



Legislation Details (With Text)

|                      |   |                      |   |                               |  |
|----------------------|---|----------------------|---|-------------------------------|--|
| <b>File #:</b>       | 15-20232  | <b>Version:</b>      | 1 | <b>Name:</b>                  |  |
| <b>Type:</b>         | Consent Item  | <b>Status:</b>       |   | Approved                      |  |
| <b>File created:</b> | 4/18/2023   | <b>In control:</b>   |   | City Council Business Meeting |  |
| <b>On agenda:</b>    | 5/22/2023   | <b>Final action:</b> |   | 5/22/2023                     |  |
| <b>Title:</b>        | Workers' Compensation Third Party Administration Services |                      |   |                               |  |

**Attachments:**

| Date      | Ver. | Action By                     | Action  | Result |
|-----------|------|-------------------------------|---------|--------|
| 5/22/2023 | 1    | City Council Business Meeting | Approve |        |

**Workers' Compensation Third Party Administration Services**

**Action:**

- A. Approve a contract with PMA Management Corp. for Workers' Compensation Third Party Administration Services for an initial term of three years, and**
- B. Authorize the City Manager to renew the contract for up to two, one year terms with possible price adjustments and to amend the contract consistent with the purpose for which the contract was approved.**

**Staff Resource(s):**

Betty Coulter, Finance

**Explanation**

- The Risk Management Division of the city's Finance Department currently processes Workers' Compensation claims for the City of Charlotte, Mecklenburg County, Charlotte Mecklenburg Board of Education, Mecklenburg Emergency Medical Services Agency (MEDIC), and the Charlotte Regional Visitors Authority (CRVA).
- Risk Management has used a Third-Party Administrator since 2017 to supervise, manage, and administer the city's self-insured workers' compensation program.
- Specific services include, but are not limited to:
  - Reviewing and investigating claims, claim file reporting, and administrative support;
  - Coordinating and authorizing appropriate medical treatment;
  - Coordination and investigating litigated claims' and
  - Representing the city at workers' compensation mediations and/or hearings.
- On March 8, 2023, the city issued a Request for Proposals (RFP); ten responses were received.
- PMA Management Corp. best meets the city's needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- The annual estimated expenditures across all agencies for these services are \$1,175,000 for administrative fees plus additional expenditures related to other Workers' Compensation charges, including claims, estimated to be \$17,000,000.

**Charlotte Business INclusion**

Established MWSBE Goal: 10.00%

Committed MWSBE Goal (at time of Proposal): 10.00%

PMA Management Corp. met the established subcontracting goal and has committed 10.00% of the total contract amount to the following certified firm(s) (Part C: Section 2.1 of the Charlotte Business INclusion

Policy):

- Absolute Staffing & Consulting Solutions (MBE) (administration staffing and litigation specialist)

**Fiscal Note**

Funding: Risk Management Fund