?

If the losses are faxed/emailed/phoned in the loss will be input no later than 24 hours after receipt and assigned the designated adjuster based on jurisdiction.

3. What are the internal service standards for establishing a claim file for a new loss?

If the claim is reported via iCE, the claim file is automatically set-up with immediate notifications sent to the supervisor and handling adjuster. If reported via phone, fax, etc. the claim file will be set-up upon no later than 24-hours from receipt.

4. County has a proprietary incident reporting system. Can County system interface with your RMIS to upload incident reports to you? Is there a cost for this service?

Yes. No fee if the County uses our standard interface. If the County wants a customized interface, there will be a $150 hourly IT fee. There will be an estimate of charges provided to the County before any work is done.

There are no claims reporting or incident only claim fees for claims input directly into our web based RMIS. There is a $25 per claim reporting fee for telephone, fax and 1-800 claims reporting.

Q. Centralized Medical Only Claim Handling

1. Please provide a detailed description of your capabilities relative to the administration of medical only claims.

Medical only claims will be handled by the designated medical only adjuster located within our Dallas office. **See Exhibit 5 for our Corporate Claims Handling Best Practices.**

2. If so, please provide details of locations, personnel, and best practices.

Medical only claims will be handled by the designated medical only adjuster located within our Dallas office. **See Exhibit 5 for our Corporate Claims Handling Best Practices.**

R. Billing/Funding

1. What billing options are available to the County? How are fees estimated if billed on a per- claim basis?

CCMSI works closely with our clients to determine specific banking needs at an initial set-up meeting. We are capable of accommodating multiple options for the funding of claims payments.

Please refer to Exhibit 8 detailing our Banking Options

2. What banking arrangements are available to the County?

Please refer to Exhibit 8 detailing our Banking Options

CCMSI's preferred escrow:

- Multi-Employer Account, but all transactions will be uniquely identified to the Client and all analysis and reporting will be at the Client level.
- Account is structured to ensure claim payments are in compliance with timelines imposed by various state regulations. CCMSI is responsible for fines and penalties resulting from late payments.
- Account is at Bank of America, includes Payee Positive Pay protection and Overdraft protection
- Account will have CCMSI's FEIN
- Streamlined new client setup – no signature cards, test checks, etc.
- Account will be managed via on-line banking within CCMSI's Treasury Department internal control structure
- CCMSI prints and issues checks daily for approved claim payments
- CCMSI is responsible for preparation of the monthly bank reconciliation and assisting with state escheatment requirements
- Client will incur no bank charges (except wire fees) nor receive interest earnings
- **Client is responsible for appropriate funding of account**

3. How is the imprest/escrow fund determined?

- **The Initial Escrow Deposit (Imprest) is calculated by Treasury Funding based on 1.5 times the average paid claims, funding frequency (daily, weekly monthly), and funding method (ACH, wire, check).**
- Treasury Funding will request Advance Funding for large settlements ($50,000, or other amount specified by Client).
- Funding invoices will be invoiced in arrears based on check registers. **Funding invoices are due prior to end of succeeding funding period. Client must maintain good payment status. Failure to pay funding invoices timely may require an Escrow Deposit increase or account type change.**
- Required Escrow Deposit will be reviewed annually or if the client balance goes negative more than three months. Adjustments to the Escrow Deposit will be included on the next funding invoice.
- ACH is the preferred method for funding. Each wire transfer will result in a $9.45 fee to Client included on the monthly funding invoice, regardless of bank account type.

4. Please outline your internal procedures to ensure security of claim checks.

Segregation of Funds: Clients electing the Preferred Escrow account structure are part of a multi-employer account at Bank of America. Each Client has a subaccount within the overall account that is unique to the Client and all analysis and reporting is at the Client level.

Positive Pay: All Preferred Escrow, Managed Escrow and Insurance Carrier Escrow accounts are protected by Payee Positive Pay to prevent fraud. Positive Pay files are generated from CCMSI's claims system and sent to the bank daily. Daily a CCMSI Accountant (separate from the assigned Funding Accountant) reviews any positive pay rejections.

Segregation of Duties: Clients are assigned to a Funding Accountant. The Funding Accountant is responsible for the day to day oversight of the Client's account(s) and the monthly reconciliation. The Treasury Manager oversees the day to day functions of the Funding Accountants.

Deposits: Funding deposits received by CCMSI are monitored by the Funding Accounts Receivable Accountant who is responsible for monitoring and posting all deposits received. Deposits are recorded in our Accounting Accounts Receivable system and into our claim system.

Disbursements: Disbursements from the claim account are handled by CCMSI's Treasury Check Printing Team. This team is responsible for printing all checks and reports per the Client's specifications.

Monthly Reconciliations: Monthly the assigned Funding Accountant will reconcile all bank statements to the claims system transaction reports. Client is provided a copy of the reconciliation. The Treasury Manager reviews and approves all bank reconciliations and meets monthly with the Corporate Controller and Chief Financial Officer to review the status of bank reconciliations and escheatment requirements.

Escheatment: CCMSI will review outstanding checks monthly. Any checks uncashed after 8 months will be investigated with the claim staff. Due diligence letters will then be sent to the payees. Based on response to due diligence letters, checks will be void/reissued or voided and provide to the Client to include in their own due diligence filings.

5. Are benefit checks issued from the claim office or from a central facility?

Checks are issued from our Corporate office in Danville, Illinois.

S. Carrier Protocols

1. How is claim data transferred to an excess insurance carrier? Is there a cost associated with this service?

Data will be transferred via an electronic interface. We have set-up interfaces with all carriers we work with.

2. How are claims with excess insurance potential identified?

CCMSI Corporate Best Practices include procedures to ensure that reporting on excess claims is compliant with policy, client and CCMSI standards. These standards include but are not limited to:

- A fixed dollar amount or percentage of the insured retention level per occurrence
- Permanent total disability as defined by statute
- Fatalities
- Paraplegics and quadriplegics, or spinal cord injury
- Serious burns
- Brain injury
- Amputation of a major extremity
- Any occurrence, which results in serious injury to two or more employees

3. How are claims with excess insurance potential reported?

Excess carrier reporting requirements are specified within the language of the policy issued by the carrier and accepted by the client. Each policy has specific handling procedures that include levels of retention, levels of reporting, contacts for reporting, methods of reporting, and reporting criteria.

