

**A G R E E M E N T**  
**FOR CLAIMS ADMINISTRATION AND RELATED SERVICES FOR WORKERS'**  
**COMPENSATION AND EMPLOYER'S LIABILITY**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of, \_\_\_\_\_ 2008 by and between the School Board of Sarasota County, a political subdivision of the State of Florida, herein after referred to as the "SCHOOL BOARD" and Comp Options Insurance Company, a corporation licensed in the state of Florida, hereinafter referred to as "ADMINISTRATOR".

**WITNESSETH**

**WHEREAS** the SCHOOL BOARD has determined that it is necessary, expedient, and in the best interest of the SCHOOL BOARD to retain a firm to provide various workers' compensation and employer's liability services; and

**WHEREAS** the SCHOOL BOARD investigated the utilization of qualified firms for these services by other public entities; and

**WHEREAS** the SCHOOL BOARD determined that the ADMINISTRATOR offered the required services and had the necessary capabilities and resources; and

**WHEREAS** the SCHOOL BOARD desires to employ the ADMINISTRATOR in connection with said services upon the terms and conditions herein, and the ADMINISTRATOR is desirous of obtaining such employment, has reviewed the professional services required pursuant to this Agreement and is qualified, willing and able to provide and perform all such services in accordance with its terms;

**NOW, THEREFORE**, the SCHOOL BOARD and the ADMINISTRATOR, in consideration of the mutual covenants contained herein, do agree as follows:

**I. ADMINISTRATOR'S SERVICES**

The ADMINISTRATOR agrees to diligently and timely perform the services as indicated in Exhibit A, Scope of Services, attached hereto and incorporated herein. If the SCHOOL BOARD requires additional related services from the ADMINISTRATOR, the fees and other terms and conditions shall be agreed upon by both parties in the form of a written amendment to this Agreement. Any additional service or work performed before a written Amendment to this Agreement shall not be compensated by the SCHOOL BOARD.

**II. TERM**

This Agreement shall commence July 1, 2008 and shall continue through June 30, 2013 unless otherwise terminated per Section X herein.

**III. COMPENSATION**

**A.** Compensation for the ADMINISTRATOR'S services shall be per Exhibit B, Fee Schedule, attached hereto and incorporated herein. Said fees shall include all profit, direct and indirect

labor costs, personnel related costs, overhead and administrative costs, travel, and all other costs which are necessary to provide the services as outlined in this Agreement.

- B.** ADMINISTRATOR represents and warrants that wage rates and other factual unit costs supporting the compensation for the services provided per this Agreement are accurate, complete, and current at the time of entering into this Agreement. The amounts set forth in Exhibit B, Fee Schedule, will be adjusted to exclude any significant sums by which the SCHOOL BOARD determines were increased due to inaccurate, incomplete, or non-current wage rates and other factual unit costs. All such adjustments must be made within one year following the end of this Agreement.
- C.** SCHOOL BOARD'S performance and obligation to pay under this contract are contingent upon an appropriation by the School Board of Sarasota County.
- D.** METHOD OF PAYMENT
  - 1. The SCHOOL BOARD shall pay the ADMINISTRATOR, upon receipt of the ADMINISTRATOR'S invoice and written approval of same by the SCHOOL BOARD'S Administrative Agent indicating that services have been rendered in conformity with this Agreement. The ADMINISTRATOR shall submit an invoice for payment to the SCHOOL BOARD on a monthly basis.
  - 2. The ADMINISTRATOR'S invoices shall be in a form satisfactory to the Administrative Agent for the SCHOOL BOARD, who shall initiate disbursements.

**IV. LIABILITY OF ADMINISTRATOR**

The ADMINISTRATOR shall pay on behalf of or indemnify and hold harmless the School Board of Sarasota County from and against any and all claims, actions, damages, fees, fines, penalties, defense costs, suits or liabilities which may arise out of any act, neglect, error, omission or default of the ADMINISTRATOR arising out of or in any way connected with the ADMINISTRATOR'S performance or failure to perform under the terms of this contract (this section of the contract will extend beyond the term of the contract).

