

**TERM CONTRACT FOR  
153095TM WORKERS' COMPENSATION ADMINISTRATOR**

**THIS TERM CONTRACT** is made and entered into effective July 1, 2016, and is by and between the School Board of Sarasota County, operating district school system in the State of Florida, hereinafter referred to as the "District" and Johns Eastern Company, Inc., a Florida corporation, hereinafter referred to as "Consultant."

**WITNESSETH**

**WHEREAS**, the District requires the services of a Consultant to provide Workers' Compensation Administrator services; and,

**WHEREAS**, the District adopted Sarasota County Board of County Commissioners solicitation, 153095TM and Notice of Recommended Award on September 10, 2015; and

**WHEREAS**, the District evaluated the responses received and found the Consultant qualified to perform the necessary services; and,

**WHEREAS**, the Consultant has reviewed the services required pursuant to this Term Contract and is qualified, willing and able to provide and perform all such services in accordance with its terms.

**NOW, THEREFORE**, the District and the Consultant, in consideration of the mutual covenants contained herein, do agree as follows:

**I. CONSULTANT'S SERVICES**

The Consultant agrees to diligently provide all materials, services and labor for Workers' Compensation Administrator services, in accordance with the scope of services made part of this Term Contract as Exhibit A, attached hereto and incorporated herein.

**II. TERM**

This Term Contract shall commence on July 1, 2016 and shall continue for a period of three years, terminating on June 30, 2019. Prior to July 1, 2016, at no additional cost to the District, Consultant shall coordinate efforts with the District's current administrator, AmTrust, to transfer all the District's worker's compensation files to Consultant so that Consultant will be prepared to begin delivering services to District on July 1, 2016. Beginning July 1, 2019, this Term Contract may be renewed for up to two additional one year periods upon the mutual written agreement of the parties. Fees for any subsequent one year term will increase 3%.

**III. COMPENSATION AND PAYMENT OF CONSULTANT'S SERVICE**

A. The District shall pay the Consultant for the services rendered hereunder

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and completed in accordance with the terms and conditions of this Term Contract a total amount not to exceed Nine Hundred Seventy-Five Thousand Dollars and Zero Cents (\$975,000.00) for the initial three-year term. Payments shall not exceed Three Hundred Twenty-Five Thousand Five Hundred Dollars (\$325,000.00) per fiscal year.

- B. Notwithstanding the preceding, Consultant shall perform no work under this Term Contract until receipt of a Purchase Order from the District. Consultant acknowledges and agrees that no minimum amount of work is guaranteed under this Term Contract and District may elect to issue no purchase orders.
- C. The District's performance and obligation to pay under this Term Contract is contingent upon an appropriation of lawfully available funds by the School Board of Sarasota County. The District shall promptly notify the Consultant if the necessary appropriation is not made.

**IV. METHOD OF PAYMENT**

- A. The District shall pay the Consultant through payment issued by the School Board of Sarasota County in accordance with the Local Government Prompt Payment Act, §218.70, et seq. F.S., upon receipt of the Consultant's invoice and written approval of same by the District's Administrative Agent indicating that services have been rendered in conformity with this Term Contract.
- B. The Consultant shall submit invoices for payment to the District for those specific services provided pursuant to Exhibit B, Fee Schedule, attached hereto and incorporated herein.
- C. The Consultant's invoices shall be in a form satisfactory to the School Board of Sarasota County, who shall initiate disbursements. The Consultant is responsible for providing all necessary documentation that may be required by the District.

**V. ADDITIONAL SERVICES**

- A. No changes to this Term Contract or the performance contemplated hereunder shall be made unless the same are in writing and signed by both the Consultant and the District.
- B. If the District's Administrative Agent requires the Consultant to perform additional services related to this Term Contract then the Consultant shall be entitled to additional compensation based on the Fee Schedule as amended to the extent necessary to accommodate such additional work. The additional compensation shall be agreed upon before commencement of any additional services or changes and shall be incorporated into this Term Contract by written amendment. The District shall not pay for any additional service or work performed before a written amendment to this Term Contract.

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Notwithstanding the preceding, in the event additional services are required as a result of error, omission or negligence of the Consultant, the Consultant shall not be entitled to additional compensation.

**VI. LIABILITY OF CONSULTANT**

- A. The Consultant shall save, defend, indemnify and hold harmless the District 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 Consultant arising out of or in any way connected with the Consultant or subcontractor's performance or failure to perform under the terms of this Term Contract.
- B. This section shall survive the termination or expiration of this Term Contract.

**VII. CONSULTANT'S INSURANCE**

Consultant shall procure and maintain insurance as specified in Exhibit C, Insurance Requirements, attached hereto and made a part of this Term Contract.