These, along with any additional requirements at the direction of the client are utilized to ensure each claim is in compliance with the set guidelines. At the initial set up of a client, CCMSI's Implementation Team will verify and establish all reporting levels within CCMSI's Policy Management System and iCE as determined by the guidelines. This allows for the policy information and any special handling requirements to be accessible by the claim adjuster at any given time during the handling of the claim.

Our claims automation system monitors the claim levels and notifies the adjuster and supervisor when a claim reaches the reporting level specified in the policy through a system automated diary (based on whether claims payments and reserves have reached the specific threshold). It also has the ability to monitor when the last reporting was completed and when the next is due. Edit screens completed indicate date of first report and follow up reports. CCMSI can generate threshold reports to assist in monitoring excess recovery. iCE can generate reports that assist in excess file identification through Claims Analysis, incurred costs thresholds. Claim data is transmitted to the carrier from CCMSI monthly through an automated process.

CCMSI's centralized unit, The Carrier Reimbursement Team, or CRT, oversees the reimbursement process of all carrier reimbursements. This team is comprised of individuals from the Underwriting department with expertise in policy language and finance and accounting. The CRT process includes the following but are not limited to:

- the automated identification and notification of all newly paid claims/occurrences exceeding retention
- evaluation of the corresponding policy with specific client guidelines for reimbursement determination
- reimbursement request to the carrier with notification to the claim adjuster, supervisor and/or client
- reimbursement posting and file documentation
- Aggregate claim tracking and posting

4. When, and how, is the client notified of these types of claims?

Excess carrier reporting requirements are specified within the language of the policy issued by the carrier and accepted by the client. Each policy has specific handling procedures that include levels of retention, levels of reporting, contacts for reporting, methods of reporting, and reporting criteria. These, along with any additional requirements at the direction of the client are utilized to ensure each claim is in compliance with the set guidelines. At the initial set up of a client, CCMSI's Implementation Team will verify and establish all reporting levels within CCMSI's Policy Management System and iCE as determined by the guidelines. This allows for the policy information and any special handling requirements to be accessible by the claim adjuster at any given time during the handling of the claim.

5. The County is self-insured and has its' own RMIS for internally-handled claims, to review third party administered claims and to run combined reports of internally/externally handled claims. Does your system have the ability to interface with the County's RMIS (Origami) to include notes, reserves, financial transactions, photos, accident investigative reports, incident reports, etc.? Is there a cost for this interface or data transfer service? If, please include pricing in your quote.

Yes. Our claim system will interface with Origami to include the above mentioned reports and features. There is no fee for the interface.

T. Implementation Plan

1. Please provide a management plan and timeline for the implementation of the County's program.

We have developed an effective transition process that will minimize any inconvenience or impact to clients and their employees.

We have included our sample **Implementation Plan in Exhibit 9**. Our detailed Implementation Plan addresses every step necessary to ensure a smooth transition for our clients. The plan highlights the owner of each activity including the client's staff to provide an understanding of your required preparation.

Immediately after you select CCMSI as your new TPA, we will forward our Client Information Request Form, which highlights the primary information necessary to begin the process.

From there, we will schedule regular weekly implementation meetings to coordinate and drive the implementation process.

Client Time Commitment

We have prepared the following chart which highlights the key implementation areas and the required time commitment from client staff. This is the total estimated time to completion.

Client Personnel Required Activity	*Required Time (hours)*
Complete Client Information Request Form	2
Contract Preparation	2
Implementation Meetings bi-weekly for four weeks)	6
RMIS Setup- Hierarchy, Reporting, User Access	4
RMIS Training	4
Call Center, Nurse Triage Process and Script Design	3
Quality Service Plan - Design Meeting and Finalization Steps	4
Banking - Loss Fund Process Design, Set up	2
Internal Communications	3
Other	5
Total	***35***

Smooth Transition

CCMSI recognizes a smooth implementation is vital to effectively begin a new TPA program and develop the trust of our clients and their employees. Therefore, we have the knowledge and experience to successfully implement your claims management program. ***Other TPAs tout their implementation "process" while we have an excellent process; we instead tout our results and proven success.*** A few of the key areas in our implementation include –

- Assigning a dedicated Implementation Manager
- Immediate issuance of Client and incumbent TPA Information Request forms
- Documenting and understanding your expectations and target metrics
- Development of the Client Scorecard to measure CCMSI and program performance
- Development of specific client service instructions (Quality Service Plan)

- Staffing Model
- With the assistance of client staff, identify and hiring all superior candidates currently working on the account (if this is the desire of Client)
- Training and assimilation of all CCMSI and client staff
- Establishment of database structure and hierarchy
- Data capture and report design to enhance information delivery
- Timely and accurate electronic and hard file migration and transfer
- Internal Communication
    - Written communication to all staff
    - Training of all involved staff
    - Site visits at locations
- Excess carrier reporting requirements and procedures
- Contract drafting and completion
- Introductory meetings with all key staff
- Loss account set-up and funding procedures
- Medical cost containment set up

Implementation Team

CCMSI has established the following Implementation Team inclusive of these representatives. We will also request the client to designate at least one Internal Implementation Manager to facilitate all Client resources necessary for the implementation.

Implementation Team	
Regional Vice President	Rich Cangiolosi
Texas State Director	Kristen Messina
Account Manager	Julie Sacaudo
Implementation Manager	Rachel Vogel
RMIS and Data Management	Kristen Meeker
Hiring Manager	Rhonda Stuebbe
IT Reporting Manager	Craig Parten
Data Migration Manager	Kathy Elkin
Treasury	Tiffany Tarter
Cost Containment	Sharon Elliot

As you can see, we will utilize a cross functional team which also reaches to front line team members who will be performing the day-to-day execution within the program. This ensures that the program is implemented with universal integration between functions and that the design and implementation is designed in the most effective and practical manner from a front line team member's perspective.

We do not utilize a dedicated implementation team model as we believe the best individuals to design and implement are the actual staff that will service your account***. Successful implementation involves high level collaboration between the team members from both companies who will work hand in hand to develop and execute the day-to-day operations***.

