

**AGREEMENT FOR THIRD PARTY LIABILITY/WORKERS' COMPENSATION  
CLAIMS ADMINISTRATION SERVICES**

THIS AGREEMENT FOR THIRD PARTY LIABILITY/WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES ("Agreement") is entered into by and between the **CITY OF OCALA**, a Florida municipal corporation ("City"), and **PMA MANAGEMENT CORP.**, a for-profit corporation duly organized and authorized to do business in the state of Florida (EIN: 23-2652239) (hereinafter referred to as "Third-Party Administrator," "TPA," or "Contractor").

**WHEREAS**, on December 19, 2022, City issued a Request for Proposal ("RFP") for the provision of third-party liability and workers' compensation claims administration services to the City of Ocala's Risk Management Department, RFP No.: RSK/230094 (the "Solicitation"); and

**WHEREAS**, three (3) firms responded to the Solicitation and, after consideration of price and other evaluation factors set forth in the Solicitation, the proposal submitted by PMA Management Corp., was found to be the highest ranked proposal as scored by the City; and

**WHEREAS**, PMA Management Corp., represents that it has the professional experience and expertise required to provide the necessary third-party liability and workers' compensation claims administration services to the City's Risk Management Department and is willing to do so pursuant to the terms and conditions set forth in this Agreement.

**NOW THEREFORE**, in consideration of the foregoing recitals, the following mutual covenants and conditions, and other good and valuable consideration, City and TPA agree as follows:

1. **RECITALS.** City and TPA hereby represent, warrant, and agree that the Recitals set forth above are true and correct and are incorporated herein by reference.
2. **CONTRACT DOCUMENTS.** The Contract Documents which comprise the entire understanding between City and TPA shall only include: (a) this Agreement; (b) those documents listed in this section as Exhibits to this Agreement; and (c) the City's Solicitation for the Services and the proposal submitted by TPA in response to same (the "Solicitation Documents"). Each of these documents are incorporated herein by reference for all purposes. If there is a conflict between the terms of this Agreement and the Contract Documents, then the terms of this Agreement shall control, amend, and supersede any conflicting terms contained in the remaining Contract Documents.

A. **Exhibits to Agreement:** The Exhibits to this Agreement are as follows:

Exhibit A: Scope of Work (A-1 through A-13)

Exhibit B: Proposal – PMA Management Corp. (B-1 through B-32)

If there is a conflict between the individual Exhibits regarding the scope of work to be performed, then any identified inconsistency shall be resolved by giving precedence in the following order: (1) Exhibit A, and then (2) Exhibit B.

3. **SERVICES.** TPA shall provide all materials, labor, supervision, tools, accessories, and equipment necessary for TPA to perform its obligations under this Agreement as set forth in the attached **Exhibit A - Scope of Work** and **Exhibit B – Proposal**. The Scope of Work under this Agreement may only be adjusted by written amendment executed by both parties.

A. **Staffing Requirements.** TPA shall provide the City with off-site workers' compensation claims adjusting and administration services for medical only and lost-time claims. In addition to off-site workers' compensation claims adjusting and administration services, TPA shall provide at least one (1) full-time experienced General Liability and Automobile Liability adjuster to work in the City's Risk Management offices Monday through Friday between the

hours of 8:00 a.m. and 5:00 p.m. (excluding holidays). TPA shall also provide a part-time experienced adjuster that may work remotely and must provide dedicated claims adjusting 24-hours a day, three (3) days per week. City reserves the right to request the replacement of the adjusters appointed by TPA to service the City under this Agreement.

- B. **Disclosure of Vendor Relationships.** City requires full and total transparency with its vendor relationships. Therefore, any commission, service fee or other form of remuneration paid to any agent, broker, lobbyist or third party must have been identified in TPA's proposal for these services. This obligation shall continue throughout the term of this Agreement.
4. **COMPENSATION.** City shall pay TPA an amount not to exceed the sum of **EIGHT HUNDRED TWO THOUSAND, TWO HUNDRED THIRTY-NINE AND NO/100 DOLLARS (\$802,239)** (the "Contract Sum") as full and complete compensation for the timely and satisfactory provision of services over the initial contract term in accordance with the Contract Documents. The Contract Sum shall be payable to TPA in quarterly installments in the amount of **SIXTY-SIX THOUSAND, EIGHT HUNDRED FIFTY-THREE AND 25/100 DOLLARS (\$66,853.25)**.
- A. **Pricing.** The Contract Sum shall be payable to TPA in accordance with the Pricing and Fee Schedule set forth in the Pricing Proposal submitted by TPA in response to the City's solicitation for these Services. The pricing under this Agreement may only be adjusted by written amendment executed by both parties.
  - B. **Commissions and Fees.** The Contract Sum shall serve as full and complete compensation for TPA's professional services as outlined in **Exhibit A - Scope of Work** and/or **Exhibit B - Proposal**.
    - (1) No additional compensation shall be due or payable to TPA or any other third-party for the services provided by TPA under this Agreement.
    - (2) The flat fee paid by the City must be the only remuneration to the Proposer for services provided to the City. Proposer must receive no revenue for these services from subcontractors.
    - (3) **Failure by TPA to disclose third-party compensation agreements or understandings to City in advance shall constitute material breach and service as grounds for termination of this Agreement.**
  - C. **Invoice Submission.** TPA shall submit invoices to City on a quarterly basis for services rendered and said invoices shall include the City Contract Number, an assigned Invoice Number, and an Invoice Date. Original invoices shall be submitted through the responsible City Project Manager at: **City of Ocala Risk Management Department, Attn: Richard Dennis, E-Mail: [rdennis@ocalafl.org](mailto:rdennis@ocalafl.org) ; Telephone: (352)401-3989.**
  - D. **Payment of Invoices by City.** The City Project Manager must review and approve all invoices prior to payment. City Project Manager's approval shall not be unreasonably withheld, conditioned, or delayed. Payments by City shall be made no later than the time periods established in section 218.735, Florida Statutes.
  - E. **Withholding of Payment.** City reserves the right to withhold, in whole or in part, payment for any and all work that: (i) has not been completed by TPA; (ii) is inadequate or defective and has not been remedied or resolved in a manner satisfactory to the City Project Manager; or (iii) which fails to comply with any term, condition, or other requirement under this Agreement. Any payment withheld shall be released and remitted to TPA within **THIRTY (30)** calendar days of the TPA's remedy or resolution of the inadequacy or defect.
  - F. **Excess Funds.** If due to mistake or any other reason TPA receives payment under this Agreement in excess of what is provided for by the Agreement, TPA shall promptly notify City

upon discovery of the receipt of the overpayment. Any overpayment shall be refunded to City within **THIRTY (30)** days of TPA's receipt of the overpayment or must also include interest calculated from the date of the overpayment at the interest rate for judgment at the highest rate allowed by law.

