

REQUEST FOR PROPOSAL

#6871

Request for Proposal for Workers' Compensation Third Party Administrator

FOR

Washtenaw County

Issued By:

Washtenaw County Purchasing
Administration Building
220 N. Main Street
Ann Arbor, MI 48104

Angela O. Perry
Purchasing Manager
(734) 222-6768



Proposal Submitted by:

Please type Bidder's Company Name & include as proposal cover



WASHTENAW COUNTY Finance Department

Purchasing Division

220 N. Main, Ann Arbor, MI 48104
Phone (734) 222-6760, Fax (734) 222-6764
www.purchasing.ewashtenaw.org

RFP #6871

December 23, 2015

Washtenaw County Purchasing Division on behalf of Human Resources is issuing a sealed RFP #6871 for Workers' Compensation Claims & Administration. Effective July 1, 2015, the County has a new Local Vendor Preference (LVP) policy. Information is enclosed explaining the criteria as well as the vendor certification and affidavit.

Sealed Proposals: Vendor will deliver one (1) **unbound original** and three (3) **bound copies each with the pricing page flagged** to the County location specified below. In addition, vendor will also deliver an electronic copy on a USB drive, CD-RW, or DVD in pdf format to the location specified below:

**Washtenaw County
Administration Building
Purchasing Division
220 N. Main St. Basement
Ann Arbor, MI 48104**

By Friday, January 29, 2016 at 4:00pm EST

Proposals received after the above cited time will be considered a late bid and are not acceptable unless waived by the Purchasing Manager.

- Your proposal submission envelope(s) must be clearly marked including FedEx & UPS package labels "SEALED RFP#6871"
- Please direct purchasing and procedural questions regarding this RFP to Angela O. Perry **via e-mail only** to perrya@ewashtenaw.org.
- Please direct technical questions regarding this RFP to Michelle Murray **via e-mail only** at murraym@ewashtenaw.org.

Thank you for your interest.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

PROPOSAL INFORMATION

I. PROPOSAL DEFINITIONS

Definitions

“Bidder”	An individual or business submitting a bid to Washtenaw County
“Contractor/Vendor”	One who contracts to perform services in accordance with a contract
“County”	Washtenaw County in Michigan
“Department”	Human Resources

II. TERMS

A. Washtenaw County reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the CONTRACTORS qualifications and capabilities to provide the specified service, and other factors that the County may consider. The County does not intend to award a contract fully on the basis of any response made to the proposal; the County reserves the right to consider proposals for modifications at any time before a contract would be awarded and negotiations would be undertaken with that CONTRACTOR whose proposal is deemed to best meet the County's specifications and needs.

B. The County reserves the right to reject any or all bids, to waive or not waive informalities or irregularities in bids or bidding procedures, and to accept or further negotiate cost, terms, or conditions of any bid determined by the County to be in the best interests of the County even though not the lowest bid.

C. Proposals must be signed by an official authorized to bind the CONTRACTOR to its provisions for at least a period of 90 days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.

D. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. Deadlines for submission of RFP's may be adjusted to allow for revisions. To be considered, **one (1) unbound original and three (3) copies** and an electronic version in pdf format, submitted on CD-RW, DVD or USB drive must be at the County as indicated on or before the date specified.

E. Proposals should be prepared simply and economically providing a straight-forward, concise description of the CONTRACTOR'S ability to meet the requirements of the RFP. Proposals must be typed. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal. *CONTRACTOR shall ensure that proposals are submitted using both sides of recycled paper whenever practicable.*

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

F. The initial award of this contract shall be for a period of three year(s), starting May 1, 2016, with an option to renew an additional three year(s), pending agreement by both parties.

G. CONFLICT OF INTEREST. Contractor warrants that to the best of contractor's knowledge, there exists no actual or potential conflict between contractor and the County, and its Services under this request, and in the event of change in either contractor's private interests or Services under this request, contractor will inform the County regarding possible conflict of interest which may arise as a result of the change. Contractor also affirms that, to the best of contractor's knowledge, there exists no actual or potential conflict between a County employee and Contractor.

H. The bidder shall be responsible for all costs incurred in the development and submission of this response. Washtenaw County assumes no contractual obligation as a result of the issuance of this RFP, the preparation or submission of a response by a bidder, the evaluation of an accepted response, or the selection of finalists. All proposals, including attachments, supplementary materials, addenda, etc. shall become the property of Washtenaw County and will not be returned to the bidder.

I. Any responses, materials, correspondence, or documents provided to Washtenaw County under this solicitation are subject to the State of Michigan Freedom of Information Act and may be released to third parties in compliance with that Act.

