



CompOne Administrators, Inc.
An FDI Group Company
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PROPOSAL FOR WORKERS' COMPENSATION CLAIMS ADMINISTRATION, SAFETY & LOSS PREVENTION AND MEDICAL BILL REVIEW SERVICES

Submission Date: April 13th, 2015

Prospective Client

City of Ann Arbor

Contract Term

This proposal is for a one, two or three-year contract period from 07.01.2015 to 07.01.2018

Service Fee (Percentage of Payroll)

Estimated Annual Service Fee = \$29,960.00

Minimum Annual Service Fee = \$28,462.00

The service fee is based on a rate of \$0.05424581 per \$100 of estimated payroll. *This rate is guaranteed for 3 years.* The estimated annual payroll is \$55,230,077, and will be subject to annual audits.

Annual Audits

The annual service fee can be billed in monthly, quarterly or annual installments. There will be an annual audit performed at the end of each contract year to determine actual annual total payroll.

Price Includes:

- Claims Management
- Safety and Loss Prevention
- Medical Bill Review

Explanation of Proposal

Claims Management

Item	Term	Charge
Claims Management	3 year Contract	The estimated service fee is based on a rate per payroll of \$0.05424581. $\$55,230,077 / \$100 \times \$0.05424581 = \$29,960.00$
Standard Reports	Monthly	Included
ISO Indexing	Per Inquiry	Current ISO Pricing

Best Banking Practices

CompOne Finance Department has an established bank account with Fifth Third Bank that is solely dedicated to the City of Ann Arbor. The account is funded by the Client. CompOne provides an on-line check issuance system, which provides for automated payments and control. The Finance Department for CompOne and the CompOne Claim Manager or their designee closely monitor the client account activity online, and will submit advisory reports, including any excess or deficiencies to the imprest/opening balance. The objective is to avoid fund deficiencies, and banking errors.

For a more in depth overview of CompOne's Best Banking Practices, a complete copy will be provided upon request.

Software Platform

Startech Software, a sister company to CompOne, is a web based software solutions provider for Third Party Administrators, Risk Managers and Managed Care companies. More than just a claims processing tool, Startech created Eclipse 4.0 to be a total environment designed to manage the changing needs of Workers' Compensation claims. Designed for both self-funded organizations as well as Third Party Administrators, Eclipse is a system built on two generations of rock solid claims experience designed by people who know Workers' Compensation and Risk Management.

Reporting Capabilities

A library of standard reports will come with access to the web based claims system, Eclipse 4.0. Additional reports can be created as needed and added to the library. A detailed review of reporting needs will be conducted during the initial kick-off meeting to assess any requirements not covered by the library of reports. The ad-hoc report writer, Logi Analytics, is also included in the software package and provides the ability to customize reports and dashboards to meet the needs of group members.

- Customized Dashboard Metrics
- Loss Summary Reports
- Injury Frequency & Cost Metric Reporting Technology

CMS Reporting

CMS 211 reporting is included in the Annual Administrative Fee.

Allocated Loss Expenses

Shall be the responsibility of the Client and shall include, but not be limited to:

- Legal fees
- Professional photographs
- Medical records
- Experts' rehabilitation costs
- Accident reconstruction
- Architects, contractors
- Engineers
- Police, fire, coroner, weather, or other reports
- Property damage appraisals
- Extraordinary costs for witness statements
- Official documents and transcripts
- Sub rosa investigations
- Medical examinations
- Payments made for claim file
- Extraordinary travel made at client request
- Court reporters
- Fees for service of process
- Pre and post judgment interest paid
- Chemists
- Collection costs payable on subrogation
- Managed care
- ISO Indexing Services
- Any other similar costs, fee, or expense reasonably chargeable to the investigation, negotiation, settlement, or defense of a claim or loss which must have the explicit prior approval of the Client.

Medical Management

Item	Term	Charge	Estimated Annual Cost
Case Management with ManageAbility Medicare set-aside review	Ongoing	\$94/hour	Allocated to file
Utilization Review with ManageAbility Peer Review	Ongoing	\$94/hour	Allocated to file
Independent Medical Evaluations with ManageAbility IME	Ongoing	Price specific to Doctor specialty	Allocated to file

Expert medical management remains a major contributor to mitigating Workers' Compensation claim costs. We look forward to discussions concerning the impact of cooperative medical management on your program.

Managed care services are only utilized at customers' request and approval.

Managed Care services shall include, but not be limited to:

- Medical Case Management Services
- Vocational Rehabilitation Services
- Utilization Review Services
- Medicare Set-Aside
- Independent Medical Evaluations
- Medical Record Reviews
- Radiology Reviews
- Peer Review Services

Medical Bill Review

Item	Term	Charge
Fee Schedule Review	Ongoing	Included
PPO & Pharmacy Program % of Savings	Ongoing	25% of Savings

Safety & Loss Prevention

- Included: 16 hours annually @ rate of \$135 per hour (included in Admin Fee)
- Additional Safety & LP hours can be purchased @ rate of \$135 per hour
- Safety Catalog (available upon request)

Terms of Cancellation or Non-Renewal

In the event of cancellation or non-renewal of this contract, CompOne will continue to manage all pending claims to conclusion of the claims, and claims occurring in this service term but not reported prior to the date of termination unless CompOne is relieved by the Michigan Workers' Compensation Agency. There will be a \$400 per claim per year charge for each claim that remains open, should the Client decide to leave tail claims with CompOne.

Quote in effect until: 07.01.15