



CITY OF ATLANTA

Kasim Reed
Mayor

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DEPARTMENT OF PROCUREMENT
Adam L. Smith, Esq., CPPO, CPPB, CPPM, CPP,
CIPC, CISCC, CIGPM, CPPC
Chief Procurement Officer
asmith@atlantaga.gov

July 11, 2016

Dear Potential Proponents:

Re: FC-8924, Workers' Compensation Third Party Administration

Attached is one (1) copy of **Addendum Number 3**, which is hereby made a part of the above-referenced project.

For additional information, please contact Ms. Kyra Dixon, Contracting Officer, at (404) 865-8756 or by email at kddixon@atlantaga.gov.

Sincerely,

A handwritten signature in blue ink that reads "Adam L. Smith".

Adam L. Smith

ALS/kdd

ADDENDUM NO. 3

This Addendum No. 3 forms a part of the Request for Proposals and modifies the original solicitation package as noted below and is issued to incorporate the following:

- **A total of 1 Question and Answer;**
- **Revised Exhibit A.1 - Cost Proposal (Revised Per Addendum No.3):** Revised Exhibit A.1 – Cost Proposal (Revised per Addendum No.2) is hereby removed from the Solicitation document and replaced with Revised Exhibit A.1 - Cost Proposal (Revised Per Addendum No.3);
- **Appendix E.2- Additional Required Submittal (Addendum No.3),** is hereby added to the Solicitation document for FC-8924 Workers' Compensation Third Party Administration. Please be advised that the information listed within APPENDIX E.2 - ADDITIONAL REQUIRED SUBMITTAL was removed from Exhibit A.1-Cost proposal (Revised Per Addendum No. 2 issued on July 7, 2016) and is now being requested as an Additional Required Submittal per Addendum No. 3.

The Proposal due date HAS NOT been modified. Proposals are due on Friday, July 15, 2016 and should be time stamped in no later than 2:00 P.M. EDT and delivered to the address listed below:

Adam L. Smith, Esq., CPPO, CPPB, CPPM, CPP,
CIPC, CISCC, CIGPM, CPPC
Chief Procurement Officer
Department of Procurement
55 Trinity Avenue, S. W.
City Hall South, Suite 1900
Atlanta, Georgia 30303

****All other pertinent information is to remain unchanged****

FC-8924, Workers' Compensation Third Party Administration

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Acknowledgment of Addendum No. 3

Proponents must sign below and return this form with Proposal response to the Department of Procurement.

Proponents must sign below and return this form with Proposal to the Department of Procurement, 55 Trinity Avenue, City Hall South, Suite 1900, Atlanta, Georgia 30303 as acknowledgment of receipt of this Addendum.

This is to acknowledge receipt of **FC-8924, Workers' Compensation Third Party Administration, Addendum No. 3** on this the _____ day of _____, 20__.

Legal Company Name of Proponent

Signature of Authorized Representative

Printed Name

Title

Date

Question 1:

In response to questions in this addendum, the City has made it very clear that if the TPA does not have five (5) years of experience with a "Georgia based public entity" the bidder's proposal will be rejected. Similar to the other potential bidder(s) asking about these requirements, TRISTAR probably has more public entity experience than any other TPA in the United States. TRISTAR has an office in Atlanta Georgia, and has managed Georgia workers' compensation claims for over two decades for companies that have claims within the State of Georgia. However, given this requirement, TRISTAR will have to decline submitting a proposal.

This requirement limits the bidder pool as other TPA's also have public entity experience outside of Georgia. Unfortunately, this requirement is detrimental to the City. Should the City decide to change the requirement to pursue highly qualified proposers, TRISTAR would like to revisit the opportunity to submit a proposal to work with and for the City of Atlanta.

Answer 1:

Please be advised of the following Minimum Qualifications for Proponents:

- Must possess a minimum of 5 years' consecutive experience within the past 10 years of administering workers' compensation claims for any public entity; and
- Must possess a minimum of 5 years' consecutive experience within the past 10 years of administering workers' compensation claims in the state of Georgia.