J. Local Vendor Preference – A policy adopted by the Washtenaw County Board of Commissioners (BOC) that shall govern the procurement of goods, services and food from local vendors located in Washtenaw County and the State of Michigan. The intent of the BOC is to encourage and promote economic growth and regional job development. The policy shall be applied to Washtenaw County operated programs as allowed, except those that are federally funded directly or indirectly. All other Procurement Policies and Procedures remain in full effect. Please see “**Local Vendor Certification Application & Affidavit**” enclosed in this RFP.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

III. VENDOR SPECIFICATIONS

The proposal shall include **all** of the following information. Failure to include all of the required information may result in disqualification of a Bidder.

- A. State the bidder's qualifications to provide the services required by Washtenaw County. Include years in business under your present company name, staff profile and experience.
(Attach as Addendum A)
- B. List potential claims adjustor(s) profile and resume, who would potentially be assigned to Washtenaw County.
(Attach as Addendum B)
- C. List three (3) references from previous corporate or government customers purchasing similar services. Include business name, contact name and phone number.
(Attach as Addendum C)
- D. Review contract provisions and insurance requirements. Note any limitations on any of the articles or providing insurance requirements as outlined in the contract provisions contained in Sample Contract.
(Attach as Addendum D)
- E. Review and attach Local Vendor Preference Certification information and signed Affidavit. Please **flag** Addendum E, if applicable.
(Attach as Addendum E)

IV. AWARD

Award will be made to the lowest responsive, responsible bidder, with the most relevant experience and best qualifications. However, the award may not be based solely on low bid alone.

V. SCOPE OF WORK

Washtenaw County is accepting proposals for a Third Party Administrator for their self-insured Workers' Compensation program. It is imperative that respondents outline all of their administrative and managerial capabilities based on the details in this questionnaire, as well as any additional information you feel will be helpful in emphasizing your expertise and distinguishing your firm from your competitors. Should the results of this RFP result in a change in the current administration of the program, it is anticipated that change would occur May 1, 2016.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator
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Washtenaw County is seeking a partner to mitigate and manage the cost associated with work related injuries. This partnership will provide a minimum of the following services:

- Claims Management
- Claims Administration
- Loss Reporting
- Financial reporting
- Cost Savings Analysis
- Statutory Reporting Requirements
- Excess Carrier Reporting
- Mandatory Medicare Reporting
- Filing with Michigan Department of Licensing & Regulatory Affairs (WCA)
- Supplemental Benefits and Special Funds Reimbursement Administration

1. Third Party Administration Information

- Provide a brief overview of your company and history of your organization including an organizational chart. Please describe any parent/subsidiary/affiliate relationships and legal status of the TPA.
- How long has your Organization been in Workers' Compensation Administration business? How is your firm distinguished from competitors with respect to providing all of the needed administrative, service and case management requirements of Workers' Compensation?
- How familiar is your TPA in administering claims for Counties and Municipalities? Please list specific references.
- What is the number of clients you provide Workers' Compensation services for, broken down by the following employee size:
 - Less than 1000 employees
 - 1,000 – 4,999
 - 5,000 – 9,999
 - Over 10,000
- Provide a list of all the WC claims services that are provided in-house and the services that are contacted to outside vendors.
- Please provide the name(s), title(s), address(es), telephone and fax number(s) of the individual(s) responsible for responding to this request.
- Does your organization carry Errors & Omissions and/or Professional Liability Insurance? If yes, please provide carrier name, policy limits and expiration date.

2. Client Service / Claim Processing / Quality Assurance

- Indicate the name, address, phone number and contact for the account executive you would assign to this account. Would this be the main contact for all aspects of the required services?
- Where is your customer service center located that will service Washtenaw County? Days/hours of operation? Is there a toll free number available for employee use?

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

- C. Please describe any ancillary programs that your organization can offer to Washtenaw County.
- D. Please comment on the flexibility to structure your program to include the customer's preferred vendor arrangements, and allow for future changes as they arise. The TPA staff will be asked to work cooperatively and effectively with the various departments and vendors associated with Washtenaw County that may contribute to managing work-related incidents.
- E. Washtenaw County has a Return to Work (RTW) Program providing modified jobs to employees as they recover from work-related injuries. The TPA must be an active partner with Washtenaw County, the injured employee, and health care providers to ensure a safe and successful return to work.
- F. Medical/Vocational Nurse Case Management Services: Describe the number of different options available to deliver these services. Are the services in your branch TPA? Please provide description of services. A description of the preferred pricing and how these fees are managed should be included.
- G. Local representation at all necessary meetings with Washtenaw County is required on an as needed basis with a minimum of bi-annually. Please confirm this will be a part of your services. Please detail fees associated with this service.
- H. Where applicable and necessary, arrange for qualified legal representation (with County's approval) throughout Workers' Compensation proceedings (including hearings, stipulations, pre-trials, and structured settlements). Complete facilitation of settlements and other appropriate actions when warranted, including recommendations (with basis for recommendation).
- I. Account References: Please provide the name and telephone number of 2 customers acquired within the past 3 years, and 1 customer that has left within the past 2 years, if any.

