



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#22-0364

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Chris Lagerbloom, ICMA-CM, City Manager 

DATE: July 5, 2022

TITLE: **WALK ON** - Motion Approving Agreement for the Purchase of Third-Party Workers Compensation Administration & Medical Bill Review Services and License Agreement - Corvel Enterprise Comp, Inc. - \$1,320,753 - (Commission Districts 1, 2, 3 and 4)

Recommendation

Staff recommends the City Commission approve, in substantially the forms attached, an agreement for the purchase of third-party workers compensation administration and a license agreement with Corvel Enterprise Comp, Inc., for the initial three-year term fixed amount of \$1,320,753, and authorize the City Manager to approve two (2), one-year renewal options in the estimated annual amount of \$440,251, for a potential five-year total agreement amount of \$2,201,255, contingent upon appropriation of funds.

Background

The City outsources the administration of its workers' compensation claims. The third-party workers compensation administrator provides the City with the following scope of services, relating to employee on-the-job injuries:

- Claims administration
- First notice of injury
- Loss statistics
- Network access and development
- Medical bill review and auditing
- Pharmaceutical benefit management

On September 3, 2021, the Procurement Services Division issued Request for Proposals (RFP) No. 12537-525 for Third Party Workers Compensation Administration & Medical Bill Review Services. On October 19, 2021, the solicitation ended with a total of seven firms (Gallagher Basset Services, Inc., Johns Eastern Company, Inc., PMA Management Corp., Sedgwick Claims Management Services, Inc., USIS, Inc., and Corvel Enterprise Comp, Inc.) submitting proposals in response to the RFP. Innovative Claim Solutions was deemed non-responsive for not submitting the required SSAE report.

On February 22, 2022, the RFP Evaluation Committee met to evaluate and rank the proposals. The firms were ranked based on the evaluation criteria shown in the table below. The evaluation committee voted to have a second meeting for oral presentations from the top-three ranked firms and met again on March 11, 2022. The evaluation committee determined that Corvel Enterprise Comp, Inc., is the highest ranked, responsive and responsible firm meeting all requirements of the RFP.

Understands the Scope of the Project	35%
References, Past Performance, Years in Business	35%
Total Project Cost	30%
Total Percentage Available	100%

Resource Impact

There will be a current fiscal year impact to the City in the amount of \$146,750. There will be an annual fiscal impact to the City in the amount of \$440,251. Future expenditures are contingent upon approval and appropriation of the Fiscal Year 2023 Budget.

Funds available as of April 5, 2022					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
543-INS020101-5124	Self-Insurance Claims – Workers Comp	Non-Operating Expenses /Work Comp Admin	\$6,007,000	\$4,044,562	\$146,750
TOTAL AMOUNT ►					\$146,750

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning.

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are United.

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan, specifically advancing:

- The Internal Support Focus Area
- Implementation Element
- Goal 1: The Fort Lauderdale Comprehensive Plan shall accomplish the City’s *Fast*

Forward Fort Lauderdale 2035 Vision Plan regarding the City's future growth and the six Cylinders of Excellence and shall be the City's primary policy document to guide all of its activities and development.

Attachments

Exhibit 1 - Solicitation

Exhibit 2 - Evaluation Committee Tabulation Final

Exhibit 3 - Corvel Enterprise Comp, Inc., Proposal

Exhibit 4 - Corvel Agreement

Exhibit 5 – License Agreement

Prepared by: Matthew Cobb, Assistant Risk Manager, Human Resources
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