**V. ADMINISTRATOR'S INSURANCE**

- A.** Before performing any contract work, ADMINISTRATOR shall procure and maintain, during the life of the contract, unless otherwise specified, insurance listed below. The policies of insurance shall be primary and - - with insurance carriers approved and licensed by the Insurance Department in the State of Florida and meet a minimum financial AM Best Company rating of no less than "A- Excellent: FSC VII." No changes are to be made to these specifications without prior written specific approval by SCHOOL BOARD Risk Management.
  - 1. WORKERS' COMPENSATION. ADMINISTRATOR will provide Workers' Compensation insurance on behalf of all employees who are to provide a service under this contract, as required by the laws of the State of Florida.

In the event the ADMINISTRATOR has “leased” employees, the ADMINISTRATOR or the employee leasing company must provide evidence of a Workers’ Compensation policy for all personnel on the worksite. All documentation must be provided to the School Board of Sarasota County Risk Management, 1960 Landings Blvd., Sarasota, FL 34231.

2. COMMERCIAL GENERAL LIABILITY: Including but not limited to bodily injury, property damage, contractual, products and completed operations, and personal injury with limits of not less than \$500,000 each occurrence, covering all work performed under this contract.
3. BUSINESS AUTOMOBILE LIABILITY: ADMINISTRATOR agrees to maintain Business Automobile Liability at a limit of liability not less than \$500,000 each accident covering all work performed under this contract. ADMINISTRATOR further agrees coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event ADMINISTRATOR does not own automobiles, ADMINISTRATOR agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy. If private passenger automobiles are used in the business, they must be commercially insured.
4. UMBRELLA LIABILITY: With limits of not less than \$1,000,000 each occurrence covering all work performed under this contract.
5. PROFESSIONAL LIABILITY: With limits of not less than \$1,000,000 for professional services rendered in accordance with this contract. The ADMINISTRATOR shall maintain such insurance for at least two (2) years from the termination of this contract and during this two (2) year period the ADMINISTRATOR shall use his best efforts to ensure that there is no change of the retroactive date on this insurance coverage. If there is a change that reduces or restricts the coverage carried during the contract, the ADMINISTRATOR shall notify SCHOOL BOARD Risk Management within thirty (30) days of the change.

**B. POLICY FORM**

1. All policies required by this contract, with the exception of Business Automobile Liability, Professional Liability and Workers’ Compensation, or unless specific approval is given by SCHOOL BOARD Risk Management, are to be written on an occurrence basis, shall name the School Board of Sarasota County as additional insured as their interest may appear under this Contract. Insurer(s), with the exception of Business Automobile Liability Professional Liability and Workers’ Compensation, shall agree to waive all rights of subrogation against the School Board of Sarasota County.
2. Insurance requirements itemized in this contract and required of the ADMINISTRATOR shall be provided on behalf of all sub-contractors to cover their operations performed under this contract. The ADMINISTRATOR shall be held responsible for any

modifications, deviations, or omissions in these insurance requirements as they apply to sub-contractors.

3. Each insurance policy required by this contract shall:
  - a. Apply separately to each insured against whom claim is made and suit is brought, except with respect to limits of the insurer's liability
  - b. The ADMINISTRATOR will provide evidence of the required insurance in the form of a Certificate of Insurance providing thirty (30) days notice of policy cancellation to SCHOOL BOARD Risk Management.
4. The SCHOOL BOARD shall retain the right to review, at any time, coverage, form, and amount of insurance.
5. The procuring of required policies of insurance shall not be construed to limit ADMINISTRATOR'S liability, nor to fulfill the indemnification provisions and requirements of this contract.
6. The ADMINISTRATOR shall be solely responsible for payment of all premiums for insurance contributing to the satisfaction of this contract and shall be solely responsible for the payment of all deductibles and retentions to which such policies are subject.
7. Claims Made Policies will be accepted for Professional Liability, Workers' Compensation and Hazardous Materials, and such other risks as are authorized by SCHOOL BOARD Risk Management. All Claims Made Policies contributing to the satisfaction of the insurance requirements herein shall have an extended reporting period option or automatic coverage of not less than two years. If provided as an option, the ADMINISTRATOR agrees to purchase the extended reporting period on cancellation or termination unless a new policy is effected with a retroactive date, including at least the last policy year.
8. Certificates of Insurance evidencing Claims Made or Occurrence Form Coverage and conditions to this Contract are to be furnished to the School Board of Sarasota County Risk Management (1960 Landings Boulevard, Sarasota, FL 34231) prior to commencement of work AND a minimum of thirty (30) calendar days prior to expiration of the insurance contract, when applicable. All insurance certificates shall be received by SCHOOL BOARD Risk Management before the ADMINISTRATOR will be allowed to commence or continue work.
9. Notices of Accidents (occurrences) and Notices of Claims associated with work being performed under this Contract, shall be provided to the ADMINISTRATOR'S/ SUB-ADMINISTRATOR'S/ADMINISTRATOR'S insurance company and SCHOOL BOARD Risk Management as soon as practicable after notice to the insured.