**VIII. RESPONSIBILITIES OF THE CONSULTANT**

- A. The personnel assigned by the Consultant to perform services shall comply with the terms set forth in this Term Contract. The Consultant shall ensure that all personnel and other agents are fully qualified and capable to perform their assigned tasks.
- B. The Consultant warrants that it has not employed or retained any company or person (other than a bona fide employee working solely for the Consultant), to solicit or secure this Term Contract and that it has not paid or agreed to pay any person, company, corporation, individual, or firm other than a bona fide employee working solely for the Consultant; any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award of this Term Contract.
- C. The Consultant covenants and agrees that it and its employees shall be bound by the Standards of Conduct of §112.313, F.S., as it relates to work performed under this Term Contract. The Consultant agrees to incorporate the provisions of this paragraph in any subcontract into which it might enter with reference to the work performed.
- D. Consultant agrees that it and its employees shall communicate with District employees and members of the public in a civil manner. All aspects of a Consultant's performance, including complaints received from District employees or members of the public, may impact the District's decision to renew or terminate this Term Contract in accordance with the

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- provisions contained herein. The District further reserves the right to suspend or debar the Consultant from consideration for award of future contracts in accordance with the School Board of Sarasota County Procurement Code if the Consultant does not abide by the terms of this subsection.
- E. Pursuant to Subsection 287.133(a), F.S., a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a Consultant, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in §287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.
- F. The Consultant 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 Term Contract.
- G. The Consultant shall maintain books, records, documents, and other evidence directly pertaining to or connected with the services under this Term Contract which shall be available and accessible at the Consultant's offices for the purpose of inspection, audit, and copying during normal business hours by the District, or any of its authorized representatives. Such records shall be retained for a minimum of three (3) years after completion of the services.
- H. §287.135, F.S., prohibits agencies from contracting with companies for goods or services of \$1,000,000 or more, that are on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. Both lists are created pursuant to §215.473, F.S. Consultant certifies that the organization is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List and understands that pursuant to §287.135, F.S., the submission of a false certification may subject company to civil penalties, attorney's fees, and/or costs.
- I. The Consultant shall notify the District's Administrative Agent at least one (1) day in advance of any meeting between the Consultant and any Board Member, regulatory agency or private citizen related to this Term Contract.

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J. Independent Consultant. The Consultant is, and shall be, in the performance of all work, services and activities under this Term Contract, an independent Consultant and not an employee, agent or servant of District. All persons engaged in any work or services performed pursuant to this Term Contract shall at all times, and in all places, be subject to the Consultant's sole direction, supervision and control. The Consultant shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the Consultant's relationship and the relationship of its employees to the District shall be that of an independent Consultant and not as employees of the District. The Consultant shall be solely responsible for providing benefits and insurance to its employees.

**IX. FORCE MAJEURE**

The Consultant specifically agrees that all work performed under the terms and conditions of this Term Contract shall be completed within the time limits as set forth herein, or as otherwise identified in the District's Purchase Order or specified by the District's Administrative Agent, subject only to delays caused by force majeure, or as otherwise defined herein. "Force majeure" shall be deemed to be any cause affecting the performance of this Term Contract arising from or attributable to acts, events, omissions or accidents beyond the reasonable control of the parties.

**X. OBLIGATIONS OF DISTRICT**

- A. The District's Administrative Agent is designated to do all things necessary to properly administer the terms and conditions of this Term Contract, including, but not limited to:
1. Review of all Consultant payment requests for approval or rejection.
  2. Periodic reviews of the work of the Consultant as necessary for the completion of the Consultant's services during the period of this Term Contract.
- B. The District shall not provide any services to the Consultant in connection with any claim brought on behalf of or against the Consultant.

**XI. TERMINATION**

- A. The District shall have the right at any time upon thirty (30) calendar days' written notice to the Consultant to terminate the services of the Consultant for convenience. The District shall pay to the Consultant and the Consultant shall accept as full payment for its services, a sum of money equal to the work completed in any commenced but incomplete services.

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- B. Any failure of the Consultant to satisfy the requirements of this Term Contract, as documented by the Administrative Agent, shall be considered a default of the Term Contract and sufficient reason for termination. The Consultant shall be notified in writing by the District and shall have an opportunity to cure such default within ten (10) working days after notification.
- C. In the event the District's termination of this Term Contract for default is in any way deficient, at the option of the District such termination shall be deemed to be a termination for convenience pursuant to Section XI.A. above.
- D. The parties may mutually agree to terminate this Term Contract. Such termination shall be evidenced by a notice issued by the District. The District shall pay to the Consultant and the Consultant shall accept as full payment for its services, a sum of money equal to the work completed in any commenced but incomplete services.
- E. In the event that the Consultant has abandoned performance under this Term Contract, then the District may terminate this Term Contract upon three (3) calendar days' written notice to the Consultant indicating its intention to do so. Payment for work performed prior to the Consultant's abandonment shall be as stated above. Consultant shall have one hundred and eighty (180) days to submit invoices. Invoices submitted after one hundred and eighty (180) days may not be accepted for payment.
- F. The Consultant shall have the right to terminate services only in the event of the District failing to pay the Consultant's properly documented and submitted invoice within ninety (90) calendar days of the approval by the District's Administrative Agent.
- G. The District reserves the right to terminate and cancel this Term Contract in the event the Consultant shall be placed in either voluntary or involuntary bankruptcy or an assignment be made for the benefit of creditors.
- H. After consultation with and written notice to the Consultant providing a reasonable opportunity to cure, the District shall have the right to refuse to make payment, in whole or part due to:
  - 1. The quality of a portion, or all, of the Consultant's work not performed in accordance with the requirements of this Term Contract;
  - 2. The quantity of the Consultant's work not delivered or performed as represented in the Consultant's Payment Request, or otherwise;
  - 3. Claims made, or likely to be made, against the District, or its property;

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4. Damages to the District or a third party caused by the Consultant;
5. The Consultant's failure or refusal to perform any other obligation under this Term Contract.