3. Financial Administrative/Pricing

Important Note on Fees; Please be specific in this Section as you should assume if associated and vendor fees are not itemized in response to this questionnaire, it will not be considered a chargeable fee. Due to the importance of the fee schedule for the services that will be rendered for Washtenaw County any and all fees and/or reimbursements that may be paid must be identified in this section. All the information contained in this section will be considered as your organization's full proposal and Washtenaw County will not make any future payments to your organization if they are not clearly identified and quoted in this section.

- A. All fees associated with this account for loss runs, claims review, state reporting, excess carrier reporting, claims adjusting, ISO/CIB indexing, Section 111 Mandatory Reporting, claims notes information viewing, is assumed included in the individual claim. Fee Comments should be made if additional fees are required for any of the above services.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

- B. Three Year Fee as well as Annual Fee proposals will be accepted. Fees for NEW and TAKE-OVER claims should be offered broken down by medical only and lost time cases. Separate fees for incident only reports and cases that are indexed by the WCA with no payment made by the TPA, and fees for re-opening a closed file should also be included with your pricing quote. Please provide a quote for reporting and/or on-line capabilities and location of the office providing that function.
- C. Please attach a detailed schedule, which itemizes all aspects of the services outline in this questionnaire. Also, please identify which of would be a one-time charge for set-up, implementation or similar, if applicable. In addition to the above, please outline whether there would be any other start-up conversion or termination costs. For how long will you guarantee this fee schedule? Is there a minimum amount of time you would require as part of the contract term? In addition to the above response, please identify any other service, activity or fee not covered (that would be a potential cost for Washtenaw County.
- D. Reporting measures such as opening/closing ratios, average cost per closed claim, payment and budget projections to assist in the analysis of cash flow and annual budget expectations, comparative analyses of current period(s) versus prior period(s), analytical input and recommendations on all program activity, etc. should be reported on a regular basis and included in the administrative fees. Is benchmarking of frequency and severity of claims included in the administrative fees? If not, is your organization capable of providing this data for other Counties? What is the fee for this information on a quarterly basis?
- E. Services included in the above fees should be outlined in detail. Services not included should be described in detail. A description of how excluded costs are charged to the client should be provided. Should fees be incorporated into the medical or expense feature of the claims reporting, please advise if quarterly detailed reports of these fees can be reported to the client (i.e., IME Costs).
- F. Any contracts with outside vendors that will work on this account should be disclosed in your proposal, as well as any fee exchanges between the TPA and the vendor. Washtenaw County will retain the right to approve any associated vendor that is in any way involved on this account to include PPO/fee schedule, CPT codes, rehabilitation services, surveillance and investigations, IME's, etc.
- G. Should it be decided to make a change in administrator, please describe any transfer fees and time commitment to transfer data should the contract be awarded to you? Describe the role you will take in this process and describe your policy and responsibility to ensure that data is transferred appropriately as the former or new TPA of Washtenaw County. Please estimate a completion date for function data.
- H. Describe banking arrangements, how claims payments are made and reimbursed, and how TPA fees are paid. Please include who is the recipient of interest on the account while funds are held for claims payments.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator
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4. Staffing / Operations

- A. Based on your review of the Policy Summary Loss Run, describe the total number of staff you would dedicate to this account.
 - a. Number of full time adjusters assigned to this account. Comment on your ability to guarantee that dedicated adjusters will have a minimum of 10 years of Workers' Compensation claims work experience.
 - b. Will there be separate adjusters for medical only and lost time cases?
 - c. Caseload for medical only adjuster(s)?
 - d. Caseload for lost time adjuster(s)?
 - e. Description of clerical and other support staff for each adjuster.
- B. Please provide job descriptions for the supervisor's/managers and other home office staff dedicated to this account.
- C. Describe the supervisory involvement in claims management and the audit processes including nature of cases and frequency of internal audits. How many files are supervisors responsible for? What is the minimum frequency of the supervisor's review of claims?
- D. Please identify the training standards for your adjusters including the number of hours and resources allotted/required for training.

