



## 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. 2) to Contract No. 11T00037OJ, JI Specialty Services, Inc., for third party administration for County's self-funded programs for workers compensation and auto liability.

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 third party administration services for HRMD. Commissioners Court approved the award of this Contract on March 1, 2011.

This Modification No. 2 will extend the contract for an additional twelve months, through March 1, 2013, and will increase the contract amount by \$4,265, from \$142,500 (estimated) to \$146,765 (estimated). The renewal option is permitted pursuant to Paragraph 2.0 entitled "Term of Contract and Options to Extend," and the increase is permitted pursuant to Paragraph 12.0, "Compensation for Claims Administration Services."

Modification No. 1 was issued in order to change the vendor code number shown on the Contract Award form. It was signed by the Purchasing Agent on March 22, 2011.

Ø **Contract Expenditures:** Within the last twelve months, \$146,765 has been spent against this contract.

Ø **Contract Modification Information:**

Modification Amount: Estimated

Modification Type: Annual contract

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](mailto:Cheryl.Aker@co.travis.tx.us) by Tuesdays at 5:00 p.m. for the next week's meeting.

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

Ø **Funding Information:**

Purchase Requisition in H.T.E.: 549008

Funding Accounts:

525-1149-522-4704 (Workers Compensation)

525-1140-522-4702 (Auto Liability)

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## Human Resources Management Department

700 Lavaca St. Suite 420

• P.O. Box 1748

• Austin, Texas 78767

• (512) 854-9165 / FAX(512) 854-3128

December 14, 2011

TO: Elizabeth Corey, Purchasing Agent Assistant IV

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

Re: Contract No. 11T0037-OJ  
Third Party Administration  
JI Specialty Companies

Vendor services related to the above contract have been performed to the County's satisfaction. Please initiate the extension of their contract to the first option period for services under Workers Compensation and Auto Liability only. Services under General Liability and Property are for data entry and file storage only unless adjuster services are requested by the County at the fee schedule provided for in the contract.

### Break Out of Costs

Workers Compensation	\$102,977
Auto Liability + GL + Property	\$ 43,788

Contract No. 11T0037-OJ is funded from line items  
525-1140-522-4704 (Workers Compensation)  
525-1140-522-4702 (Auto Liability)

If you have any questions please call me at X49650.

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

**MODIFICATION OF CONTRACT: 11T000370J, THIRD PARTY ADMINISTRATION**

ISSUED BY: PURCHASING OFFICE 700 LAVACA, SUITE 800 AUSTIN, TEXAS 78701	PURCHASING AGENT ASST: Elizabeth Corey TEL. NO: (512) 854-9853 FAX NO: (512) 854-9185	DATE PREPARED: <b>January 20, 2012</b>
ISSUED TO: <b>JI Specialty Services, Inc.</b> Attn: Mr. Francis J. Fey, President 10535 Boyer Blvd., Suite 1 Austin, Texas 78758	MODIFICATION NO.: <b>2</b>	EXECUTED DATE OF ORIGINAL CONTRACT: <b>February 22, 2011</b>
ORIGINAL CONTRACT TERM: <u>March 1, 2011 through March 1, 2012</u>		CURRENT CONTRACT TERM: <u>March 1, 2012 through March 1, 2013</u>

**FOR TRAVIS COUNTY INTERNAL USE ONLY:**

Original Contract Amount: \$ 142,500.00 (Estimated)

Current Modified Amount \$ 146,765.00 (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 claims administration services and risk management information system services for workers compensation claims under this contract and found that the services are professional services. On February 22, 2011, 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 JI Companies ("TPA") have agreed to extend this contract until the end of the first option period.

**Agreement**

1.0 Travis County exercises its first annual options under subsections 2.02 and 2.03 to extend both the full range of workers compensation claims administration services and the automobile liability claims administration services and data entry and file storage services for general liability and property loss claims provided under this Contract between County and TPA for one (1) additional year beginning March 1, 2012 and ending at 12:01 A.M. Central Time on March 1, 2013.