Work capacity is not an issue with our staff for two reasons: 1) CCMSI is one of the fastest growing TPAs. Therefore, we build in adequate capacity within our operational/staffing model to allow adequate time and resources to perform their daily responsibilities AND implement new clients. 2) As you can see, we have an extensive team to perform the implementation task so the Account Manager mostly coordinates the implementation but the cross-functional support staff performs the time intensive heavy lifting.

Claim Takeover Methodology

The two primary areas of focus in taking over existing claims are rapid file handling and data migration. Each of these areas is described below.

In addition, working with the former TPA in a professional and courteous manner to facilitate cooperation is vital. One of the tools we use is our communication to the former TPA.

Rapid Claims Takeover Procedures

We coordinate with the former TPA to establish clear and concise deadlines to establish a clean cutoff. We then provide a plan for delivery of all open files to the desired CCMSI claims handling location.

We also request several reports to identify priority files including those with active time loss to ensure there is no delay in payments.

Each run-off claim administered by CCMSI will be given priority status and thoroughly reviewed by a designated claim representative. A comprehensive overview of each file will be documented to include an action plan addressing the applicable file strategy and an estimated timeline to manage each file to closure. Additionally, the examiner will review the appropriateness of the posted file reserves and discuss with the client the need for any increases or decreases. Thereafter, the examiner will document pertinent file developments in the log notes of each file in chronological order.

Via iCE, CCMSI's online claim system, Client personnel will have 24 hour access to the examiner's overview, action plan and log notes on a continuous basis.

If run-off claims are already assigned to defense counsel at the time CCMSI receives the claim, contact will be made with the assigned attorney for discussion about the status and strategy of each applicable claim.

Data Migration/Interface

CCMSI has developed a comprehensive and effective data migration process. As a result, we have successfully migrated data for 40 new clients in the past two years. We utilize a proven detailed project plan to ensure the accurate and timely migration of all data. We have built numerous data interfaces with client, insurance carrier and cost containment vendor systems.

Therefore, we have the expertise necessary to facilitate all of the County's data and EDI requirements. A few of our key processes for data migration and EDI development are as follows:

1. Securing the following information from the migrating data source
   (a) Type of database, i.e., Microsoft SQL, Oracle, Sybase, FoxPro, FileMaker Pro, etc.
   (b) Data formats available, i.e., tab delimited, space delimited, fixed length, etc.
   (c) Database definition including technical documentation containing specific information about each field, field length, field type, etc.

(d) Data definition including documentation containing specific information about each field, what the data means and if it uses a control code
(e) Control code definition including documentation that usually contains a numeric code and the description of the code
(f) Custom code definitions including customized client-defined data fields and codes
(g) Projected data for data availability including an extract of all data to date if possible. This will prove us with additional time we can use to work on the more complicated details of the data conversion (data mapping to our tables and control code equivalents)
(h) Identification of the date that the final data set will be sent to us for conversion. This data will include control totals for post conversion reconciliation of financial data
(i) Affect the transfer of the raw data. This can be accomplished by email using a compressed and password protected .zip file (if file size permits), or
(j) Via a compact disc using a recording format that is Microsoft Windows compatible. It should be sent Priority Overnight that same day

2. Validate data received, i.e., check for data format, file corruption, number of tables, record length, etc.
3. Review documentation, i.e., check for completion, identification of key table and data fields
4. Actual transfer of data to Access database (contingent on the number of records in each table
5. Validate transferred data including reconciliation to supplied control totals and a check for data accuracy
6. Data Mapping including extract list of common fields and the distinct data; matching to an equivalent field in our database and adding to the MAP table
7. Control Code Definition and Mapping including an extract list of distinct codes for appropriate fields; matching to an equivalent code in our database and adding to the XREF table
8. Set up Visual Basic programs to include converting mapped data into a Microsoft Access database replica of the claims tables
9. Validation of converted data including reconciliation to supplied control totals and checking for data accuracy. We then check for duplicates and repeat the previous step of the process
10. Transfer data to SQL server
11. Final data validation check to ensure all codes embedded in the converted data conforms to iCEBAR (our front end claims adjudication system) standards; to ensure all payment files balance to each other, by payment type and payment code; if available from source data, to ensure all reserve files balance to each other, by reserve type and reserve code
12. Load conversion data in production iCEBAR database
13. Create Reserve database (if not received in source data)
14. Update ancillary iCEBAR Financial files
15. Identification and elimination of duplicate claims
16. Resolution of unforeseen minor conversion issues as they are identified

2. Please include who will be responsible for each activity.

See previous question.

U. Cost Reduction Results

1. Please provide your average cost per claim for workers' compensation medical only and lost time claims, auto liability bodily injury and general liability bodily injury claims.

Average cost of indemnity claims – $18,737
Average cost of medical only claims – $1,078
Average cost of ALB claims – $17,935
Average cost of GLB claims – $6,582

2. Please provide the average number of days a workers' compensation medical only and lost time, auto liability bodily injury and general liability bodily injury claim is in an open status.

Average days open for indemnity claims – 255
Average days open for medical only claims – 101
Average days open for ALB claims – 127
Average days open for GLB claims – 113

3. Please provide the average number of days your claimants are on temporary total disability.

98 days

4. Please provide details on your temporary transitional assignment (modified duty) process for compensable injured employees on workers compensation.

Transitional work opportunities will be vigorously pursued with the client and the medical provider. CCMSI recognizes the cost savings potential associated with returning an injured worker to employment at the earliest possible time, even if the return to work is accomplished via a different job than the employee's regular job.

CCMSI actively supports and promotes Alternative Duty programs. An effective Alternative Duty Employment Program allows our client and CCMSI to control the total costs of the claim and maintain personal contact with the injured employee. Alternative Duty Employment substantially reduces the client's accident costs by limiting lost workdays and the accompanying Temporary Total Disability (TTD) payments.

Additionally, Alternative Duty Employment provides psychological, as well as economical support to the injured employee. It allows the employee to continue normal employment and personal life activities. Alternative Employment enables the employee to maintain his total wages versus the 66 2/3 benefit mandated by statutory workers' compensation. This allows the employee to maintain a normal standard of living. It also helps maintain the employee's self esteem and minimizes the opportunity for the onset of self-pity and reliance on the workers' compensation system.