- G. **Tax Exemption.** City is exempt from all federal excise and state sales taxes (State of Florida Consumer's Certification of Exemption 85-8012621655C-9). The City's Employer Identification Number is 59-60000392. TPA shall not be exempted from paying sales tax to its suppliers for materials to fulfill contractual obligations with the City, nor will TPA be authorized to use City's Tax Exemption Number for securing materials listed herein.
5. **EFFECTIVE DATE AND TERM.** This Agreement shall become effective and commence on **APRIL 1, 2023** and continue in effect through and including **MARCH 30, 2026** (the "Initial Contract Term"). This Agreement may be renewed for **ONE (1)** additional **THREE-YEAR (3-year)** period by written consent between City and TPA.
6. **FORCE MAJEURE.** Neither party shall be liable for delay, damage, or failure in the performance of any obligation under this Agreement if such delay, damage, or failure is due to causes beyond its reasonable control, including without limitation: fire, flood, strikes and labor disputes, acts of war, acts of nature, terrorism, civil unrest, pandemics, acts or delays in acting of the government of the United States or the several states, judicial orders, decrees or restrictions, or any other like reason which is beyond the control of the respective party ("Force Majeure"). The party affected by any event of force majeure shall use reasonable efforts to remedy, remove, or mitigate such event and the effects thereof with all reasonable dispatch.
- A. The party affected by force majeure shall provide the other party with full particulars thereof including, but not limited to, the nature, details, and expected duration thereof, as soon as it becomes aware.
- B. When force majeure circumstances arise, the parties shall negotiate in good faith any modifications of the terms of this Agreement that may be necessary or appropriate in order to arrive at an equitable solution.
- C. TPA performance shall be extended for a number of days equal to the duration of the force majeure. TPA shall be entitled to an extension of time only and, in no event, shall TPA be entitled to any increased costs, additional compensation, or damages of any type resulting from such force majeure delays.
6. **RULES AND REGULATIONS.** TPA shall be responsible for complying with all rules and regulations promulgated by the various agencies prescribing practices and procedures of self-insurer service companies. TPA agrees to reimburse the City for any fines, penalties, or assessments leveraged against the City by the State of Florida, or other regulatory agency, for failure to comply with such rules and regulations, to include those related to any reporting associated with TPA's performance or any other responsibility of TPA.
7. **TERMINATION AND DEFAULT.** Either party, upon determination that the other party has failed or refused to perform or is otherwise in breach of any obligation or provision under this Agreement or the Contract Documents, may give written notice of default to the defaulting party in the manner specified for the giving of Notices herein. Termination of this Agreement by either party for any reason shall have no effect upon the rights or duties accruing to the parties prior to termination.
- A. **Termination by City for Cause.** City shall have the right to terminate this Agreement immediately, in whole or in part, upon the failure of TPA to carry out any obligation, term, or condition of this Agreement. City's election to terminate the Agreement for default shall be

communicated by providing TPA written notice of termination in the manner specified for the giving of notices herein. Any notice of termination given to TPA by City shall be effective immediately, unless otherwise provided therein, upon the occurrence of any one or more of the following events:

- (1) TPA fails to timely and properly perform any of the services set forth in the specifications of the Agreement;
- (2) TPA provides material that does not meet the specifications of the Agreement;
- (3) TPA fails to complete the work required within the time stipulated in the Agreement; or
- (4) TPA fails to make progress in the performance of the Agreement and/or gives City reason to believe that TPA cannot or will not perform to the requirements of the Agreement.

B. **TPA’s Opportunity to Cure Default.** City may, in its sole discretion, provide TPA with an opportunity to cure the violations set forth in City’s notice of default to TPA. TPA shall commence to cure the violations immediately and shall diligently and continuously prosecute such cure to completion within a reasonable time as determined by City. If the violations are not corrected within the time determined to be reasonable by City or to the reasonable satisfaction of City then City may, without further notice, declare TPA to be in breach of this Agreement and pursue all remedies available at law or equity, to include termination of this Agreement without further notice.

C. **City’s Remedies Upon TPA Default.** In the event that TPA fails to cure any default under this Agreement within the time period specified in this section, City may pursue any remedies available at law or equity, including, without limitation, the following:

- (1) City shall be entitled to terminate this Agreement without further notice;
- (2) City shall be entitled to hire another vendor to complete the required work in accordance with the needs of City;
- (3) City shall be entitled to recover from TPA all damages, costs, and attorney’s fees arising from TPA’s default prior to termination; and
- (4) City shall be entitled to recovery from TPA any actual excess costs by: (i) deduction from any unpaid balances owed to TPA; or (ii) any other remedy as provided by law.

D. **Termination for Non-Funding.** In the event that budgeted funds to finance this Agreement are reduced, terminated, or otherwise become unavailable, City may terminate this Agreement upon written notice to TPA without penalty or expense to City. City shall be the final authority as to the availability of budgeted funds.

E. **Termination for Convenience.** City reserves the right to terminate this Agreement in whole or in part at any time for the convenience of City without penalty or recourse. The Project Manager shall provide written notice of the termination. Upon receipt of the notice, TPA shall immediately discontinue all work as directed in the notice, notify all subcontractors of the effective date of the termination, and minimize all further costs to City including, but not limited to, the placing of any and all orders for materials, facilities, or supplies, in connection with its performance under this Agreement. TPA shall be entitled to receive compensation solely for: (1) the actual cost of the work completed in conformity with this Agreement; and/or (2) such other costs incurred by TPA as permitted under this Agreement and approved by City.

8. **PERFORMANCE EVALUATION.** At the end of the contract, City may evaluate TPA’s performance. Any such evaluation will become public record.

9. **NOTICE REGARDING FAILURE TO FULFILL AGREEMENT.** Any vendor who enters into an Agreement with the City of Ocala and fails to complete the contract term, for any reason, shall

be subject to future bidding suspension for a period of **ONE (1)** year and bid debarment for a period of up to **THREE (3)** years for serious contract failures.

