

NORTH CAROLINA

GUILFORD COUNTY

THIS CONTRACT is hereby made, entered into, and effective as of this 1<sup>ST</sup> day of July 1, 2016, by and between **GUILFORD COUNTY**, a body politic and corporate of the State of North Carolina, hereinafter referred to as the “**COUNTY**,” and **PMA MANAGEMENT CORP.**, a corporation with a place of business in Charlotte, North Carolina, hereinafter referred to as the “**PROVIDER**,” and also collectively referred to as the “Parties.”

WITNESSETH:

WHEREAS, for the purpose and subject to the terms and conditions hereinafter set forth, the COUNTY hereby contracts for the items, goods, service or services of the PROVIDER and the PROVIDER agrees to provide the items, goods, service or services to the COUNTY in accordance with the terms of this Agreement.

WHEREAS, the COUNTY is in need of **Third Party Administrator Services – Liability Claims and Workers’ Compensation Claims**; and,

WHEREAS, the PROVIDER has submitted a proposal to provide such goods and/or services.

NOW, THEREFORE, in consideration of promises mutually exchanged the Parties agree as follows:

**1. Goods and/or Services.** PROVIDER will provide the goods and/or services as set forth in the **Specifications (Attachment A)** and **Proposal (Attachment B)**, attached hereto and incorporated herein by reference. All items and/or services shall be provided in a competent, workmanlike and professional manner acceptable to the COUNTY. Should there be any discrepancy between the PROVIDER’S Proposal (Attachment B) and the Specifications (Attachment A) and/or the first four (4) pages of this Contract, the first four (4) pages of this Contract and/or the Specifications (Attachment A) shall prevail and control.

**2. Pricing.** As full compensation for the PROVIDER’S delivery of the goods and/or services, the COUNTY agrees to pay the amounts for the goods and/or services as set out in Attachment B. Payment will be made by the COUNTY to PROVIDER within thirty (30) days of receipt of a correct invoice and proper documentation that the goods and/or services have been delivered or provided in accordance with this Contract. The maximum financial exposure to the COUNTY under this Contract will not exceed **\$304,488.08**, which is broken down as follows:

- Year 1: July 1, 2016 through June 30, 2017 = \$57,500
- Year 2: July 1, 2017 through June 30, 2018 = \$60,375
- Year 3: July 1, 2018 through June 30, 2019 = \$60,375
- Year 4: July 1, 2019 through June 30, 2020 = \$60,375; and,
- Year 5: July 1, 2020 through June 30, 2021: \$60,375.\*\*

**\*\* Year 1 will remain flat to current pricing. Year 2 will see an increase of 5% and year 3 then remains flat. Years 4 and 5 are subject to a maximum potential 3% increase per year. If the cost for either Year 4 or Year 5 is increased, this would make the cost for that year \$62,186.25. If the cost for both Years 4 and 5 is increased, this would bring the cost for Year 4 to \$62,186.25 and the cost for Year 5 to \$64,051.83. In order to cover the potential increases in Years 4 and Year 5, this brings the maximum financial exposure to \$304,488.08 for the five (5) year period of this Agreement.**

**GUILFORD COUNTY CONTRACT NO. 107458-07/16-018  
PMA MANAGEMENT CORP. (PROVIDER)**

- 3. Appropriation.** This Contract is subject to annual appropriation of funds by the Guilford County Board of Commissioners or other funding source, pursuant to N.C.G.S. Chapter §153A-13.
- 4. Term.** This Contract shall be in effect for five years, beginning July 1, 2016, and ending June 30, 2021, with the no option to extend for additional renewals.
- 5. Amendment.** The terms of this Agreement may only be modified or amended with a written Contract Amendment executed by both Parties.
- 6. Termination.** Either Party may terminate this Agreement for any reason and without penalty upon thirty (30) days written notice to the other Party. All goods and/or services provided and accepted as of the date of termination will be paid for; similarly, amounts paid in advance, if any, for which goods and/or services have not been provided and accepted by the COUNTY will be promptly refunded to the COUNTY by the PROVIDER within thirty (30) days of date of termination of this Contract.
- 7. Notices.** All notices pursuant to this Agreement shall be in writing and delivered personally or mailed by certified mail, registered mail, postage prepaid, with return receipt requested, at the addresses appearing below, but each Party may change such address by written notice in accordance with this paragraph. Notices delivered personally will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated as of three (3) days after mailing.

Bonnie Stellfox, Guilford County Purchasing  
Director  
GUILFORD COUNTY  
301 West Market Street  
Greensboro, NC 27401

Keith Brown, Sr. Account Executive  
PMA MANAGEMENT CORP.  
2815 Coliseum Center Drive, Suite 680  
Charlotte, NC 28217  
email: keith\_brown@pmagroup.com

- 8. Independent Contractor/Indemnification.** PROVIDER shall operate as an independent contractor for all purposes. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the COUNTY and either the PROVIDER or any employee or agent of PROVIDER. PROVIDER is an independent contractor and not an employee, agent, joint venture or partner of the COUNTY.

The Parties agree to each be solely responsible for their own acts or omissions in the performance of each of their individual duties hereunder, and shall be financially and legally responsible for all liabilities, costs, damages, expenses and attorney fees resulting from, or attributable to any and all of their individual acts or omissions to the extent allowable by law.

- 9. Assumption.** If PROVIDER should undergo merger, acquisition, bankruptcy or any change in their ownership or their name for any reason, PROVIDER must immediately notify GUILFORD COUNTY in writing of these changes and provide the COUNTY with legal documentation supporting these changes, such as an Assumption Agreement, Bill of Sale, Articles of Incorporation, Articles of Amendment, sales contract, merger documents, etc. Further, PROVIDER will submit the name and address of the assuming PROVIDER'S registered agent for service of process and/or all notices required under this Contract.

- 10. Severability.** If any provision of this Contract is held unenforceable, then such provision will be modified to reflect the Parties' intention. All remaining provisions of this Contract shall remain in full force and effect.

**GUILFORD COUNTY CONTRACT NO. 107458-07/16-018  
PMA MANAGEMENT CORP. (PROVIDER)**

**11. Force Majeure.** Neither Party shall be liable to the other Party for any failure or delay caused by events beyond such Party's control and not due to its own negligence, provided that such Party uses commercially reasonable efforts to resume performance as soon as reasonably practicable. The non-performing Party shall notify the other Party of the force majeure event within twenty-four (24) hours of the onset thereof. In the event that a force majeure event precludes PROVIDER from performing services and/or providing goods for a period of ten (10) consecutive business days, the COUNTY shall have the right to: (a) procure replacement goods and/or services from an alternative source and/or (b) terminate the Contract or portion(s) of Contract upon written notice to PROVIDER.

**12. Headings/Titles/Wording.** Inclusion of titles of paragraphs or section headings, capitalization of certain words or phrases and/or bold face typestyle of certain words or phrases in this Contract are for convenience purposes only and shall not be used to interpret or construe the provisions of this Agreement. The terms "Contract" and "Agreement" have the same meaning and may be used interchangeably throughout this document. The terms "Attachment", "Exhibit" and "Addendum" have the same meaning and may be used interchangeably throughout this document.

**13. Iran Divestment Act of 2015.** In accordance with N.C.G.S. §143C-6A-5 and other applicable sections of N.C.G.S. §143C-6A regarding the Iran Divestment Act of 2015, each Party hereby certifies that it is not identified on the State Treasurer's list of persons which the Treasurer has determined engage in investment activities in Iran, including any subcontractors of either Party.

**14. Jurisdiction.** The Parties agree that this Contract is subject to the jurisdiction and laws of the State of North Carolina. The CONTRACTOR will comply with bid restrictions, if any, and applicable laws, including N.C.G.S. §143-129(j) regarding E-Verify. Any controversies arising out of this Contract shall be governed by and construed in accordance with the laws of the State of North Carolina.

**15. Entire Agreement.** This Contract, including the Exhibits and/or Attachments, if any, sets forth the entire Agreement between the Parties. All prior conversations or writings between the Parties hereto or their representatives are merged within and extinguished. This Contract shall not be modified except by a writing subscribed to by all the Parties.

(The remainder of this page is intentionally left blank.  
This Contract continues with signatures on the following page.)

**GUILFORD COUNTY CONTRACT NO. 107458-07/16-018  
PMA MANAGEMENT CORP. (PROVIDER)**

WITNESS the following signatures and seals all pursuant to authority duly granted, effective as of the day and year first above written.

**GUILFORD COUNTY**

ATTEST:

\_\_\_\_\_  
Marty K. Lawing, Guilford County Manager

\_\_\_\_\_  
Guilford County Clerk to Board

(COUNTY SEAL)

**PMA MANAGEMENT CORP.**

ATTEST:

\_\_\_\_\_  
President

\_\_\_\_\_  
Corporate Secretary

Printed Name: \_\_\_\_\_

(CORPORATE SEAL)

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Guilford County Finance Director

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This Contract continues on the following pages.)

STATE OF NORTH CAROLINA

AFFIDAVIT REGARDING E-VERIFY

COUNTY OF GUILFORD

I, \_\_\_\_\_ (the individual attesting below), being duly authorized by and on behalf of PMA MANAGEMENT CORP. (the entity doing business with Guilford County, hereinafter "Employer") after first being duly sworn hereby swears or affirms as follows:

1. Employer understands that E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with NCGS §64-25(5).
2. Employer understands that Employers Must Use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS§64-26(a).
3. Employer is a person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. Mark "Yes" or "No":
  - a. YES \_\_\_\_\_; or,
  - b. NO \_\_\_\_\_
4. Employer's subcontractors comply with E-Verify, and if Employer is the winning bidder on this project Employer will ensure compliance with E-Verify by any subcontractors subsequently hired by Employer.

This \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Signature of Affiant  
Print or Type Name: \_\_\_\_\_

State of North Carolina - County of \_\_\_\_\_

Signed and sworn to (or affirmed) before me, this the \_\_\_\_\_

day of \_\_\_\_\_, 2016.

My Commission Expires:

\_\_\_\_\_  
Notary Public

(Affix Official/Notarial Seal)



### Guilford County's General Terms and Conditions

1. This bid package serves as official notice that GUILFORD COUNTY is soliciting and will receive bids for the item(s) and/or service(s) stated on the event cover page and outlined in the bid specifications. Bids shall be submitted by mail or hand delivered to the location named in the solicitation or electronically via [www.myguilford.com](http://www.myguilford.com) by the event close date and time specified in the bid package.
2. All addenda to this bid package will be issued electronically. No oral changes made by anyone shall affect this bid package.
3. The official bid price, quote, and response for the RFP, RFQ, or otherwise instructed; shall be signed by a duly authorized person acknowledging full understanding of the bid information and all addenda. The signature shall be witnessed and the Corporate Seal affixed if a corporation. The exact legal name of the corporation or other entity shall be provided.
4. Price quote(s) shall be net, and include all discounts and delivery charges to GUILFORD COUNTY. In cases of difference(s) between unit price and total price, unit price shall prevail unless otherwise noted.
5. Items and services bids are for delivery or completion as soon as possible unless otherwise stated. Delivery or completion dates could therefore be important in making the final determination of award.
6. State and local sales taxes are not to be included in quotes, but they are to be added later to all invoices shown as a separate line item for payment. Federal (sales-excise) taxes, where applicable, are to be included in quotes as they are part of the purchase price.
7. All Formal Bids will be publicly opened and recorded at the date and time specified by and in the Purchasing Department. It is GUILFORD COUNTY'S policy to announce the award electronically. All other information, except that specifically noted by the Supplier as being of a Confidential nature, becomes public record in accordance with N.C. GS 132 and other applicable North Carolina laws. All interested parties are invited to attend any Formal Bid opening.

