



Travis County Commissioners Court Agenda Request

Meeting Date: February 21, 2012

Prepared By/Phone Number: Elizabeth Corey (854-9853); Bonnie Floyd

Elected/Appointed Official/Dept. Head: Cyd Grimes

Commissioners Court Sponsor: Judge Biscoe

Agenda Language: Approve twelve-month extension (Modification No. 12) to Contract No. 01T0069-OJ, Forte, Inc., for medical audit services.

Ø **Purchasing Recommendation and Comments:** Purchasing concurs with department and recommends approval of requested action. This procurement action meets the compliance requirements as outlined by the statutes.

The contract provides Medical Audit Services for HRMD. The Commissioners Court approved the award of this contract on February 27, 2001. On February 8, 2005, the Commissioners Court approved an Exemption Order exempting this contract from the competitive bidding requirements of the County Purchasing Act as a professional service.

This modification will extend the contract period for an additional twelve months, through March 1, 2013, and will increase the contract amount by 3%, which is permitted pursuant to Section 16.0, Changes, of the contract.

Modification No. 11 extended the contract period for an additional twelve months, through March 1, 2012. It also amended the contract to disallow the use of Preferred Provider Organization services for Workers' Compensation benefits after December 31, 2010. The modification was approved by the Commissioners Court on December 21, 2010.

Modification No. 10 extended the contract period for an additional twelve months, through March 1, 2011. It was approved by the Commissioners Court on February 16, 2010.

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, Cheryl.Aker@co.travis.tx.us by Tuesdays at 5:00 p.m. for the next week's meeting.

Modification No. 9 extended the contract period for an additional twelve months, through March 1, 2010. It was approved by the Commissioners Court on February 24, 2009.

Modification No. 8 changed the contractor's name from Forte Managed Care to Forte, Inc. It was approved by the Purchasing Agent on July 18, 2008.

Modification No. 7 extended the contract period for an additional twelve months, through March 1, 2009. It was approved by the Purchasing Agent on February 13, 2008.

Modification No. 6 extended the contract period for an additional twelve months, through March 1, 2008. It was approved by the Purchasing Agent on February 20, 2007.

Modification No. 5 extended the contract period for an additional twelve months, through March 1, 2007. It was approved by the Commissioners Court on February 14, 2006.

Modification No. 4 extended the contract period for an additional twelve months, through March 1, 2006. It was approved by the Commissioners Court on February 22, 2005.

Modification No. 3 extended the contract period for an additional twelve months, through March 1, 2005. It was approved by the Commissioners Court on February 10, 2004.

Modification No. 2 extended the contract period for an additional twelve months, through March 1, 2004. It was approved by the Commissioners Court on February 18, 2003.

Modification No. 1 extended the contract period for an additional twelve months, through March 1, 2003. It was approved by the Commissioners Court on February 12, 2002.

Ø **Contract Expenditures:** Since March 1, 2011, \$111,096.82 has been spent against this contract.

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Ø **Contract Modification Information:**

Modification Amount: \$275,088.00

Modification Type: Bilateral

Modification Period: March 1, 2012 – March 1, 2013

Ø **Funding Information:**

Purchase Requisition in H.T.E.: 547882

Funding Account(s): 525-1140-522-4704

Comments:

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Human Resources Management Department

1010 Lavaca St. 2nd Floor

● P.O. Box 1748

● Austin, Texas 78767

● (512) 854-9165 / FAX(512) 854-9757

December 6, 2011

TO: Elizabeth Corey, Purchasing Agent Assistant IV

FROM: Dan Mansour, Risk & Benefits Manager, HRMD 
William Paterson, Senior Risk/Safety Specialist

Re: Contract No. 01T0069-OJ
Medical Audit Services
Forte Managed Care

Vendor services related to the above contract have been performed to the County's satisfaction. Please initiate the extension of their contract to the next option period. The contract pricing for Telephonic Case Management for option period 7 is \$225,648.00 and \$49,440.00 for Medical Bill Review annually.

Contract No. 01T0069-OJ is funded from line item 525-1140-522-4704.

If you have any questions please call me at X49650.

CC: Leroy Nellis, Acting County Executive for Planning & Budget Office
Diane Blankenship, Director, HRMD

PURCHASE REQUISITION NBR: 0000547882

REQUISITION BY: MARGIE SOLANO 854-9239

STATUS: AUDITOR APPROVAL
REASON: CONTRACT RENEWAL 01T0069-OJ

DATE: 12/07/11

SHIP TO LOCATION: HUMAN RESOURCES MGT.