10. **TPA REPRESENTATIONS.** TPA expressly represents that:

- A. TPA has read and is fully familiar with all of the terms and conditions of this Agreement, the Contract Documents, and other related data and acknowledges that they are sufficient in scope and detail to indicate and convey understanding of all terms and conditions of the work to be performed by TPA under this Agreement.
- B. TPA has disclosed, in writing, all known conflicts, errors, inconsistencies, discrepancies, or omissions discovered by TPA in the Contract Documents, and that the City's written resolution of same is acceptable to TPA.
- C. TPA is familiar with all local, state, and Federal laws, regulations, and ordinances which may affect cost, progress, or its performance under this Agreement whatsoever.
- D. **Public Entity Crimes.** Neither TPA, its parent corporations, subsidiaries, members, shareholders, partners, officers, directors or executives, nor any of its affiliates, contractors, suppliers, subcontractors, or consultants under this Agreement have been placed on the convicted vendor list following a conviction of a public entity crime. TPA understands that a "public entity crime" as defined in section 287.133(1)(g), Florida Statutes, is "a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States..." TPA further understands that any person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime: (1) may not submit a bid, proposal, or reply on a contract: (a) to provide any goods or services to a public entity; (b) for the construction or repair of a public building or public work; or (c) for leases of real property to a public entity; (2) may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and (3) may not transact business with any public entity in excess of the threshold amount provided in section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

11. **TPA RESPONSIBILITIES.** Except as otherwise specifically provided for in this Agreement, the following provisions are the responsibility of the TPA:

- A. TPA shall competently and efficiently supervise, inspect, and direct all work to be performed under this Agreement, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the work in accordance with the Contract Documents.
- B. TPA shall be solely responsible for the means, methods, techniques, sequences, or procedures, and safety precautions or programs incident thereto.
- C. TPA shall be responsible to see that the finished work complies accurately with the contract and the intent thereof.
- D. TPA shall comply with all local, state, and Federal laws, regulations, and ordinances which may affect cost, progress, or its performance under this Agreement, and be responsible for all costs associated with same.
- E. TPA shall continue its performance under this Agreement during the pendency of any dispute or disagreement arising out of or relating to this Agreement, except as TPA and City may otherwise agree in writing.

12. **CITY RESPONSIBILITIES.**

- A. City shall timely produce complete and accurate information including, but not limited to, current financial information, statements of values, loss information, and any other information necessary for the effectuation of insurance coverage at the request of the TPA.
- B. City will provide TPA with a notice of any material changes in the City's business operations, risk exposures, or in any other material information provided under the Scope of Work. In addition, TPA shall confirm the accuracy and recommend any changes to insurance policies issued to City.

13. **NO EXCLUSIVITY.** It is expressly understood and agreed by the parties that this is not an exclusive agreement. Nothing in this Agreement shall be construed as creating any exclusive arrangement with TPA or as prohibit City from either acquiring similar, equal, or like goods and/or services or from executing additional contracts with other entities or sources. The City is not obligated to procure any insurance or to use Agent for insurance it might wish to procure; the City may do so independently at any time with no notice.

14. **COMMERCIAL AUTO LIABILITY INSURANCE.** Contractor shall procure, maintain, and keep in full force, effect, and good standing for the life of this Agreement a policy of commercial auto liability insurance with a minimum combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage arising out of Contractor's operations and covering all owned, hired, scheduled, and non-owned automobiles utilized in said operations. If Contractor does not own vehicles, Contractor shall maintain coverage for hired and non-owned automobile liability, which may be satisfied by way of endorsement to Contractor's Commercial General Liability policy or separate Commercial Automobile Liability policy.

15. **GENERAL LIABILITY INSURANCE.** TPA shall procure and maintain, for the life of this Agreement, commercial general liability insurance with minimum coverage limits not less than:

- A. One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate limit for bodily injury, property damage, and personal and advertising injury; and
- B. One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate limit for products and completed operations.
- C. Policy must include coverage for contractual liability and independent contractors.
- D. The City, a Florida municipal corporation, and its officials, employees, and volunteers are to be covered as additional insureds with a CG 20 26 04 13 Additional Insured – Designated Person or Organization Endorsement or similar endorsement providing equal or broader Additional Insured Coverage with respect to liabilities arising out of activities performed by or on behalf of Contractor. This coverage shall contain no special limitation on the scope of protection to be afforded to the City, its officials, employees, and volunteers.

16. **WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY.** Contractor shall procure, maintain, and keep in full force, effect, and good standing for the life of this Agreement adequate workers' compensation and employer's liability insurance covering all of its employees in at least such amounts as required by Chapter 440, Florida Statutes, and all other state and federal workers' compensation laws, including the U.S. Longshore Harbor Workers' Act and the Jones Act, if applicable. Contractor shall similarly require any and all of its subcontractors to afford such coverage for all of its employees as required by applicable law. Contractor shall waive and shall ensure that Contractor's insurance carrier waives, all subrogation rights against the City of Ocala and its officers, employees, and volunteers for all losses or damages. Contractor's policy shall be endorsed with WC 00 03 13 Waiver of our Right to Recover from Others or its equivalent.

**Exceptions and exemptions to this Section may be allowed at the discretion of the City's Risk Manager on a case-by-case basis in accordance with Florida Statutes and shall be evidenced by a separate waiver.**

17. **PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS INSURANCE.** Consultant shall procure, maintain, and keep in full force, effect, and good standing - until the fifth anniversary of the expiration of this Agreement - professional liability or errors and omissions insurance coverage for wrongful acts in an amount not less than One Million Dollars (\$1,000,000) per claim and Two Million Dollars (\$2,000,000) aggregate, exclusive of defense costs. It is recognized that this type of insurance is only available on a claims-made basis and additional insured endorsements are not available.
18. **MISCELLANEOUS INSURANCE PROVISIONS.**
  - A. Consultant's insurance coverage, excluding professional liability, shall be primary insurance for all applicable policies. The limits of coverage under each policy maintained by Consultant shall not be interpreted as limiting Consultant's liability or obligations under this Agreement. City does not in any way represent that these types or amounts of insurance are sufficient or adequate enough to protect Consultant's interests or liabilities or to protect Consultant from claims that may arise out of or result from the negligent acts, errors, or omissions of Consultant, any of its agents or subcontractors, or for anyone whose negligent act(s) Consultant may be liable.
  - B. No insurance shall be provided by the City for Consultant under this Agreement and Consultant shall be fully and solely responsible for any costs or expenses incurred as a result of a coverage deductible, co-insurance penalty, or self-insured retention to include any loss not covered because of the operation of such deductible, co-insurance penalty, self-insured retention, or coverage exclusion or limitation.
  - C. Certificates of Insurance. No work shall be commenced by Consultant under this Agreement until the required Certificate of Insurance and endorsements have been provided nor shall Consultant allow any subcontractor to commence work until all similarly required certificates and endorsements of the subcontractor have also been provided. Work shall not continue after expiration (or cancellation) of the Certificate of Insurance and work shall not resume until a new Certificate of Insurance has been provided. **Consultant shall provide evidence of insurance in the form of a valid Certificate of Insurance (binders are unacceptable) prior to the start of work contemplated under this Agreement to: City of Ocala. Attention: Procurement & Contracting Department, Address: 110 SE Watula Avenue, Third Floor, Ocala Florida 34471, E-Mail: [vendors@ocalafl.org](mailto:vendors@ocalafl.org).** Consultant's Certificate of Insurance and required endorsements shall be issued by an agency authorized to do business in the State of Florida with an A.M. Best Rating of A or better. The Certificate of Insurance shall indicate whether coverage is being provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the Certificate of Insurance must show a retroactive date, which shall be the effective date of the initial contract or prior.
  - D. City as an Additional Insured. The City of Ocala shall be added as an Additional Insured and Certificate Holder on all liability policies identified in this Section with the exception of Workers' Compensation and Professional Liability policies.
  - E. Notice of Cancellation of Insurance. Consultant's Certificate of Insurance shall provide **THIRTY (30) DAY** notice of cancellation, **TEN (10) DAY** notice if cancellation is for non-

payment of premium. In the event that Consultant's insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of Consultant to provide the proper notice. Such notification shall be in writing by registered mail, return receipt requested, and addressed to the certificate holder. Additional copies may be sent to the City of Ocala at [vendors@ocalafl.org](mailto:vendors@ocalafl.org).

