

REQUEST FOR PROPOSALS FOR

**Workers Compensation
Third Party Claims Administrator (TPA) Services**

ISSUING OFFICE

**Pennsylvania Turnpike Commission
Risk Management Department**

RFP NUMBER

13-10260-4533

DATE OF ISSUANCE

November 21, 2013

REQUEST FOR PROPOSALS FOR
Workers Compensation
Third Party Claims Administrator (TPA) Services

TABLE OF CONTENTS

Part I	- GENERAL INFORMATION FOR PROPOSERS	page 1
Part II	- INFORMATION REQUIRED FROM PROPOSERS	page 13
Part III	- CRITERIA FOR SELECTION	page 17
Part IV	- WORK STATEMENT	page 19

APPENDIX A – PROPOSAL COVER SHEET

PART I

GENERAL INFORMATION FOR PROPOSERS

I-1. Purpose. This request for proposals (RFP) provides interested Proposers with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy a need for Workers' Compensation Third Party Administrator (TPA) Services.

I-2. Issuing Office. This RFP is issued for the Commission by the Risk Management Department.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. The Pennsylvania Turnpike Commission is seeking qualified organizations to provide Third Party Administrative (TPA) Services for our Self-Insurance Workers' Compensation Program.

I-5. Type of Contract. It is proposed that if a contract is entered into as a result of this RFP, it will be an annual fixed fee contract. The Commission may in its sole discretion undertake negotiations with Proposers whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing Proposers.

I-7. Subcontracting. Any use of subcontractors by a Proposer must be identified in the proposal. During the contract period use of any subcontractors by the selected Proposer, which were not previously identified in the proposal, must be approved in advance in writing by the Commission.

A firm that responds to this solicitation as a prime may not be included as a designated subcontractor to another firm that responds to the same solicitation. **Multiple responses under any of the foregoing situations may cause the rejection of all responses of the firm or firms involved.** This does not preclude a firm from being set forth as a designated subcontractor to more than one prime contractor responding to the project advertisement.

I-8. Incurring Costs. The Commission is not liable for any costs the Proposer incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of contract.

I-9. Questions and Answers. Written questions may be submitted to clarify any points in the RFP which may not have been clearly understood. Written questions should be submitted by email to RFP-Q@paturndpike.com with **RFP 13-10260-4533** in the Subject Line to be received no later than **12:00 PM local time on Monday, December 2, 2013**. All questions and written answers will be posted to the website as an addendum to and become part of this RFP.

I-10. Addenda to the RFP. If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be posted to the Commission's website under the original RFP document. It is the responsibility of the Proposer to periodically check the website for any new information or addenda to the RFP.

The Commission may revise a published advertisement. If the Commission revises a published advertisement less than ten days before the RFP due date, the due date will be extended to maintain the minimum ten-day advertisement duration if the revision alters the project scope or selection criteria. Firms are responsible to monitor advertisements/addenda to ensure the submitted proposal complies with any changes in the published advertisement.

I-11. Response. To be considered, proposals must be delivered to the Pennsylvania Turnpike Commission's Contracts Administration Department, Attention: Wanda Metzger, on or before **12:00 PM** local time on **Friday, December 13, 2013**. The Pennsylvania Turnpike Commission is located at 700 South Eisenhower Boulevard, Middletown, PA 17057 (Street address). Our mailing Address is P. O. Box 67676, Harrisburg, PA 17106.

Please note that use of U.S. Mail, FedEx, UPS, or other delivery method, does not guarantee delivery to the Contracts Administration Department by the above listed time for submission. Proposers mailing proposals should allow sufficient delivery time to ensure timely receipt of their proposals. If the Commission office location to which proposals are to be delivered is closed on the proposal response date, due to inclement weather, natural disaster, or any other cause, the deadline for submission shall be automatically extended until the next Commission business day on which the office is open. Unless the Proposers are otherwise notified by the Commission, the time for submission of proposals shall remain the same.

I-12. Proposals. To be considered, Proposers should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted in six (6) hard copies of the Technical Submittal and six (6) hard copies of the Cost Submittal. In addition to the hard copies of the proposal, **one complete and exact copy of the entire proposal (Technical and Cost, along with all requested documents) on CD-ROM or Flash Drive in Microsoft Office or Microsoft Office-compatible format.** The electronic copy must be a mirror image of the hard copy. Proposer should ensure that there is no costing information in the technical submittal. The CD or Flash drive should clearly identify the Proposer and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted. The Proposer shall present the proposal to the Contracts Administration Department only. No other distribution of proposals will be made by the Proposer. Each proposal page should be numbered for ease of reference.

An official authorized to bind the Proposer to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (Appendix A to this RFP) and the Proposal Cover Sheet is attached to the proposal, the requirement will be met. For this RFP, the proposal must remain valid for at least one hundred twenty (120) days. Moreover, the contents of the proposal of the selected Proposer will become contractual obligations if a contract is entered into.

Each and every Proposer submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or fax notice (fax number (717) 986-8714) received at the Commission's address for proposal delivery prior to the exact hour and date specified for proposal receipt.

Overnight Delivery Address:
Contracts Administration Department
Attn: Wanda Metzger
PA Turnpike Commission
700 South Eisenhower Blvd.
Middletown, PA 17057

US Mail Delivery Address:
Contracts Administration Department
Attn: Wanda Metzger
PA Turnpike Commission
P.O. Box 67676
Harrisburg, PA 17106

However, if the Proposer chooses to attempt to provide such written notice by fax transmission, the Commission shall not be responsible or liable for errors in fax transmission. A proposal may also be withdrawn in person by a Proposer or its authorized representative, provided his/her identity is made known and he/she signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this solicitation.

I-13. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP.

I-14. Discussions for Clarification. Proposers who submit proposals may be required to make an oral or written clarification of their proposals to the Issuing Office through the Contract Administration Department to ensure thorough mutual understanding and Proposer responsiveness to the solicitation requirements. The Issuing Office through the Contract Administration Department will initiate requests for clarification.