8. All Informal Bids will NOT be publicly opened and recorded at the date and time specified by and in the Purchasing Department. It is GUILFORD COUNTY'S policy to announce the award electronically. All other information, except that specifically noted by the Supplier as being of a Confidential nature, becomes public record in accordance with N.C. GS 132 and other applicable North Carolina laws after the award is made.
9. GUILFORD COUNTY will have a period of thirty (30) days, unless otherwise stated, after opening the bid package to analyze and award to the lowest responsive and responsible bidder taking into account; service, quality, delivery date, past performance and price. At that time, the successful vendor shall promptly enter into a contract acceptable to GUILFORD COUNTY.
10. Events/Bids that exceed \$90k for the purchase of apparatuses, supplies, equipment, and/or services and construction or construction repair contracts (greater than \$500,000) require final approval of the GUILFORD COUNTY Board of Commissioners who normally meet in open session two (2) times each month, the first and third Thursdays at 5:30pm in Old County Courthouse. Everyone is invited to attend those meetings. Note: Other contracts may in the sole discretion of the County, may require Board of County Commissioners Approval.
11. A bid bond or deposit may be required for Construction or repair contracts (at least 5% of bid amount, Formal Bids (\$500,000 and above) and for Purchase contract it is not required. If this is the case, it will be clearly stated in the Event specifications for each bid package. If a bid deposit is required, it should be submitted in the form of cash, cashier's check, certified check, or bid bond. The checks shall be drawn on a bank or trust company insured by the Federal Deposit Insurance Corporation; and bond shall be a corporate surety licensed under the State of North Carolina. The obligee in either check or bond shall be GUILFORD COUNTY. In addition to the bid deposit or bid bond, some bids may require a separate performance bond and/or payment bond as provided by law in the amount of the contract by the awarded vendor(s). Construction or repair contracts (100% of contract amount (each contract over \$50,000 of project costing over \$300,000 - G.S. 143-129(c); G.S. 44A-2; Purchase Contracts it is not a requirement. If this is required, it will be clearly stated in the bid specifications. In place of a bond; cash, cashier's check, certified check or government securities shall be acceptable.
12. If bid deposit checks are received, they will be returned to all suppliers when the successful supplier has been awarded a contract by GUILFORD COUNTY. The successful vendor's deposit check will be returned when the required contract has been executed.
13. GUILFORD COUNTY'S MWBE participation goal is 10% in accordance with N.C.G.S. 143-28.2(e) (3) and 143-129(b). This 10% percent is a goal, and is not a requirement, demand, set aside or guarantee to minority/women businesses.
14. GUILFORD COUNTY reserves the right to reject any and all bids if it is in the best interest of the County.
15. In case of default by the vendor, GUILFORD COUNTY shall retain the bid deposit or call upon the bid bond surety unless otherwise provided by law.
16. GUILFORD COUNTY'S policy is Net 30 days upon completion and acceptance. In the case of some longer term projects, GUILFORD COUNTY may choose to release partial payments to the vendor each month based on 90% of the estimated value of work completed. The final payment will be released within thirty (30) days or less after the satisfactory completion of all work, its acceptance by GUILFORD COUNTY, and the settlement of all other claims and accounts.

17. In the case of continuing service type contracts, payment(s) will be made monthly or as otherwise agreed upon.
18. It is GUILFORD COUNTY'S policy to conduct all purchasing within the North Carolina State Laws and Guilford County Purchasing Policy. To provide each vendor/supplier an equal opportunity to participate and to award on a best value basis. In order to accomplish our policy, we intend to make every vendor/supplier aware of each purchasing opportunity. Contracts shall be awarded to the lowest responsive and responsible bidder(s) based on quality, past performance, and the time specified in the proposal of the contract. Vendors/suppliers should register online for bidding opportunities at: [www.myguilford.com/purchasing](http://www.myguilford.com/purchasing)
19. A Material Safety Data Sheet (MSDS) shall be furnished to GUILFORD COUNTY for any/all products purchased that contain hazardous material and/or components.
20. Any vendor/supplier performing work on GUILFORD COUNTY'S property is required to have and maintain adequate Liability and Worker's Compensation Insurance as laid out in the bid package that will fully protect GUILFORD COUNTY from any damages to property and/or persons caused by the vendor/supplier.
21. The successful supplier/vendor shall be required, and is responsible, to take Affirmative Action to employ Disabled Veterans and Veterans of the Vietnam era, including listing vacancies with the North Carolina Employment Security Commission, under 42 US Code 4212 and applicable regulations thereafter.
22. The successful vendor/supplier shall be required, and is responsible, to take Affirmative Action in complying with all Federal and State requirements concerning fair employment without regard to discrimination by reason of race, color, religion, sex, national origin or physical handicap.
23. The successful vendor/supplier shall be required to employ in the workforce only those laborers whose employment is consistent with all applicable State and Federal Laws including E-Verify requirements. The successful vendor/supplier, and each subcontractor, shall prior to performance of the work, receive clear written evidence from each laborer, that said laborer may lawfully be employed. Said evidence shall immediately be submitted to the County. Failure of said vendor/supplier or subcontractor to receive, retain and/or provide to the County such evidence shall constitute a material breach of the contract with the County.
24. The successful vendor/supplier is responsible for compliance with all applicable Local, State, and Federal laws, including all state and local permits, licenses and fees.
25. If the vendor/supplier should undergo merger, acquisition or any change in their ownership or their name for any reason, the provider shall immediately notify GUILFORD COUNTY in writing of these changes and provide GUILFORD COUNTY with legal documentation supporting these changes such as an Assumption Agreement, Bill of Sale, Articles of Incorporation, Articles of Amendment, sales contract, merger documents, etc. Further, the vendor/supplier shall submit the name and address of their registered agent for service of process and/or all notices required under the contract(s). This contract shall not be assumed or otherwise transferred to another party by the vendor/supplier without the express written consent of GUILFORD COUNTY, which said consent will be evidenced by acceptance memo, letter or email from the GUILFORD COUNTY MANAGER or his designee to the original vendor/supplier under the contract and the assuming vendor/supplier.
26. Provider shall operate as an independent vendor/supplier for all purposes. The parties agree to each be solely responsible for their own acts of omissions in the performance of each of their individual duties hereunder, and shall be

financially and legally responsible for all liabilities, costs, damages, expenses and attorney fees resulting from or attributable to any and all of their individual acts or omissions to the extent allowable by law.

27. This contract and all other related agreements are governed by the Laws of Guilford County in the State of North Carolina.



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**GUILFORD COUNTY**  
**REQUEST FOR PROPOSALS**  
**EVENT 515**  
**THIRD PARTY ADMINISTRATOR SERVICES –**  
**LIABILITY CLAIMS**  
**And**  
**WORKERS' COMPENSATION CLAIMS**



# Guilford County

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## **THIRD PARTY ADMINISTRATOR SERVICES LIABILITY CLAIMS AND WORKERS' COMPENSATION CLAIMS**

### **GENERAL PURPOSE:**

Guilford County is seeking the services of a qualified firm to provide third party administration services to handle Liability and Workers' Compensation Claims. The purpose of this proposal package is, therefore, to obtain competitive bids in accordance with the North Carolina Purchasing Laws and the Guilford County Purchasing Policies. Guilford County reserves the right to reject any and/or all proposals.

### **CONTRACT PERIOD:**

This Maximum Exposure Contract shall be effective for a five-year period with no renewal options.

### **SCOPE OF WORK:**

Guilford County (County) is seeking to retain the services of a firm (also referred to herein as supplier) to provide third party administrator services to handle its Liability Claims and Workers Compensation. The County is self-insured for Workers Compensation and carries excess insurance with self-insured retention of \$600,000 per claim. The County is totally self-insured auto and general liability. All services provided under this contract shall be provided until the claim is closed, or until the claim is moved to another firm at the direction of the County.

The County reserves the right to select providers of services such as medical providers, nurse case managers, and attorneys.

### **General Requirements**

- A.** The supplier shall provide updates of any status changes of all assigned liability claims. Additionally at its discretion the County may conduct reviews of all claims via a requested claims review.
- B.** The supplier shall have an electronic information system. The County must be provided electronic access to all Liability Claims and Workers Compensation data.
- C.** The supplier shall take all necessary steps to safeguard any data, files, reports or other information from loss or destruction. Liability for any costs or expense of replacing, or damages resulting from the loss of such data, shall be borne by the supplier unless at the time of loss, said data was in the exclusive custody of the County.
- D.** The County shall have access, in a timely manner, to all materials, data, information, criteria, etc., in whatever form prepared by the supplier under this contract or otherwise pertaining to this contract, at no additional cost.
- E.** Any cost incurred by respondents in preparing or submitting a proposal for this work shall be the



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respondents' sole responsibility.

- F. The supplier shall have sufficient infrastructure to meet or exceed the performance measures as stated in Part III of this RFP.
- G. The supplier shall disclose all revenue sources expected from the award of this contract. All direct revenue sources shall be identified in the pricing proposal and/or sample contract. Any business relationship(s) that provide additional revenue sources to the supplier should also be identified and explained in this section. An annual accounting or reporting of all revenue sources is expected.
- H. At the County's discretion a quarterly review of selected claims may be required including a discussion of major reserve changes both upward or downward, claims strategies, and settlement potential.

## **I. STATISTICAL DATA**

The County estimates number of assigned claims to be approximately 15-25 per year.

## **II. PROPOSAL REQUIREMENTS**

The proposal shall consist of the following information, tabbed as identified and in the order indicated below:

### **A. Company Data**

1. Brief description and history of company.
2. List the name, title, mailing address, telephone number, facsimile number, and email address (if applicable) of the contact person for this proposal.
3. Provide percentage of business dedicated to Liability claims.
4. Provide percentage of business dedicated to Workers' Compensation.
5. Provide percentage of business which is self-insured vs. insured.
6. Provide a list of all North Carolina public entity clients.
7. Provide references from at least five current North Carolina public entity Clients to include: Name of individual contact; name of company/entity; nature of business; mailing address; e-mail address; phone number; fax number and number of years doing business with the reference.
8. Describe how your company would handle transferring current open claims. Additionally, identify the costs involved in data transfer and claims handling.



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## **B. Staffing/Administration**

1. Describe your chain of command with respect to the administration of the account. Will you provide a liaison with the County regarding contract administration, staff changes, etc.?
2. Will the assigned adjusters be working Liability claims only?
3. Will the assigned adjusters be assigned to Workers' Compensation claims only?
4. Describe the claims adjusters' average caseload for Liability claims and Workers' Compensation.
5. What is your annual turnover ratio for claims personnel?
6. Describe your formal training program for claims personnel.
7. If supervisors are responsible for handling claims, what are the average caseloads for supervisors?
8. What is your firm's supervisor to adjuster ratio?
9. Identify the office which will be responsible for handling claims.

## **C. Communication**

1. Outline your firm's policy for returning phone calls and responding to written correspondence (including e-mail) and explain how compliance is tracked.
2. Describe your claim reporting procedures.
3. Describe your procedures for obtaining approval for settlement amounts that exceed the established settlement authority dollar threshold.
4. Describe your firm's approach to pursuing subrogation when warranted.
5. Describe your firm's internal procedures for reporting reserve changes in excess of an amount established by the County.
6. Describe your firm's claims denial and appeal procedures.
7. Describe your firm's recommendations for conducting claims reviews with the County.
8. Describe your firm's standard level of interaction and communication between your claims team and your clients.



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9. How does your firm enact any special handling instructions, such as assignment to a specific adjuster or other instructions due to the sensitive nature of a claim, etc.? Are there any costs associated with special handling instructions?

## **D. A. Cost Containment for Liability Claims**

1. Provide a statement as to how your firm will ensure complete disclosure of fees.
2. Are subrogation costs included in your per claim fee or is it treated as an allocated expense? Please detail the cost, if any.
3. Describe items that would be considered as Allocated Loss Adjustment Expenses (ALAE).

## **B. Cost Containment for Workers' Compensation**

1. Provide a list of medical cost containment services available to the County and the cost for each service.
2. What Preferred Provider Organization (PPO) Network(s) do you currently use and are they readily accessible in the County's area. Do you own, or rent PPO networks? What was the average gross and net savings in North Carolina for 2009?
4. Provide a statement as to how your firm will ensure complete disclosure of fees related to cost containment efforts.
5. Please describe any cost sharing and contingent fee arrangements between your firm and any cost containment or PPO organizations whether performed by a separate company, or wholly owned or partially owned by your firm.
6. Provide a sample doctor office bill, a sample hospital outpatient bill, and a sample hospital inpatient bill, with charges adjusted for any applicable state fee schedule, network savings, and any other adjustments applicable, along with the calculation for each fee charged on each reduction applied.
7. Provide a sample medical cost saving report with details of savings and charges related thereto.
8. Describe your firm's methodology for paying medical bills, including the maximum time allowed for payment of medical bills and how your firm ensures compliance with that methodology.
9. Are subrogation costs included in your per claim fee or is it treated as an allocated expense? Please detail the cost, if any.
10. Do you perform recovery services or outsource this function?
11. Describe items that would be considered as Allocated Loss Adjustment Expenses (ALAE).



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12. Describe the criteria used to determine when vocational rehabilitation, and IME, mediator, or an attorney should be used. Describe any additional fees related to the use of these vendors. Does the County have authority to choose the vendors?