## **VI. RESPONSIBILITIES OF THE ADMINISTRATOR**

- A. The ADMINISTRATOR shall be responsible for the professional quality, technical accuracy, and the coordination of all reports, designs, specifications, other documents and data used or produced by or at the behest of the ADMINISTRATOR under this Agreement. The ADMINISTRATOR shall, without additional compensation, correct or revise any errors or deficiencies in its reports, designs, specifications, other documents and data.
- B. If the ADMINISTRATOR is comprised of more than one legal entity, each entity shall be jointly and severally liable hereunder.
- C. The ADMINISTRATOR warrants that it has not employed or retained any company or person (other than a bona fide employee working solely for the ADMINISTRATOR), to solicit or secure this Agreement and that he has not paid or agreed to pay any person, company, corporation, individual, or firm other than a bona fide employee working solely for the ADMINISTRATOR; any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award of this Agreement.
- D. Prior to entering into this Agreement, the ADMINISTRATOR shall file a sworn statement with the SCHOOL BOARD as described for Public Entity Crimes of the Florida Statutes, Chapter 287.133, and the ADMINISTRATOR shall thereafter comply with Florida Statutes concerning such activities.
- E. The ADMINISTRATOR shall comply with all federal, state, and local laws, regulations and ordinances applicable to the work or payment for work thereof, and shall not discriminate on the grounds of race, color, religion, sex, or national origin in the performance of work under this Agreement.
- F. The ADMINISTRATOR shall maintain books, records, documents, and other evidence directly pertaining to or connected with the services under this Agreement which shall be available and accessible at the ADMINISTRATOR'S offices for the purpose of inspection, audit, and copying during normal business hours by the SCHOOL BOARD, or any of its authorized representatives. Such records shall be retained for a minimum of three (3) years after completion of the services.

## **VII. OWNERSHIP AND USE OF DOCUMENTS**

- A. It is understood and agreed that the documents, or reproducible copies, including reports, designs, specifications, other documents and data developed by the ADMINISTRATOR in connection with its services shall be delivered to, and shall become the property of the SCHOOL BOARD as they are received by the SCHOOL BOARD. The ADMINISTRATOR hereby assigns all its copyright and other proprietary interests in the products of this Agreement to the SCHOOL BOARD. Specific written authority is required from the SCHOOL BOARD'S Administrative Agent for the ADMINISTRATOR to use any of the work products of this Agreement on any non-SCHOOL BOARD project.
- B. Notwithstanding the above, any reuse of the work products by the SCHOOL BOARD for other non-related projects will be at the risk of the SCHOOL BOARD.