**XII. DISPUTE RESOLUTION**

- A. In the event of a dispute or claim arising out of this Term Contract, the parties agree first to try in good faith to settle the dispute by direct discussion. If this is unsuccessful, the parties agree to enter into mediation in Sarasota County, Florida, with the parties sharing equally in the cost of such mediation.
- B. In the event mediation is unsuccessful in resolving a dispute, the parties may proceed to litigation as set forth below.
- C. Jurisdiction; Venue. Any dispute, action or proceeding arising out of or related to this Term Contract will be exclusively commenced in the state courts of Sarasota County, Florida, or where proper subject matter jurisdiction exists in the United States District Court for the Middle District of Florida. Each party irrevocably submits and waives any objections to the exclusive personal jurisdiction and venue of such courts, including any objection based on forum non conveniens.
- D. The parties hereby waive all rights to trial by jury for any litigation concerning this Term Contract.
- E. This Term Contract and the rights and obligations of the parties shall be governed by the laws of the State of Florida without regard to its conflict of laws principles.
- F. Unless otherwise agreed in writing, the Consultant shall be required to continue its services and all other obligations under this Term Contract during the pendency of claim or dispute including, but not limited to, actual period of mediation or judicial proceedings.

**XIII. MISCELLANEOUS**

- A. This Term Contract constitutes the sole and complete understanding between the parties and supersedes all other contracts between them, whether oral or written with respect to the subject matter. No amendment, change or addendum to this Term Contract is enforceable unless agreed to in writing by both parties and incorporated into this Term Contract.

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- B. Time is of the essence with regard to each and every aspect of the Consultant's performance under this Term Contract.
- C. The language of this Term Contract shall be construed, in all cases, according to its fair meaning and not for or against any party hereto.
- D. The parties hereto do not intend nor shall this Term Contract be construed to grant any rights, privileges or interest to any third party.
- E. The Consultant shall not assign any interest in this Term Contract and shall not transfer any interest in same (whether by assignment or novation) without the prior written consent of the District, except that claims for the money due or to become due to the Consultant from the District under this Term Contract may be assigned to a financial institution or to a trustee in bankruptcy without such approval from the District. Notice of any such transfer or assignment due to bankruptcy shall be promptly given to the District.
- F. 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 Term Contract or any applicable law. If any term, condition, or covenant of this Term Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Term Contract shall be valid and binding on each party.
- G. The parties covenant and agree that each is duly authorized to enter into and perform this Term Contract and those executing this Term Contract have all requisite power and authority to bind the parties.
- H. Neither the District's review, approval or acceptance of, nor payment for, the services required under this Term Contract shall be construed to operate as a waiver of any rights under this Term Contract or of any cause of action arising out of the performance of this Term Contract.
- I. The rights and remedies of the District provided for under this Term Contract are in addition to any other rights and remedies provided by law.
- J. If the Consultant is comprised of more than one legal entity, each entity shall be jointly and severally liable hereunder.
- K. This Term Contract may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
- L. The District may unilaterally extend this Term Contract up to ninety (90) days beyond its expiration. The unit prices in effect on the last day of this Term Contract shall remain in effect for the extension period.

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M. Any notices of default or termination shall be sufficient if sent by the parties via United States certified mail, postage paid, or via a nationally recognized delivery service, to the addresses listed below:

Consultant's Representative:

District's Administrative Agent:

Name: Kristin Brown  
Title: Account Manager  
Address: PO Box 110259  
Lakewood Ranch, FL  
34211  
Telephone: 1-877-897-9539  
Facsimile: 813-402-7917  
E-mail: kbrown@johnseastern.com

Name: Lynn Peterson  
Title: Supervisor of Risk Management  
Address: 1960 Landings Boulevard  
Sarasota, FL 34231  
Telephone: 941-927-9000  
Facsimile: 941-927-4017  
E-Mail: Lynn.Peterson@sarsotacountyschools.net

- N. Any change in administrative agents will be promptly communicated by the party making the change.
- O. Paragraph headings are for the convenience of the parties and for reference purposes only and shall be given no legal effect.
- P. The solicitation and all attachments and addenda thereto are hereby incorporated in the Term Contract by reference.
- Q. In the event of conflicts or inconsistencies, the documents shall be given precedence in the following order:
1. Term Contract
  2. Solicitation
  3. District's Purchase Order

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**IN WITNESS WHEREOF**, the parties have executed this Term Contract as of the date last below written.

WITNESS:	Johns Eastern Company, Inc.
Signed By: _____	Signed By: _____
Print Name: _____	Print Name: _____
Date: _____	Title: _____
	Date: _____

**SCHOOL BOARD OF SARASOTA COUNTY**

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

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

Approved for Legal Content  
April 22, 2016 by Matthews Eastmoore  
General Counsel for the School Board of  
Sarasota County, Florida  
Signed: ASH

**153095TM - WORKERS' COMPENSATION ADMINISTRATOR  
EXHIBIT A –SCOPE OF SERVICES**

**1.0 BACKGROUND**

The District's current program is a "sports medicine" model, focused on supporting criteria-based medicine. The District has partnered with the premier local clinicians in an effort to achieve the best possible medical outcomes and facilitating the District's Stay at Work Program. The District's Stay at Work (rather than return to work) philosophy supports the belief that it is in the employees' best interest to remain in a productive work environment, within the employees' functional limitations, whether it be temporary alternate duty or their normal position, to facilitate the most effective medical recovery.