From our experience, we are familiar with different labor agreements and contracts affecting an employer's desire to provide and implement alternative duty employment for injured workers. We have worked with a number of different unions to successfully implement alternative duty programs.

Establishing a written policy, ensuring management commitment, and the development of written job descriptions is critical to the success of the program.

CCMSI's claims and loss control staff can provide the Client valuable assistance with the development of alternative duty options. We regularly work with our clients in the development of a list of alternative duty options. Essentially, each department's list needs to accommodate three arbitrary factors: no mobility, no lifting, and one-handed work.

If the alternative duty program can accommodate these factors, then we should be able to accommodate work for almost any restriction. CCMSI can help determine the physical forces required to perform regular job assignments and alternative duty assignments. In addition to the physical factors, we work with our clients from an ergonomics perspective as well, evaluating such factors as range of motion, posture, duration and repetition.

The Alternative Duty Program parameters and goals must be established and agreed to by managers, supervisors and employees. If employees are represented by collective bargaining agreements, the Alternative Duty Program must be acknowledged by any employment contracts that exist. Possible program elements / goals include the following:

- A written policy that outlines the Client's philosophy regarding alternative duty employment should be established and communicated to all employees. If possible, include employees in the establishment of the development of the alternative duty program. This will encourage employee support for the program;
- Approved written job descriptions with the physical demands associated with each title are critical to this program;
- Job assignments that avoid the aggravation of any existing conditions should be identified. Alternative duty job assignments will vary by employer, however, consideration of weight lifting, bending and stooping, standing, sitting, kneeling, reaching overhead, long reaching, repetitive actions and shortened work periods should be given when identifying potential assignments. Managers and supervisors should be prepared to be innovative regarding alternative duty assignments, which meet the specific restrictions identified by the physician. Identified assignments that are beneficial to the operation of a department often generate more management support and will be viewed more favorably by arbitrators;
- The Alternative Duty Policy and philosophy should be communicated to highly utilized medical providers. Invite the medical providers to visit your locations - preferably on an annual basis to observe the regular duty activities and alternative duty jobs available;
- A licensed physician must specify actual physical restrictions. When alternative duty is anticipated, a Work Capacities Form should be provided to the treating physician, along with a request for a medical release to either the employee's regular job without restrictions or alternative duty employment. Providing a list of potential assignments at the time of the initial visit will help the treating physician release the injured employee in a timely manner. The physicians comfort level with the employer and potential job assignments are instrumental in obtaining a timely release;
- Managers and supervisors should monitor the alternative duty employment activities during the duration of the physical restrictions to confirm that the injured employee does not exceed the restricted activities identified by the physician; and
- The duration of the alternative duty employment should be finite. A date for medical re-evaluation of the injured employee must be established. An indefinite period for alternative duty employment is

not acceptable. The treating physician and the injured employee should be informed accordingly. This prevents the "forgotten case" from becoming a permanent job assignment.

Job assignments identified for alternative duty employment do not have to be the most interesting, desirable or stimulating tasks, however, it is important that the job assignment be considered of value to the employer. They do not have to be restricted to specific shifts. A basic component of the Alternative Duty Employment Program is to motivate the injured employee to minimize the period of physical restrictions or disability and expedite the return to his or her regular job assignment as quickly as medically possible.

5. Please provide additional information that reflects your company's cost reduction outcomes.

CCMSI relies on proven methodologies and outstanding adjusters to deliver the maximum loss cost savings available to our clients. We hire the best team members and provide them smaller caseloads and greater resources (such as claims assistants, superior work flow technology, etc.) than our competitors. So, rather than managing an overwhelming number of claims and pushing paper, *our adjusters can do what they do best which is mitigate loss costs and take care of your injured workers and claimants.*

Staffmark (National Staffing Company)
By July 1, 2014, less than 28% of the original claims remained open and the outstanding reserves were down over 50%, from January 2012.

V. Legal, Regulatory and Ethics Actions

1. Provide a summary of any litigation, arbitration and regulatory proceedings, pending, adjudicated or settled that your firm has been subject to within the last three years involving services your firm provided as a third party claims administrator.

None.

2. Please describe each regulatory proceeding in detail and any litigation or arbitration proceeding resulting in judgments, settlements or damage claims.

None.

W. Licenses

1. Provide evidence that the third party administrator and persons performing the work for the County maintain all Texas licenses in order to provide the service insurance sought pursuant to this RFP/Q relating to third party administration.

See Exhibit 10 for our Texas licenses.

Print Name and Title of person completing this form: **Rodney J. Golden, Chief Operating Officer**
Name of Agency/Company: **Cannon Cochran Management Services, Inc. (CCMSI)**

Signature: Rodney J. Golden

Exhibit C:
Best Practices

Exhibit 5 – Corporate Claims Handling Best Practices

Corporate Claim Handling Best Practices

Executive Summary

This Executive Summary is intended to provide a brief, yet meaningful overview of CCMSI's general philosophies and claim handling best practices applicable to the most important components of claims management.

Our claim professionals have received extensive training and resources to assure their understanding of these Best Practices. These professionals are audited annually to assure compliance with these best practices, our service commitments and client specific instructions.

1. First Notice of Loss (FNOL)

    - All FNOL's will be date stamped and reviewed by a qualified claim professional immediately upon receipt.
    - Information contained on the FNOL will be used as the basis for the initial instructions, investigation and reserves assigned to each file.
    - EDI requirements of mandated states will be satisfied.

2. Coverage

    - Coverage for all types of claims will be confirmed and documented prior to payment of any claim.
    - If coverage cannot be confirmed within ten (10) business days from receipt of FNOL, then the claim log notes will be documented to reflect the issue and intended course of action to resolve the coverage question.
    - Other carriers or parties who may have defense or indemnity obligations to our clients will be identified and pursued.

3. Initial Contact

    - Workers Compensation. On indemnity claims, contact with the employer, claimant and medical provider will be attempted within two (2) business days from receipt of FNOL.
    - Workers Compensation. On medical only claims, the need for and type of contact with the employer, claimant and medical provider will be at the discretion of the CCMSI claim professional. This decision will depend upon the nature and complexity of each individual claim.
    - Property Damage. On first party property claims, the insured will be contacted within two (2) business days from receipt of FNOL. On third party claims, the insured and claimant will be contacted within two (2) business days from receipt of FNOL.
    - Other Injury Claims. On all other injury claims, the insured and claimant will be contacted within two (2) business days from receipt of FNOL.
    - Failed contact attempts will be followed within 3 business days until complete or deemed that additional efforts would not be successful.