SUGGESTED VENDOR: 53090 FORTE INC

DELIVER BY DATE: 3/01/13

LINE NBR	DESCRIPTION	QUANTITY	UOM	UNIT COST	EXTEND COST	VENDOR PART NUMBER
1	MEDICAL AUDIT SERVICES 3/12 - 3/13 COMMODITY: MISCELLANEOUS SERVICES SUBCOMMOD: WC INS CLAIM/LOSS/EXPENSE	12.00	DOL	18804.0000	225648.00	
2	MEDICAL BILL REVIEW 3/12 - 3/13 COMMODITY: MISCELLANEOUS SERVICES SUBCOMMOD: WC INS CLAIM/LOSS/EXPENSE	12.00	EA	4120.0000	49440.00	
REQUISITION TOTAL:					275088.00	

ACCOUNT INFORMATION

LINE #	ACCOUNT	PROJECT	%	AMOUNT
1	52511405224704	LOSS ADJUSTMENT EXPENSES WORKERS' COMPENSATION	100.00	225648.00
2	52511405224704	LOSS ADJUSTMENT EXPENSES WORKERS' COMPENSATION	100.00	49440.00
				275088.00

REQUISITION IS IN THE CURRENT FISCAL YEAR.

MODIFICATION OF CONTRACT NUMBER: 01T0069-OJ, MEDICAL AUDIT SERVICES

Page 1 of 2 Pages

ISSUED BY: Purchasing Office 700 Lavaca, Suite 800 Austin, Texas 78701	PURCHASING AGENT ASST: Elizabeth Corey TEL.: (512) 854-9853 FAX: (512) 854-9185	DATE PREPARED: January 24, 2012
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ISSUED TO: Forte Managed Care, Inc. Attn: Mr. Mark McCarthy P.O. Box 182364 Columbus, Ohio 43218-2364	MODIFICATION NO.: 12	EXECUTED DATE OF ORIGINAL CONTRACT: February 27, 2001
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ORIGINAL CONTRACT TERM DATES: March 1, 2001 through March 1, 2002 CURRENT CONTRACT TERM DATES: March 1, 2012 through March 1, 2013

FOR TRAVIS COUNTY INTERNAL USE ONLY:Original Contract Amount: \$150,000.00Current Modified Amount \$275,088.00 (Estimated)

DESCRIPTION OF CHANGES: Except as provided herein, all terms, conditions, and provisions of the document referenced above as heretofore modified, remain unchanged and in full force and effect.

Recitals

County Commissioners Court has reviewed the medical audit services for workers compensation claims without the claims administration services provided under this contract and found that the services are professional services. On February 8, 2005, Commissioners Court ordered this contract exempt from the County Purchasing Act as professional services.

This contract currently extends to March 1, 2012. Travis County, Texas ("County") and Forte, Inc. ("Medical Auditor") have agreed to extend this contract as previously amended until the end of the seventh option period.

Agreement

1.0 By this modification, Travis County exercises its seventh annual option under subsection 2.04 to extend the contract between County and Medical Auditor for one (1) additional year beginning March 1, 2012 and ending at 12:01 A.M. Central Time on March 1, 2013. This contract is for the medical audit services for workers compensation claims without the claims administration services provided, beginning March 1, 2012 and ending at 12:01 A.M. Central Time on March 1, 2013.

Note to Vendor:

[XX] Complete and sign your portion of the signature block section below for all originals and return all signed originals to Travis County.

[] DO NOT execute and return to Travis County. Retain for your records.

LEGAL BUSINESS NAME: <u>Forte Inc</u>	<input type="checkbox"/> DBA
BY: <u>[Signature]</u>	<input checked="" type="checkbox"/> CORPORATION
SIGNATURE	<input type="checkbox"/> OTHER
BY: <u>Douglas Markham</u>	DATE:
PRINT NAME	<u>1/26/2012</u>
TITLE: <u>Chief Operating Officer</u>	
ITS DULY AUTHORIZED AGENT	

TRAVIS COUNTY, TEXAS

BY: _____
CYD V. GRIMES, C.P.M., CPPO, TRAVIS COUNTY PURCHASING AGENT

DATE:

TRAVIS COUNTY, TEXAS

BY: _____
SAMUEL T. BISCOE, TRAVIS COUNTY JUDGE

DATE:

OFFICE
PURCHASING
2012 FEB -1 PM 13:13
TRAVIS COUNTY
RECEIVED

2.0 As consideration for the telephonic case management services to be provided by Medical Auditor under this Contract, County shall pay Medical Auditor the total of \$225,648 for the first four hundred (400) claims occurring in the seventh option period based on date of injury. County shall pay this amount in twelve (12) equal monthly installments at the end of each month commencing March 31, 2012. For each claim after the first four hundred (400) occurring in the seventh option period, County shall pay Medical Auditor the fee of \$564 within thirty (30) days of receipt of an invoice in compliance with 13.0. The services are "life of the contract" and all services will continue as long as there is a contract between Travis County and Forté Managed Care.

3.0 As consideration for the medical bill review services to be provided by Medical Auditor under this Contract, County shall pay Medical Auditor the monthly fee of \$4,120 during the seventh option period within thirty (30) days of receipt of an invoice in compliance with 13.0. The maximum payable for medical bill review for this option period is \$49,440.

4.0 All terms and conditions related to the services remain unchanged and in full force and effect except for the end of the contract period and those amended in Modifications 4, 8, and 10.