- 1.1 The Consultant shall assume the complete handling of all new and existing claims, including pending claims and incurred but not yet reported (IBNR) claims being handled by the District's current claims administrator. It is required that a copy of claims data and any and all other documentation associated with claims occurring prior to the effective date of this Agreement be transferred into the successful Consultant's claims management system to maintain a consistent, comprehensive history of all claim years. The transfer of all data shall be completed no later than the effective date of this Agreement.

**2.0 ADMINISTRATIVE SERVICES**

The Consultant shall provide the following administrative services:

- 2.1 Prepare and file with the appropriate state agencies all applications, bonds, documentation and data required, on behalf of the District and in accordance with state mandated time frames, for implementation and continuance of the program.
- 2.2 Prepare, maintain and file all records and reports on behalf of the District as may be required by any local, state and federal legal authorities within the mandated time frames.
- 2.3 Prepare, maintain and file statistical or other records and reports as required by the District's excess insurer(s). Report claims to the District's excess insurer(s) in accordance with the applicable policy requirements and provide the District with a copy of all reports submitted. All applicable notification, investigative and reporting procedures shall be followed.
- 2.4 In accordance with state mandated time frames, prepare, maintain and file statistical information required by the State, workers' compensation rating bureaus and, as applicable, Centers for Medicare and Medicaid Services or other appropriate agencies.
- 2.5 Information shall include, but not be limited to, Electronic Data Interchange (EDI) and data necessary for the promulgation of experience modifications and self-insurance assessments.
- 2.6 Comply fully with all rules, regulations, guidelines or procedures established by the District, the State of Florida, and CMS Medicare Secondary Payor requirements to maintain the legal operation of the District's self-insurance program.

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- 2.7 Regularly keep the District informed of any significant regulatory or industry changes that may impact the District or its workers' compensation program.
- 2.8 Prepare and distribute all required 1099 forms.
- 2.9 Reimburse District 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 Consultant.
- 2.10 Cooperate with any audits of the Consultant's files and procedures conducted by or on behalf of the District. The District shall have the right to audit during the contract period and for five (5) years following the termination of the agreement. No additional fees shall be due the Consultant for cooperation with such audits.
- 2.11 Annually provide the District with a SAS 70 (or similar) audit as required by the financial auditors.
- 2.12 Provide the District a copy of the Consultant's written Continuity of Operations Plan which outlines the Consultant's post disaster operational procedures, including but not limited to, how advance indemnity payments will be made and how medical care direction will be provided.
- 2.13 Assist the District with its ongoing efforts to maintain a Stay at Work program.
- 2.14 Establish procedures acceptable to the District for the payment of compensable claims. Procedures will include periodic funding requests submitted to the District with detailed backup information. Funds will be provided by the District following review and approval of the funding requests.
- 2.15 Conduct and report results from employee satisfaction surveys to measure items such as customer service, clinician access and overall claim handling.
- 2.16 Upon request, provide formal classroom-style training and education to District staff regarding topics of interest to the District such as case law updates, regulatory or rule changes, claims management best practices and medical consumerism.
- 2.17 Work with District staff to integrate functions of the District's employee health and wellness programs with the workers' compensation program, where appropriate, to facilitate a holistic approach to employee health management.

**3.0 BANKING/RECONCILIATION SERVICES**

- 3.1 The District's claim funding account will be maintained at a financial institution chosen by the District. All interest earned or service credits generated will accrue to the benefit of the District.
- 3.2 The District may establish an escrow amount to facilitate the payment of claims. The Consultant shall comply with Florida laws concerning public deposits.

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- 3.3 All claims or expense payments shall be made by the Consultant on checks drawn on the District's claim funding account. It is understood and agreed upon that all funds in this account are the District's funds and shall be returned to the District upon request or termination of any agreement resulting from this RFP. No payments due to the Consultant for administrative fees or reimbursable expenses shall be deducted from these funds.
- 3.4 The Consultant shall be responsible for monthly reconciliation of the District's claim funding account and shall provide bank statements to the District monthly. The Consultant shall provide the District with a monthly list of all checks issued for the prior month and checks outstanding. All bank charges, if any, shall be incurred by and paid by the District.
- 3.5 The Consultant shall cooperate fully with any audit of the District's claim funding account by either the District or District authorized independent auditor.

**4.0 CLAIMS HANDLING SERVICES**

The Consultant shall provide the following claims handling services:

- 4.1 Prepare and follow service instructions that have been approved by the District in the handling of the District's claims and catastrophic claims.
- 4.2 Receive, examine and adjust on behalf of the District all reports of employee injury.
- 4.3 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.
- 4.4 Contact injured worker, employer and witnesses, either in writing or orally, within 24 hours of Consultant's receipt of claim report.
- 4.5 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 and discussions from injured workers, witnesses and supervisors.
- 4.6 Subject to applicable workers' compensation law and the exercise of professional judgment, accept and adjust, settle or deny (settlements and denials need prior approval by the Risk Manager or its designee and District Attorney's Office) each reported claim of employee injury.
- 4.7 Report claims to District's excess insurer(s) in accordance with the requirements of the excess insurer(s) policies.
- 4.8 Advise the District and obtain prior approval on claim reserve increases in excess of \$25,000.