I-15. Best and Final Offers. The Issuing Office reserves the right to conduct discussions with Proposers for the purpose of obtaining "best and final offers." To obtain best and final offers from Proposers, the Issuing Office may do one or more of the following: a) enter into pre-selection negotiations; b) schedule oral presentations; and c) request revised proposals. The Issuing Office will limit any discussions to responsible Proposers whose proposals the Issuing Office has determined to be reasonably susceptible of being selected for award.

I-16. Prime Proposer Responsibilities. The selected Proposer will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected Proposer to be the sole point of contact with regard to contractual matters.

I-17. Proposal Contents. Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission's option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing Proposers at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

In accordance with the Pennsylvania Right-to-Know Law (RTKL), 65 P.S. § 67.707 (Production of Certain Records), Proposers shall identify any and all portions of their Proposal that contains

confidential proprietary information or is protected by a trade secret. Proposals shall include a written statement signed by a representative of the company/firm identifying the specific portion(s) of the Proposal that contains the trade secret or confidential proprietary information.

Proposers should note that “trade secrets” and “confidential proprietary information” are exempt from access under Section 708(b)(11) of the RTKL. Section 102 defines both “trade secrets” and “confidential proprietary information” as follows:

Confidential proprietary information: Commercial or financial information received by an agency: (1) which is privileged or confidential; **and** (2) the disclosure of which would cause substantial harm to the competitive position of the person that submitted the information.

Trade secret: Information, including a formula, drawing, pattern, compilation, including a customer list, program, device, method, technique or process that: (1) derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; **and** (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The term includes data processing software by an agency under a licensing agreement prohibiting disclosure.

65 P.S. §67.102 (emphasis added).

The Office of Open Records has determined that a third party must establish a trade secret based upon factors established by the appellate courts, which include the following:

- the extent to which the information is known outside of his business;
- the extent to which the information is known by employees and others in the business;
- the extent of measures taken to guard the secrecy of the information;
- the value of the information to his business and to competitors;
- the amount of effort or money expended in developing the information; and
- the ease of difficulty with which the information could be properly acquired or duplicated by others.

See Crum v. Bridgestone/Firestone North Amer. Tire., 907 A.2d 578, 585 (Pa. Super. 2006).

The Office of Open Records also notes that with regard to “confidential proprietary information the standard is equally high and may only be established when the party asserting protection shows that the information at issue is either ‘commercial’ or ‘financial’ and is privileged or confidential, and the disclosure *would* cause substantial competitive harm.” (Emphasis in original).

For more information regarding the RTKL, visit the Office of Open Records’ website at www.openrecords.state.pa.us.

I-18. Debriefing Conferences. Proposers whose proposals are not selected will be notified of the name of the selected Proposer and given the opportunity to be debriefed, at the Proposer’s request. The Issuing Office will schedule the time and location of the debriefing. The Proposer will not be compared with other Proposers.

I-19. News Releases. News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. Commission Participation. Unless specifically noted in this section, Proposers must provide all services to complete the identified work.

I-21. Cost Submittal. The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal.

I-22. Term of Contract. The term of the contract will commence on the Effective Date (as defined below) and will end after three (3) years with option to renew for two (2) additional one year periods. The Commission shall fix the Effective Date after the contract has been fully executed by the Contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.

I-23. Proposer's Representations and Authorizations. Each Proposer by submitting its proposal understands, represents, and acknowledges that:

- a. All information provided by, and representations made by, the Proposer in the proposal are material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement, omission or misrepresentation shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.
- b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.
- c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed on or before the proposal submission deadline specified in the response section of this RFP.
- d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- f. To the best knowledge of the person signing the proposal for the Proposer, the Proposer, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the Proposer in its proposal.

- g. To the best of the knowledge of the person signing the proposal for the Proposer and except as otherwise disclosed by the Proposer in its proposal, the Proposer has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Proposer that is owed to the Commonwealth.
- h. The Proposer is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the Proposer cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.
- i. The Proposer has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.
- j. Each Proposer, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers' compensation liabilities.

I-24. Insurance

A. General Insurance Requirements

1. The Professional Services shall not commence until the Professional Service Contractor has obtained, at their own expense, all of the insurance as required hereunder and such insurance has been approved by the Commission; nor shall the Professional Service Contractor allow any Subcontractor or any Sub-Subcontractor or any tier (hereinafter referred to collectively as "Subcontractor") to commence work on any Commission projects until all insurance required of the Subcontractor has been so obtained and approved by the Professional Service Contractor. Approval of insurance required of the Professional Service Contractor will be granted only after submission to the Commission, original certificates of insurance signed by the representatives of the insurers or, at the Commission's request, certified copies of the required insurance policies. Certificates of insurance shall be provided to the Commission, evidencing the coverage listed below, ten days prior to the start of work of this Project and thereafter upon renewal or replacement of each coverage. The required coverage shall not include any exclusions or endorsements, which are not acceptable to the Commission. Failure of the Commission to demand such certificate or other evidence of full compliance with these insurance requirements or failure of the Commission to identify a deficiency from evidence that is provided shall not be construed as a waiver of the Professional Service Contractor's obligation to maintain such insurance. With respect to insurance maintained after final payment in compliance with a requirement below, an additional certificate(s) evidencing such coverage shall be provided to the Commission with final application for payment and thereafter upon renewal or replacement of such insurance until the expiration of the time period for which such insurance must be maintained.

