



# Travis County Commissioners Court Agenda Request

**Meeting Date:** Tuesday, February 19, 2013

**Prepared By/Phone Number:** C.W. Bruner, 854-9760

**Elected/Appointed Official/Dept. Head:** Cyd Grimes

**Commissioners Court Sponsor:** Judge Biscoe

**Agenda Language:** Approve twelve-month extension (Modification No. 3) to Contract No. 4400000147 (HTE Contract No. 11T00037OJ), JI Specialty Services, Inc., for third party administration for County's self-funded programs for workers compensation and auto liability.

- **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's self-funded programs for workers compensation and auto liability. Commissioners Court approved the award of this Contract on March 1, 2011.

This Modification No. 3 will extend the contract for an additional twelve months, through March 1, 2014. The estimated contract amount remains the same for this renewal option.

Modification No. 2 extended the contract for an additional twelve months, through March 1, 2013, and increased the contract amount by \$4,265, from \$142, 500 (estimated) to \$146,765 (estimated).

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.

- **Contract Modification Information:**

Modification Amount: \$146,765.00

Modification Type: Bilateral

Modification Period: March 1, 2013 through March 1, 2014

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.

➤ **Funding Information:**

SAP Shopping Cart # / Funds Reservation #: 3000000445

Funding Account(s):

Comments:

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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

February 11, 2013

TO: C.W. Bruner, Purchasing Agent Assistant IV

FROM: William Paterson, Risk Manager

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 Second 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  
GL account 516700, cost center 1110048955 (Workers Compensation)  
GL account 516610, cost center 1110048955 (Auto Liability)  
Funds Reservation # 300000445

If you have any questions please call me at X49650.

CC: Diane Poirot, Director HRMD  
Leslie Browder, County Executive for Planning & Budget Office

**MODIFICATION OF CONTRACT NUMBER: 11T00037OJ, Third Party Administration PAGE 1 OF 2 PAGES  
(SAP Contract # 4400000147)**

ISSUED BY: PURCHASING OFFICE 700 Lavaca Street 8 <sup>th</sup> Floor AUSTIN, TX 78701	PURCHASING AGENT ASST: C.W. Bruner TEL. NO: (512) 854-9760 FAX NO: (512) 854-4211	DATE PREPARED: <b>February 7, 2013</b>
ISSUED TO: 1000000505 JI Specialty Services, Inc. Attn: Mr. Francis J. Fey, President 10535 Boyer Blvd., Suite 1 Austin, Texas 78758	MODIFICATION NO.: <b>3</b>	EXECUTED DATE OF ORIGINAL CONTRACT: <b>February 22, 2011</b>
ORIGINAL CONTRACT TERM DATES: <u>March 1, 2011 through March 1, 2012</u>		CURRENT CONTRACT TERM DATES: <u>March 1, 2013 through February 28, 2014</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, 2013. Travis County, Texas ("County") wants to extend this contract until the end of the second option period.

**Agreement**

- 1.0 Travis County exercises its second annual option under subsections 2.02 and 2.03 to extend the following services for one (1) additional year beginning March 1, 2013 12:00 A.M. Central Time.
- 1.1 the full range of services for workers compensation claims administration and the automobile liability claims administration and
  - 1.2 data entry and file storage services for general liability and property loss claims provided under this Contract between County and TPA
- 2.0 As consideration for these workers' compensation claims administration services to be provided by JI Specialty Services, Inc. ("TPA") under this Contract during the second option year, 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, 2013 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:**  
 Complete and execute (sign) your portion of the signature block section below for all copies and return all signed copies to Travis County.  
 DO NOT execute and return to Travis County. Retain for your records.

LEGAL BUSINESS NAME: _____	<input type="checkbox"/> DBA <input type="checkbox"/> CORPORATION <input type="checkbox"/> OTHER
BY: _____ SIGNATURE	
BY: _____ PRINT NAME	DATE: _____
TITLE: _____ ITS DULY AUTHORIZED AGENT	

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

TRAVIS COUNTY, TEXAS	DATE: _____
BY: _____ SAMUEL T. BISCOE, TRAVIS COUNTY JUDGE	

3.0 As consideration for the liability claims administration/data entry/file storage services for automobile liability bodily injury and property damage claims and for data entry/file storage services for general liability and property claims to be provided by TPA under this Contract for the second 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 second option year for the life of this Contract in twelve equal monthly installments at the end of each month commencing March 31 of 2013. If there are more than forty (40) new external automobile liability bodily injury and property damage claims occurring during the second 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 \$772.50 for each new automobile liability bodily injury or property damage claim in excess of forty (40) occurring during the second option year. All data entry/file storage services for all general liability and property claims during the second are included in this compensation. 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 \$772.50 for each such general liability or property loss claim that County expressly requested TPA to administer during the second option year and these are payable at the end of the month the claim occurred if invoiced by TPA.

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

5.0 EFFECTIVE DATE

5.1 The changes in this modification are effective March 1, 2013