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EXHIBIT A –SCOPE OF SERVICES**

- 4.9 Up to a discretionary limit determined by the District 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, JECO 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 District.
- 4.10 Fees, interest and civil penalties required due to late payments or adjuster mishandling shall be paid by the Consultant unless the error is solely caused by later reporting or misreporting of information by the District. Any such payments made by the Consultant shall be reimbursed to the District within 60 days of the payment.
- 4.11 Consult with District 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. Consultant will review all bills for such services for reasonableness and conformity to pre-established rates or fees and have the ability to adhere to any set pricing schedules.
- 4.12 Validate and pay in a timely manner, any and all indemnity benefits due to injured employees.
- 4.13 Review all medical bills and bills for other services for which a claim is being made for reasonableness and conformity to rules, regulations and legally imposed medical and surgical fee schedules.
- 4.14 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 District's Legal Counsel prior to response. Defense of all claims will be handled by the District preferred defense counsel unless otherwise approved by the District.
- 4.15 Attend hearings, depositions, mediations and other proceedings as necessary.
- 4.16 At the request of the District, provide a complete copy of all files involving litigation, potential or actual subrogation or potential or actual recovery from special or second injury funds.
- 4.17 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 District.
- 4.18 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. The Consultant shall meet with District staff periodically to review any claims or overall program performance as requested.
- 4.19 Provide assistance in implementing rehabilitation for injured employees, in consultation, retraining or reassignment of employees with limited physical performance arising from compensable injuries.

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- 4.20 Assist District in the maintenance and development of its Stay at Work program, including identification of stay at work opportunities, communication of individual case strategies among key parties and managing the stay at work plan for each case, including appropriate use of outside vendors if appropriate.
- 4.21 Provide access to a local health care clinician network practicing criteria-based medical care.
- 4.22 Provide full disclosure to the District regarding clinician contracting and credentialing.
- 4.23 Develop and follow appropriate written policies when the injured employee requests a one-time change or medical treatment is questioned.
- 4.24 Assist in the scheduling of independent medical evaluations.
- 4.25 Follow all provisions of Florida Statutes in regard to indemnity and medical benefit entitlement and administration.

**5.0 FIRST NOTICE OF INJURY REPORTING SERVICES**

The Consultant shall provide the following services:

- 5.1 Assist District in establishing claim reporting procedures compatible with the needs and structure of the District.
- 5.2 Provide 24-hour telephonic and internet based claim reporting and intake capabilities. Send First Notice of Injury to the State of Florida in a timely manner in compliance with proscribed statutory requirements. Consultants must accept responsibility for penalties for late notice to the State when caused by reason other than delay by the District.
- 5.3 Provide a toll-free phone line for claims reporting, inquiries and after-hour access.
- 5.4 Provide medical triage at the time of claim reporting to assess the nature of injury and refer employees to the most appropriate medical services needed, including specialists, at the earliest possible opportunity.

**6.0 Data Access/Reporting Services**

- 6.1 The Consultant shall provide the District, at no additional cost, the ability to access comprehensive, real-time online electronic claim, financial and reporting data and information. In addition, the Consultant shall provide the District regularly scheduled statistical and loss reports as agreed upon by the parties in an acceptable format to the District. The District is entitled to all standard, Ad Hoc and Dashboard reports at no additional cost.
- 6.2 The Consultant agrees that the District shall have real-time, online access to all claim files, including adjuster notes, supervisory notes, case management notes, diary items, payment records, medical bills and expense bills in an electronic format with internet based access.

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6.3 The Consultant shall provide reporting capabilities to evaluate the success of the program and whether the Consultant's staff, medical clinicians, associated services vendor(s), and contracted entities are performing services and achieving the best possible outcomes in an effective and efficient manner.

6.4 The Consultant agrees to provide District with data and reports to comply with its annual audit and actuarial requirements no later than January 10<sup>th</sup> of each calendar year.

**7.0 Network access & Development services**

The Consultant shall provide the following services:

7.1 Provide the District access to a clinician network that contains appropriate, effective clinician partners. The District is interested in working with the successful Consultant to assure that high quality clinicians are encouraged to participate in the program and who contractually agree to expedited appointment scheduling, real-time communication, performance standards and guarantees and the practice of evidence-based medicine to best address the medical and rehabilitative needs of District employees.

7.2 Assist the District in the development of a custom panel of clinicians, particularly in key specialties such as orthopedics, physiatry, psychiatry, neurosurgery, cardiology, occupational medicine and physical therapy. Provide to the District full disclosure of contracting and credentialing services required to develop this custom panel.

7.3 Provide peer review and utilization review services as appropriate.

7.4 Provide reporting regarding network access, provider costs and outcomes.

7.5 Develop and distribute a periodic clinician panel satisfaction survey and provide the results of said surveys to the District.

