



## Legislation Text

**File #:** 08-1558, **Version:** 1

Human Resources Department, Risk Management Division, recommending Chairman be authorized to sign Amendment I to Agreement for Services 289-S0611 with Gregory B. Bragg and Associates, Inc. increasing compensation by \$790,200 to \$1,522,200 and extending the term three additional years for the provision of investigative, administrative, and claims adjustment services related to workers' compensation claims.

**RECOMMENDED ACTION:** Approve.

**FUNDING:** Funding is available within Human Resources, Risk Management Division budget.

BUDGET SUMMARY:		
Total Estimated Cost		\$790,200.00
Funding		
Budgeted	\$790,200.00	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$790,200.00	
Change To Net County Cost		\$

Fiscal Impact/Change to Net County Cost: The workers' compensation program is funded through cost-applied charges to County departments. The total cost of this amendment is \$790,200 for the three-year period. The annual cost is \$276,000. This amount is included in the Risk Management budget for FY 2008-09.

Background: On September 27, 2005, item #19, the Board approved a three year contract with Gregory B. Bragg & Associates for services related to workers' compensation claims administration.

Reason for Recommendation: Gregory B. Bragg & Associates has been the County's third party administrator (TPA) for worker's compensation claims since 1999. As evidenced by the independent claims audit performed by North Bay Associates in June 2008, the TPA's performance continues to be outstanding. Risk Management believes the County is receiving excellent service from Bragg & Associates. The amendment is for three additional years. Risk Management recommends, and the Board has traditionally approved, multi-year contracts for general liability and workers' compensation administration services because they save the County money and because there is intrinsic value utilizing a consultant that is familiar with county practices and issues. This familiarity leads to stabilization of working relationships with employees, department management, the local medical community, and County Counsel; lower costs and efficiency/effectiveness of the program due to the

consultant's knowledge of County methods and practices.

In addition to claims administration services, the contract includes provisions for two other services. The first includes a total of \$30,000.00 for optional risk control and special services that the County could choose to have Bragg & Associates perform as outlined in Appendix D to the Agreement. The second is for medical bill review services that will be posted to the claimant's account and charged to the County's Trust Account at an estimated annual cost of \$34,000. Bill review assures the County that bills submitted for reimbursement are appropriate to the injury and comply with state-approved reimbursement rates.

The County Purchasing Agent has reviewed this request to amend the contract with Gregory B. Bragg & Associates and concurs that the continued use of the contractor is appropriate in order to avoid interruption of needed services provided to the County. The Purchasing Agent has coordinated outside review of the contractor's qualifications and ability to provide the needed services. The Purchasing Agent has advised the department that a competitive request for qualifications selection process will need to be initiated prior to October 31, 2011.

Action to be taken following Board approval: Risk Management will inform the Consultant and continue to work with them to provide workers' compensation to injured workers.

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Concurrences: County Counsel and Risk Management