## **E. Claim Investigation**

1. Explain your firm's procedures for establishing contact with the claimants and the applicable county personnel that have information regarding the claim.
2. Explain your firm's procedures for establishing contact with the injured workers and the County.
3. Describe your firm's criteria for taking recorded statements from claimants. At what point in the claims process are recorded statements taken? Is there a fee associated with taking a recorded statement?
4. Describe your firm's fraud control procedures.
5. Describe your claim triage program, and how you determine the required level of investigation.
6. Describe the requirements of adjusters to maintain a claims diary.
7. Do supervisor have the ability to access and add to that diary?

## **F. Litigation Management**

1. Describe your litigation management strategies including assignment of defense counsel.
2. Describe your firms' procedures for maintaining current information in case law or changes in laws and regulations.

## **G. Information System and Reporting**

1. Provide a description of your claims information systems and the information available for client review. How long has this system been in place?
2. When was the last major software update to the system? Do you anticipate any major software updates in the coming 24 months?
3. Do your Clients have access to the system, including adjuster's notes, payments, etc.? Is the information available in "real time"? Is there a fee for use of this system? Will the system limit access to claims within individual departments?
4. How long do you retain detailed claim information in your system?



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5. Describe your data back-up procedures and disaster recovery plans.
6. What are the methods available for claim reporting? (on-line, phone, fax, etc)
7. The County desires to receive loss runs on a monthly, quarterly and annual basis. Please provide, as an attachment, a sample loss run and other reports described in this item.
8. Provide a sample(s) of a status report and/or case summary report.
9. Does your system produce an OSHA 300 report? Can your system track restricted or light duty days?

## H. **RISK CONTROL**

1. Describe your firm's risk control evaluation and consultation capabilities.
2. Describe your ability to identify loss trends and to recommend actions to mitigate or eliminate those trends.
3. How do you establish risk control needs of a client?
4. Does your organization have expertise in material handling, fall prevention, safe driver programs, ergonomics and other workplace safety measures?
5. Do you offer a library/online access to safety training materials? Do you offer onsite training?

## I. **Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) Section 111 Reporting**

1. How will your firm assist the County in meeting its obligations to report to CMS (Centers for Medicaid/Medicare Services)? Do you provide this service in house or outsource? Is there an additional fee?

## J. **COST PROPOSAL**

1. Provide fees for claims services and other administration on the enclosed form.

## III. **PERFORMANCE MEASURES**

The chosen TPA must have sufficient infrastructure to provide an annual report containing the statistical information regarding established performance measures. This claims report must result in a performance score of 90% or better on each individual measure. This annual report is subject to independent audit at Guilford County's discretion. The report will provide relevant information on the following performance measures:



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1. Initiate contact with claimant within one business day of receiving claim information.
2. Develop plan of action within two business days of claim assignment.
3. Liability decision to be made within 14 calendar days.
4. Compensability decision to be made within five calendar days.
5. Establish initial reserves within two business days from date of injury and then adjusted as needed.
6. Provide updates on status of any changes to claim including relevant information not yet received.
7. Return all phone calls and emails from Guilford County within one business day.
8. Claims supervisor must conduct diary review on all cases open more than one month.
9. Review and payment of all medical bills within 30 calendar days of receipt.
10. Timely payment of weekly temporary total (indemnity) benefits and temporary partial disability claims.

#### **IV. PROPOSAL EVALUATION**

Proposals will be evaluated on completeness of proposal, infrastructure, claims handling procedures and cost control. The County reserves the right to request additional information or clarifications it considers necessary for the proper evaluation of the proposal.

The County may request a presentation of services from the highest ranked firms. The County reserves the right to accept the proposal it deems to be in the best interest of the County. The County also reserves the right to accept or reject any or all proposals.

#### **V. PROPOSAL SUBMISSION & TIME LINE**

Please be advised that you must submit one hard copy proposal **AND** one CD **or** USB flash drive of the Request for Proposals no later than **3:00 p.m., Thursday, March 31, 2016**, per the date & time stamp located in the Purchasing Department, to the Guilford County Purchasing Department. Hard copy proposals must be enclosed in a sealed envelope or other package, marked so as to sufficiently identify its contents as a bid (**Event 515**), and shall be mailed or delivered as follows:

Guilford County Purchasing Department  
301 West Market Street  
Suite 32, Basement  
Greensboro, NC 27402

NOTE: Each firm is solely responsible for the timely delivery of their proposal. Proposals received after the stated time and date will not be accepted or considered.

#### **Timeline**

Event Release	March 8, 2016
Electronic Question & Answer Open	March 8, 2016
Electronic Question & Answer Close	March 22, 2016
Proposals Due	March 31, 2016



# Guilford County

STATE of NORTH CAROLINA

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## VI. QUESTIONS

**ALL QUESTIONS** regarding this Request for Proposals shall be submitted online via the Guilford County Bidding website: [www.myguilford.com/sourcing](http://www.myguilford.com/sourcing) during the Q&A period which is detailed online under Event 515. Prospective bidders shall not seek individual contact or information except by the method allowed in this request. Individual requests for discussions with County staff or persons associated with this project are prohibited and can be considered grounds for disqualification. All questions properly submitted will be answered in writing and distributed to all interested parties in a timely manner.



# Guilford County

STATE of NORTH CAROLINA

## COST PROPOSAL

### THIRD PARTY ADMINISTRATOR SERVICES – LIABILITY CLAIMS

#### LIABILITY CLAIMS

\_\_\_\_\_ PER CLAIM FEE (IF APPLICABLE)  
\_\_\_\_\_ ANNUAL ADMINISTRATIVE FEE  
\_\_\_\_\_ CHARGES NOT INCLUDED IN CLAIM FEE

**NOTE: An itemization of any charges other than the hourly fee above must be included, as an attachment, to this Proposal.**

#### PROPOSAL SUBMITTED BY:

Name of Company \_\_\_\_\_

\_\_\_\_\_  
(Name Printed Out)

\_\_\_\_\_  
(Signature)

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# Guilford County

STATE of NORTH CAROLINA

## COST PROPOSAL

### WORKERS' COMPENSATION CLAIMS

#### WORKERS' COMPENSATION CLAIMS

Indemnity	\$ _____
Medical Only	\$ _____
Incident Only Report	\$ _____
Transfer Fee	\$ _____
Account Start Up	\$ _____
Annual Admin Fee	\$ _____
Miscellaneous Fee	\$ _____

#### **CASE MANAGEMENT FEES**

Bill Review Fee	\$ _____
<i>(Note: Bill Review Fee must be quoted as % of Net Savings)</i>	
Pharmacy Program Fee	\$ _____
PPO Access	\$ _____
Telephonic Case Management	\$ _____
Field Nurse Case Management Fee	\$ _____
Vocational Rehabilitation	\$ _____
Utilization Review	\$ _____
Physician Consultant	\$ _____
CMS – Section III Fees	\$ _____

#### **A. INFORMATION SERVICES FEES**

Client Access	\$ _____
Special Report Fee	\$ _____
Data Storage	\$ _____
Data Transfer Fees	\$ _____

#### **B. MISCELLANEOUS FEES**

Subrogation Fee	\$ _____
<b>Other Fees</b> <i>(Note: An itemization of any charges other than claim service fees listed above must be included as an attachment to this Proposal.)</i>	



# Guilford County

STATE *of* NORTH CAROLINA

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**PROPOSAL SUBMITTED BY:**

Name of Company

(Name Print Name)

(Signature)

Title:

Date:



# Guilford County

STATE of NORTH CAROLINA

## **NON-COLLUSION AFFIDAVIT**

My submission of a response to this event certifies that I agree to the non collusion agreement contained below:

1. The submitter of this document is acting as an agent for their company who is the respondent that has submitted the attached bid response.
2. The undersigned person is fully informed concerning the preparation and contents of the attached response and of all pertinent circumstances related to it, and are authorized to sign this affidavit. This affidavit is given under penalty of perjury as provided by law.
3. Such bid response is genuine and is not collusive or sham in anyway whatsoever.
4. Neither the person responding nor any of its officers; partners, owners, agents, representatives, employees or parties in interest, including the signer of this affidavit, have in any way colluded, conspired, connived or agreed, directly or indirectly, with any other respondent, firm or person to submit collusive or submit a sham response in connection with the contract for which the attached response has been submitted or to refrain from responding in connection with such contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other responder, firm or person to fix the price or prices in the attached response or of any other responder, or, to fix any overhead, profit, or cost to secure through collusion, conspiracy, connivance or unlawful agreement any advantage against the Board of County Commissioners, Guilford County or any person interested in the proposed contract.
5. The price or prices quoted in the attached response are fair and proper and are not derived by any collusion, conspiracy, connivance or unlawful agreement on the part of the respondent or any of its agents, representatives, owners, employees, or parties in interest.

Subscribed and sworn to before me, this

Signature of Office

_____ Day	_____ Month	_____ Year
--------------	----------------	---------------

\_\_\_\_\_  
Title

(Seal)

Notary Public

My Commission Expires



# Guilford County

STATE of NORTH CAROLINA

STATE OF NORTH CAROLINA

## AFFIDAVIT

COUNTY OF GUILFORD

\*\*\*\*\*

I, \_\_\_\_\_ (the individual attesting below), being duly authorized by and on behalf of  
\_\_\_\_\_ (the entity bidding on project hereinafter "Employer") after first being duly sworn  
hereby swears or affirms as follows:

1. Employer understands that E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with NCGS §64-25(5).
2. Employer understands that Employers Must Use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS§64-26(a).
3. Employer is a person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. Mark "Yes" or "No":
  - a. YES \_\_\_\_\_; or,
  - b. NO \_\_\_\_\_
4. Employer's subcontractors comply with E-Verify, and if Employer is the winning bidder on this project Employer will ensure compliance with E-Verify by any subcontractors subsequently hired by Employer.

This \_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Signature of Affiant  
Print or Type Name: \_\_\_\_\_

State of North Carolina County of Guilford

Signed and sworn to (or affirmed) before me, this the \_\_\_\_\_  
day of \_\_\_\_\_, 2016.

My Commission Expires:

\_\_\_\_\_  
Notary Public

(Affix Official/Notarial Seal)



TPA & Risk Services for  
Workers' Compensation,  
Property, Auto, General Liability

Presented to:

**Guilford County**  
STATE of NORTH CAROLINA



Closing Date: March 31, 2016 at 3:00 p.m.

**Top 10**  
Largest  
Property  
& Casualty  
TPA

**95%**  
Avg. Client  
Retention

**100**  
**Years**  
in Risk  
Management

**96%**  
Avg. Client  
Satisfaction



OLD REPUBLIC INSURANCE GROUP

March 29, 2016

Guilford County Purchasing Department  
301 Market Street  
Suite 32, Basement  
Greensboro, NC 27402

Dear Sir/Madam,

On behalf of PMA Companies, thank you for the opportunity to submit a proposal to continue as your Third-Party Administrative (TPA) & Risk Services provider. As your current TPA provider, we understand that your business and risk management priorities include creating a safer, healthier workplace, safeguarding your assets, and reducing your total cost of risk. Our approach to risk management aligns our priorities with yours, continuing to maximize the results we can achieve together.

This proposal outlines why continuing with PMA Management Corp. as your partner in managing risk is your best choice. Some key highlights of our TPA & Risk Services proposal include:

- **Unique holistic approach**—which provides pre-loss, loss-reduction, and post-loss strategies to reduce your total cost of risk
- An **innovative company with a stable leadership team, and service-driven culture**—all focused on protecting workers while preventing claims and reducing their costs
- **Industry expertise** earned through **decades of experience and research collaboration** with various national self-insurance and public risk organizations
- A professional **service team** leveraging PMA's 100 years of specialized risk management expertise and infrastructure
- **Low target caseloads** for claims professionals to facilitate greater focus on each claim
- An ever-evolving and fully integrated **managed care program** that uses a strategically sequenced, data-driven approach to assess lost-time claims and cost effectively get injured workers the right care at the right time
- **24/7 Customer Service Center** that supports you, your injured workers, and their medical providers, enabling our claims professionals to focus on cost-effective claims resolutions.

At PMA, we have created a 100-year success story one relationship at a time. We are passionate about doing what we say, and delivering exceptional value to our clients. We look forward to continuing as your partner in managing your risk, improving your program results, and exceeding your service expectations.