- F. Failure to Maintain Coverage. The insurance policies and coverages set forth above are required and providing proof of and maintaining insurance of the types and with such terms and limits set forth above is a material obligation of Consultant. Consultant's failure to obtain or maintain in full force and effect any insurance coverage required under this Agreement shall constitute material breach of this Agreement.
- G. Severability of Interests. Consultant shall arrange for its liability insurance to include, or be endorsed to include, a severability of interests/cross-liability provision so that the "City of Ocala" (where named as an additional insured) will be treated as if a separate policy were in existence, but without increasing the policy limits.
19. **NON-DISCRIMINATORY EMPLOYMENT PRACTICES**. During the performance of the contract, the TPA shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, sex, pregnancy, age, disability, sexual orientation, gender identity, marital or domestic partner status, familial status, or veteran status and shall take affirmative action to ensure that an employee or applicant is afforded equal employment opportunities without discrimination. Such action shall be taken with reference to, but not limited to: recruitment, employment, termination, rates of pay or other forms of compensation and selection for training or retraining, including apprenticeship and on-the-job training.
20. **SUBCONTRACTORS**. Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by City or its representatives to any subcontractor of TPA or any other persons or organizations having a direct contract with TPA, nor shall it create any obligation on the part of City or its representatives to pay or seek payment of any monies to any subcontractor of TPA or any other persons or organizations having a direct contract with TPA, except as may otherwise be required by law. City shall not be responsible for the acts or omissions of any vendor, subcontractor, or of any of their agents or employees, nor shall it create any obligation on the part of City or its representatives to pay or to seek the payment of any monies to any subcontractor or other person or organization, except as may otherwise be required by law.
21. **DELAYS AND DAMAGES**. The Vendor agrees to make no claim for extra or additional costs attributable to any delays, inefficiencies, or interference in the performance of this contract occasioned by any act or omission to act by the City except as provided in the Agreement. The TPA also agrees that any such delay, inefficiency, or interference shall be compensated for solely by an extension of time to complete the performance of the work in accordance with the provision in the standard specification.
22. **INDEPENDENT CONTRACTOR STATUS**. TPA acknowledges and agrees that under this Agreement, TPA and any agent or employee of TPA shall be deemed at all times to be an independent contractor and shall be wholly responsible for the manner in which it performs the services and work required under this Agreement. Neither TPA nor its agents or employees shall represent or hold themselves out to be employees of City at any time. Neither TPA nor its agents or employees shall have employee status with City. Nothing in this Agreement shall constitute or be construed to create any intent on the part of either party to create an agency relationship, partnership, employer-employee relationship, joint venture relationship, or any other relationship

which would allow City to exercise control or discretion over the manner or methods employed by TPA in its performance of its obligations under this Agreement.

23. **ACCESS TO FACILITIES.** City shall provide TPA with access to all City facilities as is reasonably necessary for TPA to perform its obligations under this Agreement.
24. **ASSIGNMENT.** Neither party may assign its rights or obligations under this Agreement to any third party without the prior express approval of the other party, which shall not be unreasonably withheld.
25. **RIGHT OF CITY TO TAKE OVER CONTRACT.** Should the work to be performed by TPA under this Agreement be abandoned, or should TPA become insolvent, or if TPA shall assign or sublet the work to be performed hereunder without the written consent of City, the City Project Manager shall have the power and right to hire and acquire additional men and equipment, supply additional material, and perform such work as deemed necessary for the completion of this Agreement. Under these circumstances, all expenses and costs actually incurred by City to accomplish such completion shall be credited to City along with amounts attributable to any other elements of damage and certified by the Project Manager. The City Project Manager's certification as to the amount of such liability shall be final and conclusive.
26. **PUBLIC RECORDS.** TPA shall comply with all applicable provisions of the Florida Public Records Act, Chapter 119, Florida Statutes. Specifically, TPA shall:
  - A. Keep and maintain public records required by the public agency to perform the service.
  - B. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
  - C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if TPA does not transfer the records to the public agency.
  - D. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of TPA or keep and maintain public records required by the public agency to perform the service. If TPA transfers all public records to the public agency upon completion of the contract, TPA shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If TPA keeps and maintains public records upon completion of the contract, TPA shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

**IF TPA HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO TPA'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: CITY OF OCALA, OFFICE OF THE CITY CLERK; 352-629-8266; E-mail: [clerk@ocalafl.org](mailto:clerk@ocalafl.org); City Hall, 110 SE Watula Avenue, Ocala, FL 34471.**

27. **AUDIT.** TPA shall comply and cooperate immediately with any inspections, reviews, investigations, or audits relating to this Agreement as deemed necessary by the Florida Office of the Inspector General, the City's Internal or External auditors or by any other Florida official with proper authority.
28. **PUBLICITY.** TPA shall not use City's name, logo, seal or other likeness in any press release, marketing materials, or other public announcement without City's prior written approval.
29. **E-VERIFY.** Pursuant to section 448.095, Contractor shall register with and use the U.S. Department of Homeland Security's ("DHS") E-Verify System, accessible at <https://everify.uscis.gov/emp>, to verify the work authorization status of all newly hired employees. Contractor shall obtain affidavits from any and all subcontractors in accordance with paragraph 2(b) of section 448.095, Florida Statutes, and maintain copies of such affidavits for the duration of this Agreement. By entering into this Agreement, Contractor certifies and ensures that it utilizes and will continue to utilize the DHS E-Verify System for the duration of this Agreement and any subsequent renewals of same. Contractor understands that failure to comply with the requirements of this section shall result in the termination of this Agreement and Contractor may lose the ability to be awarded a public contract for a minimum of one (1) year after the date on which the Agreement was terminated. Contractor shall provide a copy of its DHS Memorandum of Understanding upon City's request. Please visit [www.e-verify.gov](http://www.e-verify.gov) for more information regarding the E-Verify System.
30. **CONFLICT OF INTEREST.** TPA is required to have disclosed, with the submission of their bid, the name of any officer, director, or agent who may be employed by the City. TPA shall further disclose the name of any City employee who owns, directly or indirectly, any interest in TPA's business or any affiliated business entity. Any additional conflicts of interest that may occur during the contract term must be disclosed to the City of Ocala Procurement Department.
31. **WAIVER.** The failure or delay of any party at any time to require performance by another party of any provision of this Agreement, even if known, shall not affect the right of such party to require performance of that provision or to exercise any right, power or remedy hereunder. Any waiver by any party of any breach of any provision of this Agreement should not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to or demand on any party in any circumstance shall, of itself, entitle such party to any other or further notice or demand in similar or other circumstances.
32. **SEVERABILITY OF ILLEGAL PROVISIONS.** Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under the applicable law. Should any portion of this Agreement be declared invalid for any reason, such declaration shall have no effect upon the remaining portions of this Agreement.
33. **INDEMNITY.** TPA shall indemnify City and its elected officials, employees and volunteers against, and hold City and its elected officials, employees and volunteers harmless from, all damages, claims, losses, costs, and expenses, including reasonable attorneys' fees, which City or its elected officials, employees or volunteers may sustain, or which may be asserted against City or its elected officials, employees or volunteers, arising out of the activities contemplated by this Agreement including, without limitation, harm or personal injury to third persons during the term of this Agreement to the extent attributable to the actions of TPA, its agents, and employees.
34. **NO WAIVER OF SOVEREIGN IMMUNITY.** Nothing herein is intended to waive sovereign immunity by the City to which sovereign immunity may be applicable, or of any rights or limits of liability existing under Florida Statute § 768.28. This term shall survive the termination of all

