



MARIPOSA COUNTY

Human Resources • (209) 742-1379



RESOLUTION - ACTION REQUESTED 2019-556

MEETING: September 24, 2019
TO: The Board of Supervisors
FROM: Kimberly Williams, Human Resources Director
RE: Renewal of AdminSure Agreement for Workers' Compensation Services

RECOMMENDATION AND JUSTIFICATION:

Approve the Renewal of the Agreement with AdminSure, Inc. for Workers' Compensation Services, Which Includes Utilization Review Services, for a Three-Year Period Effective October 1, 2019 through and Including September 30, 2022; and Authorize the Board of Supervisors Chair to Sign the Agreement.

AdminSure is currently the County's Third Party Administrator (TPA) and administers the County's claims filed by injured employees. AdminSure has been providing Workers' Compensation services over the last three years, which includes utilization review services* (the current agreement is for the period of October 1, 2016 to September 30, 2019). The level of expertise and service that AdminSure staff has been providing to the County has been effective. County staff works closely with the TPA on employee claims to ensure that all aspects of each claim are handled efficiently and are in regular communication with AdminSure staff relative to claims, process, and any other related issue that arises.

There has been a reduction in the number of claims since the initial agreement was signed in 2016. Currently, there are 60 open claims and the fees for the initial agreement were negotiated based on an estimated annual claims volume of 72 files. For the renewal, AdminSure had proposed a larger increase in administration fees for the renewal, however, County staff negotiated a lesser dollar amount. The County recognizes that there may be elevated costs for AdminSure to do business since the last three-year agreement and AdminSure recognizes that there is a reduced burden to their staff by the County's reduced claims volume. Currently, the County pays \$18,750 in administration fees each quarter. The proposed and recommended quarterly administration fee is \$19,125 for the first year of the agreement; a quarterly fee of \$19,508 for the second year of the agreement; and a quarterly fee of \$19,899 for the third year of the agreement. This results in a 2% increase from the previous three-year agreement and 2% in each year of the agreement.

*Utilization review is the process the TPA uses to review treatment to determine if it's medically necessary.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

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At their meeting of September 27, 2016, the Board of Supervisors approved a three-year agreement with AdminSure with the adoption of Resolution No. 16-517.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve agreement; amend this recommendation as the Board desires and adopt.

FINANCIAL IMPACT:

Workers' Comp administration fees were included in the 2019/2020 fiscal year budget.

ATTACHMENTS:

AdminSure Agreement 2019-2022 (PDF)

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]

MOVER: Rosemarie Smallcombe, District I Supervisor

SECONDER: Merlin Jones, District II Supervisor

AYES: Smallcombe, Jones, Long, Cann, Menetrey