Sincerely,

Keith Brown  
Senior Account Executive  
PMA Management Corp.  
704-737-9033

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**Attachments:**

**Section 1 - Sample Loss Run**

**Section 2 - Sample Status Report**

**Section 3 - PMA Sample TPA agreement**

**Section 4 - Signed documents (E-Verify/Non-Collusion)**

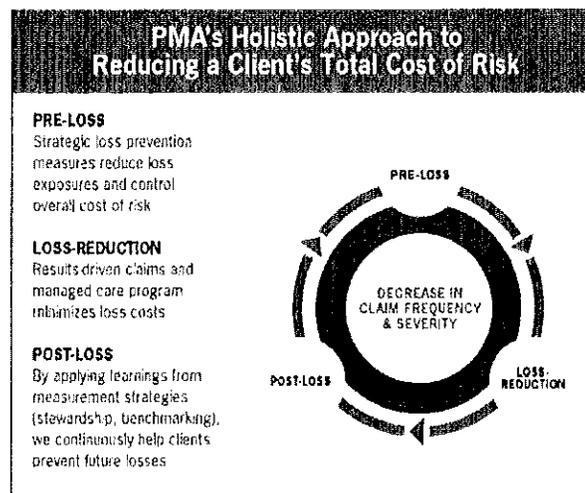
**Section 5 - Original RFP**

# Company Data

## 1. Brief description and history of company.

PMA Management Corp. is proud to be the TPA partner for Guilford County. Over the past 5 years, PMA Management Corp. has provided the County with claims and risk management services for the workers' compensation and liability programs.

PMA Management Corp. is a subsidiary of the PMA Companies and a member of the Old Republic International group celebrating 100 years of claims and risk management services. County governments make up a significant part of our public sector client-base which is nearly 40% of total TPA business. PMA Management Corp. provides a "holistic" approach to help the County reduce their total cost of risk. Our "holistic" approach to reducing loss costs has been a proven technique for our public sector clients, as well. PMA Management Corp. applies the pre-loss, loss reduction and post-loss programs to help Guilford County achieve better outcomes on their workers' compensation and liability claims.



The public sector is our largest TPA business segment. We serve 300+ state and local governments, transit and utility authorities, K-12 schools, colleges and universities, and healthcare organizations.

- Prince William County Virginia (client for over two decades and *Business Insurance* magazine 2013 Risk Manager of the Year)
- City of Greensboro (a client for over six years for workers' compensation)
- Memphis Area Transit Authority (largest transit agency in Tennessee)
- Clayton County Water Authority (industry leader nationally recognized for sustainability best practices)
- Greenville County Schools (largest public school district in South Carolina)

Through decades of experience and research collaboration with both the National Public Risk Management Association (PRIMA) and NC PRIMA organizations, PMA has amassed deep insights on your workers' compensation challenges. Our recent joint PMA/PRIMA workers' compensation survey of the organization's members revealed an aging workforce, controlling claim frequency, and returning injured employees to work as most public entity risk managers' top concerns. We help you manage those issues through our holistic approach to claims management—taking proactive steps for more effective loss prevention, management, and analysis. PMA's pre-loss services aim to reduce the overall frequency and costs of claims. As a result, the County has seen a reduction in the number claims reported, a 37% decrease from 2014 to 2015. When claims occur, our experienced adjusters and nurses work to reduce the amount of disability, while our comprehensive managed care services help reduce the overall cost of medical bills and prescription medications. In 2011, PMA took over 49 open lost

ATTACHMENT B - GUILFORD COUNTY CONTRACT NO. 107458-07/16-018 - PMA MANAGEMENT CORP. (PROVIDER)  
time claims, there are only 5 remain. PMA's online resources enable public sector risk managers to track key results and respond promptly to emerging issues in their programs.

PMA Management Corp. will continue to help Guilford County's Risk Management Team achieve the delicate balance that they need....responsive claim services to its employees coupled with fiscal savings. Here's how we accomplished this delicate balance:

- Dedicated a team of passionate PMA people who will focus on executing the industry's best claims practices
- Became an "extension" of your Risk Management Department and it's initiatives
- Shared with your team how our other clients, have used innovative strategies to manage their property and casualty risks
- Provided Risk Control services to provide an ergonomics assessment for the County.
- Proposed a medical bill review program and fee structure that saved you more money upfront and costs less in backend fees. In our teure, PMA has received \$5,443,593 in medical invoices. Our medical bill review programs have produced \$2,812,575 in reductions for a savings of 52%.
- Employed industry leading metrics such as Benchmarking and Risk Management Assessments to constantly gauge our collective progress
- Reported and Communicated Program results in easy to understand ways so that we can educate the Department managers and Supervisors on their costs. Education is the catalyst to changing habits.
- Utilized internet technologies including "paperless" claim files so that you and PMA can simultaneously drive claims to resolution.

Together, PMAMC and the County have made strides in helping reduce the overall loss costs to the County's program. We want to continue as your Third Party Administrator for the long term, and we are willing to make the commitments necessary to assure a continuing and lasting relationship.

**2. List the name, title, mailing address, telephone number, facsimile number, and email address (if applicable) of the contact person for this proposal.**

Keith Brown, Sr. Account Executive  
PMA Management Corp. (PMAMC)  
2815 Coliseum Center Drive, Suite 680, Charlotte, NC 28217  
Toll Free (704) 737-9033 • Fax (704) 329-0799  
keith\_brown@pmagroup.com

**3. Provide percentage of business dedicated to Liability claims.**

20% of our self-insured business is related to the handling of Liability claims.

**4. Provide percentage of business dedicated to Workers' Compensation.**

80% of our self-insured business is related to the handling of worker's compensation claims.

**5. Provide percentage of business which is self-insured vs. insured.**

Approximately 55% of PMAMC's business is self-insured. The other 45% is a combination of Self Insured Groups, Trusts, Captives and Unbundled Services from SIR and deductible programs.

**6. Provide a list of all North Carolina public entity clients.**

PMA has partnered with many public entities (Counties, Cities, Towns and Schools) in North Carolina and have retained 100% of our clients in the last 5+ years! Below you will find just a sampling of some of our clients who have enjoyed working with PMA within the last 5 years!

- City of Greensboro
- Forsyth County
- Brunswick County
- City of Greenville
- City of Asheville
- City of Concord
- City of Statesville
- Onslow County
- Pitt County
- New Hanover County
- Town of Cary
- Union County
- Town of Mooresville

We are proud to be Guilford County's TPA service provider and hope to continue to continue our claims and risk management partnership.

**7. Provide references from at least five current North Carolina public entity Clients to include: Name of individual contact; name of company/entity; nature of business; mailing address; e-mail address; phone number; fax number and number of years doing business with the reference.**

PMA Companies invites you to contact these customers to learn more about their experiences with our company and our unique holistic approach to reducing their total cost of risk:

Jennifer Stancil, Risk Manager Email: jstancil@nhcgov.com	New Hanover County 230 Government Center Dr. #125A Wilmington, NC 28403 P: (910) 798-7499	20+ years with PMA for WC TPA Services
Laura Turk, Workers' Comp. Mgr. Email: laura.turk@townofcary.org	Town of Cary PO Box 8005 Cary, NC 27512 P: (919) 485-5195	10+ years with PMA for WC TPA Services
Teresa Everhart, Risk Manager Email: everhatg@forsyth.cc	Forsyth County 201 N. Chestnut Street Winston Salem, NC 27101 P: (336)-703-2058	2+ years with PMA for WC TPA Services
Brad Stein, Risk Manager Email: bstein@ashevillenc.gov	City of Asheville PO Box 7148 Asheville, NC 28802 P: (828)-259-5718	3+ years with PMA for WC and Liability TPA Services
Chris Barnes, Risk Manager Email: chris.barnes@pittcountync.gov	Pitt County 1717 W. Fifth Street Greenville, NC 27834	6+ years with PMA for WC

**8. Describe how your company would handle transferring current open claims. Additionally, identify the costs involved in data transfer and claims handling.**

PMA Management Corp. has partnered with Guilford County since July 2011. All of the claims data for both the workers' compensation and liability programs are in our claims system. Full access to the data is available to the County on-line via our PMA Cinch – Risk Management Information System. As such, no transition/implantation plan would be required.

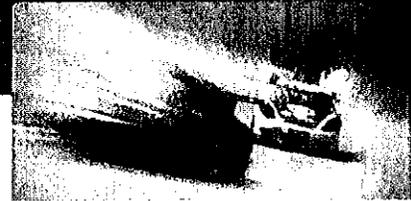
## Spotlight <sup>SM</sup> Success

### *City of Concord, North Carolina*

Home to over 79,000 residents, Concord is the largest city in Cabarrus County, North Carolina and has more than 900 full-time employees.

#### Partnership Results as of 2013

- 77% takeover claim closure rate
- 30% reduction in lost-time claim frequency
- Return-to-Work initiatives reducing duration of claims/aiding injured employee recovery
- PMA Cinch® offers daily claims status and trending data in more than 20 customizable reports



*"Utilizing PMA Cinch enables Risk Management to effectively manage and track workers' compensation claims."*

Julie Waller | Safety, Health & Risk Manager | City of Concord

## A. Staffing/Administration

1. Describe your chain of command with respect to the administration of the account. Will you provide a liaison with the County regarding contract administration, staff changes, etc.?

PMA understands the importance of providing the County with a key point contact to lead a team of managers that will ensure the claims management programs operate to achieve better outcomes on your claims. The PMA Service Team includes:

### **Account Executive –**

The overall management of the program will continue to be handled by **Keith Brown, Sr. Account Executive**. Based in the Charlotte office, Keith's responsibilities include, but are not limited to: contract execution, funding arrangements, account stewardship, and overall client satisfaction. Keith Brown provides overall account management for several PMA clients and his industry expertise provides strong insight and guidance for our clients.

### **Client Services Manager –**

The overall management of the claim services will continue to be handled in a comprehensive manner, by our **Claims Service Manager (CSM) – Jane Hough**. The Claim Service Manager is our client liaison for the County and is located in the Charlotte office. Jane has provided a variety of services (orientation, Cinch training, Claim Reviews, Stewardship Reviews) and will continue to provide the conduit for communication for key issues related to the needs of the County.

What truly separates PMA's Claim Service Manager from other client liaisons involves the "accountability" to our client's performance. By keeping a scorecard of results, PMA works to set goals with our clients to achieve better outcomes. Jane will continue to carefully track key benchmarks (timely claims reporting, medical cost-containment, loss analysis, demographic data, etc.) and assist the County to better understand the issues impacting claim costs. Her years of industry experience allow her to offer insight on ways to improve performance on any trouble areas of your program.

### **Claims Supervisor for Workers' Compensation -**

The overall management of the day-to-day workers' compensation claims handling functions of the claim professionals for the NC claim staff is by our **Regional Claims Supervisor – Ronda Rummage**. All aspects of claim handling are carefully monitored by Ronda to ensure the claim professionals designated for the County continue to provide a high-level of PMA's Best Practices and Communication in accordance to the Special Claim Handling Guidelines. Additional assistance will occur for any complex claims issues, including litigation, medical management and return to work initiatives. Ronda utilizes a comprehensive diary system to stay actively involved with the claim professionals and provide the additional guidance and assistance to efficiently manage NC workers' compensation claims. For the liability program, **Amber Johnson – Regional Claims Supervisor**, will continue to provide the overall management of the day-to-day claims handling functions.

Our partnership with Guilford County will involve more than the local PMA Management Corp. service team. The PMA Management Corp. senior management team, who average over 20 years of service with PMA, will be intimately involved in your account. Not only will you have the benefit of our most skilled and experienced claims and service staff, but also direct access to the President of PMA Management Corp. and the Leadership Team:

Frank Altieri - President  
 Mike MacAulay - Vice President  
 James Walsh – VP of Claims  
 Lisa Romeu – VP of Service Operations  
 Geoff Chester – VP of Atlanta Branch Office  
 David Chandler –VP of Information Systems  
 John Waggoner - AVP Workers' Compensation Claims  
 Rob Munoz – Corporate Legal Counsel  
 Joe Flynn – IS Specialist  
 Sharon Stevenson – Financial

All will continue to be involved in assuring that the partnership we establish continues to flourish and grow in concert with your business goals.