2. The Professional Service Contractor shall require all Subcontractors to maintain during the term of the Contract Insurance of the type and in the minimum amounts as described below and required of the Professional Service Contractor. Any obligations imposed upon the Professional Service Contractor as part of this contract shall be so imposed upon any and all Subcontractors as well.
3. All insurance required herein, with the exception of the Professional / Errors and Omissions Liability Insurance shall be written on an “occurrence” basis and not a “claims-made” basis. For Professional Liability “claims-made” coverage:
 - A. The retroactive date must be on or prior to the start of work under this contract; and
 - B. The Professional Service Contractor must purchase “tail coverage/an extended reporting period” or maintain coverage for a period of three years subsequent to the completion of their work / final payment.
4. The Commission, its commissioners, agents, servants, employees and representatives shall be named as additional insured on the Professional Service Contractor’s liability insurance program (except Workers Compensation and Professional Liability policies) for ongoing operations and completed operations on a primary noncontributory basis. Coverage to include ongoing and completed operations using ISO Endorsements CG 2010 and CG 2037, or their equivalents. Each of the Additional Insured’s respective members, employees, agents and representatives shall also be afforded coverage as an Additional Insured. Coverage should be provided for a period of three years subsequent to the completion of work/final payment. The Commission reserves the right to require the Professional Service Contractor to name other parties as additional insured’s as required by the Commission. There shall be no “Insured versus Insured Exclusion” on any policies; all policies will provide for “cross liability coverage”.
5. All insurance policies required hereunder shall be endorsed to provide that the policy is not subject to cancellation, non-renewal, or material reduction in coverage until thirty (30) days prior written notice has been given to the Commission. In the event of cancellation or non-renewal of coverage(s), it is the Professional Service Contractor’s responsibility to replace coverage to comply with the Contract requirements so there is no lapse of coverage for any time period. In the event the insurance carriers will not issue or endorse their policy(s) to comply with the above it is the responsibility of the Professional Service Contractor to report any notice of cancellation or non-renewal at least thirty (30) days prior to the effective date of this notice.
6. No acceptance and/or approval of any insurance by the Commission shall be construed as relieving or excusing the Professional Service Contractor or the Professional Service Contractor’s Surety (if applicable) from any liability or obligation imposed upon either or both of them by provisions of this Contract.

7. Any deductibles or self-insured retention's (SIR) of (\$10,000) or greater shall be disclosed by the Professional Service Contractor, and are subject to Commissions written approval. Any deductible or retention amounts elected by the Professional Service Contractor or imposed by the Professional Service Contractor's insurer(s) shall be the sole responsibility of the Professional Service Contractor. In the event any policy includes an SIR, the Professional Service Contractor is responsible for payment within the SIR of their policy(ies) and the Additional Insured requirements specified herein shall be offered within the SIR amount(s).
8. All insurance companies shall have an AM Best's rating of at least "A-, Class VIII" or better and be permitted to do business in the State of Pennsylvania.
9. There shall be no liability upon the Commission, public officials, their employees, their authorized representatives, or agents either personally or as officials of the Commission in carrying out any of the provisions of the Contract nor in exercising any power or authority granted to them by or within the scope of the Contract, it being understood that in all such matters they act solely as agents and representatives of the Commission.
10. Waiver of Rights of Recovery and Waiver of Rights of Subrogation:
 - A. The Professional Service Contractor waives all rights of recovery against the Commission and all the additional insured's for loss or damage covered by any of the insurance maintained by the Professional Service Contractor.
 - B. If any of the policies of insurance required under this contract require an endorsement to provide for the waiver of subrogation, then the named insured of such policies will cause them to be so endorsed.
11. Any type of insurance or any increase in limits of liability not described above which the Professional Service Contractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.
12. The amount of insurance provided in the aforementioned insurance coverages, shall not be construed to be a limitation of the liability on the part of the Professional Service Contractor.
13. Professional Service Contractor shall promptly notify the Commission and the appropriate insurance company(ies) in writing of any accident(s) as well as any claim, suit or process received by the insured Professional Service Contractor arising in the course of operations under the contract. The Professional Service Contractor shall forward such documents received to his insurance company(ies), as soon as practicable, or as required by its insurance policy(ies).

B. Professional Service Contractor Liability Insurance Requirements

- The Professional Service Contractor shall purchase the following insurance coverage's for the minimum limits specified below or required by law.
 - **Commercial General Liability** insurance for bodily injury, personal injury, and property damage including loss of use, etc. with minimum limits of:

\$1,000,000	each occurrence;
\$1,000,000	personal and advertising injury;
\$2,000,000	general aggregate; and
\$2,000,000	products/completed operation aggregate.

This insurance shall include coverage for all of the following

- Coverage is to be provided on ISO CG 00 01 12 07 or an equivalent form (“Occurrence Form”) including Premises - Operations, Independent Contractors, Products/Completed Operations, Broad Form Property Damage, Contractual Liability, and Personal Injury and Advertising Injury;
- General aggregate limit applying on a per project basis;
- Products/Completed Operations Coverage must be maintained for a period of at least three (3) years after final payment / completion of work (including coverage for the Additional Insureds as set forth in these Insurance Requirements);
- No Exclusions for development, construction, building conversion, etc with respect to the project’s location and / or where the work is to be completed by the Professional Service Contractor;
- Coverage for “Resulting Damage”;
- No sexual abuse or molestation exclusion;
- No amendment to the definition of an “Insured Contract”; and
- The definition of an “Insured Contract” must be amended to provide coverage for all work on or within 50 feet of a railroad. A stand alone Railroad Protective Liability policy may be required based on the scope of this project.
- **Business Auto Liability** insurance with a minimum combined single limit of \$1,000,000 per accident and including, but not limited to, coverage for all of the following:
 - Liability arising out of the ownership, maintenance or use of any auto;
 - Auto non-ownership and hired car coverage

- Contractual Liability Coverage (including Liability for Employee Injury assumed under a Contract as provided in the standard ISO policy form)
- For Professional Service Contractors involved in the transportation of hazardous material, include the following endorsements: MCS-90 and ISO-9948
- **Workers' Compensation** insurance with statutory benefits as required by any state or federal law, including standard "other states" coverage; **employer's liability** insurance with minimum limits of:
 - \$1,000,000 each accident for bodily injury by accident;
 - \$1,000,000 each employee for bodily injury by disease; and
 - \$1,000,000 policy limit for bodily injury by disease.
 1. United States Longshore & Harbor Workers Act Coverage, where applicable;
 2. Maritime Coverage under the Jones Act, where applicable;
 3. Federal Employers Liability Act (FELA) coverage, where applicable;
 4. Includes Sole Proprietorships and Officers of a Corporation who will be performing the work; and
 5. Where applicable, if the Professional Service Contractor is lending or leasing its employees to the Commission for the work under this contract (e.g. crane rental with operator), it is the Professional Service Contractor's responsibility to provide the Workers Compensation and Employer's Liability coverage and to have their policy endorsed with the proper Alternate Employer Endorsement.
- **Professional Liability:** Professional Service Contractors (such as, but not limited to Architects, Engineers, Attorneys, Financial Advisors, Marketing Professionals, Physicians and Risk Management Consultants) shall provide professional liability and/or malpractice insurance with minimum limits of \$5,000,000. The definition of "covered services" shall include the services required in the scope of this contract.
- **Umbrella Liability or Excess Liability** insurance with minimum limits of:
 - \$5,000,000 per occurrence;
 - \$5,000,000 aggregate for other than products/completed operations and auto liability; and
 - \$5,000,000 products/completed operations aggregate.