- Catastrophic Claims. On all catastrophic claims, immediate contact will be made with the employer, claimant, medical provider and excess/reinsurance carrier as appropriate. When appropriate, immediate assignment will also be made to a catastrophic medical case management professional.

4. Claim File Documentation

- Documentation will be meaningful, clear and concise.
- Statutory forms will be completed accurately and timely. Log notes will be documented to show compliance with statutory or regulatory requirements.
- Adherence with all special handling requirements and client instructions will be timely. Documentation of compliance will be evident in the log notes.
- Log notes will be promptly documented with a meaningful summary of all correspondence and important information.
- A Claim Summary will be documented and periodically updated for all claims that are not medical only claims.
- Files will contain an Action Plan, which will outline the facts of the case and the intended strategy to bring the claim to conclusion. Action Plans will be revised periodically by the claim professional as the claim progresses and new or additional information becomes available.
- All files will be managed in compliance with applicable privacy standards.

5. Investigation

- A complete investigation of each claim will be made within ten (10) business days from receipt of FNOL.
- Each investigation will be thorough enough to justify acceptance or denial of liability or compensability on behalf of our clients.
- Workers Compensation. Compensability determination will be made within ten (10) business days from receipt of FNOL. If this guideline cannot be met, appropriate documentation and action plan is required.
- Property / Casualty. Liability determination will be made within thirty (30) business days from receipt of FNOL. If this guideline cannot be met, appropriate documentation and action plan is required.
- All claims involving subrogation, salvage, or SIF potential will be investigated, acted upon, monitored and documented by the claim professional.
- All claims will be monitored for possible fraud. If applicable, claims will be handled in compliance with state fraud requirements and/or referred to CCMSI's Special Investigation Unit, *FRAUD IDENTIFICATION RECOVERY EDGE* (*FIRE*).
- All indemnity and third party injury, fraud and high loss property claims will be indexed upon initial receipt of the FNOL. Workers' Compensation claims will receive auto index updates for the first year and open claims will be re-indexed every 6 months until the claim is settled or closed. Property / Casualty claims listed above will be indexed upon receipt and re-indexed every 6 months until the claim is settled or closed. Indexing will also be in compliance with all applicable federal requirements.
- All WC indemnity claims will have a claim risk assessment completed and a risk assessment score as low, moderate or high.

6. Reserve Philosophy

- All claims will carry reserves that reflect the expected financial result of each claim. The expected financial result will be factually based and reflect the total probable payment obligation of our client.
- An initial reserve will be established within ten (10) business days from receipt of FNOL.
- Reserves will be adjusted within ten (10) business days of the claim professional receiving new information that materially changes the exposure of the claim. Some examples of new information that may require a reserve change include a change in the claimant's medical condition, TTD benefits being extended longer than expected, permanency factor changes, claim resolution strategy changes, etc.
- The adequacy of reserves will be reviewed every thirty to ninety days at each adjuster and supervisor diary.
- Upon reserve changes, the log notes will be documented with the information and rationale for the change.

7. Medical & Disability Management

- Our claim professionals will facilitate the earliest possible return to work or maximum medical recovery.
- Transitional work opportunities will be vigorously pursued with the employer and medical provider.
- All appropriate value-added medical case management services will be utilized in order to promote quality care, achieve optimum utilization of services, and avoid any unnecessary, inappropriate or duplicate services or costs. The claim file will reflect a proactive and continuous effort to confirm that medical treatment being rendered or recommended is appropriate for the injury.
- Medical records will be secured throughout the life of the file to support bill payments and justify temporary total disability payments.
- Log notes will be updated on a regular basis to document the claimant's diagnosis, prognosis, medical treatment plan, and return to work strategy.
- Our claim professionals will schedule and coordinate Independent Medical Exams with a physician in the appropriate specialty. Timely written notification will be issued to the claimant and assigned physician.
- Our claim professionals will utilize aggressive managed care and cost containment strategies and techniques to mitigate our client's medical costs in conjunction with CCMSI's managed care program called comp mc™.

8. Claim Supervision

- Claim files will reflect meaningful supervisor involvement pursuant to the claim professional's skill level and authority level.
- Initial and follow-up supervisory instructions will reflect guidance and specific directions to the claim professional commensurate with claim complexity and skill level of the claim professional.
- Supervisors will carry diaries commensurate with the complexity of the claim and skill level of the claim professional.

9. Claim Payments

- All bills will be reviewed and approved by the designated claim professional within ten (10) business days from receipt.
- All appropriate bills will be paid within thirty (30) business days from receipt unless there is a dispute, pending investigation or additional information is needed.
- TTD and PPD payments will be made timely in accordance with jurisdictional requirements.
- Payments will be made in strict compliance with authority levels agreed upon with the client.
- Internal security will exist that prohibits a single claim professional from approving, executing and releasing payment of the same bill.
- All overpayments will be noted in the misc. screen until fully recovered.

10. Litigation Management

- Our claim professionals have ultimate accountability for all litigation activities.
- Our claim professionals will direct and monitor defense counsel activities.
- Legal bills will be closely reviewed to confirm that charges are appropriate and substantiated before payment.
- Our claim professionals will maintain regular contact with the claimant's attorney to achieve a prompt resolution of the claim.
- Our claim professionals will discuss and develop a defense strategy plan with defense counsel and update this plan when the situation dictates a change.
- When appropriate, a defense budget for costs and expenses will be developed and updated.
- On appropriate cases, arbitration or mediation will be utilized in an effort to save costs and achieve prompt settlements.

11. Carrier Reporting

- Claims that meet carrier reporting criteria will be reported timely in compliance with established requirements.
- After initial reporting, our claim professionals will provide periodic updates to the carrier as the claim develops.
- Our claim professionals will work closely with designated claim professionals from carriers to achieve a prompt and appropriate resolution to applicable claims.
- Specific and aggregate recoveries will be obtained from appropriate carriers in compliance with policy terms.