## **2. Will the assigned adjusters be working Liability claims only?**

Yes. PMA Management Corp. believes it is important for adjuster to specialize in their line of coverage. The current lead adjuster and back-up adjusters for the County's liability program, include:

### **Lisa Mayo, Senior Account claims representative – Liability team Tampa, FL**

- Education: Sam Houston State
- Experience – 12+ years as an adjuster
- Licensed in NC & FL

### **Edwin Duncan, Senior Account claims representative – Liability team**

- Education: VA Western Community College
- Experience – 17+ years as an adjuster
- Licensed in multiple Jurisdictions including NC

## **3. Will the assigned adjusters be assigned to Workers' Compensation claims only?**

Yes. PMA Management Corp. believes it is important for adjuster to specialize in their line of coverage. The current lead adjuster and back-up adjusters for the County's workers' compensation program, include:

### **Tammy McQuay Smith, SR Account Claims Representative – Workers' Compensation Lost Time Claims**

- Education: Associates in Business Management
- Associated with PMA 20+ years
- Experienced in VA, TN, NC & SC workers' compensation
- Previous experience with PMA as Internal Auditor
- NC & SC licensed

### **Suzanne Long, Account Claims Administrator-Workers' Compensation**

- Education: BA in Criminal Justice, University of SC
- Joined PMA team in 7-2013
- In industry 11 yrs, handling WC
- NC & SC licensed

## **4. Describe the claims adjusters' average caseload for Liability claims and Workers' Compensation.**

PMA's adjuster caseloads are established to allow our claim professionals to give each claim the time and attention it requires. This allows us to complete more thorough investigations, and to exercise greater control over loss development. The average caseload handled by PMA Management Corp. adjusters for Guilford County is typically 135 for workers' compensation and 155 for liability.

## **5. What is your annual turnover ratio for claims personnel?**

PMA is proud to note a turn-over rate of 4% annually with our claims personnel.

**6. Describe your formal training program for claims personnel.**

PMAMC's philosophy is that continuing education is paramount to the growth of the adjusters knowledge base and professionalism. PMAMC's staff has earned a combination of designations including: AIC, ARM, MBA, and CPCU.

Shortly after their hire date, new adjusters participate in our Corporate Claims Operation training program to indoctrinate them into the PMA process. Training includes a review of PMA history, our values and a detailed analysis of PMA systems. New adjusters are assigned mentors for six months, and new employee audits are conducted by our Quality Assurance Specialists.

All new employees' claim files are audited 90 days after their date of hire, to ensure their compliance with PMA Management Corp's. Claim Handling Standards. PMA Management Corp. conducts frequent one-on-one training sessions between supervisors and claims adjusters based upon the results of their audits. This enables supervisors to provide targeted training on the particular developmental needs of each adjuster.

Our extensive training program continues throughout the claim professional's career. In addition to ongoing one-on-one training sessions between the claim professional and supervisor, PMA Management Corp. schedules regular group training sessions to ensure that all employees are up-to-date on the most recent case-law developments, medical treatment methods, and changing rules and regulations. Both formal and informal training is strongly encouraged. Formally, PMAMC fully subsidizes the costs of professional designations such as AIC, CPCU, ARM. Informally, PMAMC conducts quarterly Lunch & Learns with Attorneys, doctors, and fraud investigators to learn about topical issues facing our clients.

All PMA adjusters and supervisors working with the County are licensed where required and are required to attend the mandatory training for continuing education requirements. PMA adjusters meet regularly with attorneys to discuss recent case law and legislative changes.

**7. If supervisors are responsible for handling claims, what are the average caseloads for supervisors?**

Supervisors do not handle claims. We ask our supervisors to provide the coaching and guidance for our adjusters and nurses on their claims, but not to actually handle a caseload. PMA believes our supervisors better serve our claims management process by providing comprehensive oversight.

**8. What is your firm's supervisor to adjuster ratio?**

5 to 1.

**9. Identify the office which will be responsible for handling claims.**

PMA Management Corp. would continue to service your account from our Charlotte Branch operations located at 2815 Coliseum Centre Drive, Suite 680, Charlotte, NC 28217.

## Spotlight Success *City of Cumberland, Maryland*

The City of Cumberland, Maryland, the county seat of Allegany County and home to nearly 22,000 residents, maintains full-time police, fire, water and sewer, public works, administration, and parks and recreation departments.

### Partnership Results as of 2015

- Return-to-Work Program brings injured employees back to work with light-duty assignments shortening the duration of claims
- Preferred Provider Network (PPN) penetration of 94% helped save \$159,000 in medical expenses 2014-2015
- Total medical savings of nearly \$945,000 since 2006

*"It's simply about communication and awareness. Our committee discussions and reviews of accidents have already helped us to develop improved safety policies, like reporting all injuries, large or small, within 24 hours."*

Jeff Rhodes | Director of Administrative Services & Risk Manager | City of Cumberland



## B. Communication

### 1. Outline your firm's policy for returning phone calls and responding to written correspondence (including e-mail) and explain how compliance is tracked.

PMA encourages our claims team to return phone calls and correspondence as timely as possible – or no later than 24 hours if they are out of the office. The claim supervisor has access to voicemail and email to assist in compliance. PMA feels confident our clients and their injured workers/medical providers can receive very timely response from our Customer Call Center. The paperless environment allows for service team members to be able to access imaged documents and claim log notes to help answer most of claim inquiries (payment status, etc.)

### 2. Describe your claim reporting procedures.

PMA Management Corp. offers the County a selection of claim reporting options so you can choose the channel that's most convenient for you and best suits your needs. We can receive Injury Reports electronically through PMA's website or through PMA Cinch, our internet-based risk management information system. You can report losses from mobile devices, including iPhones, iPads, Android smartphones and tablets. Telephone, fax, and mail reporting options are also available.

Claims reported electronically are immediately assigned a PMA Management Corp. claim number, and that claim number will instantly be provided to you. For all reported claims, acknowledgement letters will be mailed or e-mailed to designated client contacts.

### 3. Describe your procedures for obtaining approval for settlement amounts that exceed the established settlement authority dollar threshold.

PMA offers the County a Settlement Evaluation process that includes the completion of a special form that helps outline the exposures of the claim and the rationale for settlement. Other methods can include an email communication, or a more formal round-table discussion. PMA seeks to offer Guilford County the method that best suits their needs.

### 4. Describe your firm's approach to pursuing subrogation when warranted.

Subrogation recognition and pursuit is handled by the Claims Professionals. PMA Management Corp. does not send the County's claims to a separate subrogation department. The initial investigation must clearly indicate acknowledgment of subrogation potential, and a subsequent thorough investigation must be completed by the Claims Professional to confirm or rule out subrogation potential. A thorough subrogation investigation must address the following issues:

- All witnesses and evidence must be identified. Obtain from the employer, injured worker and any other sources, the names, addresses and phone numbers of witnesses. Attempt to interview them as soon as possible.
- Evidence must be preserved (i.e. obtained and stored), so that it can be inspected at a later date. Instruct the employer not to discard documentary items that may in any way relate to the incident (e.g. maintenance logs, warranty information, operators manuals and purchase records).
- Instruct the employer not to disturb the scene and/or discard items involved in causing the accident.
- An on-site investigation may be required to include photographing the scene since certain scenes may change dramatically over a brief interval (e.g. auto accident) and if there appears to be any basis for using the services of an expert, it is best to have the expert make observations at the scene.
- Determine if any public sector or other organizations have conducted an examinations (e.g. police, gas company) and request their report, and if appropriate, their photos.

- Determine if any 911 calls or other emergency calls were made about the accident and consider requesting a tape of the call and/or other record.
- Place all potential third parties, and their insurance carriers, on notice via written correspondence. If the injured worker is represented, a letter must be sent to the injured worker's representative advising of our lien.

The Claims Professional generally handles the entire subrogation process for the County, working directly with the third party or in conjunction with the injured worker's attorney to protect the employer's interests. There are occasions where an expert is needed to determine if liability against a third party exists. These experts can assist in the pursuit of a recovery. There are also occasions where we recommend to the employer that defense counsel follow subrogation involving significant dollar amounts, multiple defendants or cases where the third party attorney is not cooperating with the Claims Professional.

For special funds recoveries, PMA Management Corp. has established a separate unit whose sole responsibility is identifying and tracking down these recoveries. Members of this 6 person unit work in conjunction with the handling adjuster.

**5. Describe your firm's internal procedures for reporting reserve changes in excess of an amount established by the County.**

PMA provides an automated notification to Yvonne for reserve changes at \$10,000. PMA also provides a communication to various parties at Guilford County and the agent/broker that includes the rationale for the reserves on a claim file. The same information is captured in the adjuster's log notes in the electronic claim file – accessible from our web-based program – PMA Cinch.

**6. Describe your firm's claims denial and appeal procedures.**

PMA will complete a thorough investigation of any questionable or litigated claim. The adjuster/ supervisor offers Guilford County our professional assessment of the circumstances and share our recommended course of action. Control rests with Guilford County on how we would further proceed with the claim. For appeals, PMA would work closely with Guilford County and their legal team to discuss the merits of the claim and seek the most advantageous resolution strategy.

**7. Describe your firm's recommendations for conducting claims reviews with the County.**

PMA completes an annual Claim Review with Guilford County for both the workers' compensation and liability programs. The Claim Review is conducted by our Client Services Manager – Jane Hough. The Claim Review provides detail information on the status of open claims and the County's overall performance with special metrics. By keeping a scorecard of results, PMA works to set goals with the County to achieve better outcomes. Jane carefully tracks key benchmarks (timely claims reporting, medical cost-containment, loss analysis, demographic data, etc.) and assist to better understand the issues impacting claim costs.

**8. Describe your firm's standard level of interaction and communication between your claims team and your clients.**

As noted above, the Special Claim Handling Guidelines provide the blueprint of communications between the PMA claims team and Guilford County. It provides a format for how specific communications are conducted as it relates to critical claim events (denials, reserves, settlement discussions, etc.).

**9. How does your firm enact any special handling instructions, such as assignment to a specific adjuster or other instructions due to the sensitive nature of a claim, etc.? Are there any costs associated with special handling instructions?**

The PMA team will routinely interact with Guilford County team as a means of adjudicating the claims in the most convenient format requested (email, telephonic). The Special Handling Guidelines provide the link between the County's service expectations and our Best Practices at no additional cost. PMA also offers the County with an intimate view of the claim activities conducted by PMA through our Risk Management Information System – PMA Cinch - to ensure a high-level of communication and understanding of the claims management process.

**Spotlight Success**  
*City of Decatur, Georgia*

Founded in 1823, and named after 19th century naval war hero Stephen Decatur, the city is home to over 20,000 residents and has more than 300 full- and part-time employees.

**Partnership Results as of 2010**

- Reduced the city's workers' compensation claims by 32%
- Injuries reported to PMA within a day or less
- Nearly 50% savings on billed medical charges
- City uses PMA Cinch® to input first injury reports and receive an immediate claim number



*"The Cinch online risk management system is innovative and makes tracking claims an easy process so that we always know exactly where we stand. It's just another part of the complete service package provided by PMA."*

Bertha Hunt | Administrator | City of Decatur

## C. Cost Containment

### A. Cost Containment for Liability Claims

1. Provide a statement as to how your firm will ensure complete disclosure of fees.

PMA provides the County with complete transparency of the costs associated with all cost containment efforts. A report of all ALAE (allocated loss adjustment expenses) can be prepared for the County. We can also provide several Medical Bill Savings reports that can show the detail to the actual claim level.

2. Are subrogation costs included in your per claim fee or is it treated as an allocated expense? Please detail the cost, if any.

There is no separate charge for subrogation, excess or special funds recoveries.

3. Describe items that would be considered as Allocated Loss Adjustment Expenses (ALAE).

- Independent Medical Exams
- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Case Management Expenses
- Utilization Review Expenses
- PPO Network Access Fees
- Private Investigators
- Medicare Section 111 Reporting Fee
- Attorney Fees
- Legal Fees other than Attorney Fees
- Records Reproduction Fees

### B. Cost Containment for Workers' Compensation

1. Provide a list of medical cost containment services available to the County and the cost for each service.

The following is an overview of PMA's Medical Cost Containment Services available to the County:

**Medical Bill Review – \$7.50 per bill**

- Scan for Medical Relatedness
- Scan for Mis-Coded Charges
- Duplicate Charge Detection (no charge)
- Application of the Fee Schedule / Usual and Customary
- Manual Edits performed by adjuster or nurses

**Managed Care Savings -**

Preferred Provider Network - PMA works with the largest provider network in the nation to provide additional cost savings on our client's medical bills. PMA will apply a fee of **29%** of the amount obtained as savings from the medical provider participating in the Coventry First Health Network.

**Out of Network Savings –**

In the event a medical provider is not participating in the Network, PMA's Managed Care Team of nurses will engage in direct negotiations with the provider in an effort to lower the cost of the invoice. This process typically occurs for Invoices of \$2,500 or greater. PMA will apply a fee of **29%** of the amount obtained as additional savings from the medical provider.

