



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #:	A 16-215	Name:	Intercare GL Agreement
Type:	BoS Agreement	Status:	Passed
File created:	6/16/2016	In control:	Board of Supervisors
On agenda:	6/28/2016	Final action:	6/28/2016
Title:	a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to sign a Professional Services Agreement (PSA) with Intercare Holdings Insurance Services, Inc. for general liability claims administration services beginning July 1, 2016 through June 30, 2018 (two (2) year term), estimated to cost \$164,000 per year for an estimated total of \$328,000 over two years; b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute up to three (3) one-year extensions of the PSA at the request of the Risk Manager, provided the compensation terms do not increase by more than three percent (3%) of the estimated annual cost and all other terms remain unchanged; and c. Approve and authorize County Counsel Risk Management Division to implement the attached Agreement with Intercare Holdings Insurance Services, Inc. for general liability claims administration services.		

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Intercare Holdings Insurance Services, Inc. GL Agreement, 3. Exhibit A - Scope of Services-Payment Provisions, 4. Exhibit B - Intercare Best Practices, 5. Exhibit C - Claims Processing Guidelines, 6. Completed Board Order

Date	Ver.	Action By	Action	Result
6/28/2016	1	Board of Supervisors	approved	

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to sign a Professional Services Agreement (PSA) with Intercare Holdings Insurance Services, Inc. for general liability claims administration services beginning July 1, 2016 through June 30, 2018 (two (2) year term), estimated to cost \$164,000 per year for an estimated total of \$328,000 over two years;
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute up to three (3) one-year extensions of the PSA at the request of the Risk Manager, provided the compensation terms do not increase by more than three percent (3%) of the estimated annual cost and all other terms remain unchanged; and
- c. Approve and authorize County Counsel Risk Management Division to implement the attached Agreement with Intercare Holdings Insurance Services, Inc. for general liability claims administration services.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to sign a Professional Services Agreement (PSA) with Intercare Holdings Insurance Services, Inc. for general liability claims administration services beginning July 1, 2016 through June 30, 2018 (two (2) year term), estimated to cost \$164,000 per year for an estimated total of \$328,000 over two years;
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute up to three (3) one-year extensions of the PSA at the request of the Risk Manager, provided the compensation terms do not increase by more than three percent (3%) of the estimated annual cost and all other terms remain unchanged; and

c. Approve and authorize County Counsel Risk Management Division to implement the attached Agreement with Intercare Holdings Insurance Services, Inc. for general liability claims administration services.

SUMMARY/DISCUSSION:

The County began its self-insured General Liability program in 1979. The self-insured program is administered by County Counsel Risk Management Division and funding is provided through the General Liability - Internal Service Fund (ISF). The County utilizes a Third-Party Claims Administrator (TPA) to assist with management of its General Liability claims, including claims processing, program administration, and data management information system.

The recommended action will allow the County and Intercare Holdings Insurance Services, Inc. to enter into a Professional Services Agreement for a two (2) year term, effective July 1, 2016 with a provision for an extension of up to three (3) one-year extensions by agreement of the parties. Intercare Holdings Insurance Services, Inc., currently is the TPA for the County's Workers' Compensation Program and they were chosen as the TPA for the General Liability (GL) Program to protect the County of Monterey's assets.

The recommended professional services agreement will have a fixed annual fee structure of \$144,000 up to 130 new claims, after which each new incident report/file/claim in excess of the annual threshold will be priced at a per claim basis of \$750 flat fee. The fixed fees include the handling of all the County's open and pending claims. Additional potential costs related to field investigation, medical bill review and subrogation recovery fee is set forth in Exhibit A - Scope of Services/Payment Provisions of the Agreement and are considered allocated loss adjustment cost. Consistent with industry standard, these allocated loss adjustment costs will be charged against the actual GL claims.

OTHER AGENCY INVOLVEMENT:

The attached PSA has been approved by County Counsel as to legal form; the Auditor-Controller as to fiscal terms; and Risk Management for insurance and indemnity provisions.

FINANCING:

Funding for this professional services agreement is provided from the General Liability - ISF (475-1210-COU004-8409).

Prepared by:

Steve Mauck, Risk Manager, x. 3006

Approved by:

Charles McKee, County Counsel, x. 5045

Attachments: Intercare Holdings Insurance Services, Inc. GL Agreement
Exhibit A - Scope of Work/Payment Provisions
Exhibit B - Intercare: Best Practices
Exhibit C - Claims Processing Guidelines