2.0 As consideration for these workers' compensation claims administration services to be provided by TPA under this Contract, County shall pay TPA the total of \$102,977 for all claims during the life of the Contract in twelve (12) equal monthly installments at the end of each month commencing March 31, 2012 within thirty (30) days of receipt of an invoice in compliance with 13.02. If County requests TPA to represent it before the DWC, County shall pay TPA for DWC Pre-Hearings, DWC Benefit Review Conferences, and DWC Contested Case Hearings based on the type of hearing at which representation is requested and at the rate shown in the Texas Department of Insurance DWC Legal Fee Schedule for that type of hearing. No fee will be charged for attendance or participation of the adjuster handling the case.

**Note to Vendor:**

- [ X ] 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: JI Specialty Services, Inc.

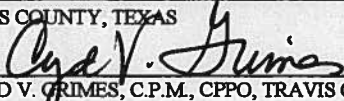
- DBA
- CORPORATION
- OTHER

BY:   
SIGNATURE

BY: Samuel D. Francis  
PRINT NAME

DATE:  
1/31/2012

TITLE: Executive Vice President/General Counsel  
ITS DULY AUTHORIZED AGENT

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

DATE:  
2/1/12

TRAVIS COUNTY, TEXAS  
BY: \_\_\_\_\_  
SAMUEL T. BISCOE, TRAVIS COUNTY JUDGE

DATE:

3.0 As consideration for the liability claims administration/data entry/file storage services to be provided by TPA under this Contract for the first option year, County shall pay TPA the total of \$43,788 for the first forty (40) new external automobile liability bodily injury and property damage claims occurring during the first option year for the life of this Contract in twelve equal monthly installments at the end of each month commencing March 31 of 2012. If there are more than forty (40) new external automobile liability bodily injury and property damage claims occurring during the first option period, as consideration for the automobile liability claims administration services for claims to be provided by TPA under this Contract in excess of forty (40) claims in a single contract year, County shall pay TPA \$750 for each new automobile liability bodily injury or property damage claim in excess of forty (40) occurring during the first option year. If County expressly requests TPA to administer a specific general liability or property loss claim, as consideration for the liability claims administration/data entry/file storage services to be provided by TPA under this Contract for that specific general liability or property loss claim, County shall pay TPA \$750 for each such general liability or property loss claim that County expressly requested TPA to administer during the first option year and these are payable at the end of the month the claim occurred if invoiced by TPA.

4.0 TPA shall invoice County directly for all cost reimbursement of expenses. County shall reimburse TPA for the South West Index Bureau Indexing at the direct cost of \$7.25 per filing or the current rate at cost incurred by TPA to provide the service:

5.0 TPA shall invoice County directly for all time and expense reimbursement expenses. County shall reimburse TPA at the hourly rate indicated below for time required in providing the following services:

Field Service/Investigations	\$75 per hour
Surveillance Services	\$60 per hour

6.0 All terms and conditions related to the services remain unchanged and in full force and effect.

**TRAVIS COUNTY**  
**Purchase Requisition**

Number . . . . . : 0000549008  
 Type . . . . . : 1 PURCHASE REQUISITION  
 Status . . . . . : AUDITOR APPROVAL  
 Reason . . . . . : CONTRACT RENEWAL 11T0037-OJ  
 By . . . . . : MARGIE SOLANO 854-9239  
 Date . . . . . : 12/20/11  
 Vendor . . . . . : 11284 JI COMPANIES  
 Contract nbr . . . . . :  
 Ship to . . . . . : HR HUMAN RESOURCES MGT.  
 Deliver by date . . . . . : 3/11/12  
 Buyer . . . . . :  
 Fiscal year code . . . . . : C C=Current year, P=Previous year, F=Future year

**Type options, press Enter.**

**5=Display 8=Item extended description**

Opt Line#	Quantity	UOM	Description
- 1	12.00	MO	MEDIATION WORKERS COMPEN.RISK MGMT, 3/12 - 3/13
- 2	12.00	EA	TPA - MEDIATION AUTO, GL,PROPERTY

Total: 146765.00

**F3=Exit F7=Alternate view**  
**F10=Approval info F12=Cancel F20=Comments**

**F9=Print**