**Pharmacy Benefits Manager –**

PMA will apply a fee of 29% of the amount obtained as additional savings from our Pharmacy Benefits Manager program. Details noted below.

**Telephonic Nurse Case Management –**

PMA's Disability Management Coordinators and Case Managers are registered nurses, most with Certified Case Manager designations. Disability and medical case management begins within 24 hours after injury notification. We coordinate medical services and implement return-to-work strategies. Our multi-tier disability management strategy begins with a triage nurse evaluating the suspected lost time claims at no charge. PMA can also offer telephonic case management, on-site management for an **hourly rate of \$95**. For complex workers' compensation injuries, and for catastrophic case management, we partner with a nationally recognized specialist.

**2. What Preferred Provider Organization (PPO) Network(s) do you currently use and are they readily accessible in the County's area. Do you own, or rent PPO networks? What was the average gross and net savings in North Carolina for 2009?**

Coventry Workers' Comp Services is PMA's primary Preferred Provider Network, offering access to over 450,000 providers throughout the US which is the largest national provider in the workers compensation industry. The Coventry Integrated Network® is composed of some of the best known and most highly regarded PPO's in the nation, including The First Health Network, FOCUS Network, MetraComp Network, and other top-performing PPOs. This presents PMA with opportunities to increase network penetration and provide greater medical cost savings to our customers.

On average, pharmacy costs account for 19% of the total medical costs of worker's compensation claims, and are increasing each year. This means managing the pharmacy program is crucial to successfully managing overall worker's compensation costs and combat the escalating costs of prescription medications. PMA Management Corp. has partnered with Express Scripts to administer PMA's Pharmacy Benefit Management program.

Our PBM principles include a focus on providing value pricing to clients, encouraging the use of high-quality and less expensive generic drugs, maintaining excellent pharmacy relationships to provide a robust pharmacy network and offering a skilled team of professionals to manage and achieve our program goals. Express Scripts and PMA have significant resources to help control pharmacy costs and to meet the needs of injured workers.

**Pharmacy Nurse**

To further assist in our handling of prescriptions, PMA has internal Pharmacy Nurses that work to intervene in cases that involve very strong medications (opiates) in an effort to minimize the negative implications associated with their use and seek better outcomes.

**3. NO QUESTION / BLANK**

**4. Provide a statement as to how your firm will ensure complete disclosure of fees related to cost containment efforts.**

PMA provides Guilford County with complete transparency of the costs associated with all cost containment efforts. A report of all ALAE (allocated loss adjustment expenses) can be prepared for Guilford County. We can also provide several Medical Bill Savings reports that can show the detail to the actual claim level.

PMA Cinch provides Guildford County the ability to review all payment activities for each claim file. Details regarding the invoice received, and how it was processed is all available in "real-time" from the Cinch program.

**5. Please describe any cost sharing and contingent fee arrangements between your firm and any cost containment or PPO organizations whether performed by a separate company, or wholly owned or partially owned by your firm.**

PMA Management Corp. is a subsidiary of the PMA Companies, a property and casualty insurance company. Our relationship with the PMA Companies provides access to the many cost containment programs identified in the responses above. There is an inherent cost advantage for our clients since the costs to maintain these arrangements are partially subsidized by the parent company. PMA Management Corp. does not own the cost containment or PPO organizations. The fees charged by PMA for the savings generated on the programs are essentially used to cover the costs to access the cost containment programs and our expenses.

**6. Provide a sample doctor office bill, a sample hospital outpatient bill, and a sample hospital inpatient bill, with charges adjusted for any applicable state fee schedule, network savings, and any other adjustments applicable, along with the calculation for each fee charged on each reduction applied.**

PMA Management Corp. provides the County with detailed analysis of each medical invoice that is processed through our Bill Review and Cost Containment programs. The following exhibit shows the invoiced amount of a medical bill and how the bill is reduced through the varlous components of our bill system. In this particular example, PMA's system was able to reduce a \$31,292 medical bill down to only \$19,650 for a fee of \$8.00.

GUILFORD COUNTY - 0376509  
 PMA Companies - Medical Bill Savings and Fees Report  
 Payment Dates 12/01/15 to 12/31/16

Savings Category	Invoices	Invoice Amount	Payment Amount	Ppo Savings	Duplicate Savings	Out of Network Savings	Complex Bill Review Svgs	State Fee Savings	Code Review Savings	Total Savings	Per Bill Charge	Ppo Charge	Complex Bill Review Charge	Out of Network Charge	Pharm Charge	MBO2 Charge	Total Charge
Bel Reprints	1	31,292	19,650	0	0	0	0	8,366	5,276	11,642	8	0	0	0	0	0	8
	1	31,292	19,650	0	0	0	0	8,366	5,276	11,642	8	0	0	0	0	0	8



There is no separate charge for subrogation, excess or special funds recoveries.

**10. Do you perform recovery services or outsource this function?**

PMA Management Corp. performs recovery services for the County.

**11. Describe items that would be considered as Allocated Loss Adjustment Expenses (ALAE).**

- Independent Medical Exams
- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Case Management Expenses
- Utilization Review Expenses
- PPO Network Access Fees
- Private Investigators
- Medicare Section 111 Reporting Fee
- Attorney Fees
- Legal Fees other than Attorney Fees
- Records Reproduction Fees

**12. Describe the criteria used to determine when vocational rehabilitation, and IME, mediator, or an attorney should be used. Describe any additional fees related to the use of these vendors. Does the County have authority to choose the vendors?**

PMA Management Corp. will engage in the utilization of vendor partners for specific expertise. The County has the authority to select the vendor partner of their choice. When an injured worker needs additional assistance returning to the workforce and the County does not have viable options, we will enlist the services of a vocational rehabilitation specialist. If our adjuster and medical team believe an additional review of an injured worker's condition is necessary, we can request an Independent Medical Exam. If the file requires the assist of an attorney to file necessary court documents and assist in appearing at hearings, PMA will assign defense counsel, accordingly. Fees for these services are based on the vendor and will be applied as an allocated expense to the individual claim file.

## Spotlight **Success** *Prince William County, Virginia*

Located in northern Virginia, Prince William County provides a full range of local government services, including police, fire and rescue, court, library, and parks and recreation, to approximately 419,000 residents.

### Partnership Results as of 2013

- Above-average in-network usage, driving an average of 32% savings in billed medical charges
- 71% of claims reported within 24 hours
- Return-to-Work process starts with contact with the injured worker, the medical provider, and the employer within 24 hours of receiving a claim
- The County's Risk Management Division Chief, Lori Gray, named 2013 Risk Manager of the Year by *Business Insurance*

PMA and representatives from the county meet quarterly—and sometimes more often—to discuss pending claims and strategies for moving the cases forward. This keeps the partnership on track and the county's results trending positively.



*"We have an outstanding relationship with PMA. They truly develop a partnership and work with us—it's a team approach. I choose PMA year after year because they help us achieve positive results. PMA means success to me."*

Lori Gray | Risk Management Division  
Chief | Prince William County

## D. Claim Investigation

### 1. Explain your firm's procedures for establishing contact with the claimants and the applicable county personnel that have information regarding the claim.

Upon receipt of a lost-time claim, we conduct a thorough, aggressive, and timely investigation that includes:

- Review of First Notice of Loss by Triage Nurse looking for indications of high-risk claims
- "Indexing" the injured worker with the Central Index Bureau to prevent duplicate benefits and identify previous injuries and potential fraudulent activity
- Conduct "deep web searches" — in-depth searches of the Internet using an individual's name, variations of their name, email addresses, aliases, nicknames, usernames, addresses, telephone numbers, and relatives to locate available information on an individual. A comprehensive search will include social media, online classified ads, business affiliations, photograph and video sharing profiles, professional licenses, property records, court documents, news articles, and a general internet search. *Available for an additional charge.*
- Three-point contact within 24 hours of claim assignment
- A compensability determination
- An assessment of subrogation potential

Our ongoing three-point contact with you, your injured worker, and the medical provider will facilitate aggressive management of recovery and return-to-work strategies, from the inception of the claim through its conclusion.

During three-point contact, our claims professionals:

- Perform a comprehensive investigation, including accident details, mechanism of injury, prior claims and medical history, and contact all appropriate witnesses
- Assess the appropriateness of a nurse case management assignment
- Determine the estimated length of disability and communicate this to the injured worker to establish return-to-work expectations for all parties
- Work cooperatively with the medical provider to obtain modified duty capabilities, and promptly communicate those capabilities to the client and injured worker
- Conduct recorded interviews when appropriate
- Provide notification to the appropriate contact in all cases involving catastrophic injuries or fatalities
- Begin evaluating subrogation and other recovery potential in order to reduce your loss exposure; subrogation recovery efforts are conducted by the claims professionals handling the claims

After completing our investigation, and within 14 days of claim assignment, we provide Guilford County with a compensability recommendation.

### 2. Explain your firm's procedures for establishing contact with the injured workers and the County.

ATTACHMENT B - GUILFORD COUNTY CONTRACT NO. 107458-07/16-018 - PMA MANAGEMENT CORP. (PROVIDER)  
PMA employs a 3-point contact process when investigating a Lost Time claim for the County. This includes contact within 24 hours to the client, the medical provider and the injured worker. The claims investigation process is critical in understanding the exposures and making an informed compensability decision. Therefore, PMA supervisors will closely track the effectiveness of this process with our adjuster team.

**3. Describe your firm's criteria for taking recorded statements from claimants. At what point in the claims process are recorded statements taken? Is there a fee associated with taking a recorded statement?**

PMA will recommend a recorded statement be obtained on claims involving certain musculoskeletal disorders (back, knee, shoulder) as well as complex compensability issues, such as repetitive motion or other occupational disease claims. PMA will also conduct recorded statements on claims that are questionable in nature and may result in a denial. If Guilford County requests a recorded statement for any other reason, PMA will endeavor to comply.

**4. Describe your firm's fraud control procedures.**

PMA employs a full-time Special Investigative Unit. The SIU is staffed with insurance fraud professionals with over 25 years of industry experience who are committed to detecting, deterring, and preventing fraud while protecting the assets of our clients. The SIU is active in insurance industry professional organizations and in working with other insurance carriers. The Corporate SIU Coordinator is a Board Member of the Pennsylvania Insurance Fraud Prevention Authority and the SIU is active in the International Association of Special Investigative Units. Our Unit works in conjunction with the PMA claims professionals, receiving referrals from claims adjusters, supervisors, managers, and clients. This collaborative approach has resulted in significant savings for our clients and criminal insurance fraud prosecutions in many states. PMA's SIU is responsible for; fraud investigations, fraud training, regulatory anti-fraud compliance, private investigator vendor management, and maintaining PMA's Anti-Fraud Plan.

Each claim is reviewed for red flag fraud indicators by the claims adjuster and the claims supervisor. Inconsistencies are pursued and our SIU assists with the investigation and information gathering to support making appropriate claims decisions. When a misrepresentation is material to the claim, an insurance fraud referral is prepared and sent to the appropriate Fraud Bureau/DOI/District Attorney or Attorney General. A questionable claim submission may also be made to the National Insurance Crime Bureau.

**5. Describe your claim triage program, and how you determine the required level of investigation.**

Each Guilford County workers' compensation claim undergoes a claims triage process that helps PMA identify the exposures involved and assign the claim, accordingly. For lost time claims, a nurse performs an additional assessment of the medical circumstances of the claim and provide recommendations at no charge. As noted above, the PMA supervisor performs an evaluation of the claim and determine if the claim should be assigned to a lost time adjuster, or to our Claims Administrator as a Medical Only claim. Each assignment will include instructions on how to proceed with the claim.

**6. Describe the requirements of adjusters to maintain a claims diary.**

The PMA adjusters are required to keep each claim file on PMA's electronic diary system. This ensures each claim will be addressed timely by the adjuster and the supervisor in order to proactively manage the claim to conclusion.

**7. Do supervisor have the ability to access and add to that diary?**

All open claims are maintained on a diary by our claims adjusters. Claims on diary are reviewed at a minimum of every 90 days. PMA Management Corp's supervisors can access the adjuster's diary, and they are also responsible for reviewing and documenting all files assigned to lost time adjusters based on the exposures of the claim and at a minimum of every 90 days.

**Spotlight Success**  
*Rockland County, New York*

Located just 16 miles from New York City and home to nearly 300,000 residents.