5. Information Systems Capabilities and Hardware

- A. Describe the hardware platform and software system you use to record keep and administer all aspects of Workers' Compensation. Was the software developed internally, leased, or bought from another provider?
- B. What software products will be used to deliver services to Washtenaw County? Describe the software's flexibility for customization.
- C. Include in your proposal if you are scanning all the paper in your information system, or if this is a goal for your organization and the anticipated timeline. Describe the information you are currently exchanging with the WCA or any vendor via the system.
- D. Comment on your ability to allow the customer to review and interact in adjuster claim notes, as well as standards for adjuster communication in the note system (i.e., all activity, after IME, claimant interview, insured discussion, etc).
- E. Provide a sample copy of your firm's Loss Run that will be available to the client. Include as many features as possible in describing how loss run information can be formatted. Please include how often and how many copies will be mailed to the client. Report any and all additional fees generated from your information system.
- F. Comment on your systems ability to automate lost time payments and safeguards to ensure these match current WCA decisions. What is your policy on overpayments.
- G. Client Preference is to electronically transfer information by email. Comment on your ability to receive this information directly into the system/claim file.
- H. Are internal controls of your recordkeeping system audited by an independent account firm on an annual or more frequent basis?

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

6. Implementation

Provide a complete outline including a detailed time schedule of the implementation process assuming a May 1, 2016 implementation date.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

Washtenaw County has approximately 2,000 employees located throughout 30 physical locations. WASHTENAW COUNTY's current excess workers compensation insurance expires April 30, 2016.

WASHTENAW COUNTY will be flexible on contract terms; however, WASHTENAW COUNTY will not:

1. Indemnify the third party administrator.
2. Assume responsibility for the claim administrator's errors and omissions.
3. Assume additional claims administration expense due to additional requirements by State and Federal statutes, regulations and requirements.

It is not the intent to engage in extensive contract negotiations with a claims administration organization. The intent is to obtain first-rate claims handling.

All bidders must provide detail for both (1) extra services they will provide and (2) required services they will not provide.

1. The present third party administrator is Broadspire. The contract expires on May 1, 2016 at 12:01 a.m. A copy of the Service Agreement is enclosed for your reference. WASHTENAW COUNTY is requiring the claims administrator and the insurance agent to report to the excess insurance company in the manner required by the excess insurance company. The services required of the claims administrator are specified in the contract attached to the request for bids. **WASHTENAW COUNTY is interested in a multi-year proposal. Specifically, WASHTENAW COUNTY is interested in a three-year contract with guaranteed rates with an option of three one-year extensions.**

WASHTENAW COUNTY is presently insured with Safety National. The policy expiration date is May 1, 2016. Maximum Limit for each occurrence is Statutory. Self-insured Retention per Occurrence is \$600,000 for each accident and \$600,000 each employee for disease. Employers' Liability Maximum Limit of Indemnity per Occurrence \$1,000,000. The minimum annual excess premium is \$74,709. A copy of the current **Specific Excess Workers Compensation and Employers Liability Indemnity Policy** is enclosed for your reference.

**BID #6871 Request for Proposal of Workers' Compensation Third Party
Administrator**

2. WASHTENAW COUNTY has the following classifications of operations:

<u>Code</u>	<u>Classifications</u>
6217	Excavation
7380	Drivers
7720	Policemen
8018	Store: Wholesale NOC
8395	Auto Repair Facility
8742	Sales-Outside
8803	Auditors-Traveling
8810	Clerical
8820	Attorneys
8831	Hospital-Veterinary
8832	Physician
8835	Public Health Nursing
8868	College: Professional
9015	Janitorial Operations
9040	Hospitals: All Other
9052	Home for the Aged
9079	Restaurant-NOC
9102	Parks-NOC
9410	Municipal Employees

3. Refer to the attached loss information for both total loss information and individual losses in excess of \$10,000.

4. WASHTENAW COUNTY has about 250 licensed vehicles.

5. Information involving WASHTENAW COUNTY exposures:

- A. Administrators, Department Heads, and secretarial employees receive supplemental benefits equal to full salary for either six or twelve months.
- B. No substantial or unusual changes (increases or decreases) have occurred in the operations of WASHTENAW COUNTY in the last five years and none are planned.
- C. During the last five years, no insurer (or re-insurer) canceled or refused to renew any workers' compensation or employer's liability insurance.
- D. WASHTENAW COUNTY does not have employees who may be subject to the Longshoremen and Harbor Workers Act, Jones Act, or Federal Employers' Liability Act.
- E. WASHTENAW COUNTY does not have any foreign operations. Employees may travel to foreign countries but this would be most unusual.
- F. WASHTENAW COUNTY operations would involve exposure to heights only on rare occasions.
- G. WASHTENAW COUNTY receives the benefit of volunteer services. The number of volunteers varies from day to day.
- H. WASHTENAW COUNTY does not own, lease or charter any aircraft.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