**8.0 Medical bill review and audit services**

The Consultant shall provide the following services:

8.1 For Medical Bill Review:

- a. Promptly review medical/surgical bills (in and out of JECO network) for accuracy including, but not limited to, as they relate to the following:
  - i. Duplicate billings
  - ii. Unbundling of charges
  - iii. Upcoding of charges
  - iv. Approval and appropriate precertification

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- b. Review of all medical bills that:
  - i. Are not subject to fee schedule coding
  - ii. Are for services not specifically addressed in the fee schedule
  - iii. Need an in-depth medical interpretation of the rules and regulations
  - iv. In the exercise of professional judgment, specifically warrant review
- c. Process, pay and mail bills within State mandated guidelines.

8.2 Reimburse District for overpayments made in the bill review process, within 30 days of identification of overpayment.

8.3 For Medical Auditing Services:

- a. Audit in-network and out-of-network hospital/clinician bills
  - i. Exceeding \$5,000, and;
  - ii. Others at the Consultant's discretion, based upon industry standards or specific request by the District for accuracy and appropriateness
  - iii. Develop and follow written policies on how late charges, no show charges and special payment arrangements are to be handled and provide those written policies to the District.

8.4 Develop and provide communication materials to explain the policies and procedures of the Medical Bill Review and Audit Services to:

- a. The District
- b. Clinicians

**9.0 Pharmacy Benefit Management (PBM) services**

9.1 The Consultant shall recommend a pharmacy benefit management (PBM) vendor. It is anticipated that the Consultant will sub-contract these services. Details regarding the PBM's services should be provided, including fee arrangements, access, utilization review services, pharmacist consultation services, provider penetration guarantees and coordination of claims data and reporting.

9.2 Consultant shall address their procedures and payment terms including the following:

- a. Name of PBM used;
- b. Cost basis of charges (fill fee, discount from AWP, WCA or other)
- c. Distribution of rebates;
- d. Describe if contract with PBM is on a pass through basis or transparent basis;

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- e. Explain policies and procedures used to mitigate costs and steerage to generics when applicable.

**10.0 OTHER REQUIREMENTS**

**10.1 Staffing Requirements**

The use of independent adjusters or temporary adjusters by the Consultant is not acceptable. The District will have final approval of all staff assigned to handle District claims. All claims personnel shall be employees of the Consultant.

Consultant shall provide experienced staff as well as the following information to the District:

- a. Define caseload of recommended adjusters and provide the average caseload per adjuster within your organization;
- b. Provide an outline of a dedicated unit based upon the historical information contained herein; One dedicated adjuster, one dedicated nurse care manager, and one shared supervisor
- c. Provide details regarding any adjuster caseload maximums which will be applied.

**10.2 Obligations Not Terminated by Contract Period:**

The Consultant shall be required to provide service on all claims occurring during the contract period and until three (3) months after the termination of the contract (including renewals, extensions or replacements thereof), all legally required reports for the contract period rendered, and all required reports to appropriate agencies. Proposed fees shall include the full consideration for such continuing obligations and, except as noted herein, no additional compensation shall be due for such obligations which extend beyond the contract period.

**10.3 Compliance With Rules of the Division of Workers' Compensation**

It shall be the responsibility of the Consultant to comply with all rules and regulations promulgated by the various state agencies prescribing the practices and procedures of self-insurer service companies. Consultant will be responsible for all required Electronic Data Interchange (EDI) Division of Workers' Compensation (DWC) reporting.

**10.4 Ownership of Claims Files**

The District shall have all right, title, interest, and ownership to all loss statistics and claim files, in electronic and hard copy form, created as a result of the services to be provided by the Consultant. Further, at the sole option of the District and upon ten (10) days written notice, the Consultant shall deliver such files to District. At the termination of the contract, at the sole expense of the successful Consultant, the Consultant shall provide District with computer tapes or other electronic media acceptable to the District containing all of the claim data.

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Such data shall be made available in a format generally importable into a commonly recognized database for claims administration services.

10.5 Subcontracted Services

- a. The compensation proposed herein shall be the only remuneration to the Consultant for the services provided to the District. Consultants must receive no revenue for services provided by sub-Consultants.

10.6 Performance Standard Review

- a. The Consultant and District agree that Performance Standard Reviews will be conducted annually. Each annual Performance Standard Review will include:
  - i. Claim File Review
  - ii. Program Management Review
- b. In the Claim File Review process, for each claim file that is reviewed, the reviewer will assign a score from 0 to 100 based upon the criteria outlined herein. At the conclusion of reviewing all selected claim files, an average score for all claim files reviewed will be calculated. In the Program Management Review process, a separate single score between 0 and 100 will be calculated.
- c. The average score for the Claim File Reviews will account for 60% of the overall scoring and the Program Management Review will account for 40% of the overall scoring for the Performance Review.
- d. As an example, if the average Claim File Review score is 90 points and the Program Management Review score is 80, the total score will be 86.

**Performance Review Table**

<b>Performance Review</b>	<b>Performance Period</b>	<b>Total Review Points (Compliance Benchmark)</b>	<b>Penalty</b>
1	July 1, 2016 – June 30, 2017	95	6%
2	July 1, 2017 – June 30, 2018	95	6%
3	July 1, 2018 – June 30, 2019	95	6%
4*	July 1, 2019 – June 30, 2020	95	6%
5*	July 1, 2020 – June 30, 2021	95	6%

\*Reviews 4 and 5 are contingent upon the parties exercising the extension option(s) outlined in the Agreement.