**Partnership Results as of 2015**

- Holistic approach with Risk Control, Claims, and Managed Care resources delivering positive program results since 2005
- Recoveries totaling \$3.1 million over past 10 years
- Net Managed Care savings of \$2.2 million (75% savings) in last 12 months



*"We can log into the [PMA risk management information] system and check the status of a claim at any given time. We can also run reports to track claims by department or in aggregate for the county to isolate any high claim areas."*

Annette Marro | Workers' Compensation Coordinator | Rockland County

## E. Litigation Management

### 1. Describe your litigation management strategies including assignment of defense counsel.

PMA will endeavor to handle the claim file until such time as the use of legal counsel can provide the proper assistance with legal filings and proceedings (mediations, depositions, hearings). Control will ultimately rest with Guilford County on the utilization of legal counsel. PMA has a comprehensive litigation management program that outlines the process of communication between counsel and the PMA adjuster. We also have a cost arrangement in place for several firms to provide some cost savings, as well.

### 2. Describe your firms' procedures for maintaining current information in case law or changes in laws and regulations.

PMA understands the critical need to be aware of changes to workers' compensation statutes or the latest impact of case law that can impact our ability to adjudicate workers' compensation claims. PMA invites attorneys from various defense firms to provide routine training sessions with our adjusting staff. Our adjusters attend various continuing education seminars, as well. We even ask members of the NC Industrial Commission to visit with our staff for educational purposes.

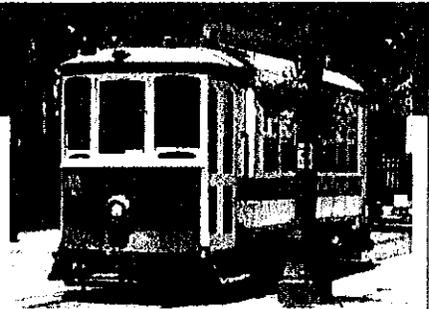
#### Spotlight Success

#### *Memphis Area Transit Authority (MATA)*

MATA has faithfully served its riders since 1975 with the largest network of bus routes, paratransit and trolley services, and special event shuttles in Tennessee.

#### Partnership Results as of 2013

- Average cost per closed lost-time claim is less than \$15,000—half the industry average
- Savings from the Tennessee fee schedule, 92% PPN penetration, and PMA's complex medical bill review save MATA between 45% and 55% off billed charges every year
- Of all reported claims since PMA took over claims handling, 89% are closed
- Enhanced safety training is working; since 2007, only four accidents have occurred with newly hired employees (those less than 90 days employed)



*"Our partnership with PMA drives down expenses and reduces our overall workers' compensation costs...we are appreciative of our PMA partnership."*

Ray Martin | Senior Human Resources Specialist | MATA

# F. Information System and Reporting

## 1. Provide a description of your claims information systems and the information available for client review. How long has this system been in place?

PMA Claims Center is our powerful claims management system allowing for improved data capture and reporting. With an all-lines system from Guidewire Software at its core, PMA Claims Center streamlines claims professional activities and improves claims professional efficiency. Further, this system enables us to perform the sophisticated analytics that drive our holistic approach.

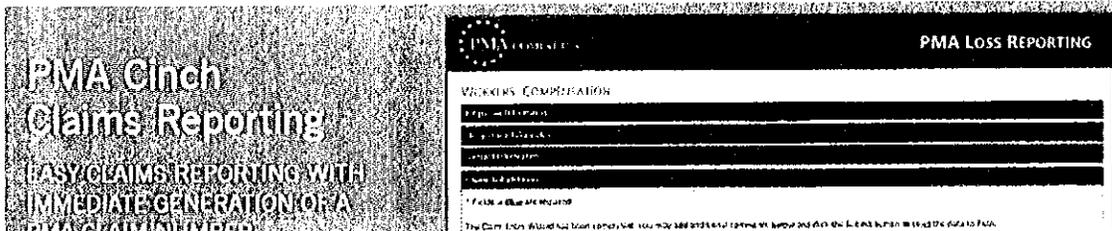
### Key Features

- Executive "Dashboard"
- New Claim Reporting with Immediate Claim Number
- Access to Detailed Claims Data
- Document Image Viewing Capability for self-insured clients
- Report Generation
- Chart Generation
- Instant Adjuster Contact
- OSHA Tracking
- Risk Managers Diary System
- Reserve Increase Notification

Through PMA Cinch, we can provide you with detailed claim information that is updated on a daily basis. Standard reports (e.g. loss runs) are updated on a monthly basis. The PMAMC Client Service Manager can work with Guilford County to ensure timely access to information.

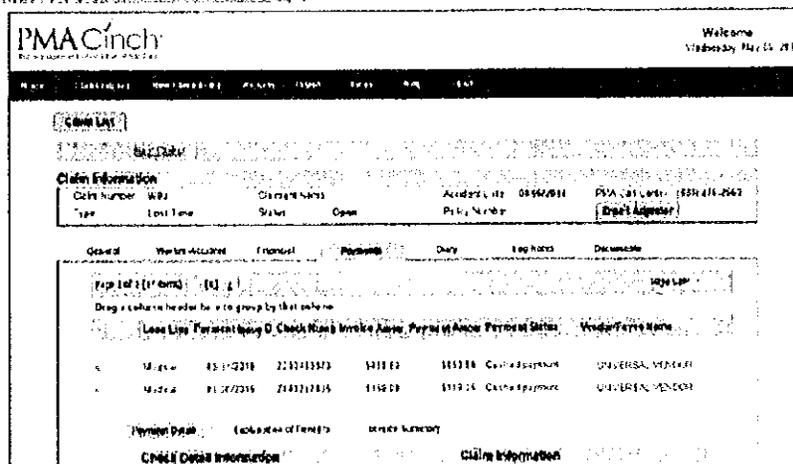
In addition to the Standard Reports, we have the ability to provide custom and ad-hoc reports, giving you access to any loss information you need, whether it be on a frequent basis or a one-time review. The PMAMC Client Service Manager can assist Guilford County with ad hoc reports.

PMA claims adjusters operate in a paperless environment. It is our position that we want our clients to be as knowledgeable and involved in their claim files as they care to be. With that being said, not only do we provide access to our adjusters log notes through our CINCH product, but we also offer the ability to view documents associated with the claim file (medical reports, attorney letters, modified duty instructions and any other pertinent piece of claims data that would be found in a typical claim file is scanned and available for view) through our web imaging program.



On a

day-to-day basis, Cinch will give you timely



PAYMENT DETAIL SCREEN  
PMA Cinch Payment Detail Screen allows you to select from a Payment Information Screen that includes medical, indemnity expense, and loss payments. You see extensive payment and claims information, right down to whether or not a specific payment has been cashed.

ATTACHMENT B - GUILFORD COUNTY CONTRACT NO. 107458-07/16-018 - PMA MANAGEMENT CORP. (PROVIDER) and convenient access to information about claims. The tool features an "Executive Dashboard" for a high-level view of activity. It also enables users to drill down, analyze, and develop reports and graphs about a wide range of information, including:

The screenshot shows a web browser window with a URL starting with 'http://cinch.reel.4x00/...'. The interface includes a menu bar (File, Edit, View, Insert, Tools, Help) and a toolbar. Below the toolbar, there are two main sections: 'Accident Dates' and 'Category'. The 'Accident Dates' section has 'From:' and 'To:' fields, both containing 'YYYY-MM-DD'. The 'Category' section has a dropdown menu set to 'Day of the Week'. To the right of these sections are four buttons: 'Sort', 'Graph', 'Data', and 'Print'. Below these sections is a table with the following data:

Category Code	Category Description	# Of Claims	% Frequency	Total Losses	% Cost	Average Cost	Total Paid
Thursday	Thursday	69	16.8%	\$1,556,402.00	26.9%	\$22,559.55	\$1,260,580.08
Monday	Monday	91	22.1%	\$1,239,196.00	21.4%	\$13,617.54	\$984,467.28

### CREATE GRAPHS

The Analysis Tool enables you to create full color graphs and charts from your data

We have continuously enhanced PMA Cinch based on feedback from client focus groups. We listened to our clients and gave them the reports and tools they need to make decisions about their risk management programs.

### PMACompanies.com — 24/7 Access to Cinch and our Injured Worker Center

Our corporate website, pmacompanies.com, offers user-friendly functionality for reporting a claim, accessing PMA Cinch, and locating a network provider. PMACompanies.com also offers a robust Injured Worker Center—giving your employees convenient 24/7 access to PMA Companies contact information, pharmacy search, frequently asked questions about return-to-work, state resource links, and a workers' compensation guide for injured workers.

**2. When was the last major software update to the system? Do you anticipate any major software updates in the coming 24 months?**

In 2015, PMA updated our powerful Claims Management System called Claims Center. Claims Center is an all-lines system from Guidewire Software that streamlines claims adjuster activities, improves adjuster efficiency and data capture capabilities. Improved efficiencies and data capture capabilities allow PMA's adjusters to apply more critical thinking to the activities and strategies that drive better claims outcomes.

**3. Do your Clients have access to the system, including adjuster's notes, payments, etc.? Is the information available in "real time"? Is there a fee for use of this system? Will the system limit access to claims within individual departments?**

PMA Cinch allows the County the ability to access adjuster's notes, payments, etc., in real-time. The County can also review loss data by department, and password protects access to the system for the 8 designated users. The system can also generate loss reports based on information that is updated monthly. Standard Reports available through PMA Cinch include Detailed Loss Runs for all lines of business, Loss Summaries, Repeater Reports identifying claimants or employees with multiple files, Serious Loss Reports, and Reporting Lag Time Reports. Many of these can be sorted by location, by policy, or by status (open / closed). There is no charge for these reports. Access to PMA Cinch is included in the claim handling fees.

**4. How long do you retain detailed claim information in your system?**

PMA was one of the first claims management organizations to adopt an electronic imaging platform back in the 1980's. PMA continues to maintain client's claims data through our back-up data archives. Electronic files will be maintained throughout the life of our partnership with Guilford County. The County's claims data will actually be maintained on our system until the release of the data is requested.

**5. Describe your data back-up procedures and disaster recovery plans.**

For security reasons, specific information about our disaster recovery program is not sent to our clients. However, detailed information regarding PMA's security programs and processes is available for review and inspection at PMA's Corporate Headquarters in Blue Bell, PA.

Data and electronic images are backed-up on tape daily and sent to a vendor partner for secure off-site storage. Additionally, PMA has a comprehensive disaster recovery program that is managed by another vendor partner, DBSI.

In the event that a disaster should occur, our imaging technology makes it possible for our claims professionals to manage your losses from any PMA branch office without any discernable interruption in service to you. Our backup/recovery site is dynamically connected to our primary site so that data is constantly being updated in both locations. This allows us to seamlessly switch to the backup site if a primary site disruption is encountered.

**6. What are the methods available for claim reporting? (on-line, phone, fax, etc)**

PMA Management Corp. is able to receive Injury Reports via the Internet through PMA's website, by telephone (1-888-4PMA NOW), fax (888-329-2721), mail, or electronically through PMA CINCH, our Internet-based risk management information system. Claims reported electronically are immediately assigned a PMA Management Corp. claim number, and that claim number will instantly be provided to you. We can capture client specific data. For all reported claims, acknowledgement letters will be mailed or e-mailed to designated client contacts. There is no charge for on-line reporting.

**7. The County desires to receive loss runs on a monthly, quarterly and annual basis. Please provide, as an attachment, a sample loss run and other reports described in this**

PMA Management Corp. provides the County with monthly access to loss information.

**Blank/Redacted Section in the Attachments for a Sample Report**

**8. Provide a sample(s) of a status report and/or case summary report.**

PMA Management Corp. provides the County with status reports for the open workers' compensation and liability claims during our Claim Reviews conducted by our Client Services Manager.

**Blank/Redacted Section in the Attachments for a Sample OSHA 300 Report**

**9. Does your system produce an OSHA 300 report? Can your system track restricted or light duty days?**

PMA Management Corp. offers an OSHA Reporting program for the County that captures all claim activity reported into the system and the tracking of lost work days.

**Spotlight on Success**

***Clayton County Water Authority***

Located in Morrow, Georgia, Clayton County Water Authority employs 400 people and provides quality water, sewer, and stormwater services to 75,000 customer accounts.

**Partnership Results as of 2013**

- 99% of new claims are medical only without lost-time
- 92% of Injured employees receive care from a provider within PMA's Preferred Provider Network (PPN)
- High PPN utilization combined with PMA's Medical Bill Review Program has saved this client more than \$280,000 on medical bills since 2009

*"Our workers' compensation program is an integral part of our organization and we know that we need our employees to be well to maintain our operation. We have an in-depth safety program and our employees pride themselves on being lost-time accident free."*

Karen Riser | Risk Manager | Clayton County Water Authority



# G. Risk Control

## 1. Describe your firm's risk control evaluation and consultation capabilities.

PMA is proud to provide the County with Risk Control services as part of our TPA services. Our approach to risk control involves developing an understanding of your business, getting to know your risks, and formulating strategies and programs for managing them. Our services are customized to your organization's particular needs. Our mission is to provide you with state of the art services that control loss costs and increase profitability.