Revised Exhibit A.1 - Cost Proposal (Revised Per Addendum No.3)

(Revised Per Addendum No.3) Exhibit A.1 - Cost Proposal
FC-8924, Workers' Compensation Third Party Administration

All administration services are to be provided on a fixed fee basis that remains flat over the years of the contract. No portion of your company's fees will be paid on a percentage basis. You will be responsible for all staff and "ongoing" costs for the provision of this Agreement. This fixed rate shall include all business expenses (e.g., personnel, administrative, training, quality control, travel expenses, etc.) that will be assumed by the Proponent for performing all services prescribed in the Scope of Services and any subsequent contract documents.

A failure to deliver services quoted in your proposal may result in a mid-term cancellation of the contract.

There are three parts to the cost proposal. All three sections must be completed in their entirety. The City reserves the right to negotiate pricing.

- i. Propose an annual fee for all administration services described in the Scope of Services. Pricing should include the assumption of all old and new claims through contract period. Make and state reasonable assumptions upon which your costs are based.

| | Year 1 | Year 2 | Year 3 | Grand Total for Base 3 Yr. Term |
|--|--|-----------|-----------|------------------------------------|
| Annual flat fee for (administration services) | \$ _____. | \$ _____. | \$ _____. | \$ _____. |
| Renewal Year one (1) \$ _____. | Renewal Year two (2) \$ _____. | | | |

- ii. Describe the costs associated with program implementation. (These potential costs are separate from the annual flat fee for administration services described above):

| CATEGORY | FEE | COMMENTS / DETAIL |
|--|-----------|-------------------|
| Data Conversion (Year 1-Flat Fee) | \$ _____. | |
| Other potential program implementation charges. Please specify: _____ | \$ _____. | |
| Other potential program implementation charges. Please specify: _____ | \$ _____. | |
| Program Implementation Total \$ _____. | | |

The City will not pay any up-front costs for your participation in the proposal process. Your proposal should include all costs related to the Scope of Services. Insurance policy premiums and related fees should not be included in these costs.

**APPENDIX E.2 -ADDITIONAL REQUIRED SUBMITTAL (Addendum No.3)
SUPPLEMENTAL QUESTION FORM**

**APPENDIX E.2 -ADDITIONAL REQUIRED SUBMITTAL (Addendum No.3),
SUPPLEMENTAL QUESTION FORM**

FC-8924 Workers' Compensation Third Party Administration

The information listed below was removed from Exhibit A.1-Cost proposal (Revised Per Addendum No. 2 issued on July 7, 2016), FC-8924 Workers' Compensation Third Party Administration and is now being requested as an Additional Required Submittal per Addendum No. 3.

1. Provide a detailed itemization of all proposed rates for ancillary services related to administration:

- A. If more than one pricing alternative is available, (e.g. bundling) describe in detail each option, including any flat fee portion.
- B. Include any pricing changes over the course of the service agreement and/or if any proposed flat rate guarantee.
- C. Provide specific pricing for:
 - i. MMSEA reporting and requirements.
 - ii. Subrogation services
 - iii. Legal Services
 - iv. Indexing
 - v. Surveillance / Investigative Services
 - vi. Nurse Case Management Services
 - Telephonic Nurse Triage Services.
 - Telephonic Case Management Services
 - Field Case Management Services
 - vii. Cost Containment Services
 - Network Access
 - Any other charges related to the provision of provider networks
 - Bill Review Services
 - viii. Prescription Drug Benefit Programs
 - ix. Any other medical management services and/or other fees not stated above.

2. In a paragraph, describe the capabilities and cost saving comparative of your cost containment program services, including but not limited to case management services, bill review and prescription drug programs. Indicate which services are owned by your company and which services you subcontract. If services are subcontracted, disclose any commissions and/or any other type of compensation you receive from subcontractors.

The City reserves the right to review and approve providers of all ancillary services.

The City will not pay any up-front costs for your participation in the proposal process. Your proposal should include all costs related to the Scope of Services. Insurance policy premiums and related fees should not be included in these costs.