VI. SAMPLE STANDARD PROVISIONS FOR CONTRACTS

SERVICE CONTRACT
(NAME OF CONTRACTOR)

CR _____

AGREEMENT is made this _____ day of _____, 2015, by the COUNTY OF WASHTENAW, a municipal corporation, with offices located in the County Administration Building, 220 North Main Street, Ann Arbor, Michigan 48107 ("County") and (NAME OF CONTRACTOR) located at (CONTRACTOR'S ADDRESS) ("Contractor").

In consideration of the promises below, the parties mutually agree as follows:

ARTICLE I - SCOPE OF SERVICES

The Contractor will (SPELL OUT SCOPE OF SERVICE)

ARTICLE II - COMPENSATION

Upon completion of the above services and submission of invoices the County will pay the Contractor an annual amount not to exceed (SPELL OUT DOLLAR AMOUNT).

ARTICLE III - REPORTING OF CONTRACTOR

Section 1 - The Contractor is to report to (DEPARTMENT HEAD TITLE) and will cooperate and confer with him/her as necessary to insure satisfactory work progress.

Section 2 - All reports, estimates, memoranda and documents submitted by the Contractor must be dated and bear the Contractor's name.

Section 3 - All reports made in connection with these services are subject to review and final approval by the County Administrator.

Section 4 - The County may review and inspect the Contractor's activities during the term of this contract.

Section 5 - When applicable, the Contractor will submit a final, written report to the County Administrator.

Section 6 - After reasonable notice to the Contractor, the County may review any of the Contractor's internal records, reports, or insurance policies.

ARTICLE IV - TERM

This contract is for a three (3) year term (*change as necessary*) which begins on (MONTH, DAY, YEAR) and ends on (MONTH, DAY, YEAR) with an option to extend for two (2) additional one (1) year periods.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

ARTICLE V - PERSONNEL

Section 1 - The contractor will provide the required services and will not subcontract or assign the services without the County's written approval.

Section 2 - The Contractor will not hire any County employee for any of the required services without the County's written approval.

Section 3 - The parties agree that all work done under this contract shall be completed in the United States and that none of the work will be partially or fully completed by either an offshore subcontractor or offshore business interest either owned or affiliated with the contractor. For purposes of this contract, the term, "offshore" refers to any area outside the contiguous United States, Alaska or Hawaii.

ARTICLE VI - INDEPENDENT CONTRACTOR

Contractor and the County shall, at all times, be deemed to be independent contractors and nothing herein shall be construed to create or imply that there exists between the parties a partnership, joint venture or other business organization. Contractor shall hold no authority, express or implied, to commit, obligate or make representations on behalf of the County and shall make no representation to others to the contrary.

Nothing herein is intended nor shall be construed for any purpose as creating the relationship of employer and employee or agent and principal between the parties. Except as otherwise specified in this contract, Contractor retains the sole right and obligation to direct, control or supervise the details and means by which the services under this contract are provided.

Contractor shall not be eligible for, or participate in, any insurance, pension, workers' compensation insurance, profit sharing or other plans established for the benefit of the County's employees. Contractor shall be solely responsible for payment of all taxes arising out of the Contractor's activities in connection with this Agreement, including, without limitation, federal and state income taxes, social security taxes, unemployment insurance taxes and any other tax or business license fees as required. The County shall not be responsible for withholding any income or employment taxes whatsoever on behalf of the Contractor.

ARTICLE VII - INDEMNIFICATION AGREEMENT

The contractor will protect, defend and indemnify Washtenaw County, its officers, agents, servants, volunteers and employees from any and all liabilities, claims, liens, fines, demands and costs, including legal fees, of whatsoever kind and nature which may result in injury or death to any persons, including the Contractor's own employees, and for loss or damage to any property, including property owned or in the care, custody or control of Washtenaw County in connection with or in any way incident to or arising out of the occupancy, use, service, operations, performance or non-performance of work in connection with this contract resulting in whole or in part from negligent acts or omissions of contractor, any sub-contractor, or any employee, agent or representative of the contractor or any sub-contractor.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