Policy to apply on a Following Form basis of the Commercial General Liability, Commercial Automobile Liability and Employers Liability Coverage.

- **Crime**

- Include the Employee Theft and Theft, Disappearance and Destruction coverage parts.
- The Employee Theft Coverage part shall include the Clients' Property Endorsement (ISO Form CR 04 01, or its equivalent).
- Minimum Limits of Liability: \$1,000,000 Per Occurrence

- **Privacy Liability**

- Professional Service Contractor shall maintain coverage for third party liability arising out of breach of privacy, inclusive of confidential and proprietary business information, HIPAA violations and other breaches of personally identifiable information and/or protected health information that may arise from their work with this contract.
- Minimum Limits of Liability: \$1,000,000 Per Claim / \$1,000,000 Aggregate
- Privacy Breach Notification and Credit Monitoring: \$250,000 Per Occurrence

C. Indemnification

To the extent that state and/or federal laws limit the terms and conditions of this clause, it shall be deemed so limited to comply with such state and/or federal law. This clause shall survive termination of this contract. The Professional Service Contractor shall protect, defend, indemnify and hold harmless the Commission, its commissioners, and their agents, servants, employees, and representatives (the "Indemnified Parties") from and against all liability (including liability for violation of any law or any common law duty), claims, damages, losses, and expenses including attorneys' fees arising in connection with, out of, or resulting from the performance of the work, provided that any such liability, claim, damage, loss or expense (i) is attributable to bodily injury, sickness, disease, or death, or to any statutory or regulatory rule designed to protect against such conditions, or to injury to or destruction of tangible property (other than the work itself), and including the loss of the use resulting there from, and (ii) is caused by or results from, in whole or in part, any act or omission of the Professional Service Contractor or any Subcontractor or anyone direct or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is also caused by or results from any act or omission of any party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights, obligations or indemnity which would otherwise exist as to a party or person described in this Indemnification.

In any and all claims against the Indemnified Parties by an employee of the Professional Service Contractor or any Subcontractor or anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for any Professional Service Contractor or any Subcontractor under Workmen's Compensation Acts, Disability Benefits Acts, or other employee benefit act.

These Indemnification provisions shall survive the termination of this contract.

PART II

INFORMATION REQUIRED FROM PROPOSERS

Proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. All cost data relating to this proposal should be kept separate from and not included in the Technical Submittal. Each proposal shall consist of the completed proposal cover sheet (use Appendix A) and two (2) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Part II-1 A through H hereof; (ii) Cost Submittal, in response to Part II-2 hereof.

The Commission reserves the right to request additional information which, in the Commission's opinion, is necessary to assure that the Proposer's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Commission may make such investigations as deemed necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to the Issuing Office all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy the Commission that such Proposer is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1 Technical Submittal.

A. Proposal Cover Sheet (Complete and Sign Appendix A)

Show the name of your firm, Federal I.D. number, address, name of contact person, contact person's email and telephone number date and the subject: **Workers Compensation Third Party Claims Administrator (TPA) Services, RFP 13-10260-4533**. In addition it is required that all information requested in Appendix A be provided including information pertaining to location of office performing the work, contact information, listing of all Pennsylvania offices and total number of Pennsylvania employees, and location of company headquarters.

B. Cover Letter and Executive Summary

This letter must be signed by an individual who is authorized to negotiate terms, render binding decisions and commit your firm's resources.

Summarize your understanding of our organization, your understanding of the work to be done and make a positive commitment to perform the work necessary. This section should summarize the key points of your submittal. (Limit to two pages.)

C. Table of Contents

Include a clear identification of the material by section and by page number.

D. Firm Overview

Provide a brief history and description of your firm's business organization and its Workers Compensation Third Party Claims Administrator service expertise and experience as it relates to the requirements discussed in Part IV of this RFP. Include the location of offices and the number of claims professionals consultants or other relevant professional staff in each office as it applies to the performance of the duties as specified in this RFP. Discuss your firm's presence in and commitment to the Commonwealth of Pennsylvania. Include a discussion of the specific expertise and services that distinguish your firm.

E. Personnel

Provide the names, proposed roles, background and experience, current professional licenses, current professional designations, office location and availability of the personnel that would perform the Workers Compensation Third Party Claims Administrator services as described in Section IV of this RFP. Specifically identify the primary person(s) who will be responsible for managing the relationship with the Commission during this endeavor. Proposer must submit a current resume for all proposed staff listing relevant experience and applicable professional affiliations. A proposed organizational chart shall be included.

F. Relevant Experience and Expertise

Provide a narrative statement regarding your Workers Compensation Third Party Claims Administrator services, expertise and experience as it relates to Part IV of this RFP. Additionally include a statement regarding your understanding of the requirements as outlined in this RFP and your ability to provide Workers Compensation Third Party Claims Administrator services in accordance with the same.

Describe your firm's experience in providing similar Workers Compensation Third Party Claims Administrator services to other clients, especially other governmental entities and/or similar public/private sector transportation organizations. Describe the business practices that enable you to complete these tasks in an efficient, timely and, at times, expeditious manner.

Provide a list of three references of clients for which your firm has performed similar work, as described in this RFP, within the past three years.