12. Fraud/SIU

- All potential fraud issues must be documented in log notes under the appropriate heading. (Investigation Heading)
- When fraud indicators are present, the designated claim professional shall consider a referral to CCMSI's fraud program FIRE. (FIRE – Fraud Identification Recovery Edge)

13. Medicare Compliance

- Our claim professionals are responsible for compliance with Mandatory Insurer Reporting (MIR) and Medicare Secondary Payer (MSP) compliance.
- Medicare Query Function (MQF) is performed immediately on all workers' compensation claims to determine Medicare eligibility. The MQF is performed on all liability claims upon verification and receipt of the mandatory "Big Five" data elements.
- All claims meeting the Mandatory Insurer Reporting criteria will be reported quarterly under the appropriate RRE.
- Adjusters will conduct Conditional Payment Research (CPR) and satisfy any related Medicare liens prior to any settlement, judgment or award.
- Adjusters will determine on all cases involving a Medicare beneficiary prior to any settlement, judgment or award if Medicare has a legitimate secondary payer interest. Where Medicare has an interest as the secondary payer, the adjuster is responsible for demonstrating Medicare's interest was considered.

Exhibit D:
Pricing

FORT BEND COUNTY, TX FEE AND PAYMENT SCHEDULE

Service Agreement Term:	
Services:	***Fees:***
Claims Administration	
CCMSI will manage all workers' compensation claims for the **Life of Agreement** for a per claim fee as follows: Claims will be analyzed by the number and type of claim on an on-going basis and priced on a per claim basis as outlined below. The claim volume listed below is based on the loss data provided from Ft. Bend County. The claim volume is subject to change based on the County's claims experience. <u>Workers' compensation:</u>	
Indemnity claims @ $1,125/per claim – 27 claims	$30,375
Medical only claims @ $175/per claim – 151 claims	$26,425
<u>Liability</u>	
Auto Liability: Bodily Injury claims @ $990/per claim – 8 claims	$7,920
Property Damage claims @ $375/per claim – 25 claims	$9,375
General Liability: Bodily Injury claims @ $990/per claim – 7 claims	$6,930
Property Damage claims @ $375/per claim – 18 claims	$6,750
Employment Practices Liability @ $990/per claim Law Enforcement Liability @ $990/per claim Incident/record only @ $25/per incident. No fee if entered online to iCE. Fast track/ for claims already disposed of by County - $250/per claim	
<u>Takeover Claim Fees:*</u>	
Indemnity WC - $585 per claim – 8 claims Liability Bodily Injury - $550 per claim – 8 claims Liability Physical Damage - $275 – 12 claims	$4,680 $4,400 $3,300
* On claims remaining open beyond 24 months of receipt by CCMSI files will be billed at a rate of $45.00 per month per open claim file considered an active file. The maximum amount to be billed per file will be equal to the per claim	

prices quoted above. Billing for these files will conclude the first of the month after claim closure. Contractor may request price increase with Fort Bend County's approval. There may be a 3% fee increase to claim fees only per year following an acceptable independent audit (Auditor to be selected by Fort Bend County) with a pass rate of 90%. Auditor will audit claims for compliance to CCMSI Claims Handling Practices (see Proposal Response to FBC RFP 19-086), Fort Bend County Insurers' claims handling & reporting requirements, and any additional FBC special claim handling instructions on file with CCMSI. **<u>Workers' Compensation Claim Definitions</u>** ▪ **Indemnity Claims** – Claims involving lost-time, questionable compensability, legal involvement, subrogation (with the exception of routine Medical Only Claims), second injury fund, probable permanent impairment/disability, jurisdictional issues, coverage issues or claims involving complex issues that are assigned or transferred to the indemnity adjuster for claims handling. ▪ **Medical Only Claims** – Claims which have no issues of lost time, no evidence of other indemnity benefit exposure, no obvious question of compensability, no evidence of complicated or beyond routine basic subrogation or second injury fund recovery, no evidence of problematic medical issues and no requirement or need for any formal statements. ▪ **Report Only/Incident Only Claims** – Reported claims which require only input into RMIS system and requires no claims management activity.	
Annual Administration	**$10,015**
• Dedicated client service team • Development of specific client service requirements • Monthly loss reporting • Quarterly claim reviews at client's request • Issuance of 1099's • Assistance in filing of all required state forms including state mandated assessments ○ If Client has directed CCMSI to utilize a third party vendor selected by Client for the provision of services then such assistance will be the responsibility of the third party vendor • Workers' compensation claim packets/state forms • Preparation for, compliance with and response to regulatory audits • Account Management and Administration	**10% of claim fee.**
Account Set-up (One time only fee)	**$5,000**
<u>Initial set-up meeting to review and establish the following:</u>	

• Computer Set-up • Banking and Funding • Reports • Special Claim Handling Guidelines • All Other Miscellaneous Start-up Issues	
Internet Claim Access	
<u>Internet claims system access which includes:</u> • Viewing access to all claims data • Risk Management statistical analysis • Comprehensive and complete access to claims management process • On-line reports • On-line reporting capability via the internet • Ability to generate OSHA 301 Form First Report of Injury	**$2,500 per year for up to 10 users. $200 per user over 10 users.**
Loss Control Services	**N/A**
CCMSI will provide the Client loss control services upon mutual agreement of the parties. The client shall remain fully responsible for the implementation and operation of its own safety programs and for the detection and elimination of any unsafe conditions or practices. CCMSI assumes no responsibility for the detection, identification, communication, mitigation, or elimination of any unsafe condition or practice associated with the safety program of any client. Further, CCMSI assumes no responsibility for any injury sustained by an employee of the client.	
Managed Care Service	**See Detail**

Provider Bill Re-pricing

Service	***Fee***
Usual and Customary re-pricing	$8.00 per bill
Fee Schedule state re-pricing	$8.00 per bill
Medical Bill State Reporting for applicable medical bills to reportable state	$1.50 per reportable bill

Hospital Bill Negotiations

Hospital Bill Negotiations below fee schedule is billed at 27% of savings

Pharmacy Network Services

PBM - Retail Pharmacy Brand: AWP - 17% Generic: AWP - 78%; Mail Order Brand: AWP - 18% Generic: AWP - 80%. Dispensing Fee: B= $2.61, G= $2.61. Other - Network access fee of 28% of savings or $8 flat fee.