- 10.7 The Consultant agrees to submit Performance Guarantee Reports detailing compliance with all agreed upon Performance Guarantees and applicable percentages on an annual basis, and must be submitted as of the end of the District's fiscal year.

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- 10.8 The Performance Reviews will measure objective performance standards which are easily identified and measured. After each Performance Review is performed, the Consultant will meet with the District to discuss initial evaluation results. The Consultant will be given an opportunity to factually rebut the initial findings. Thereafter, a final tally of the review results will be prepared.
- 10.9 Failure to perform at or above expected levels for the Performance Reviews will result in a financial penalty, calculated as the percentage listed above, shown in the Performance Review Table multiplied by the fee amount that was charged by the Consultant for the performance period. Any financial penalties will be credited to future amounts invoiced by the Consultant to the District.

**11.0 Claim File Reviews**

- 11.1 The Claim File Review will include 25 open files and 10 closed files. The closed files will have closed during the performance period. The District may elect to have the Claim File Reviews performed by a third party at the District's expense.
- 11.2 Each claim will generate a score from 1 to 100 points. All timeliness standards of performance are stated in business, not calendar, days. In any instances where a standard is not applicable to a particular claim file, the file will be awarded the appropriate point(s) for that standard. Only transactions that are paid or processed during the performance period will be subject to scoring.

11.3 The following grid outlines the scoring criteria for each claim:

<b># of Points</b>	<b>Description of Standards</b>
10	Quality and timeliness of investigation
10	File documentation, and proper coding of claim type and claim description
10	Proper reporting of excess claims
10	Supervisory reviews and diary follow up on the claim files
10	Settlement Negotiation and authority
10	Pursuit of subrogation and Second Injury Fund Claims
10	Reserve accuracy and documentation
10	Control and proper use of claim file vendors such as attorneys, appraisers, private investigators, field case management nurses, etc.
10	Accuracy of indemnity payments
10	Accuracy of medical payments

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**12.0 Program Management Review**

12.1 The following grid outlines the scoring criteria for the Program Management Review:

<b># of Points</b>	<b>Description of Standards</b>
25	Attendance at regularly scheduled meetings
25	Delivery of agreed upon reports
25	Agreed upon personnel and case load maximums
25	Prompt Reporting of Excess Claims - where the District has paid in excess of the self-insured retention for the accident period, Consultant will within 30 days, notify excess insurer. Consultant will follow up with excess insurer every 30 days until the District has been reimbursed.

(END EXHIBIT A)

**153095TM WORKERS' COMPENSATION ADMINISTRATOR  
EXHIBIT B – FEE SCHEDULE**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>UNIT OF MEASURE</b>	<b>UNIT PRICE</b>
1	Monthly Service Amount- as specified in Exhibit A. Years 1 through 3	Monthly	\$27,083.33
2	Monthly Service Amount- as specified in Exhibit A. Year 4	Monthly	\$27,895.83
3	Monthly Service Amount- as specified in Exhibit A. Year 5	Monthly	\$28,732.71
4	Allocated Expenses as outlined in the proposal for Solicitation, 153095TM		

**153095TM- WORKERS' COMPENSATION ADMINISTRATOR  
EXHIBIT C – INSURANCE REQUIREMENTS**

**A. INSURANCE**

Before performing any contract work, Consultant shall procure and maintain, during the life of the contract, unless otherwise specified, insurance listed below. The policies of insurance shall be primary and written on forms acceptable to the District and placed with insurance carriers approved and licensed by the Florida Office of Insurance Regulation 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 District Risk Management.

IF CHECKED, COVERAGE IS REQUIRED	TYPE OF INSURANCE
<input type="checkbox"/> Required	<p><b>1. WORKERS' COMPENSATION:</b></p> <p>Consultant 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 where the Consultant is domiciled. Florida Consultants must provide evidence of Workers' Compensation insurance which meets the requirements of Florida Statutes, Chapter 440, <b>AND</b> Employer's Liability with limits of not less than \$100,000 per employee per accident, \$500,000 disease aggregate, and \$100,000 per employee per disease. If applicable, coverage for the Jones Act and Longshore Harbor Workers Exposures must also be included. <b>**NOTE**</b> Consultants who are exempt from Florida's Workers' Compensation law must provide proof of such exemption issued by the Florida Department of Financial Services, Bureau of Workers' Compensation.</p> <p>In the event the Consultant has "leased" employees, the Consultant or the employee leasing company must provide evidence of a Workers' Compensation policy for all personnel on the worksite.</p>
Required - <input checked="" type="checkbox"/> Specify Amount Below <input checked="" type="checkbox"/> \$500,000 <input type="checkbox"/> \$1,000,000	<p><b>2. COMMERCIAL GENERAL LIABILITY:</b> Including but not limited to bodily injury, property damage, contractual, products and completed operations, and personal injury with limits of not less than the amount shown at left for each occurrence, covering all work performed under this contract.</p>
Required - <input type="checkbox"/> Specify Amount Below <input type="checkbox"/> \$500,000 <input type="checkbox"/> \$1,000,000 <input type="checkbox"/> \$5,000,000	<p><b>3. BUSINESS AUTOMOBILE LIABILITY:</b> Consultant agrees to maintain Business Automobile Liability at a limit of liability not less than the amount shown at left for each accident covering all work performed under this contract.</p> <p>Consultant further agrees coverage shall include liability for Owned, Non-Owned &amp; Hired automobiles. In the event Consultant does not own automobiles, Consultant agrees to maintain coverage for Hired &amp; 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.</p> <p>If the Consultant is shipping a product via common carrier, the Consultant shall be responsible for any loss or damage sustained in delivery/transit.</p>