## **VIII. TIMELY PERFORMANCE OF ADMINISTRATOR'S PERSONNEL**

- A.** The timely performance and completion of the required services is vitally important to the interest of the SCHOOL BOARD. The ADMINISTRATOR shall assign a Program Manager, together with such other personnel as are necessary to assure faithful prosecution and timely delivery of services pursuant to the requirements of this Agreement. The ADMINISTRATOR shall ensure that all key personnel, support personnel, and other agents are fully qualified and capable to perform their assigned tasks. Any change or substitution to the ADMINISTRATOR'S key personnel must receive the SCHOOL BOARD'S Administrative Agent's written approval before said changes or substitution can become effective.
- B.** The ADMINISTRATOR agrees to provide to the SCHOOL BOARD'S Administrative Agent, monthly written progress reports concerning the status of the Program if requested. The SCHOOL BOARD'S Administrative Agent may determine the format for this progress report. The SCHOOL BOARD shall be entitled at all times to be advised at its request, and in writing, as to the status of work to be performed by the ADMINISTRATOR.

## **IX. OBLIGATIONS OF SCHOOL BOARD**

- A.** The SCHOOL BOARD'S Administrative Agent is designated to serve as program coordinator and shall perform the necessary services to properly administer the terms and conditions of this Agreement. The responsibilities of the SCHOOL BOARD'S Administrative Agent shall include:
  - 1. Examination of all reports and other data presented by the ADMINISTRATOR, and render in writing, decisions pertaining thereto within a reasonable time.
  - 2. Transmission of instructions, receipt of information, interpretation and definition of SCHOOL BOARD policies and other matters pertinent to the work covered by this Agreement.
  - 3. Review for approval or rejection all of the ADMINISTRATOR'S documents and payment requests.
- B.** The SCHOOL BOARD shall, upon request, furnish the ADMINISTRATOR with all existing data, studies and other information in the SCHOOL BOARD'S possession which may be useful in connection with the work related to this Agreement, all of which shall be and remain the property of the SCHOOL BOARD and shall be returned to the SCHOOL BOARD'S Administrative Agent upon completion of the services to be performed by the ADMINISTRATOR.
- C.** The SCHOOL BOARD'S Administrative Agent shall conduct periodic reviews of the work of the ADMINISTRATOR necessary, for the completion of the ADMINISTRATOR'S services during the period of this Agreement and may make other SCHOOL BOARD personnel available, where required and necessary to assist the ADMINISTRATOR. The availability and necessity of said personnel to assist the ADMINISTRATOR shall be

determined solely within the discretion of the SCHOOL BOARD.

- D. The SCHOOL BOARD shall not provide any services to the ADMINISTRATOR in connection with any claim brought on behalf of or against the ADMINISTRATOR.

## X. TERMINATION

- A. The SCHOOL BOARD shall have the right at any time upon sixty (60) calendar days written notice to the ADMINISTRATOR to terminate the services of the ADMINISTRATOR and, in that event, the ADMINISTRATOR shall cease work and shall deliver to the SCHOOL BOARD all documents and all other data prepared or obtained by the ADMINISTRATOR in connection with its services. The SCHOOL BOARD shall, upon receipt of the aforesaid, pay to the ADMINISTRATOR all applicable fees for the current month.
- B. The ADMINISTRATOR shall have the right at any time upon one hundred eighty (180) calendar days written notice to the SCHOOL BOARD of ADMINISTRATOR'S intention to terminate for convenience. In that event, the ADMINISTRATOR shall cease work on or before the end of the one hundred eighty (180) day period and shall deliver to the SCHOOL BOARD all documents and all other data prepared or obtained by the ADMINISTRATOR in connection with its services. The SCHOOL BOARD shall, upon receipt of the aforesaid documents, pay to the ADMINISTRATOR all applicable fees for the current month.
- C. In the event that the ADMINISTRATOR has abandoned performance under this Agreement, then the SCHOOL BOARD may terminate this Agreement upon three (3) calendar days written notice to the ADMINISTRATOR indicating its intention to do so. The written notice shall state the evidence indicating the ADMINISTRATOR'S abandonment. Payment for work performed prior to the ADMINISTRATOR'S abandonment shall be as stated above.
- D. The ADMINISTRATOR shall have the right to terminate services in the event of the SCHOOL BOARD failing to pay the ADMINISTRATOR'S properly documented and submitted invoice within ninety (90) calendar days of the approval by the SCHOOL BOARD'S Administrative Agent, or if the Project is suspended by the SCHOOL BOARD for a period greater than ninety (90) calendar days.
- E. The SCHOOL BOARD reserves the right to terminate and cancel this Agreement in the event the ADMINISTRATOR shall be placed in either voluntary or involuntary bankruptcy or an assignment is made for the benefit of creditors.
- F. After written notice to the ADMINISTRATOR and a reasonable opportunity to cure, and after consultation with the ADMINISTRATOR, the SCHOOL BOARD shall have the right to refuse to make payment, in whole or in part, and, if necessary, may demand the return of a portion or the entire amount previously paid to the ADMINISTRATOR due to:
  - 1. The quality of a portion, or all, of the ADMINISTRATOR'S work not being in accordance with the requirements of this Agreement;
  - 2. The quantity of the ADMINISTRATOR'S work not being as represented in the ADMINISTRATOR'S Payment Request, or otherwise;