ARTICLE VIII - INSURANCE REQUIREMENTS

The Contractor will maintain at its own expense during the term of this Contract, the following insurance:

1. Workers' Compensation Insurance with Michigan statutory limits and Employers Liability Insurance with a minimum limit of \$100,000 each accident for any employee.
2. Commercial General Liability Insurance with a combined single limit of \$1,000,000 each occurrence for bodily injury and property damage. The County shall be added as "additional insured" on general liability policy with respect to the services provided under this contract.
3. Automobile Liability Insurance covering all owned, hired and non-owned vehicles with Personal Protection Insurance and Property Protection Insurance to comply with the provisions of the Michigan No Fault Insurance Law, including residual liability insurance with a minimum combined single limit of \$1,000,000 each accident for bodily injury and property damage.

Insurance companies, named insured's and policy forms may be subject to the approval of the Washtenaw County Administrator, if requested by the County Administrator. Such approval shall not be unreasonably withheld. Insurance policies shall not contain endorsements or policy conditions which reduce coverage provided to Washtenaw County. Contractor shall be responsible to Washtenaw County or insurance companies insuring Washtenaw County for all costs resulting from both financially unsound insurance companies selected by Contractor and their inadequate insurance coverage. Contractor shall furnish the Washtenaw County Administrator with satisfactory certificates of insurance or a certified copy of the policy, if requested by the County Administrator.

No payments will be made to the Contractor until the current certificates of insurance have been received and approved by the Administrator. If the insurance as evidenced by the certificates furnished by the Contractor expires or is canceled during the term of the contract, services and related payments will be suspended. Contractor shall furnish

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator
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the certification of insurance evidencing such coverage and endorsements at least ten (10) working days prior to commencement of services under this contract. Certificates shall be addressed to the Washtenaw County c/o: : ***INSERT DEPARTMENT, ADDRESS, CITY, STATE & ZIP CODE AND CR#***_____, and shall provide for written notice to the Certificate holder of cancellation of coverage.

ARTICLE IX - COMPLIANCE WITH LAWS AND REGULATIONS

The Contractor will comply with all federal, state and local regulations, including but not limited to all applicable OSHA/MIOSHA requirements and the Americans with Disabilities Act.

ARTICLE X - INTEREST OF CONTRACTOR AND COUNTY

The Contractor promises that it has no interest which would conflict with the performance of services required by this contract. The Contractor also promises that, in the performance of this contract, no officer, agent, employee of the County of Washtenaw, or member of its governing bodies, may participate in any decision relating to this contract which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested or has any personal or pecuniary interest. However, this paragraph does not apply if there has been compliance with the provisions of Section 3 of Act No. 317 of the Public Acts of 1968 and/or Section 30 of Act No. 156 of Public Acts of 1851, as amended by Act No. 51 of the Public Acts of 1978, whichever is applicable.

ARTICLE XI - CONTINGENT FEES

The Contractor promises that it has not employed or retained any company or person, other than bona fide employees working solely for the Contractor, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this contract. For breach of this promise, the County may cancel this contract without liability or, at its discretion, deduct the full amount of the fee, commission, percentage, brokerage fee, gift or contingent fee from the compensation due the Contractor.

ARTICLE XII - EQUAL EMPLOYMENT OPPORTUNITY

The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, sexual orientation, national origin, physical handicap, age, height, weight, marital status, veteran status, religion and political belief (except as it relates to a bona fide occupational qualification reasonably necessary to the normal operation of the business).

The Contractor will take affirmative action to eliminate discrimination based on sex, race, or a handicap in the hiring of applicant and the treatment of employees. Affirmative action will include, but not be limited to: Employment; upgrading, demotion or transfer; recruitment advertisement; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship.

The Contractor agrees to post notices containing this policy against discrimination in conspicuous places available to applicants for employment and employees. All solicitations or advertisements for employees, placed by or on the behalf of the Contractor, will state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, sexual orientation, national origin, physical handicap, age, height, weight, marital status, veteran status, religion and political belief.

ARTICLE XIII - LIVING WAGE

The parties understand that the County has enacted a Living Wage Ordinance that requires covered vendors who execute a service or professional service contract with the County to pay their employees under that contract, a minimum of either \$12.00 per hour with benefits or \$14.07 per hour without benefits. Contractor agrees to comply with this Ordinance in paying its employees. Contractor understands and agrees that an adjustment of the living wage amounts, based upon the Health and Human Services poverty guidelines, will be made on or before April 30, 2016 and annually thereafter which amount shall be automatically incorporated into this contract. County agrees to give Contractor thirty (30) days written notice of such change. Contractor agrees to post a notice containing the County's Living Wage requirements at a location at its place of business accessed by its employees.