**153095TM- WORKERS' COMPENSATION ADMINISTRATOR  
EXHIBIT C – INSURANCE REQUIREMENTS**

IF CHECKED, COVERAGE IS REQUIRED	TYPE OF INSURANCE
	<p>aggregate and shall include liability for non-sudden occurrences in an amount not less than \$6,000,000 per claim and \$6,000,000 in the aggregate.</p> <p><b>d. HAZARDOUS WASTE TRANSPORTATION</b> – When applicable, the Consultant shall designate the hauler and furnish a Certificate of Insurance from the hauler for Automobile Liability insurance with Endorsement MCS90 for liability arising out of the transportation of hazardous materials with an amount not less than \$1,000,000 annual aggregate and provide a valid EPA identification number.</p> <p><b>*****Note: CERTIFICATES OF INSURANCE shall clearly state the hazardous material exposure work being performed under the contract. *****</b></p>
<input type="checkbox"/> Required	<p><b>7. BUILDERS' RISK – PROPERTY COVERAGE:</b> When applicable (none required on projects below \$25,000), a special form coverage shall include, but not be limited to:</p> <p><b>a.</b> Storage and transport of materials, equipment, supplies of any kind whatsoever to be used on or incidental to the project</p> <p><b>b.</b> Theft coverage</p> <p><b>c.</b> Waiver of Occupancy Clause endorsement, which will enable the District to occupy the facility under construction/renovation during such activity</p> <p><b>d.</b> Limits of insurance to equal 100% of the insurable completed contract amount of such addition(s), building(s) or structure(s), on an agreed amount/replacement cost basis, and</p> <p><b>e.</b> Maximum deductible clause of \$10,000 each claim</p>
<input type="checkbox"/> Required	<p><b>8. INSTALLATION COVERAGE - BUILDERS' RISK:</b> For installation, Consultant must provide Builders' Risk installation coverage to include coverage for materials stored at the project site, property while in transit, and property stored at a temporary location for the amount of materials involved in this contract.</p>
<input type="checkbox"/> Required	<p><b>9. LIQUOR LIABILITY:</b> With limits of not less than \$1,000,000 per occurrence, when applicable. This coverage shall be required if, at any time, the sale or distribution of alcoholic beverages of any kind is inherent or implied within the provisions of the contract.</p>
<input type="checkbox"/> Required	<p><b>10. GARAGE KEEPERS LIABILITY:</b> With limits equal to the full value of the lot or garage. Legal liability form will be acceptable. This coverage shall be required if the maintenance, servicing, cleaning or repairing of any County motor vehicles is inherent or implied within the provisions of</p>

**153095TM- WORKERS' COMPENSATION ADMINISTRATOR  
EXHIBIT C – INSURANCE REQUIREMENTS**

IF CHECKED, COVERAGE IS REQUIRED	TYPE OF INSURANCE
	the contract.
<input type="checkbox"/> Required	<b>11. BAILEE'S CUSTOMER:</b> All risk coverage with property limits equal to the District assets in the vendor's Care, Custody and Control.
<input type="checkbox"/> Required	<b>12. OTHER: Specify</b> <hr/>

**B. POLICY FORM**

1. Unless specific approval is given, all policies required by this contract with the exception of Professional Liability and Workers' Compensation are to be written on an occurrence basis. Commercial General Liability policies shall name School Board of Sarasota County as additional insured as their interest may appear under this contract.
2. Insurance requirements itemized in this contract and required of the Consultant shall be provided on behalf of all subcontractors to cover their operations performed under this contract. The Consultant shall be held responsible for any modifications, deviations, or omissions in these insurance requirements as they apply to subcontractors.
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. Not be suspended, voided or canceled by either party except after thirty (30) calendar days prior written notice by certified mail, return receipt requested, has been given to District Risk Management.
4. The District 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 Consultant's liability nor to fulfill the indemnification provisions and requirements of this contract.
6. The Consultant 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 District 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 Consultant 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 School Board of Sarasota County Risk Management

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EXHIBIT C – INSURANCE REQUIREMENTS**

(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 District Risk Management before the Consultant 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 Consultant's/subcontractor's/Consultant's insurance company and District Risk Management as soon as practicable after notice to the insured.

10. The Certificate of Insurance must include the following:

a. In the "Description of Operations/Special Provisions" section:

- School Board of Sarasota County is named as an additional insured, as their interests may appear on Commercial General Liability.
- Note: ACORD 2009 edition can use "X" for General Liability Additional Insured inclusion.

b. In the "Certificate Holder" section:

School Board of Sarasota County  
Attn: Risk Management  
1960 Landings Boulevard  
Sarasota, FL 34231