performance or obligations under this Agreement and shall be fully binding until any proceeding brought under this Agreement is barred by any applicable statute of limitations.

35. **NOTICES.** All notices, certifications or communications required by this Agreement shall be given in writing and shall be deemed delivered when personally served, or when received if by facsimile transmission with a confirming copy mailed by registered or certified mail, postage prepaid, return receipt requested. Notices may also be concurrently delivered by e-mail. All notices shall be addressed to the respective parties as follows:

If to TPA:

PMA Management Corp.  
Attention: Michael Hurst  
2701 N. Rocky Pointe Drive  
Island Center Suite 250  
Tampa, FL 33607  
Phone: 804-967-5699  
Cell: 804-928-6580  
E-mail: [michael\\_hurst@pmagroup.com](mailto:michael_hurst@pmagroup.com)

If to City of Ocala:

Daphne Robinson, Esq., Contracting Officer  
City of Ocala  
110 SE Watula Avenue, 3<sup>rd</sup> Floor  
Ocala, Florida 34471  
Phone: 352-629-8343  
E-mail: [notices@ocalafl.org](mailto:notices@ocalafl.org)

Copy to:

William E. Sexton, Esq., City Attorney  
City of Ocala  
110 SE Watula Avenue, 3<sup>rd</sup> Floor  
Ocala, Florida 34471  
Phone: 352-401-3972  
E-mail: [cityattorney@ocalafl.org](mailto:cityattorney@ocalafl.org)

36. **ATTORNEYS' FEES.** If any civil action, arbitration or other legal proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees, sales and use taxes, court costs and all expenses reasonably incurred even if not taxable as court costs (including, without limitation, all such fees, taxes, costs and expenses incident to arbitration, appellate, bankruptcy and post-judgment proceedings), incurred in that civil action, arbitration or legal proceeding, in addition to any other relief to which such party or parties may be entitled. Attorneys' fees shall include, without limitation, paralegal fees, investigative fees, administrative costs, sales and use taxes and all other charges reasonably billed by the attorney to the prevailing party.

37. **JURY WAIVER.** IN ANY CIVIL ACTION, COUNTERCLAIM, OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS AGREEMENT, ANY AND ALL TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF, OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY, OR

OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY. NEITHER PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS TO OR BY ANY OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.

38. **GOVERNING LAW.** This Agreement is and shall be deemed to be a contract entered and made pursuant to the laws of the State of Florida and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of Florida.
39. **JURISDICTION AND VENUE.** The parties acknowledge that a majority of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Marion County, Florida. Any civil action or legal proceeding arising out of or relating to this Agreement shall be brought only in the courts of record of the State of Florida in Marion County or the United States District Court, Middle District of Florida, Ocala Division. Each party consents to the exclusive jurisdiction of such court in any such civil action or legal proceeding and waives any objection to the laying of venue of any such civil action or legal proceeding in such court and/or the right to bring an action or proceeding in any other court. Service of any court paper may be effected on such party by mail, as provided in this Agreement, or in such other manner as may be provided under applicable laws, rules of procedures or local rules.
40. **REFERENCE TO PARTIES.** Each reference herein to the parties shall be deemed to include their successors, assigns, heirs, administrators, and legal representatives, all whom shall be bound by the provisions hereof.
41. **MUTUALITY OF NEGOTIATION.** TPA and City acknowledge that this Agreement is a result of negotiations between TPA and City, and the Agreement shall not be construed in favor of, or against, either party because of that party having been more involved in the drafting of the Agreement.
42. **SECTION HEADINGS.** The section headings herein are included for convenience only and shall not be deemed to be a part of this Agreement.
43. **RIGHTS OF THIRD PARTIES.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or because of this Agreement on any persons other than the parties hereto and their respective legal representatives, successors and permitted assigns. Nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action over or against any party to this Agreement.
44. **AMENDMENT.** No amendment to this Agreement shall be effective except those agreed to in writing and signed by both parties to this Agreement.
45. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.
46. **ELECTRONIC SIGNATURE(S).** TPA, if and by offering an electronic signature in any form whatsoever, will accept and agree to be bound by said electronic signature to all terms and conditions of this Agreement. Further, a duplicate or copy of the Agreement that contains a duplicated or non-original signature will be treated the same as an original, signed copy of this original Agreement for all purposes.

- 47. **ENTIRE AGREEMENT.** This Agreement, including exhibits, (if any) constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof. There are no other representations, warranties, promises, agreements or understandings, oral, written or implied, among the Parties, except to the extent reference is made thereto in this Agreement. No course of prior dealings between the parties and no usage of trade shall be relevant or admissible to supplement, explain, or vary any of the terms of this Agreement. No representations, understandings, or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth herein.
- 48. **LEGAL AUTHORITY.** Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on \_\_\_\_\_.

**ATTEST:**

**CITY OF OCALA**

\_\_\_\_\_  
Angel B. Jacobs  
City Clerk

\_\_\_\_\_  
James P. Hilty  
City Council President

**Approved as to form and legality:**

**PMA MANAGEMENT CORP.**

\_\_\_\_\_  
William E. Sexton  
City Attorney

\_\_\_\_\_  
  
\_\_\_\_\_  
(Printed Name of Authorized Signatory)

\_\_\_\_\_  
(Title of Authorized Signatory)

**BACKGROUND**

The Third-Party Administrator (“TPA”) will provide claims adjusting and related services to the Risk Management Department. The TPA will be responsible for claims administration for Workers’ Compensation, third party liability, and records management for first party claims. This includes, but is not limited to, Medicare Section 111 mandatory reporting requirements, Bill review, Medical Case Management, Utilization Review and Medical Provider Network as well as program implementation services.

