



Legislation Details (With Board Report)

File #: 18-040 **Name:**
Type: General Agenda Item **Status:** Scheduled PM
File created: 1/16/2018 **In control:** Board of Supervisors
On agenda: 1/23/2018 **Final action:**
Title: Receive a Report on County's Claim Procedures for General Liability and Workers' Compensation, and provide direction to staff on:
a. Implementing recommended improvements to Third Party Administrator (TPA) contracts and the risk management function;
b. Alternative options for the organization of the risk management function; and
c. Drafting of amendments to the County Code to implement the recommended organizational structure and/or recommended improvements to the Risk Management Code provisions.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Exhibit A Background and Discussion.pdf, 3. Exhibit B Report on Compliance Response.pdf, 4. Exhibit C Management Partners Org Review - Risk Mgmt.pdf, 5. Exhibit D Selected Risk Mgmt Org Options.pdf, 6. PowerPoint, 7. Completed Board Order

Date	Ver.	Action By	Action	Result
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Receive a Report on County's Claim Procedures for General Liability and Workers' Compensation, and provide direction to staff on:

- Implementing recommended improvements to Third Party Administrator (TPA) contracts and the risk management function;
- Alternative options for the organization of the risk management function; and
- Drafting of amendments to the County Code to implement the recommended organizational structure and/or recommended improvements to the Risk Management Code provisions.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Receive a Report on County's Claim Procedures for General Liability and Workers' Compensation, and Provide Direction to Staff on:

- Implementing recommended improvements to Third Party Administrator (TPA) contracts and the risk management function;
- Alternative options for the organization of the risk management function; and
- Drafting of amendments to the County Code to implement the recommended organizational structure and/or recommended improvements to the Risk Management Code provisions.

SUMMARY/DISCUSSION:

On December 13, 2017, your Board of Supervisors received a contract compliance review by William Morgan, C.P.A., and the Auditor-Controller's Office entitled "Report on Compliance Review of County's Claims

Procedures for General Liability and Workers' Compensation Claims". The report summarized review of prior Third-Party Administrator (TPA) contracts for both General Liability and Worker's Compensation, and included recommendations regarding TPA contract compliance and improving the Risk Management function. The Auditor-Controller also provided additional recommendations regarding reorganization of the Risk Management function within the County. After hearing the report, your Board requested that the CAO report back with recommendations regarding the compliance review and Auditor's recommendations. This staff report provides recommended actions in response to Mr. Morgan's compliance review, as well as several options should your Board consider re-organization of the Risk Management function. Finally, staff recommends directing staff to prepare and recommend ordinance amendments to implement your Board's recommended organizational structure and/or the recommended improvements to the Risk Management Code provisions. Additional background information and discussion of the subject matter is provided in Exhibit A.

OTHER AGENCY INVOLVEMENT:

Pursuant to Section 2.12.040 of the County Code, the CAO is charged with recommending organizational restructuring. In addition, the CAO considered the Auditor's December 13th staff report, and consulted with the HR Director and County Counsel in preparation of this report.

FINANCING:

Recommendations associated with this report can be funded within adopted FY 2018 budget appropriations.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommendations in this report support your Board's Strategic Initiative "Administration" toward efficient and effective government operations, accountability, and transparency.

Mark a check to the related Board of Supervisors Strategic Initiatives

☐ Economic Development
☒ Administration
☐ Health & Human Services
☐ Infrastructure
☐ Public Safety

Prepared and approved by:

Lew C. Bauman
County Administrative Officer

Attachments:

Exhibit A - Background and Discussion
Exhibit B - Report on Compliance Response
Exhibit C - Management Partners Organization Review
Exhibit D - Selected Risk Management Organizational Options

