



Legislation Text

File #: ID#19-7075, **Version:** 1

SUBJECT/RECOMMENDATION:

Approve the renewal of an Agreement with Commercial Risk Management, Inc., of Tampa, Florida, for the management and administration of workers compensation claims, from February 1, 2020 through January 31, 2021, pursuant to Clearwater Code of Ordinances Section 2.564 (I) (i), services associated with Workers Compensation exempt from bidding for a not-to-exceed total of \$25,000; and authorize the appropriate officials to execute same. (consent)

SUMMARY:

The Risk Management Division of the Finance Department has a current agreement approved in February 2019 by City Council, expiring January 31, 2020 with Commercial Risk Management, a third-party administrator, for administration of workers compensation claims including lost time claims, claims involving litigation, complex medical claims, and medical only claims (when warranted). Their services would be needed if the City receives an overload of complicated medical claims or if City claims staff issues arose.

The requested renewal retains the same fee structure as the current agreement. An annual administrative fee of \$2,500 has been added to provide consulting services on pending claims, which will greatly benefit the City administration of claims.

For indemnity/lost-time claims the fee is \$1,000, and for medical-only claims, \$250. Complicated medical-only claims, and/or claims needing investigation have a fee of \$500.

The third annual term of this Agreement will commence February 1, 2021 and will have one additional renewal term option to be documented in writing by both parties.

The retention of Commercial Risk Management to administer and manage our more complex and litigative claims will provide Risk Management and the City greater effectiveness in the investigative and fiscal management of our Workers Compensation claims program when needed. Staff projects a potential of 20 - 25 claims annually which may be referred for their services.

APPROPRIATION CODE AND AMOUNT:

Account # 5909830-530300	\$25,000
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