Only TPAs' legally entitled to conduct business in the State of Florida will be considered

The terms and conditions concerning Administrative Services, Claims Services, and Loss Statistic Services indicated in this Contract are those desired by the City.

**SUMMARY OF WORK****Contractor must agree to provide all of the following services:**

- Administrative services
- Claims services
- First notice of injury services
- Loss statistic services
- Network access and development services
- Pharmaceutical benefit management service
- Communicable disease management program service
- Subrogation services (outside the normal adjuster subrogation responsibilities) notate percentage if applicable

City requires full and total transparency with its vendor relationships. Therefore, any commission, service fee or other form of remuneration paid to any agent, broker, lobbyist or third party must be identified throughout the term of the Contract.

Contractor must identify all sub-contractors who will be used to provide the services outlined in this Contract. The flat fee paid by the City must be the only remuneration to the Contractor for services provided to the City. Contractor must receive no revenue for these services from sub-contractors.

The TPA will be required to provide detailed Summary of Paid Losses and Reserves for Workers’ Compensation, Auto Liability and General Liability. This includes data prior to inception of Contract, and TPA will be required to work with the current Provider to access information needed for reporting.

**A. Staffing Requirements**

Contractor shall provide the City with off-site workers' compensation claims adjusting and administration services for medical only and lost-time claims.

In addition to off-site workers' compensation claims adjusting and administration services, the Contractor must provide at least one (1) full-time experienced General Liability and Automobile Liability adjusters to work in the City's Risk Management offices Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m. (excluding holidays) The Contractor must also provide a part time experienced adjuster that may work remotely, and provide dedicated claims adjusting 24 hours 3 days per week . The City will consider alternative staffing proposals for case-load and/or cost-efficiency, providing that at least one (1) full-time and one (1) part-time adjuster is included in the proposal.

**B. Compliance with Rules or Division of Workers' Compensation**

It shall be the responsibility of the Contractor to comply with all rules and regulations promulgated by the various agencies prescribing the practices and procedures of self-insurer service companies. Contractor will be responsible for all required EDI DWC reporting.

Contractor must agree to reimburse the City for payment of any fines, penalties, or assessments assigned by the State of Florida, or other regulatory agency, for failure to comply with such rules and regulations, including EDI reporting associated with the performance or responsibility of the service company.

**C. Access to Claim Files**

The Contractor agrees the City shall have real-time access to all claim files, including all adjuster notes, supervisory notes, field case management notes, diary items, payment records, medical bills and expense bills in an electronic manger with internet-based access available to the City. The Contractor should detail how this access to claims will be provided. A minimum of 5 users must be provided to the City at no additional cost.

**D. Ownership of Claim Files**

The City shall have all right, title, interest, and ownership to all loss statistics and claim files created as a result of the services to be provided by the Contractor. Further, at the sole option of the City, and upon ten (10) days written notice, the Contractor shall return such files to the City.

At the termination of the Contract, and at the sole expense of the Contractor, the Contractor shall provide the City with computer tapes or other computer media containing all the claim data. Such data shall be made available in a format generally importable into a commonly recognized database for claims administrative services.

**E. Audit of File and Procedures**

At the sole option of the City, TPA shall agree, at no additional cost to the City, to any audits conducted by the City or the City's designee (hereinafter, "Auditor") of TPA's claim files and procedures as they relate to the services under this Agreement. City shall have the right to audit during the Contract period and for five years following the termination of the Agreement.

**F. Audit Records**

1. **Definition:** The term “Records” shall mean all documentary and electronic records of TPA and TPA’s subcontractors related to the services performed under this Agreement including, but not limited to:
  - a. Financial records (including accounting records, payroll records, timesheets, audited and unaudited financial statement)
  - b. Contracts (including Contractors with subcontractors and Contracts between subcontractors and others)
  - c. Contractor performance data
  - d. Network and Provider agreements
  - e. Cost data
2. **Right to Audit:** At the sole option of the City, TPA shall agree, at no additional cost to City, to allow Auditor to have access to Records of TPA and Records of TPA’s subcontractors for the purpose of reviewing and auditing such Records. Any Records requested for audit or review must be related to the services provided under this Agreement. City shall have the right to audit Records during the contract period and for five (5) years following the termination of the Agreement.

**G. Proprietary Documents**

To the extent TPA or TPA’s subcontractor designates any “Records” requested for audit as “Proprietary Records” (i.e., containing confidential information, trade secrets, or provide information), TPA shall be allowed to limit the access of Auditor such that Auditor will only be permitted to review such Proprietary Records in controlled conditions at a TPA chosen location in Marion County, Florida. With respect to such Proprietary Records, Auditor’s rights will be limited to on-premises review of such Records and Auditor will not be permitted to retain copies or make reproductions of such Records. Such designation of Records as proprietary by TPA or TPA’ proprietary by TPA or TPA’s subcontractor shall only be made to the extent reasonable grounds exist for TPA of TPA’s subcontractor to protect the information contained in such Records.

**H. Administrative Service**

The Contractor is requested to provide the following administrative services:

1. In accordance with state mandated time frames; TPA must prepare and file with the appropriate state agencies all applications, bonds, documents, and data required (if any) for implementation and continuance of the program.
2. In accordance with state mandated time frames, prepare, maintain, and file all records and reports as may be required by legal authorities (State, local, and federal).

3. Prepare, maintain, and file statistical or other records and reports as required by the City's excess insurers. Report claims to the City's excess insurer(s) in accordance with the requirements of excess insurer(s). Provide a copy of the reports to the City. Follow specific written investigation procedures for any case for which the Excess Worker's Compensation Insurer requires specific notification or investigation.
4. In accordance with state mandated time frames, prepare, maintain, and file statistical information required by Workers' Compensation Rating Bureaus or appropriate state agencies, including EDI and data necessary for the promulgation of experience modifications.
5. Comply fully with all rules, regulations, guidelines or procedures established by the City and the State of Florida, including EDI.
6. Provide the City, annually, with the latest paylag report from the State of Florida.
7. Recognize the City will be continuing a Workers' Compensation program which focuses on respecting the injured worker and the medical Providers providing care. Contractor must be committed to work collaboratively with the City to effect program changes and enhancements as requested by the City. Contractor must be committed to work collaboratively with the current third-party claims administrator when appropriate.
8. Annually, provide the City with a SSAE 16 audit as required by the financial auditors.
9. Retain legal counsel as required and authorized by HR/Risk Management and provide investigative and other support to that legal counsel.
10. Procure investigative services and other "expert" services as authorized by HR/Risk Management.
11. Meet with the City to coordinate a timely and efficient transition.
12. Converting data for all existing claims. The TPA will assume all adjusting responsibility for carry over files.
13. Ensure claims conversions are correct with respect to data integrity – to include, but not limited to, data mapping, historical financial transactions, payment history and classification.