Include a statement regarding any other specialized Workers Compensation Third Party Claims Administrator services your firm may offer.

G. Approach

Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions and special handling instructions in Part IV of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained.

Provide a description of the proposed approach/methodology that will be used to administer the Commission's Workers' Compensation claims. Include a description of your claims management process.

Provide details on your transition and implementation process for the Commission's current claims. Describe in detail the timeline and work plan for this transition.

Discuss how many clients you have handled a transition from a current TPA to your firm and describe some of the challenges you experienced during this transition.

Provide samples of monthly and annual reports as outlined in Part IV-1-B and any additional deliverables that your firm feels crucial to this project.

Describe your company's reserving philosophy and practice.

H. Commitment to Diversity and Inclusion

The Turnpike Commission is committed to the inclusion of disadvantaged, minority, and woman firms in contracting opportunities. Responding firms shall clearly identify DBE/MBE/WBE firms, expected to participate in the Contract, in their Proposal. Proposed DBE/MBE/WBE firms must be certified by the Pennsylvania Unified Certification Program (www.paucp.com) at the time of the submission of the proposal. The utilization of disadvantaged, minority and women-owned businesses are encouraged and may be considered a factor in the Commission selection process.

II-2 Cost Submittal.

The information requested in this section shall constitute your cost submittal. **The cost submittal shall be placed in a separate sealed envelope within the sealed proposal and on a CD-ROM, separate from the technical submittal.**

It is proposed that if a contract is entered into as a result of this RFP, it will be an annual fixed fee contract that includes the re-pricing of medical invoices in accordance with the Pennsylvania Workers' Compensation Act. Include any data transfer fees and be specific as to what the data transfer includes (adjuster notes, scanned documents, etc).

In addition to the aforementioned annual fixed fee contract, an option to provide fixed fee with additional charge for medical bill re-pricing (per bill, per line, percentage of savings) will be considered.

Please be sure to identify all activities included within the pricing and all additional costs to be charged outside this price, including account management, any one-time transition or implementation fees, etc. Identify those costs billed as allocated expenses and those as program costs.

The Commission may in its sole discretion undertake negotiations with Proposers whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

Proposers should **not** include any assumptions in their cost submittals. If the proposer includes assumptions in its cost submittal, the Issuing Office may reject the proposal. Proposers should direct in writing to the Issuing Office pursuant to Part I-9, Questions and Answers of this RFP any questions about whether a cost or other component is included or applies. All Proposers will then have the benefit of the Issuing Office's written answer so that all proposals are submitted on the same basis.

The Contractor shall only perform work on the Contract after the Effective Date is affixed and the fully-executed contract sent to the selected Proposer. The Commission shall issue a written Notice to Proceed to the selected Proposer authorizing the work to begin on a date which is on or after the Effective Date. The Contractor shall not start the performance of any work prior to the date set forth in the Notice of Proceed and the Commission shall not be liable to pay the Contractor for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No Commission employee has the authority to verbally direct the commencement of any work under the Contract.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal shall be (a) timely received from a Proposer; and (b) properly signed by the Proposer.

III-2. Technical Nonconforming Proposals. The two (2) Mandatory Responsiveness Requirements set forth in Section III-1 above (a&b) are the only RFP requirements that the Commission will consider to be non-waivable. The Issuing Office reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformities in the proposal, (2) allow the Proposer to cure the nonconformity, or (3) consider the nonconformity in the evaluation of the proposal.

III-3. Proposal Evaluation. Proposals will be reviewed, evaluated, and rated by a Technical Evaluation Team (TET) of qualified personnel based on the evaluation criteria listed below. The TET will present the evaluations to the Professional Services Procurement Committee (PSPC). The PSPC will review the TET's evaluation and provide the Commission with the firm(s) determined to be highly recommended for this assignment.

The Commission will select the most highly qualified firm for the assignment or the firm whose proposal is determined to be most advantageous to the Commission by considering the TET's evaluation and the PSPC's determination as to each firm's rating. In making the PSPC's determination and the Commission's decision, additional selection factors may be considered taking into account the estimated value, scope, complexity and professional nature of the services to be rendered and any other relevant circumstances. Additional selection factors may include, when applicable, the following: geographic location and proximity of the firm, firm's Pennsylvania presence or utilization of Pennsylvania employees for the assignment; equitable distribution of work; diversity inclusion; and any other relevant factors as determined as appropriate by the Commission.

Award will only be made to a Proposer determined to be responsive and responsible in accordance with Commonwealth Management Directive 215.9, Contractor Responsibility Program.

III-4. Evaluation Criteria. The following criteria will be used, in order of relative importance from the highest to the lowest, in evaluating each proposal:

1. Proposer and Personnel Qualifications and Experience
 - a. Proposer's relevant experience and expertise in conducting Workers Compensation Third Party Claims Administrator Services as it relates to the requirements discussed in Part IV of this RFP.
 - b. Qualifications, experience and competency of professional personnel who will be assigned to the contract by the Proposer including tenure with firm, length of time in the industry and type of experience.
 - c. Financial ability of the Proposer to undertake a project of this size.
 - d. Response of references.

2. Approach

- a. Understanding of the Commission's needs and scope of work.
- b. Soundness of proposed approach, methodology, and deliverables for conducting Workers Compensation Third Party Claims Administrator Services as it relates to the requirements discussed in Part IV of this RFP.
- c. Responsiveness to the Commission's desire for expeditious timeline for implementation and takeover.
- d. Quality, completeness and applicability of sample deliverables provided.
- e. Responsiveness, organization, and clarity of Proposal.

3. Cost.

While this area may be weighted heavily, it will not normally be the deciding factor in the selection process. The Commission reserves the right to select a proposal based upon all the factors listed above, and will not necessarily choose the firm offering the best price. The Commission will select the firm with the proposal that best meets its needs, at the sole discretion of the Commission.

PART IV

WORK STATEMENT

IV-1. Objectives.