As part of our unique holistic approach, we perform a risk management assessment—diving deep into current performance to identify action plans to reduce both the frequency and severity of losses. We will help you to evaluate and mitigate risk as you undertake key business decisions. We will also provide ongoing monitoring and benchmarking to track progress over time.

## 2. Describe your ability to identify loss trends and to recommend actions to mitigate or eliminate those trends.

### Workers' Compensation

Working in concert with PMA's Claims and Managed Care teams, PMA Risk Control plays a key role in our holistic approach utilizing both pre- and post-loss initiatives designed to reduce your total cost of risk. We offer a full range of risk control services, including safety program evaluations, hazard analysis, safety training, safety perception surveys, and loss frequency/severity reviews. We can help you establish and monitor a flexible, goal-oriented action plan for your safety programs.

### Property

Our specialized services include fire prevention (site evaluation, exposure identification and control, sprinkler impairment program), as well as operations planning (review of building plans and automatic sprinkler design). We can also work with you to develop a business continuity plan that in the event of a fire, natural disaster, or other weather-related property damage will help keep your business operating or get it back up and running quickly with minimal interruption.

### Auto

Our Risk Control professionals can help you reduce risk and cost by improving fleet safety and reliability. We collaborate with you to improve driver selection, hiring, and training, and offer recommendations on fleet safety policies and procedures. We can even help identify and implement best practices for vehicle maintenance, including pre- and post-trip inspections.

### General Liability

Evaluating common and often hidden sources of liability exposures can go a long way in helping to ensure your organization is covered. Slips and falls and other injuries cost organizations financial loss and can impact brand reputation. Our team includes specialists with product safety and liability expertise who can partner with you to help you understand the principles of safe design, warning, and manufacturing, including the quality control processes that can help maintain product integrity and keep your employees and customers safe.

## 3. How do you establish risk control needs of a client?

We can provide a comprehensive assessment of your organization and evaluate your safety and risk control programs by focusing on the following areas: Loss Analysis, Safety/Workers Compensation Financial Impact issues, Claim Management Programs, Safety Management, Organization Training Initiatives, and Facility Management issues. The end product of this process includes a management presentation and formal written report highlighting assessment findings and recommendations.

- **OSHA Compliance Assistance:** We can review work sites and safety programs with an emphasis on OSHA and other regulatory agency criteria.
- **Regulatory Compliance:** The auditing of organization compliance with established safety and health standards (OSHA, DOT, ANSI) and implementing improvement programs for deficiencies identified.
- **Industrial Hygiene Services:** Evaluating and managing employee exposures to environmental contaminants and stresses with a focus on air sampling, indoor air quality issues and occupational noise.
- **Decision-Based Safety®:** For an organization ready to take the next step in achieving excellence, the Decision-Based Safety® process will help provide a roadmap. Our organizational development specialists will conduct an in-depth review of your organization, including interviews with senior management and hourly employees and provide a plan for moving your program to the next level.
- **Perception Surveys** – PMA Risk Control can conduct safety-perception surveys to assess gaps in the way management and hourly employees view the safety efforts, and provide tools to close the gap.
- **Safety Leadership Series** – Supervisors cannot be vested with safety accountability without being given the tools to carry out this mission. This multiple part series provides a firm introduction to how to manage safety in the workplace. It can be presented live or via Webex to provide flexibility to your schedule and uniformity in the message.

#### 4. Does your organization have expertise in material handling, fall prevention, safe driver programs, ergonomics and other workplace safety measures?

PMA Management Corp.'s Risk Control services also include:

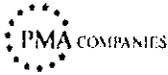
- **Ergonomic Assessments:** The process of evaluating and managing the physical stresses placed on individuals which contribute to occupational injuries with a focus on work station evaluations, job redesign, employee training and lifting exposures.
- **Fleet Management Programs:** Comprehensive management programs to ensure the safe and legal operation of organization vehicles.
- **Management and Employee Training:** Customized training programs to improve the safety and risk management knowledge and skill of managers and employees.
- **Accident Investigation Programs:** Programs designed to effectively investigate accidents with the goal of preventing reoccurrence and collecting evidence for use in potential litigation.

#### 5. Do you offer a library/online access to safety training materials? Do you offer onsite training?

As a valued client of PMA, the County has full access to **PMA Webservice**—an on-line portal of safety and risk management resources exclusively for our clients. Our Risk Control Consultants designed PMA Webservice to offer convenient access to practical loss prevention and safety information and solutions—including technical bulletins, safety and compliance training programs, monthly webinars led by PMA industry specialists, as well as tools and resources to enhance your safety and health programs.

In PMA Webservice, you can:

- Register for monthly webinars led by PMA industry specialists
- Pose risk management questions to industry experts
- Download industry white papers
- Review technical bulletins
- Obtain safety and compliance training programs
- Access tools and resources to enhance your organization's safety and health programs
- Receive discounts on services such as compliance training



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**Welcome to Websource**  
**Your link to PMA's Risk Control Solutions.**

PMA Risk Control Solutions has helped you to help protect your rigors and risk exposures associated with your operations through proven risk management solutions. Risk Control Websource provides an online experience for you to find answers to many of your risk management questions through expert articles, news, technical bulletins, and more. Please visit the website. Through Websource, you are only one click away from the team of professional risk control specialists.

Click here to learn more about PMA's organization. We cover it all. [Click here](#)

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Click here to learn more about PMA's products. We cover it all. [Click here](#)



**Here To Help**  
Questions?  
Ask an expert by clicking below

?

**OSHA Recordkeeping Reporting Changes (10/1/2015)**

**Emerging Issues in Infectious Disease**

**HAZCOM and GHS**

**Access to EAS Technical Reports**

**Injury Severity In**

**PMA's Organizational Safety Initiatives**

**A New Name for PMA's Organizational Safety Initiatives**

**Impact of the New Name**

## **H. Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) Section 111 Reporting**

- 1. How will your firm assist the County in meeting its obligations to report to CMS (Centers for Medicaid/Medicare Services)? Do you provide this service in house or outsource? Is there an additional fee?**

PMA Management has established a comprehensive program to comply with the requirements of the Medicare Secondary Payer Statute. PMA Management currently handles all Section 111 reporting for the County as the reporting agent. PMAMC has partnered with Examworks to act as our reporting agent and will report to CMS on behalf of our clients.

In the event the County will need to prepare a Medicare set-a-side to resolve a workers' compensation claim, a PMA claim professional will provide cost analysis and recommendations. Through our partnerships with set-a-side experts, PMA Management Corp. can assist the County in understanding the financial exposure of the claim to assist in our resolution strategy.

Name of Company

PMA

(Name Print Name)

Keith Brown

(Signature) Title:



Sr. Account Executive

Date:

3/28/16



*Revised  
Pricing Proposal*



## Pricing Proposal – Guilford County

PMA Management Corp. offers a complete and comprehensive Life of Contract claims management program options below for new claims effective 7/1/2016.

### All Claims Handling Activities:

### All Claims Handling Activities:

- Investigation
- Three Point Contact
- Action Planning
- Compensability Decisions
- Subrogation / SIF Investigation
- Excess Reporting & Recovery
- Fraud Prevention / SIU Capabilities
- Central Index Bureau/National Insurance Crime Bureau
- Litigation Management
- Resolution Negotiation
- Check Issuance
- Payment Registers
- Claim Review Meetings
- Stewardship Meeting
- Self-Insurance Re-Application Assistance
- First Report of Injury Filed with State Agency
- Customized Claim Handling Instructions
- Account Management
- Quality Assurance Program Oversight
- Structured Settlements
- Reserve Advisories
- Pre-Settlement Advisories
- Patriot Act Compliance
- Office of Federal Asset Control Compliance
- EDI with State as Required
- 1099 Reports
- Claim Acknowledgements
- Settlement Authority
- Direct deposit of indemnity payments

**PMA's Managed Care:**

Medical Bill Review	PPO & Specialty Network Access
Out of Network Bill Review	PPO Radius Listing & Mapping to Locations
Pharmaceutical Benefit Management	Case Management
Complex Bill Review	

**RMIS Services:**

Executive "Dashboard"	Loss Analysis Reports
Internet Claim reporting via Cinch	Managed Care Savings Reports
Claim Number Notification	Reserve Analysis Reports
Real Time Access to Claim Log Notes	Email Adjuster Capabilities
Client Diary System	

**Loss Adjustment Expenses**

Client is responsible for the payment of all Loss Adjustment Expenses including but not limited to:

Independent Medical Exams	PPO Network Access Fees
Medical Bill Review	Private Investigators
Complex Bill Review	Independent Appraisers
Out of Network Bill Review	Medicare Section 111 Reporting Fee
Attorney Fees	Expert Witnesses
Records Reproduction	Legal Fees other than Attorney fees
Utilization Review Expenses	Case Management Expenses

**Flat Fee:**

**Year 1- \$57,500 Year 2 - \$60,375 Year 3 - \$60,375 Year 4 - \$60,375\*\* Year 5- \$60,375\*\***

*\*\* (Year 1 will remain flat to current pricing. Year 2 will see an increase of 5% and year 3 then remains flat. Years 4 and 5 are subject to a maximum potential 3% increase per year.)*

**Financial Administration: (Included)**

**Risk Control (25 hours included)**

**Additional hours \$125/hr or via project**

**PMACinch:**

**(Included)**

- Access to Adjuster Log Notes
- Loss Analysis Reports
- Managed Care Savings Reports
- Reserve Analysis Reports
- Web Imaging
- OSHA Log

PMA Management Corp. would like to offer Guilford County additional services to further enhance the overall cost savings to the program. Each "unbundled" service is outlined below:

**Medical Bill Review -**

**\$7.50** per bill for complete screening to reduce the bill down from its original charge

- Application of appropriate Fee Schedule
- Scan for Medical Relatedness
- Scan for Mis-Coded Charges
- Duplicate Charge Detection
- Manual Edits performed by adjuster or nurses

**Cost-Containment –**

**29%** of savings below NC fee schedule using various PMA cost containment programs including but not limited to:

- Preferred Provider Network Access
- Complex Bill Review
- Out of Network Program
- Discount Pharmaceutical Program

**Telephonic/Field Case Management**

**\$95** per hour

**Section 111 Reporting**

**\$6 per claim** 1x charge per claim

**Custom/ IS reporting**

**\$95** per hour

**NOTES:**

- This pricing is for a 5 year contract and is based on the utilization of our PPO/Managed care services..



*Elaine F. Marshall*  
Secretary

North Carolina

DEPARTMENT OF THE  
SECRETARY OF STATE

PO Box 29622 Raleigh, NC 27626-0622 (919)807-2000

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**Corporate Names**

**Legal:** PMA Management Corp.

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**Business Corporation Information**

**SosId:** 0322176  
**Status:** Current-Active  
**Annual Report Status:** Current  
**Citizenship:** Foreign  
**Date Formed:** 3/25/1993  
**Fiscal Month:** December  
**State of Incorporation:** PA  
**Registered Agent:** Corporation Service Company

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**Corporate Addresses**

**Reg Office:** 327 Hillsborough Street  
Raleigh, NC 27603-1725  
**Reg Mailing:** 327 Hillsborough Street  
Raleigh, NC 27603-1725  
**Mailing:** 380 Sentry Parkway  
Blue Bell, PA 19422-2357  
**Principal Office:** 380 Sentry Parkway  
Blue Bell, PA 19422-2357

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**Officers**

**President:** Francis X. Alliere  
380 Sentry Pky  
Blue Bell PA 19422-2357  
**Assistant Secretary:** Donald F. Borrell  
380 Sentry Parkway  
Blue Bell PA 19422  
**Treasurer:** John M. Cochrane  
380 Sentry Parkway  
Blue Bell PA 19422  
**Assistant Secretary:** Stephen R. Gartner  
380 Sentry Parkway  
Blue Bell PA 19422  
**Secretary:** Stephen L. Kibblehouse  
380 Sentry Pky  
Blue Bell PA 19422-2357  
**Vice President:** Michael Macaulay  
380 Sentry Parkway  
Blue Bell PA 19422  
**Chairman :**

Vince Donnelly  
380 Sentry Parkway  
Blue Bell PA 19422

**Stock**

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