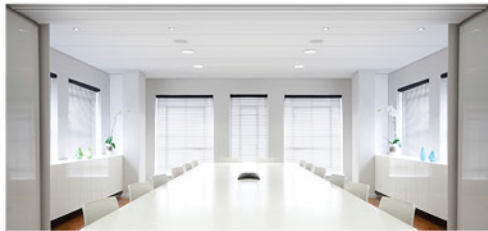


# HYLANT



## Third Party Administrators



### ► City of Ann Arbor

May 26, 2015



[hylant.com](http://hylant.com)

Hylant Ann Arbor  
24 Frank Lloyd Wright Drive  
Suite J4100  
Ann Arbor, Michigan 48105

A third-party administrator (TPA) is an organization that processes insurance claims or certain aspects of employee benefit plans for a separate entity. This can be viewed as "outsourcing" the administration of the claim processing since the TPA is performing a task traditionally handled by an insurance company. The City of Ann Arbor has been self-insured in the State of Michigan for a number of years and thus, a TPA is used to handle the processing of its Workers' Compensation claims.

A number of third-party administrators exist in the United States and no two companies are alike. Some TPAs operate as units of insurance companies while others are independent. Claim management philosophies and services offered may differ greatly among companies. Furthermore, some TPAs have regional, national and global capabilities. Thus, it is important to select a TPA that meets your needs.

When selecting a TPA, a number of criteria should be considered, including:

- Service team
- Industry experience
- Adjuster claim capacity
- Claim management philosophy
- Medical expertise
- Claim reviews
- Ancillary services such as loss control

The City of Ann Arbor has a longstanding partnership with CompOne Administrators but alternative TPAs exist. Some of the largest and most recognizable third party administrators are as follows:

- Sedgwick Claims Management Services, Inc.
- Gallagher Bassett Services, Inc.
- Broadspire Services, Inc.
- York Risk Services Group. Inc.

While these TPAs generate a substantial amount of revenue (\$300,000,000+) each year, their services tend to be expensive and oftentimes they can be rigid in their approach, which doesn't always produce the best results for a customer.

CompOne Administrators is a customer-focused TPA with a wealth of experience working with municipalities in Michigan. In 2010, CompOne acquired the Accident Fund's TPA division and is now the second largest workers' compensation TPA in the state. CompOne currently provides TPA services for the City of Warren, the City of East Lansing, Lansing, the City of Grand Rapids, the City of Ypsilanti and Bay City, among others. Furthermore, it has a strong service team (claim adjusters, nurse case managers, etc.) which currently works well with the City of Ann Arbor's staff. CompOne has recently provided customized loss control services to the City of Ann Arbor as well. Finally, the service fee offered by CompOne is more competitive than the abovementioned TPA providers.

For these reasons, we feel CompOne Administrators is the best TPA partner for the City of Ann Arbor at this time.