A. General.

The Pennsylvania Turnpike Commission is seeking to partner with a high quality claim provider with the highest level of claims administration in order to achieve program goals and objectives that include:

- Collaborate closely with the Commission's Risk Management staff and other involved Commission Departments to reduce the overall claim costs through active and aggressive claim management
- Maintain timely communication with the Commission's Risk Management Department
- Provide timely and outcome based medical care for injured workers
- Implement a continuous quality management process that drives improved outcomes
- Provide program implementation that is seamless to the Commissions operations
- Competitive pricing of services
- Provide feedback on program and recommend areas for improvement

B. Specific Tasks.

- A designated account manager
- Customized special claim handling instructions
- A designated workers compensation adjuster(s)
- The Third Party Administrator (TPA) will manage each claim to insure reduction of loss exposure, tight cost control, adequate claim reserves, accurate loss payments and strict administrative expense supervision.
- The TPA will establish and maintain estimated reserve figures for each claim file and consult with the Commission's Risk Management Department as defined by the special handling instructions.
- The TPA will complete, process and transmit all Bureau forms necessary for the proper administration of all claims.
- The TPA will act as the Agent on behalf of the Responsible Reporting Entity (RRE) under Section 111 of the Medicare, Medicaid & SCHIP Extension Act of 2007 (MMSEA)
- The TPA will obtain claim information and files, as well as any claim data from prior policy years that should reopen in order to avoid any gaps in payments and payment history of claims from any prior TPA.
- The TPA will provide the Commission's Risk Management Department with reports as required (at minimum monthly/quarterly/annually)
- The TPA will transmit weekly to the Commission's Risk Management Department a payment registry of all medical and indemnity benefits and allocated expenses to be paid
- The TPA will issue drafts in payment of benefits allocated expenses at a bank of its choice
- The TPA will notify the Commission's Risk Management Department of any loss that may involve an excess insurance policy/coverage. The TPA, at the direction of the Commission's Risk

Management Department, shall provide documentation to the excess carrier and request reimbursements in accordance with the excess insurance policy/coverage.

- The TPA will provide monthly and annual reports as to the claim reserves, amounts paid and outstanding reserve funds. The TPA will also provide reports that will permit the Commission's Risk Management Department to respond to the Annual Report of Compensation Paid in a given Calendar Year (LIBC-680), the Application for Renewal of Self-Insurance (LIBC-366R) and an Annual Actuarial Study done by an independent Accounting Firm.

C. Transition at Termination of Services:

At the termination of the contract, the TPA should provide a final report addressing at a minimum the following key area:

- **Summary:** A status of the open and closed claims to include reserves and amounts paid.
- The specific number of open and closed claims.
- The final report should provide detailed information as to the transfer of claims information to any subsequent TPA.

D. Special Handling Instructions:

- Acknowledgement: Provide acknowledgement of receipt of claim.
- Investigation: All indemnity claims require a 3 point contact within 24 hours, documented in the file; medical only claims require a 2 point contact within 24 hours, documented in the file. If contact is not made within the required timeline, a letter requesting contact must be sent before the expiration of the allotted time.
- A 3 point contact on all indemnity claims must include: employee interview (including a recorded statement), employer interview (including the supervisor as required), and medical provider to confirm the injury description, initial diagnosis, estimated length of disability, treatment plan and employee physical capabilities (work status)
- A 2 point contact on all medical only claims must include employer interview and medical provider interview.
- Record only claims must be identified for reporting purposes only.
- Medical only threshold \$5,000.
- Subrogation: Every file must have a comment regarding subrogation (as it applies). The TPA shall pursue all subrogation opportunities.
- Audit: A Comprehensive Independent Claim Audit shall be conducted annually for the first 3 years; bi-annually thereafter. The TPA will cooperate with the recommendations of any claim audit. The Commission will bear the costs for this audit.

- File Handling: Adjuster diary on all indemnity claims (and medical only reaching the threshold) will be at a minimum of 30 days with an updated action plan to include:
 - Current Summary
 - Medical Status
 - Significant Issues
 - RTW Issues
 - Proactive action based strategy with timelines
 - Anticipated date of claim resolution
- Reserves: Advise the Commission's Risk Management Department of initial reserves of \$10,000 or more. Request approval prior to placing initial reserves of \$50,000 or more.
- Nurse Case Management Assignment: The Commission's Risk Management Department has agreed to use certain medical case management firms. All requests for NCM assignments shall be made through the Commission's Risk Management Department.
- Non-Medical Bill Review and Payment: TPA will review and audit all non-medical bills/invoices prior to payment.
- Pharmacy, DME and Preferred Provider Network Programs: TPA will redirect to the Commission's preferred provider programs as applicable.
- Compensability Decisions: Consult with the Commission's Risk Management Department prior to denying a claim.
- Claim Reviews: To be held at the Commission's Risk Management Department Administrative Offices. Number of reviews annually: 4.
- Index Bureau Reporting: All open claims shall be submitted to the Index Bureau at initial setup, when claim goes into suit, and semiannually as long as the claim is open.
- Litigation Management: The Commission's Risk Management Department has agreed to use certain law firms. All requests for counsel assignments shall be made through the Commission's Risk Management Department.
- Require consultation and approval prior to initiating litigation.
- Upon assignment of counsel, the TPA shall ensure that a litigation budget and opening litigation plan is submitted within 30 days from counsel assignment.
- Settlement Consultation: A Settlement Authorization Request form must be completed and submitted to the Commission's Risk Management Department two weeks in advance of estimated need. Settlement recommendations greater than \$1.00 must be submitted.
- Return to Work Program: The Commission does not currently have a temporary alternative work program.

- Claim File Supervision:

- Initial supervisory review must be made within 72 hours of receipt of the claim.
- Directional supervision is required on all indemnity claims every 45 days.
- The TPA will provide bill re-pricing services for medical invoices in accordance with the Act prior to payment of medical expenses associated with the claim. A savings report shall be submitted to the Commission's Risk Management Department monthly.
- The TPA will also provide the Commission's Risk Management Department with access to their computer system to permit the ability to view the claim.