State Reporting Claims EDI Initial reporting $10 per report Subsequent reports $5 per report	 **$10 FROI** **$5 SROI**
Index Bureau	**$20.00/Per Index**
Subrogation	**15% of Recovery**
MMSEA Section 111 Reporting	**$25/Per Claim Hit**
CCMSI in conjunction with our reporting agent will comply with MMSEA Section 111 Reporting on behalf of Ft. Bend County, TX. • All injury claims will be queried to CMS for Medicare eligibility (no charge). • CCMSI will collect additional mandatory data on claims where Medicare eligibility has been verified. CCMSI along with our reporting agent will report all claims meeting the reporting guidelines as set forth by CMS. (one-time $25 per claim fee)	
Carrier Fees	**TBD**
If applicable, Client will be responsible for payment of any carrier fees associated with the transition of claim handling responsibilities to CCMSI.	
Special System Reports	**$125 an hour**
CCMSI will provide special reports, (reports not currently programmed or written) for a fee of $125 per hour for system programming time. CCMSI will provide an estimate of charges before any work will be done.	
GRAND TOTAL	**$117,530**
Fee & Payment Schedule	
The quarterly installments will be due on 01/01/2020, 04/01/2020, 07/01/2020 and 10/01/2020. Subsequent year service fees may be subject to an annual 3% increase as previously indicated in Claims Administration as proposed in this schedule above.	

Revised 12.29.21

Exhibit E:
County Travel Policy

Annex B
Fort Bend County Travel Policy

Approved in Commissioners' Court on November 3, 2009
Effective November 4, 2009
Revised September 7, 2010
Revised June 2, 2015, Effective August 1, 2015
Revised July 28, 2015, Effective August 1, 2015
Revised July 26, 2016, Effective August 1, 2016

The Commissioners' Court allocates funds annually for the payment of travel expenditures for county employees and officials within the individual departmental budgets. Travel expenditures paid from these budgets must serve a public purpose for Fort Bend County. These expenditures may be paid directly to the vendor or provided as a reimbursement to the employee/official upon completion of their travel. Advance payments to vendors may be accommodated by issuance of a check or use of a County procurement card. Eligible expenditure categories under this policy include: Lodging, meals, transportation, registration fees, and other fees (with justification). Each category is further defined below.

CONTRACT RATES:

Fort Bend County is a 'Cooperative Purchasing Participating Entity' with the State of Texas. This program is also known as TPASS (Texas Procurement and Support Services) State Travel Management Program (STMP). This gives County employees and officials access to the contract rates negotiated by the State for hotels and rental cars. Procurement procedures for these contract services are explained within the categories below.

OUT OF STATE TRAVEL:

Authorization: The traveler must obtain Commissioners' Court approval for out-of-state travel before departure. The duration must include travel days along with the event scheduled days. To prevent delays in processing travel reimbursement, ensure that the travel duration is accurately defined when submitting the agenda request.

Documentation: The traveler must provide an excerpt from the Commissioners' Court minutes (http://www.fortbendcountytx.gov/index.aspx?page=55) with the travel reimbursement form.

LODGING (In and Out of State):

Hotel:

Hotel reimbursements are limited to the Federal Travel Regulations set forth by US General Services Administration (GSA) by location not including taxes. The rates are set annually and vary by month and location. The maximum rates for lodging per day can be found at: http://www.gsa.gov/portal/content/104877?utm_source=OGP&utm_medium=print-radio&utm_term=perdiem&utm_campaign=shortcuts based on travelers destination.

Fort Bend County is a 'Cooperative Purchasing Participating Entity' with the State of Texas. This gives County employees and officials access to the contract rates negotiated by the State for hotels. Participating hotels can be found at: https://portal.cpa.state.tx.us/hotel/hotel_directory/index.cfm (be sure to check the correct fiscal year). **When making a reservation the traveler must ask for the State of Texas Contract rate (not the government rate) and be prepared to provide the County's agency #: C0790. Traveler must verify confirmed rate matches the negotiated**

contract rates found on the State's website listed above and <u>does not exceed the GSA daily allowance</u>.

If the organizer of a conference/seminar has negotiated discount rates with a hotel(s), the traveler may choose these lodging services without penalty but the traveler must reserve the room at the group rate and be able to provide documentation of the group rate.

The traveler will be responsible for the excess charge over the GSA per diem rate for the city/county even if using the State rate. The Auditor's Office will deduct from the travelers' reimbursement any excess charges over the GSA per diem rate. Travel websites including but not limited to Expedia and Travelocity should not be used to book lodging.

Travel Days: If the traveler must leave before 7:00AM to arrive at the start of the event and/or return to the County after 6:00PM after the event concludes, an additional night's lodging is allowable before and/or after the event.

Additional fees allowable: Self-parking

Additional fees allowable with justification: Valet parking is allowable if an extreme hardship exists due to physical disability of the traveler or if no self-parking is available.

Fees not allowable: Internet, phone charges, laundry, safe fees

Gratuities: Gratuities are not reimbursable for any lodging services.

Overpayments by County: Any lodging overpayment by the County must be reimbursed by the hotel before processing a reimbursement to the traveler for any of the categories addressed in this policy. Prepaid lodging services should be accurately calculated or underestimated by excluding the taxes to prevent delays in processing travel reimbursements.

Procurement Card: The traveler may use the procurement card to make lodging reservations. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: **A final settled hotel bill with a zero balance from the front desk is required even if lodging is paid by the procurement card. The hotel bill left under the door is not acceptable.** The hotel bill should be scrutinized before traveler departs to make sure all charges are valid and notify hotel of any invalid charges and resolve issues before departing. Any invalid charges will be the responsibility of the traveler. A copy of the itemized hotel statement must be submitted with the travel reimbursement claim if the traveler used a County procurement card to purchase lodging services or prepaid by County check. Event agenda/documentation or a letter from the traveler describing the event/meeting is required. If utilizing conference negotiated hotel rates, documentation of rates is required.