ARTICLE XIV - EQUAL ACCESS

The Contractor shall provide the services set forth in Article I without discrimination on the basis of race, color, religion, national origin, sex, sexual orientation, marital status, physical handicap, or age.

ARTICLE XV - OWNERSHIP OF DOCUMENTS AND PUBLICATION

All documents developed as a result of this contract will be freely available to the public. None may be copyrighted by the Contractor. During the performance of the services, the Contractor will be responsible for any loss of or damage to the documents while they are in its possession and must restore the loss or damage at its expense. Any use of the information and results of this contract by the Contractor must reference the project sponsorship by the County. Any publication of the information or results must be co-authored by the County.

ARTICLE XVI - ASSIGNS AND SUCCESSORS

This contract is binding on the County and the Contractor, their successors and assigns. Neither the County nor the Contractor will assign or transfer its interest in this contract without the written consent of the other.

ARTICLE XVII - TERMINATION OF CONTRACT

Section 1 - Termination without cause. Either party may terminate the contract by giving thirty (30) days written notice to the other party.

ARTICLE XVIII - PAYROLL TAXES

The Contractor is responsible for all applicable state and federal social security benefits and unemployment taxes and agrees to indemnify and protect the County against such liability.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

ARTICLE XIX - PRACTICE AND ETHICS

The parties will conform to the code of ethics of their respective national professional associations.

ARTICLE XX- CHANGES IN SCOPE OR SCHEDULE OF SERVICES

Changes mutually agreed upon by the County and the Contractor, will be incorporated into this contract by written amendments signed by both parties.

ARTICLE XXI - CHOICE OF LAW AND FORUM

This contract is to be interpreted by the laws of Michigan. The parties agree that the proper forum for litigation arising out of this contract is in Washtenaw County, Michigan.

ARTICLE XXII - EXTENT OF CONTRACT

This contract represents the entire agreement between the parties and supersedes all prior representations, negotiations or agreements whether written or oral.

ARTICLE XXIII – ELECTRONIC SIGNATURES

All parties to this contract agree that either electronic or handwritten signatures are acceptable to execute this agreement.

ATTESTED TO:

WASHTENAW COUNTY

By: _____
Lawrence Kestenbaum (DATE)
County Clerk/Register

By: _____
Verna J. McDaniel (DATE)
County Administrator

APPROVED AS TO CONTENT:

CONTRACTOR

By: _____
(DEPARTMENT HEAD) (DATE)

By: _____
(CONTRACTOR'S NAME) (DATE)

APPROVED AS TO FORM:

By: _____
Curtis N. Hedger (DATE)
Office of Corporation Counsel

LOCAL VENDOR PREFERENCE DEFINITIONS:

Federal funded programs, whether they are receiving the funds directly or as a State pass through are exempt as mandated by the Federal Register 2 CFR Chapter I, Chapter II Part 200 section 200.319 Competition 7(b) effective December 26, 2014.

A. Washtenaw County Company – must meet all criteria listed:

- 1) Its headquarters is physically located within Washtenaw County, or it has been conducting business at a location with a permanent street address in the County on an ongoing basis for not less than one taxable year (12 consecutive months) prior to its bid or response to a Request for Proposals (RFP).
- 2) It has made payment of property taxes on real or personal property within the past year on property which is ordinarily needed to perform the proposed contract. Or it has leased property for its Headquarters or business with in Washtenaw County for more than one year (12 consecutive months).
- 3) It has been dealing for at least one year (12 consecutive months) on a regular commercial basis in the kind of goods or services which are the subject of the bid or proposal.

B. Michigan Company - must meet all criteria listed:

- 1) Its headquarters is physically located within the State of Michigan, or it has been conducting business at a location with a permanent street address in the State of Michigan on an ongoing basis for not less than one taxable year prior to its bid or response to a Request for Proposals (RFP).
- 2) It has made payment of property taxes on real or personal property within the past year on property which is ordinarily needed to perform the proposed contract. Or it has leased property for its Headquarters or business in the State of Michigan for more than one year (12 consecutive months).
- 3) It has been dealing for at least one year (12 consecutive months) on a regular commercial basis in the kind of goods or services which are the subject of the bid or proposal.

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Local Vendor Certification Application & Affidavit

Background: To increase economic opportunity in Washtenaw County and the state of Michigan, the County provides a local vendor preference (when determining the award) as follows:

Washtenaw County based companies- A 5% bid discount for purchases greater than \$5,000 and up to \$200,000 and a 2% discount for purchases over \$200,000.