- User access:

- 6 users for adjuster note level
- 2 users for full reporting access
- 2 users for full reporting broker access

CLAIM INFORMATION:

- Estimated claims that will be transferred: Open 116 and 5287 closed.
- There are 51 lost time/indemnity claims and 113 medical only claims as of 11/1/2013, 65 claims are in litigation.
- It is estimated that the TPA will issue 5000 checks each year based on the reported claims. During the prior three calendar years the Commission has paid benefits (lost time/indemnity and medicals) in the amounts of:

\$2,407,647 in 2010

\$2,895,493 in 2011

\$2,365,338 in 2012

\$2,575,151 in 2013

A Posted Medical Panel has been established and preferred vendors including, but not limited to Medical Case Management, Defense attorneys, Vocational Counselors, and surveillance will be at the discretion of the Commission's Risk Management Department.

Addendum No. 1

RFP # 13-10260-4533

Workers Compensation Third Party Claims Administrator (TPA) Service

Prospective Respondents: You are hereby notified of the following information in regard to the referenced RFP:

Following are the answers to questions submitted in response to the above referenced RFP as of December 2, 2013. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission.

1. I just received a copy of your RFP and I wanted to confirm the effective date for the program?

Response: No effective date has been confirmed at this time. However, our intent is to select a Third Party Administrator as soon as practicable following evaluation of the proposals. We are aware of the amount of time required for transitioning and takeover claims.

2. When the last RFP was done did you switch TPA's or did the incumbent stay on the program?

Response: At the time of issuance of the last RFP (2010) the incumbent remained on the program.

3. On page 22 of 22, the RFP states that "estimated claims to be transferred: Open 116 and 5,287 closed." Then it indicates that there are 51 lost time/indemnity claims and 113 medical only claims as of 11/01/2013 with 65 claims in litigation. Can you please clarify this information as $51+113=164$ claims (which is more than the 116 claims estimated to be transferred). Also, are the 65 litigated claim included in the 51 lost time and 113 medical only or are they in addition to those?

Response: See attached Loss Runs.

4. Can you please provide a copy of your most current loss runs for at least the last five (5) years? If you are able to break legal out separately, please provide the number of current open Legal, Lost Time and Medical Only claims.

Response: See Attached Loss Runs.

5. What DBE/MBE/WBE firm(s) is the current TPA utilizing under this contract?

Response: One of the Nurse Case Management companies is a WBE firm.

6. What is the Pennsylvania Turnpike Commission's current claims staffing structure?

Response: The Commission's current claims staffing consists of a Risk Manager and a Claims Administrator.

7. How is Telephonic Case Management (TCM) currently assigned to claims?

Response: The Commission is not currently utilizing telephonic case management. The Commission is open to the use of telephonic case management in selected cases.

8. What Nurse Case Management firm(s) do you utilize for Nurse Case Management assignments?

Response: Horizon Healthcare Consultants, Corvel, Compass, MHayes, Associates in Rehab, Alliance Impairment Management.

9. RFP Page Number 14/RFP Section Reference 2E. Does the Commission want a full resume or brief biographical background information with relevant experience for proposed staff?

Response: A brief biographical background with relevant experience for proposed staff will serve the purpose of this request.

10. RFP Page Number 14/RFP Section Reference 2F. Does the Commission want names and contact information for three clients or written references from those clients?

Response: Names and contact information is requested.

11. RFP Page Number 19/RFP Section Reference IV-1 Section D Special Handling Instructions. Statement: 3 point contact on all indemnity claims to include a recorded statement. Question: Does this recorded statement need to be completed and saved to a cassette/CD or would the TPA's recorded line be acceptable?

Response: The TPA's recorded line would be acceptable as long as it is archived and accessible at a later date should a transcribed copy be requested.

12. RFP Page Number 22/RFP Section Reference IV-1 Section D Special Handling Instructions. Statement: Access to computer system. 6 users for adjuster notes, 2 users for full reporting access and 2 users for full reporting broker access. Question: What type of reporting would the Commission like to have access to? i.e. reporting work injuries, review aggregate reports or individual claim information.

Response: This access is not intended for reporting work injuries. The ability to review aggregate reports and access individual claim information is required.

13. RFP Page Number 22/RFP Section Reference IV-1 Section D Claims information. What is the number breakdown of the open claims (116) that are: 1. lost time 2. Medical only 3. Currently in litigation as of 11-1-13?

Response: This is a fluid number; as of 11-20-13, the total open claim count was reduced to 113 and is comprised of 82 lost time and 31 medical only claims. Of the 113 open claims, 42 claims are currently in litigation. For additional information, see attached loss runs.

14. RFP Page Number 22/RFP Section Reference IV-1 Section D Claim information. What was the number of new injuries breakdown in 2013, 2012, 2011 for 1. Lost time 2. Medical Only 3. Report only?

Response: Record only claims are not currently tracked, but we estimate 200 record only claims per year.

As of 11-26-13:

Injury Year	Lost Time Count	Medical Only Count	Grand Total
2009	82	124	206
2010	59	128	187
2011	83	140	223
2012	68	142	210
2013	55	122	177
Grand Total	347	656	1003

15. RFP Page Number 22/RFP Section Reference IV-1 Section D Claim information. Can the Commission provide a breakdown of the estimated 5000 checks to be issued by the TPA: 1. Indemnity 2. Medical 3. Expense

Response: This information is not available at this time.

16. RFP Page Number 22/RFP Section Reference IV-1 Section D Claim information. Can the Commission provide a breakdown of the total spend in 2013? (2,575,151) 1. Indemnity 2. Medical

Response: See attached loss run and response to Question 43.

17. How many FTE's are currently administering this account on behalf of the current TPA?

Response: The current TPA provides one FTE to administer the Commission account.

18. When is the desired effective date of the new contract?

Response: Please refer to Question 1.

19. How are claims (report of injury) currently being reported?

Response: Claims are currently reported to the Risk Management Department from the employee's Supervisor. The claims are then forwarded by Risk Management to the TPA via email with FROI attached. However, we anticipate in the future, claims will be reported directly to the TPA through our internal web through the FROI report completed by the Supervisor.