3. The ADMINISTRATOR'S failure to use Agreement funds previously paid the ADMINISTRATOR by the SCHOOL BOARD, to pay ADMINISTRATOR'S task-related obligations including, but not limited to, subcontractors;
  4. Claims made, or likely to be made, against the SCHOOL BOARD or its property;
  5. Loss caused by the ADMINISTRATOR;
  6. The ADMINISTRATOR'S failure or refusal to perform any of the obligations to the SCHOOL BOARD, after written notice and a reasonable opportunity to cure as set forth above.
- G.** In the event that the SCHOOL BOARD makes written demand upon the ADMINISTRATOR for amounts previously paid by the SCHOOL BOARD as contemplated in the clause, the ADMINISTRATOR shall promptly comply with such demand. The SCHOOL BOARD'S rights hereunder survive the term of this Agreement, are not waived by final payment and/or acceptance, and are in addition to ADMINISTRATOR'S obligations set forth in this Agreement.

## **XI. MISCELLANEOUS**

- A.** This Agreement constitutes the sole and complete understanding between the parties and supersedes all agreements between them, whether oral or written with respect to the subject matter. No Amendment, change or addendum to this Agreement is enforceable unless agreed to in writing by both parties and incorporated into this Agreement.
- B.** Any reference to a specific chapter of the Florida Statutes in this Agreement shall mean that the Florida Statutes shall by reference be made a part of this Agreement as though set forth in full.
- C.** The ADMINISTRATOR shall not assign any interest in this Agreement and shall not transfer any interest in same (whether by assignment or novation) without the prior written consent of the SCHOOL BOARD, except that claims for the money due or to become due the ADMINISTRATOR from the SCHOOL BOARD under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy without such approval from the SCHOOL BOARD. Notice of any such transfer or assignment due to bankruptcy shall be promptly given to the SCHOOL BOARD.
- D.** The exercise by either party of any rights or remedies provided herein shall not constitute a waiver of any other rights or remedies available under this Agreement or any applicable law. The rights and obligations of the parties under this Agreement shall be governed by the laws of the State of Florida and the venue for any legal or judicial proceedings in connection with the enforcement or interpretation of this Agreement shall be in Sarasota County, Florida. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding on each party.



- E. The parties covenant and agree that each is duly authorized to enter into and perform this Agreement and those executing this Agreement have all requisite power and authority to bind the parties.
- F. Any notices, invoices, reports, or any other type of documentation required by this Agreement shall be sufficient if sent by the parties via United States certified mail, postage paid, to the addresses listed below:

**ADMINISTRATOR'S Representative:**

NAME: Jeffrey L. Close  
TITLE: Account Manager  
ADDRESS: PO Box 44220  
Jacksonville, FL 32231  
TELEPHONE: 407-833-7814  
FAX: 407-804-4490

**SCHOOL BOARD'S Administrative Agent:**

NAME: Bert Palmer  
TITLE: Risk Manager  
ADDRESS: 1960 Landings Blvd.  
Sarasota, FL 34231  
TELEPHONE: 941-927-9000  
FAX: 941-927-4046

- G. Paragraph headings are for the convenience of the parties and for reference purposes only and shall be given no legal effect.

IN WITNESS WHEREOF, the parties have executed the Agreement as of the date first above written.