State of Michigan based companies – A 3% bid discount for purchases greater than \$25,000 and up to \$200,000 and a 1% discount for purchases over \$200,000.

Instructions: To qualify as a Washtenaw County or State of Michigan company, the following information must be provided:

1. If you are not an existing Washtenaw County vendor, complete the Washtenaw County Vendor Application available at:
<http://www.ewashtenaw.org/government/departments/finance/purchasing/information-for-vendors/how-to-become-a-vendor> The resulting e-mail confirmation must be printed and submitted.
2. Provide proof that you are a company registered in the State of Michigan by searching for your business on the State of Michigan Corporation Division Business Entity Search (http://www.dleg.state.mi.us/bcs_corp/sr_corp.asp). The resulting **business Details page** must be printed and submitted.
3. Provide proof that your local taxes are up to date by searching for the municipality in which your business is located on the BS&A Software website (<https://is.bsasoftware.com/bsa.is/SelectUnit.aspx#W>) (may need to copy and paste link to open). After selecting the municipality, select "Tax Information Search" on the left, and search for your business. The resulting **Detailed Tax Information page** must be printed and submitted. NOTE: If you cannot find your municipality on the BS&A website, call the municipality's Treasurer and request a Detailed Tax Information Form showing local business tax status. Submit this form instead.
4. Provide the following Affidavit of Qualified Local Vendor by filling out the attached affidavit.

All required application materials must be included in the RFP bid response.

For more information, contact: Jillian Grabarczyk
Administrative Coordinator/Purchasing
734-222-6738

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

Washtenaw County, Michigan Local Vendor Affidavit (March 2015)

Legal Name of Business _____

Federal Taxpayer Identification Number: _____

Type of services provided:

- Construction Professional Services Goods & Services

Physical Address of Business Headquarters:

Street Address

City, State Zip

Is this business headquartered in Washtenaw County?

- Yes No

Has this business been dealing for at least one year (12 consecutive months) on a regular commercial basis in the kind of goods or services which are the subject of the bid or proposal?

- Yes No

Are this business's local and state tax filings up to date?

- Yes No

If no, please explain: _____

Any material misrepresentation of information in this document will be grounds for denial of certification and exclusion from all Washtenaw County contracts for a period of one (1) year.

The undersigned hereby affirms that the applicant firm believes it is qualified for certification as a Local Vendor, as set forth in the certification guidelines established by Washtenaw County. The undersigned agrees to hold Washtenaw County harmless in any claim arising out of this application or information provided by the applicant and agrees to indemnify Washtenaw County for any liability incurred in connection with this application or with the certification of the applicant firm. Further, the undersigned agrees to inform the County immediately of any changes that result in a change of the certification status of the firm.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

Name of Business

Owner or Managing Partner, and Title

Name of Contact Person, and Title

Email Address for Contact Person

Phone Number for Contact Person

Signature of Owner or Managing Partner, and Title

Date

Washtenaw County Purchasing Department reserves the right to request additional documentation as deemed necessary.

BID #6871 Request for Proposal of Workers' Compensation Third Party Administrator

SIGNATURE PAGE

_____ Signature	_____ Company Name
_____ Print Name	_____ Company Address
_____ Title	_____ City, County, St. Zip
_____ Office Telephone #	_____ Cell Phone #
_____ Federal Tax ID #	_____ Email Address for Purchase Orders

The above individual is authorized to sign on behalf of company submitting proposal.

Proposals must be signed by an official authorized to bind the provider to its provisions for at least a period of 90 days. Signature page must be signed, boxes checked below, and returned as part of vendor proposal.

By signing this bid submission, I certify that I and/or my corporation, company, limited liability company, business association, partnership, society, trust or any other non-governmental entity, organization or group is not an "Iran linked business" as defined by P.A. 517 of 2012 (MCLA 129.311 et seq)("Act").

I understand that under the Act, an "Iran linked business means an individual or one of the above-listed groups who engages in investment activities in the energy sector of Iran, including, but not limited to, providing oil or liquefied natural gas tankers or products used to construct or maintain pipelines used to transport oil or liquefied gas for Iran's energy sector or a financial institution extending credit to another person to engage in investment activities in Iran's energy sector.

I further understand that "investment activity" is defined by the Act as an individual or one of the above listed groups that invests \$20,000,000.00 or more in Iran's energy sector or a financial institution that extends credit to another person, if that person uses the credit to engage in "investment activity" in Iran's energy sector.