

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: REQUEST FOR AUTHORIZATION TO ISSUE REQUEST
FOR PROPOSALS (RFP) #006- KK10, WORKERS'
COMPENSATION AND THIRD PARTY LIABILITY CLAIMS
ADMINISTRATION SERVICES**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

**LINK TO DISTRICT
STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES**

At the Board meeting of May 16, 2007, the Board authorized a three-year contract with Gallagher Bassett Services, Inc. (GB) to provide third-party claims administration for all self-insured casualty claims including all forms of general liability, professional liability errors and omissions, automobile liability and workers' compensation. The authorization was for a flat annual fee to be paid to GB of \$5,811,281 for each of the three years. The third year of that contract became effective July 1, 2009. The Board received a memorandum dated August 5, 2009 recommending that a Request For Proposal (RFP) be created to re-market this contract in lieu of extending the existing contract. As a result, the current contract will be terminated for convenience effective July 1, 2010.

State Board Rule 6A-1.012(15) and School Board Rule 6Gx13- 3F-1.021, Request For Proposals and Professional Service Contracts, provide the Board the authority to directly negotiate for third-party administrative contracts, which the Board has authorized in the past for this contract. Staff believes that the current program is strategic and saves the District money, but believes it is in the District's best interest at this point to seek competitive proposals for a new contract to become effective July 1, 2010.

Consistency is key in claims administration; therefore, staff is recommending that Request For Proposal (RFP) #006-KK10, Workers' Compensation and Third Party Liability Claims Administration Services be issued now with the following timeline:

E-67

RFP TIMELINES

RFP Release Date..... November 18, 2009
Pre-Bid ConferenceDecember 10, 2009 (2:00 PM EST)
Written Questions DueDecember 17, 2009 (3:00 PM EST)
Addendum IssuedNo later than January 7, 2010
RFP Proposal Due Date January 26, 2010 (2:00 PM EST)
Ad-Hoc Committee Meetings..... February - March, 2010
Recommended Board Action.....April, 2010
Coverage Effective Date.....July 1, 2010

SUPERINTENDENT’S AD-HOC INSURANCE COMMITTEE

Pursuant to School Board Rule 6Gx13- 3F-1.022, Professional Service Contracts for Insurance or Risk Management Programs – Policy, an Ad-Hoc Insurance Committee will review received proposals, and make recommendations which subsequently will be taken to the Board for final action. The Ad-Hoc Insurance Committee will consist of the following individuals:

- Associate Superintendent and Chief Financial Officer, Financial Services
- Risk and Benefits Officer, Office of Risk and Benefits Management
- Deputy Superintendent, District/School Operations
- Assistant Superintendent, Human Resources, Recruitment & Performance Management
- Chief Facilities Officer
- Supervisor, Workers’ Compensation, Office of Risk and Benefits Management
- Workers’ Compensation Manager, Miami-Dade County Risk Management Division, GSA

Additionally, the following representatives will serve as non-voting resource persons to the Ad-Hoc Committee:

- Representative from the Board Attorney’s Office
- Representative from the Office of Procurement Management
- Representative from MWBE & Related Services
- Representative, Board Property/Casualty Insurance Consultant

Copies of the RFP will be distributed to Board Members, the Superintendent of Schools, and appropriate District staff, and will be placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida:

1. authorize the Superintendent of Schools to issue a Request For Proposals (RFP) #007- KK10, Workers' Compensation and Third Party Liability Claims Administration Services; and
2. approve the composition of the Ad-Hoc Committee.

RHH:sbc