Comp Options Insurance Company

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

WITNESS: \_\_\_\_\_

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

BY: \_\_\_\_\_  
CHAIR

DATE: \_\_\_\_\_

WITNESS: \_\_\_\_\_

## **EXHIBIT A**

### **SCOPE OF SERVICES**

ADMINISTRATOR agrees to perform the following services on behalf of the SCHOOL BOARD:

1. In conjunction with the SCHOOL BOARD, implement a Criteria-Based model of workers' compensation program administration;
2. Prepare all legally required reports, including submission of required reports and Electronic Data Interchange (EDI) reporting to appropriate agencies;
3. Operate in full compliance of the rules and regulations promulgated by the State of Florida prescribing the practices and procedures of workers' compensation claims administrators;
4. Reimburse SCHOOL BOARD for payment of any fines, penalties or assessments assigned by the State of Florida for failure to comply with rules and regulations, including but not limited to EDI reporting, associated with the performance or responsibility of the ADMINISTRATOR;
5. Cooperate with any audits of the ADMINISTRATOR'S files and procedures conducted by or on behalf of the SCHOOL BOARD. The SCHOOL BOARD shall have the right to audit during the Agreement period and up to five (5) years following termination of the Agreement;
6. Provide SCHOOL BOARD, at no additional cost, real-time electronic, internet-accessible claim file data, including but not limited to adjuster notes, supervisory notes, nurse notes, diary items, payment records, reserves and medical bills;
7. In accordance with state-mandated time frames prepare, maintain and file with the appropriate state agencies:
  - a. all applications, bonds, documentation and data required, if any, for implementation and continuance of the program;
  - b. all records and reports as may be required by legal authorities (state, local and federal);
  - c. statistical or other records and reports as required by the SCHOOL BOARD'S excess insurers;
  - d. statistical information required by Workers' Compensation Rating Bureaus or appropriate state agencies, including EDI and data necessary for the promulgation of experience modifications;
8. Prepare and distribute all required 1099 forms;
9. Provide formal classroom-style, ongoing training and education to SCHOOL BOARD staff, at no additional charge, on those workers' compensation topics of interest to the SCHOOL BOARD, including but not limited to case law updates, regulatory or rule changes, claims management best practices and medical consumerism updates;

10. Attend and fully participate in formal classroom-style, ongoing training and education provided by SCHOOL BOARD staff and/or consultants to the SCHOOL BOARD on relevant workers' compensation topics, at no additional charge to the SCHOOL BOARD;
11. Attend meetings, upon request, with the SCHOOL BOARD'S Administrative Agent as it relates to workers' compensation, risk management and insurance;
12. Keep SCHOOL BOARD'S Administrative Agent informed of any significant regulatory or industry changes affecting the workers' compensation program;
13. ADMINISTRATOR will submit a copy of its continuity of operations plan to SCHOOL BOARD within thirty (30) days of written request by SCHOOL BOARD;
14. Conduct and report results from bi-annual surveys, on behalf of the SCHOOL BOARD and in a format approved of by the SCHOOL BOARD, to measure the reliability, accuracy and customer service level provided to health care providers, internal customers and injured employees;
15. Provide SCHOOL BOARD with electronic copy of ADMINISTRATOR'S standard operating procedures for claims handling;
16. Assist SCHOOL BOARD in establishing claim reporting procedures compatible with the needs and structure of the SCHOOL BOARD;
17. Provide necessary Notice of Injury (NOI) forms and instructions, in electronic and hard copy form;
18. Assist SCHOOL BOARD with development of an electronic NOI which interfaces with the SCHOOL BOARD'S technology platform(s);
19. Provide 24 hour telephonic reporting and intake capabilities;
20. Maintain a local service office for SCHOOL BOARD claims administration located in Sarasota County with staff available between the hours of 8:00 a.m. and 5:00 p.m.;
21. Provide a toll-free phone line for claims reporting, inquiries and after-hour access;
22. Provide exclusive, dedicated adjusters and nurse case manager, approved by the SCHOOL BOARD, with maximum case loads not to exceed 175 active files for adjusters and 100 active files for nurse case manager;
23. Provide appropriate administrative staff to support adjusters and nurse case manager;
24. Receive and examine on behalf of SCHOOL BOARD all reports of employee injury claims;
25. Provide initial clinical triage supported by predetermined criteria, appropriate deployment of resources including telephonic case management, field case management using staff knowledgeable in the criteria, protocols and appropriate utilization of internal and external

medical management resources.

