



# Third Party Administrator (TPA) –RFP Response Summary

CITY OF ANN ARBOR - TPA RFP SUMMARY	ADJUSTING SERVICE UNLIMITED (ASU Group)	COMPREHENSIVE RISK SERVICES, LLC (CRS)	EAGLE CLAIMS	INCUMBENT - COMPONE
<b>DEDICATED ADJUSTING TEAM</b>	Chad Johnson - Account Liaison Wendy Breen - Work Comp Supervisor Jayne Danhof - Senior Work Comp Claim Examiner Bio's were not included in the RFP, but can be requested.	Chris Cramer - Managing Partner Frank Schmidt - Indemnity Specialist Robin Teeter - Medical Specialists Ken Smylie - VP of Loss Control Bio's included in RFP	Did not send a response	Servicing team in place.
<b>HISTORY OF FIRM</b>	In operation since 1952. Michigan based. 100% employee owned via ESOP. 24/7 claim reporting. 104 TPA clients. Builds service plan based on customer expectations.	Formed in 1995 as a privately owned Work Comp TPA. Michigan based with 31 self insured clients in the State of Michigan		Specializes in Workers' Compensation TPA services. In October 2010 CompOne became the second largest TPA in the State of Michigan. CompOne provides TPA services to State Universities, Hospitals, School Districts and Municipalities.
<b>MUNICIPALITY EXPERIENCE</b>	ASU currently services 59 public entity clients, which represents 56% of the total clientele. 44 of the clients retained ASU for Work Comp TPA Services, to include Loss Control. (see RFP for list of municipality clients)	CRS services 4 public entity clients (see RFP of list of clients).		Information can be obtained from CompOne.
<b>PROPOSED CLAIM SERVICES</b>	Risk Management, Medical Bill Review/PPO Services, Daily Field Adjusting, Nationwide Catastrophe Adjusting, IT Solutions - RMIS System via Origami, 24 Hour Contact from Receipt, Preparation of Claim Handling Instructions, Claim Reviews, Medicare/Medicaid Reporting, Excess Reporting	Claim Reviews, Medical Cost Containment, Pharmacy Benefits Management, Medical Case Management, Nurse Case Management, Field Case Management, Catastrophic Injury Management, Labor Market Assessment, Medicare/Medicaid Reporting, Loss Prevention, RMIS Platform - Origami, Excess Reporting		Claim Reviews, Medicare/Medicaid Reporting, Nurse Case Management, Excess Reporting, Medical Bill Review, Nurse Case Management, Loss Control, Vocational Rehab Services
<b>FEE SCHEDULE</b>	SEE TPA RATE COMPARISON FOR COST ANALYSIS	SEE TPA RATE COMPARISON FOR COST ANALYSIS		SEE TPA RATE COMPARISON FOR COST ANALYSIS
				Current fee schedule is based on estimated annual payroll. Estimated annual service fee is \$26,616.00
				Optional quote Fee per Claim
Per Claim Indemnity File	\$795.00	\$850.00 or a Flat Annual Fee of \$20,705.00		\$900.00
Per Claim Medical Only File	\$150.00	\$145.00		\$155.00
Reporting Only File	\$35.00	Not Indicated on RFP		N/A
Take Over File	\$295.00	\$250.00 + One Time Data Conversion of \$3,750.00		N/A
Annual Administration Fees	\$5,000.00 (see RFP for services included in the fee)	\$4,500.00		\$5,000.00
Allocated Loss Expense	This expenses is billed separate from ASU service fees and will be paid from the claim account. (see RFP for outline of expenses)	Claim fees shall be inclusive as outlined in the RFP. Expenses are not outlined specifically.		Shall be the responsibility of the Client and shall include, but not limited to: (see outline of expenses on page 7 of the CompOne Contract for Services Agreement.
Medical Cost Containment	Bill Review \$1.25 per line. MCC also includes enrollment in a pharmacy benefit management program. (may have the option to obtain pricing per bill, rather than per line)	Bill Review \$8.00 per bill. Pharmacy Benefits Management included.		Medical bill review included in annual fee. PPO/Pharmacy 30% of savings.
Loss Control Services	Loss Control Engineer is available to meet and determine what loss control services would be of value. Standard Rate: \$120.00 per hour, plus expenses.	\$125.00 per hour (\$1,000 per day)		\$150.00 per hour
RMIS System	Cost included in the Annual Administration Fee	One User Fee Included. \$250.00 per additional user.		Information can be obtained from CompOne



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City of Ann Arbor  
 WC TPA Rate Comparison  
 Eff 07/01/2019

Type of Claim	# of Est Claims	Comp One Expiring - 2018		Comp One Renewal -2019		Comp One Renewal -2019		ASU Quote Option -2019		CRS Quote Option -2019	
		Rate / Payroll Program		Rate / Payroll Program		Fee per Claim Program		Fee per Claim Program		Fee per Claim Program	
Indemnity	9					900	8,100	795	7,155	850	7,650
Advanced Medical	0					350	-	n/a	-	n/a	-
Medical Only	56					155	8,680	150	8,400	145	8,120
Report Only	0					n/a	-	35	-	n/a	-
Admin Fee							5,000		5,000		4,500
<b>Claim Handling Fee:</b>							<b>21,780</b>		<b>20,555</b>		<b>20,270</b>
OR											
<b>Fee Based upon Rate per PR:</b>		0.05424581	<b>32,861</b>	0.042408	<b>26,616</b>						
Payroll		60,577,378		62,761,168							
Above fees do not include Medical Bill Review Fees - see below and quotes for details.											
	<b>2018 Saving</b>										
Bill Review PPO & Pharmacy -% of Savings	8,533	25%	2,133	30%	2,560	30%	2,560	28%	2,389	30%	2,560
Utilization Review / Case Mgmt Fee:	7,112	\$98/hour	1,215	\$98/hour	1,215	\$98/hour	1,215	\$85/hour	1,057	\$85/hour	1,057
Bill Review Fee - Rate per Bill:	568 Bills	n/a	-	n/a	n/a	7.50 per Bill	4,260	1.25 per line	3,550	8.00 per Bill	4,544
<b>Total Fees to be Billed:</b>			<b>36,209</b>		<b>30,391</b>		<b>29,815</b>		<b>27,551</b>		<b>28,431</b>

**Notes:**

- For comparison purposes only I am assuming that the 2019 PPO & Pharmacy savings, number of bills reviewed, utilization review fee will be the same as 2018.
- Since the utilization review/case management fee is hourly, I discounted ASU and CRS's fee by 13% - the same % reduction they show for their hourly rate.
- The Comp One savings information provided is per calendar year.
- The % Savings Fees are never charged against savings attributed to reductions from applying the State mandated reimbursement rates.
- ASU bill review fee is charge per line of each bill. I estimated an average of 5 lines per bill.
- Savings Data provided by Comp One:

Year	# Bills Processed	Total Dollars Saved due to State Fee Schedule, PPO &	PPO Dollars Save	PPO Savings Fee to Comp One	Utilization Saving:	Utilization Fee to Comp One
2015	667	157,517	14,510	3,628	3,394	-
2016	336	128,503	5,661	1,415	10,572	-
2017	616	243,838	6,646	1,662	29,151	2,547
2018	568	210,246	8,533	2,133	7,112	1,215