**I. Preferred Provider**

Contractor will be required to establish and maintain a list of preferred Providers. These Providers may be medical doctors, physical therapists, chiropractors, and any other service Provider whose services may be required. The TPA will endeavor to initiate agreement with these Providers in an effort to obtain their services at rates of reimbursement beneficial to the City.

**J. Claims Service**

Contractor must provide the following claims services:

1. Establish reporting procedures which are compatible with the needs and organizational structure of the City.
2. Develop specific service instructions with the City for the handling of the City's claims. Develop specific service instructions with the City for the handling of the City's catastrophic claims.
3. Establish a claims file on all incidents reported by the City.
4. Establish and maintain reasonable reserves on all active claims.
5. Timely investigate all reported incidents and make a determination of the claim's compensability. At a minimum, such investigation shall include telephonic interviews with the claimant, the employee's immediate supervisor, any and all witnesses and the initial treating physician. Such interviews should be concluded within 24 hours of the administrator receiving notification of the claim.
6. Obtain recorded statements from the claimant and all witnesses if any aspect of the claim is questionable.
7. Monitor the medical treatment of the claimant and pursue timely Maximum Medical Improvement (MMI) dates from the treating physician.
8. Pay and or record all benefits in accordance with the Florida Statues.
9. Reduce all medical bills in accordance with the State Fee Schedule.
10. Coordinate with the City to determine that feasibility of a light duty position, and obtain the opinions of the treating physician regarding the claimant's ability to perform the duties of such positions.
11. Coordinate with the City, and its defense counsel on all litigated matters.
12. Advise the City of all claims that could benefit from the assignment of Nurse Case Management and provide such services at the direction of the City.
13. Report claims that could possibly pierce the self-insured retention of the City to its Excess Insurer and provide periodic reports in accordance with the terms and conditions of its policies.
14. File necessary documentation to the City's Excess Insurer and obtain reimbursements on a timely basis.
15. Pursue all potential subrogations to the full extent of the law including, but not limited to, class action settlements the City may be party to.
16. Electronically capture all claims costs and prepare detailed loss history reports on a monthly basis. In addition, the City desires to receive loss history information in Microsoft Excel format on a monthly basis.
17. Maintain detailed adjuster and nurse case manager's notes documenting all claim activity.

18. Provide real time, online access to the City's claims to include adjuster and nurse case manager's notes.
19. Provide the City with written narrative reports every sixty (60) days on all major claims documenting recent claim activity and strategies on the future handling of the claim. The definition of major claims will be determined jointly by the administrator and the City.
20. File all State mandated reports on behalf of the City.
21. Periodically as appropriate, but at least every quarter, review all open cases and complete a strategic action plan in order to assist in the settlement of the cases and discuss at a claims review meeting with City staff. This claims review can be conducted via phone or in person. Such as written reviews shall include a review and verification of outstanding reserves. Participate in quarterly reviews of field case management progress and legal progress. A written summary of the review shall be documented in the open case file and shall be documented in the open case file and shall be provided to the City within ten working days after the end of the period for which the report is being made.
22. Pursue timely and cost effective settlements in accordance with the City's approval and protocols.

#### **K. Loss Statistic Services**

Costs for this component are to be included in the Contractor's flat annual fee, and, as a minimum the following shall be included:

It is the desire of the City that loss information is available to designated Risk Management personnel (read only access) through an on-line computer system provided by the TPA.

Individual Claim Details: The following required details (but not limited to) are to be included for each claim assigned.

1. Employer (City of Ocala)
2. Department or Division
3. Claim Number (City)
4. Claimant's name and occupation
5. Date of injury
6. Nature of injury (including specific body part)
7. Description of accident (including location, equipment or vehicle involved, if any)
8. Indemnity paid to date
9. Reserve for future indemnity
10. Medical paid to date
11. Reserve for future medical
12. Total allocated claims expense paid to date

13. Attorney cost paid to date
14. Reserve for future allocated claims expense
15. Cross reference for multiple claimant accident/occurrences - all accidents or occurrences involving more than one claimant (whether workers' compensation, general liability and/or automobile liability) are to be identified.

#### L. Reports

Reports are to be grouped by fiscal year by date of accident. The required reports are to be presented in the following formats to include the following: ("City" reserves the right to alter report content and format requirements at any time with reasonable notice to the TPA).

1. Employer (City of Ocala)
2. Major Department/Division - Individual claim details to be grouped by such major department/divisions as designated by Risk Management.
3. Claim Summaries - For each department/division and for all combined departments/divisions in each entity, the required reports are to include claim summaries showing:
  - a. Total number of claims
  - b. Total number of closed indemnity claims
  - c. Total number of open indemnity claims
  - d. Total number of closed medical only claims
  - e. Total number of open medical only claims
  - f. Total number of claims closed without payment
  - g. Total indemnity paid to date
  - h. Total reserves for future indemnity
  - i. Total medical paid to date
  - j. Total reserves for future medical
  - k. Total allocated expense paid to date
  - l. Total attorney cost as a part of claims expense
  - m. Total reserves for future allocated claims expense
4. Frequency of Reports:
  - a. Current fiscal year - Monthly
  - b. Previous fiscal years - Quarterly
  - c. Quarterly reports are to continue until all claims for the Contract period have been closed.

NOTE: Workers' Compensation claims are to be shown separately from any other claims.

5. Severity Report (Loss Run):

On a quarterly basis a report shall be provided which includes only those claims for which the total cost incurred (paid and reserved) is \$10,000 or more. This severity report shall include the same data as required above.

6. Subrogation Reports:

On a quarterly basis a report shall be provided on all claims for which the TPA has pursued (whether successful or not) subrogation, contribution, indemnity or recovery from special or second injury funds on behalf of the "City". In addition to the Claim Details of Loss Statistic Services, the following shall be included.

- a. Claim number
- b. Name of party from whom recovery is sought
- c. Anticipated amount to be recovered
- d. Amount recovered to date

7. Loss Fund Reconciliation: A loss fund, held in trust, will be established and maintained. This fund is to be periodically replenished by the entity and the Contractor shall be required to provide biweekly reports as follows:

- a. Replenishment of the loss fund will be provided on an as-needed basis with the Contractor sending appropriate documentation of expenditures, including copies of check stubs or a copy of the check register, with a request for funds.
- b. Reconciliation reports are due to Risk Management on a biweekly basis. They will include the following and will include a copy of the bank statement: (reports with copy of actual bank statement will be copied to the Finance Department. Risk Management to supply proper contact and address information).
  - Date of report
  - Balance at inception
  - Total disbursement
  - Balance at close
  - Request for replenishment of funds if needed
  - Current check register
  - Copy of actual bank statement

**M. Medical Bill Review and Audit Services**

Contractor is required to provide the following medical bill review and audit services:

1. For Medical Bill Review:

Promptly review medical/surgical bills (in and out of network) for accuracy including, but not limited to, as they relate to the following:

- a. Duplicate billings
  - b. Unbundling of charges
  - c. Upcoding of charges
  - d. Approval and appropriate precertification.
2. Review all medical bills that:
- a. Are not subject to fee schedule coding.
  - b. Are for services not specifically addressed in the fee schedule.
  - c. Need an in-depth medical interpretation of the rules and regulations.
  - d. In the exercise of professional judgment, specifically warrant review.
3. Process, pay and mail with 20 days of receipt.
4. Reimburse the City for any overpayments made in the bill review process within 30 days of identification of overpayment. Reimburse the City for any penalties and/or interest associated with inaccurate payments.
5. For Medical Auditing Services:  
Audit in-network and out-network hospital/Provider bills
- a. Exceeding \$5,000.
  - b. Where a departmental charge exceeds 10% of the total bill, excluding room and board charges.
  - c. Others at the Contractor's discretion or specific request by the City for accuracy and appropriateness.
6. Develop and follow written policies on how late charges, no show charges and special payment arrangement are to be handled.