26. Conduct such investigation as in the exercise of professional judgment would seem necessary. Enhanced efforts shall be taken to identify possible fraudulent claims, including recorded statements from injured workers and discussions with witnesses and supervisors;
27. Subject to applicable workers' compensation law accept and adjust, settle or deny (settlements and denials need prior approval by the SCHOOL BOARD Administrative Agent) each reported claim of employee injury. The final decision to settle or deny shall rest solely with the SCHOOL BOARD;
28. Report claims to SCHOOL BOARD'S excess insurer(s) in accordance with the requirements of the excess insurer(s) policies;
29. Up to a discretionary limit of \$10,000 and subject to the foregoing provisions, review and, if appropriate, pay in a timely fashion; and in conformity with legally imposed medical and surgical fee schedules, network discounts and/or contracted fees, all on-going claims and expenses pertaining thereto. The final decision to accept, deny or settle any claims shall rest with the SCHOOL BOARD;
30. Consult SCHOOL BOARD on the selection and referral to outside professionals such as surveillance personnel, expert witnesses and field adjusters/nurses to assist in the investigation, adjustment and medical management of claims. ADMINISTRATOR will review all bills for such services for reasonableness and conformity to pre-established rates or fees;
31. Audit hospital/provider bills exceeding amount agreed-upon by SCHOOL BOARD, based upon written procedures;
32. Validate and pay in a timely manner, any and all indemnity benefits due to injured employees;
33. Prepare and maintain files necessary for legal defense of claims and/or other litigation or other proceedings, such as actions for subrogation, contribution or indemnity. All Legal filings must be approved by the SCHOOL BOARD Administrative Agent prior to response;
34. Attend hearings, depositions, mediations and other proceedings as necessary;
35. Aggressively pursue all possibilities of subrogation, excess insurance reimbursement, third party liens, contribution or indemnity and/or recovery from special or second injury funds on behalf of the SCHOOL BOARD;
36. Perform timely, periodic review of all open cases to establish the status of disabled employees in order to assist in the appropriate action to be taken;
37. Provide assistance in implementing rehabilitation for injured employees, in consultation, retraining or reassignment of employees with limited physical performance arising from covered injuries;
38. Assist SCHOOL BOARD in the development of a Stay at Work program, including

identification of stay at work opportunities, communication of individual case strategies among key parties and managing stay at work plan for each case, including appropriate use of outside vendors if appropriate;

39. Work with SCHOOL BOARD to integrate functions of Employee Health program with workers' compensation claims adjusting services, if SCHOOL BOARD implements such a program;
40. Contact injured worker, employer and witnesses, either in writing or orally, within 24 hours of receipt of claim report;
41. Advise and consult with the SCHOOL BOARD with respect to safety program planning, implementation and analysis;
42. Provide access to a health care provider network practicing criteria-based medical care;
43. Provide full disclosure to SCHOOL BOARD regarding medical provider contracting and credentialing;
44. Provide a prescription management system, ADMINISTRATOR-based or through a third party, to promote ease of prescription procurement, utilization review, cost containment and drug purchase discounts;
45. Provide Peer Review and Utilization Review services as required;
46. Provide loss and financial reports as required by the SCHOOL BOARD;
47. Provide complete claims data and/or reports in a compatible format acceptable to the SCHOOL BOARD (i.e. electronic data interchange or any other requested format) for purposes of internal tracking, auditing and any other need established by the SCHOOL BOARD

**EXHIBIT B  
FEE SCHEDULE**

ADMINISTRATOR shall be paid for each month's service during the term of this Agreement in the following manner:

1. Billing shall be for each month and shall be rendered to the SCHOOL BOARD on or before the 20<sup>th</sup> day of the month following the month in which the service is rendered.
2. Monthly invoices shall be based on one-twelfth (1/12<sup>th</sup>) of the annual fees as outlined in this Agreement.
3. ADMINISTRATOR has guaranteed the rates for five (5) years as set forth in Claims Administrative and Related Service Fees herein. All fees are inclusive of services identified in Exhibits A and B to this Agreement.