Changes/Modifications to Reservation – Any modifications including cancellation of reservation, the traveler must obtain a confirmation number and note the name of the person they spoke with in case the hotel charges the traveler. If the traveler does not obtain a confirmation number then any expenses incurred will be the responsibility of the traveler. Expenses resulting from changes or modifications to travel reservations will be paid by the County if the traveler produces documentation that a family emergency exists.

MEALS:

Texas: Meals including gratuities will be reimbursed to the traveler at a flat rate of $36/day. The travelers per diem on the departure day and final day of travel will be at 75% of the per diem which is $27/day.

Out-of-state: Meals including gratuities will be reimbursed to the traveler at a flat rate of $48/day. The travelers per diem on the departure day and final day of travel will be at 75% of the per diem which is $36/day.

Day trips: Meals will not be reimbursed for trips that do not require an overnight stay.

Procurement Card: No meal purchases are allowed on any County procurement card.

Documentation: No meal receipts are required for reimbursement. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

TRANSPORTATION:

Personal Vehicle: Use of personal vehicle will be reimbursed at the current rate/mile set by Commissioners' Court. Mileage should be calculated using the County office location of the traveler and the event location. Mileage may not be calculated using the traveler's home. Mileage should be calculated using an employees vehicle odometer reading or by a readily available online mapping service for travel out of Fort Bend County. If using the mileage of an online mapping service, state which mapping service was used or provide a printout of your route detailing the mileage. For local travel, odometer readings or mapping service details are not required. Departments should develop a mileage guide for employees for local travel points, if a department does not have a mileage guide, the Auditor's Office will determine if the mileage listed is reasonable.

Allowable expenses: Parking and tolls with documentation.

County Vehicle: Fuel purchases when using a County vehicle should be made with the County Procurement card if available. Original receipts will accompany the Procurement Card statement but a copy must be provided with the travel reimbursement request.

Allowable expenses: Parking and tolls with documentation required.

Airfare: Airfare is reimbursable at the lowest available rate based on 14 day advance purchase of a discounted coach/economy full-service seat based on the required arrival time for the event. The payment confirmation and itinerary must be presented with the travel reimbursement form. The traveler will be responsible for the excess charges of an airline ticket purchase other than a coach/economy seat. When using Southwest Airlines a traveler should choose the "wanna get away" flight category.

Allowable Expenses: Bag fees. Fare changes are allowable if business related or due to family emergency.

Unallowable Expenses/Fees: Trip insurance, Early Bird Check In, Front of the line, Leg Room, Fare changes for personal reasons.

Rental Car: Rental cars are limited to the negotiated TPASS rates listed at: http://www.window.state.tx.us/procurement/prog/stmp/stmp-rental-car-contract/vendor-comparison/. The contact information for Avis is listed here: http://www.window.state.tx.us/procurement/prog/stmp/stmp-rental-car-contract/Avis/. The contact information for Enterprise is listed here: http://www.window.state.tx.us/procurement/prog/stmp/stmp-rental-car-contract/Enterprise/. You will need to make your reservations at least 14 days in advance and provide the County's agency #: C0790. The traveler will not be reimbursed for any amount over the negotiated contract rates if a non-contract company is used at a higher rate. The traveler should select a vehicle size comparable to the number of County travelers. The traveler may use a non-contract vendor at an overall rate lower than the contract rates with no penalty. The original contract/receipt must be presented with the travel reimbursement form or a copy if a County procurement card is used. . The traveler will be responsible for any excess charges not included in the TPASS rates or for choosing a vehicle size not comparable with the number of travelers on the trip.

Insurance is included in the negotiated TPASS rates, if a traveler chooses to take out additional insurance the cost is on the traveler.

Enterprise:

- Optional Customer, Coupon or Corporate number is **TXC0790**
- Please enter the first 3 characters of your company's name or PIN number **FOR**
- Enterprise will automatically bill FBC when you reserve your vehicle so you need to have a purchase order before your departure.

Avis:

- Avis Worldwide Discount (AWD) Number or Rate Code **F930790**
- You cannot use the wizard option if you have an account with Avis, the wizard will override the state rate and normally the State rates are less.

Unallowable Fees/Charges: GPS, prepaid fuel, premium radio, child safety seats, additional insurance, one way rentals.

Allowable expenses: Parking and tolls allowed with documentation.

Other Transportation: Other forms of transit (bus, taxi, train, airport shuttle) are reimbursable with an original receipt.

Gratuities: Gratuities are permitted if original receipt includes gratuity (20% maximum allowed) for any transportation services.

Procurement Card: The traveler may use a County procurement card to make transportation reservations for air travel and rental car services. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: Original receipts are required for all transportation reimbursements paid by the traveler. Transportation services obtained with a County procurement card require a copy of the receipt. Additional requirements are noted within each category above. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

REGISTRATION:

Registration fees: Registration fees are reimbursable for events that serve a Fort Bend County purpose. Registration fees for golf tournaments, tours, guest fees and other recreational events are not reimbursable.

Procurement Card: The traveler may use a County procurement card to register for an event. Contact Purchasing to arrange or use the procurement card assigned to the department or traveler.

Documentation: An original receipt must be obtained upon registration and submitted with the reimbursement request if paid by the traveler. A copy of the receipt must be provided if registration is paid on a County procurement card. Event agenda/documentation or a letter from the traveler describing the event/meeting is required.

GRANTS:

Travel expenditures from Federal and State grants must also conform to the granting agency's funding requirements.

TRAVEL REIMBURSEMENT FORM:

The traveler must use the current travel reimbursement form (http://econnect/index.aspx?page=55) for all travel related services addressed in this policy. No other expenditures may be submitted for reimbursement on the travel reimbursement form. After completing all required information, the travel form must be signed/dated by the traveler and the department head/elected official. Travel reimbursement request should be submitted within 30

days from when traveler returns from trip. Mileage reimbursement request should be submitted no less frequently than quarterly. Mileage reimbursement request for the fourth quarter should be submitted no later than October 30th for yearend processing.

EXCLUSIONS:

If the traveler has custody of a person pursuant to statue or court order or if the traveler is required by court or legal entity to appear at a particular time and place the traveler will not be penalized for accommodations that require a 14 day advance purchase ticket if travel is required with less than 14 days' notice.

If the traveler has custody of a person pursuant to statue to court order the traveler will not be held to the 75% per diem on the departure and final day of travel.