20. Can the Commission provide a list of worksites and number of employees per site?

Response: This information is not available at this time; all work sites are within the Commonwealth of Pennsylvania. The Turnpike Commission employs approximately 2100 employees.

21. Who is the current pharmacy vendor for the turnpike?

Response: Currently, MyMatrixx is the utilized vendor. The Commission is open to recommendations.

22. Who is the current Medical Case Management Company used by the Commission?

Response: See Question 8 response.

23. Who is the current Vocational Rehabilitation Company used by the Commission?

Response: Multiple vendors, no specific list of approved vendors.

24. Who is the current Surveillance Company used by the Commission?

Response: Multiple vendors, no specific list of approved vendors.

25. How many cases was surveillance utilized in 2013, 2012, 2011?

Response: This information is not available.

26. How many IME's were conducted during 2013, 2012, 2011?

Response: This information is not available.

27. Who is the current TPA and when did this partnership begin?

Response: The current TPA is CompServices Inc. The partnership began in 2006.

28. Is the effective date 6/30/14?

Response: No, please see response to Question 1.

29. Please provide the breakout of lost time and medical only claims for the 116 open takeover claims?

Response: Please see attached Loss Run.

30. You mention there are 51 lost time and 113 medical only claims as of 11/1/13 with 65 claims in litigation. Is this just for your open claims for this year 2013? Can you provide more detail on this count?

Response: Please see attached Loss Run.

31. Please provide the claim breakout for lost time, medical only, and record only since 2010?

Response: Please see attached Loss Run.

32. Please confirm medical paid amounts for 2010 – 2013

Response:

Transaction Code	2010	2011	2012	2013
Compensation Adjustment		4,263.70	-484.50	
Comp Manual Payment	738,548.11	353,268.74	765,452.41	263,390.11
Comp System Check payment	901,779.32	1,163,458.37	1,140,671.32	931,275.27
Expense Manual Payment	22,879.80	17,323.31	25,237.04	26,844.26
Expense System check payment	155,298.23	269,287.02	190,635.38	393,430.24
Legal Manual Payment	3,500.00	750.00	4,227.63	4,544.73
Legal System check Payment	83,554.92	142,024.34	170,552.38	206,658.34

Medical Adjustment	858.86			
Med Manual Payment	6,172.42	1,388.75	12,534.13	12,730.59
Med System Check payment	637,665.50	1,020,482.23	1,201,873.22	944,861.55
Stop Payment	-9,699.24	-6,365.20	-8,674.14	-13,624.24
Void	-132,051.66	-66,125.02	-140,824.82	-48,843.18
Rehab adjustment			484.50	
Rehab payment			859.50	
Reverse			2,793.99	
TOTAL	2,408,506.26	2,899,756.24	3,365,338.04	2,721,267.67

33. Can you provide more information on your request to redirect to Pharmacy, DME, and PPN providers? Which providers do you currently work with for Pharmacy, DME, and PPN? Also will you accept proposals from TPA's that do not allow redirection to other Pharmacy and PPN networks?

Response: Yes, will accept proposals that allow for redirection to other networks. See response to Questions 8, 21, 23 & 24.

34. Does your current TPA issue WC checks/payments to your injured workers and providers?

Response: Yes.

35. Are the old files paper, electronic, or a combination? If a combination, please supply percentage of each type.

Response: All files are electronic.

36. Under Part IV-1D Special Handling Instructions, what is meant by "Medical only threshold \$5,000"? Do you not report until the claim reaches this level?

Response: This is the threshold at which it is expected the medical only file will be transitioned to a lost time adjuster and treated for the purposes of claim handling as a lost time claim. All claims are reported.

37. What medical case management firms are utilized by the Commission's Risk Management Department?

Response: See Question 8.

38. What Pharmacy, DME and Preferred Provider Networks are partnered with the Commission?

Response: Pharmacy vendor is MyMatrixx (through current TPA); DME vendor is TechHealth; Preferred Provider Network provided through current TPA.

39. Are the 65 litigated claim included in the 113 medical only and 51 lost time cases or is this a separate number?

Response: See attached Loss Runs.

40. Please provide a breakdown by year of the number of medical only and lost time claims experienced by the Commission over the past three years.

Response: See attached Loss Runs.

41. How many medical bills, including hospital & pharmacy, has the Bill Review Vendor processed for the PA Turnpike Commission per year, for the last three (3) years?

Response: This information is not available at this time.

42. What has the Commission paid in bill review fees to include: per bill, percentage of savings (inclusive of PPO), flat fee, and/or per line charges?

Response: The current contract is a flat fee contract with no additional charges for bill review fees.

43. Please provide total amount billed, the total fee schedule savings, total PPO and other savings, as well as net paid per year for the Commission for the past three (3) years.

Response: This information is not available at this time.

44. What has the PA Turnpike Commission paid by pay type in medical and expense bills for the past three (3) years? More specifically, what has the Commission paid in in Telephonic Case Management, Field Case Management, Vocational Rehabilitation, Surveillance, Transportation, Translation, Diagnostic Services, DME, IME Services, MSAs, and Home Health for the past three (3) years?

Response: The only breakdown is available per the attached Loss Runs.

45. Does the all-inclusive pricing include run-in fees for the transfer of data for the conversion? If it does, will your current TPA charge a fee to transfer data? If they charge a fee per policy year, please advise how many policy years of data will be transferred?

Response: All inclusive pricing shall include run in fees for the transfer of data and conversion. We do not anticipate any additional charges for transfer of data from the current TPA. In the current data base, there are approximately 5400 claims.

46. What are the average annual number of claims by claim type (lost time and medical only)?

Response: Please see attached Loss Run and response to Question 14.

47. Do you want a quote on the existing open claims, if so can you tell us the current number of claims that are open by claim type (lost time and medical only)?

Response: Please see attached Loss Run.

48. Where is the proposal cover sheet referenced as Appendix A?

Response: Appendix A is attached to the original RFP on the Commission's Website. It is also attached to this Addendum.

All other terms, conditions and requirements of the original RFP dated November 21, 2013 remain unchanged unless modified by this Addendum.