**Claims Administration and Related Service Fee**

<u>Contract Period</u>	<u>Annual Fee</u>
7/1/2008 – 6/30/2009	\$201,000
7/1/2009 – 6/30/2010	\$207,000
7/1/2010 – 6/30/2011	\$213,000
7/1/2011 – 6/30/2012	\$219,000
7/1/2012 – 6/30/2013	\$225,000

Unless otherwise indicated, the following services are included in the claims administration fee:

Network Access/Maintenance	Included
Bill Review, Re-pricing, Payment	Included
IT Systems: Interface and Reporting	Included
Loss/Financial/Statistical Reports	Included

**Nurse Case Manager fee [one time] per claim file for managing the file from inception to conclusion. The fee will be allocated to the claim file and paid as an expense.**

<u>Contract Period</u>	<u>One Time Fee Per Claim File</u>
7/1/2008 – 6/30/2009	\$265.00
7/1/2009 – 6/30/2010	\$273.00
7/1/2010 – 6/30/2011	\$281.00
7/1/2011 – 6/30/2012	\$289.00
7/1/2012 – 6/30/2013	\$297.00

**Reimbursable Expenses**

SCHOOL BOARD has the right and option to select outside vendors of its choice to provide the following services. No reimbursable expense will be borne without prior approval of the SCHOOL BOARD'S Administrative Agent.

All items purchased from reimbursable expenses become the property of the SCHOOL BOARD upon termination of this Agreement. All reimbursable expenses shall be reimbursed at cost only. Reimbursable expenses shall mean the actual cost, as authorized by the SCHOOL BOARD, reasonably incurred by the ADMINISTRATOR directly in connection with the ADMINISTRATOR'S performance of this Agreement.

### **Claim Expenses**

ADMINISTRATOR shall maintain a bank account (interest bearing at the option of the SCHOOL BOARD) for the ADMINISTRATOR in the name of School Board of Sarasota County Workers' Compensation Administration Account which account shall be established for the following authorized signatory individual members of the contracting;

### **Procedures**

1. The SCHOOL BOARD has the sole obligation and responsibility for funding the appropriate payment of workers' compensation claims made by its employees. The ADMINISTRATOR assumes no duty to fund any such claims at any time and shall have no obligation to advance funds for such payment. The ADMINISTRATOR shall, from the above referenced bank account, write checks or warrants to pay appropriate parties under the SCHOOL BOARD'S workers' compensation payment of claims. The SCHOOL BOARD will remit to the ADMINISTRATOR an amount equal to the average of the claims costs for the prior 12-month period to be held in escrow for the payment of claims. ADMINISTRATOR shall submit to SCHOOL BOARD documentation of required escrow account amount based on the above formula. Upon receipt of necessary documentation, the SCHOOL BOARD will increase or decrease as necessary, the escrow deposit within 15 days. The SCHOOL BOARD will fund the disbursement requirements of the workers' compensation program. Check register requests with the total disbursements are to be submitted to the SCHOOL BOARD for reimbursement, via wire transfer, to the above referenced account. All interest earned, if any, shall be the property of the SCHOOL BOARD. All bank charges, if any, shall be incurred by and paid by the ADMINISTRATOR.
2. The ADMINISTRATOR shall provide detailed bank reconciliation monthly to the Finance Department of SCHOOL BOARD.
3. The ADMINISTRATOR shall have no ownership of any of the required escrow funds provided by the SCHOOL BOARD, nor shall any payments due to the ADMINISTRATOR for Administrative fees or reimbursable expenses be deducted from these funds.
4. All receipts by ADMINISTRATOR from reinsurance, subrogation payments, coordination of benefits, second injury fund or otherwise, shall be promptly sent to the SCHOOL BOARD'S Administrative Agent.