#### **N. Pharmaceutical Management Services**

The Contractor shall recommend a prescription benefit management (PBM) vendor. Details regarding the PBM's services should be provided, including access, utilization review services, coordination of claims data and reporting.

Contractor is requested to address the issue of physician dispensing and the high cost of repackaged drugs. Contractor should describe how their other Florida based clients have handled this issue.

#### **O. Contagious Disease Management Services**

The Contractor must assist the City in the investigation of and management of the contagious disease management. When an employee contracts a contagious disease for which there is a likelihood the disease exposure occurred on the job, the City will treat the illness as a workers' compensation claim. The administrator will be expected to assist in the investigation of these situations, provide quarterly (or more often, at the request of the City) reporting regarding these situations, as appropriate provide disease management services and manage these claims as workers' compensation claims.

**P. General Liability, Automobile Liability, Property Damage and Subrogation –City of Ocala**

Utilizing personnel itemized above, together with other TPA personnel, the TPA shall provide the following:

1. Compliance with Appropriate State Statutes: The responsibility of the TPA to comply with all applicable State Statutes and Ethical Procedures for handling liability claims shall be no less than those responsibilities which would be imposed on an insurer were the program fully insured. Any fines or penalties incurred by the TPA while performing for the City shall be the responsibility of the TPA unless the circumstances leading to the fines and penalties were the sole responsibility of the City.
2. Administrative Services: The TPA shall:
  - a. Prepare, maintain and file in a timely manner, all records and reports as may be required by legal authorities (local, state and federal).
  - b. Prepare, maintain and file statistical or other records and reports as required by excess insurers; place excess insurers on notice of claims pursuant to requirements outlined in those policies.
  - c. Retain legal counsel as required and authorized by HR/Risk Management Director and provide investigative and other support to that legal counsel.
  - d. Procure investigative services and other "expert" services as authorized by Risk Management.
  - e. While the City believes the reserves to be accurate, the successful Contractor will be required to review each open claim and establish its independent evaluation of the projected cost.
3. Claims Services: The TPA shall:
  - a. Establish a claims file on all incidents reported by the City.
  - b. Establish and maintain appropriate reserves on all active claims.
  - c. Timely investigate all reported incidents and make an initial evaluation of the City's liability.
  - d. Develop recommended defenses in a timely fashion.
  - e. Coordinate all claim activity until advised by the City that the claim has been assigned to the City's Attorney. Once a claim has been assigned to the City's Attorney, provide

- all claim documentation to the City Attorney or defense counsel and continue to coordinate claim activity at his/her directions.
- f. Coordinate with the City and its defense counsel on all litigated matters.
  - g. Pursue all potential subrogation to the full extent of the law including but not limited to class action settlements the City may be a party to.
  - h. Timely Report claims that could possibly pierce the self-insured retention of the City to its Excess Insurer and provide periodic reports in accordance with the terms and conditions of its policies.
  - i. File necessary documentation to the City's Excess Insurer and obtain reimbursements on a timely basis.
  - j. Provide the City with written narrative reports every sixty (60) days on all major claims documenting recent claim activity and strategies on the future handling of the claim. The definition of major claims will be determined jointly by the administrator and the City.
  - k. Provide recommendations to the City and obtain approval for outside services such as appraisers and field investigators.
  - l. Maintain detailed adjuster's notes on all claim activity.
  - m. Arrange for the responsible adjuster and his/her supervisor to attend quarterly claim review meetings.
  - n. Respond to all questions raised by the City or its representative(s) in a timely fashion.
  - o. Pursue timely and cost effective settlements in accordance with the City's approval and protocols.
  - p. Maintain all closed files for a period of time acceptable to the City and return such files to the City if requested.
  - q. Cooperate and assist the City in the performance of claim audits/reviews.
  - r. Other services customary to effective claims administration services.
4. Loss Statistic Services: Costs for this component are to be included in the Contractor's flat annual fee, and as a minimum the following shall be included:
- a. It is the desire of the City that loss information is available to designated Risk Management personnel (read only access) through an on-line computer system provided by the TPA.
5. Individual Claim Details: The following required details (but not limited to) are to be included for each claim assigned.
- a. Employer (City of Ocala)
  - b. Department or Division

- c. Claim number (specific to entity)
  - d. Claimant's name and occupation
  - e. Driver and Vehicle Type (if motor vehicle accident)
  - f. Date of accident
  - g. Description of accident including location and nature of injury if applicable
  - h. Bodily or personal injury paid to date
  - i. Reserve for future property damage
  - j. Total allocated claims expense paid to date
  - k. Total attorney cost paid to date
  - l. Reserve for future allocated claims expense
  - m. Coding to indicate claims in suit
  - n. Identification of multiple claimant accident/occurrences - all accidents or occurrences involving more than one claimant (whether General Liability, Automobile Liability or both) are to be identified.
6. Reports: Reports are to be grouped by fiscal year by date of accident. The required reports are to be presented in the following formats to include the following:
- a. Employer (City of Ocala)
  - b. Department or Division - Individual claim details to be grouped by such major department/divisions as designated by HR/Risk Management Director.
  - c. General liability (bodily injury and property damage) claims are to be reported separately from all other claims.
  - d. Automobile liability (bodily injury and property damage) claims are to be reported separately from all other claims.
  - e. Property Damage claims shall be reported separately from all other claims.
  - f. Claim summaries - For each category in 3) above and for each department/division and for all departments/divisions in each entity, the required reports are to include claim summaries showing (where applicable):
    1. Total number of claims
    2. Total number of open claims
    3. Total number of closed claims
    4. Total paid (bodily injury and property damage) to date per claim
    5. Total attorney cost paid to date per claim
    6. Total expenses paid per claim

7. Total incurred (paid plus reserves) per claim
- g. Frequency of Reports:
1. Current fiscal year - Monthly
  2. Previous fiscal years - Quarterly
  3. Quarterly reports are to continue until all claims for the Contract period have been closed.
- h. Severity Report (Loss Run):
- On a quarterly basis, or as specifically requested by HR/Risk Management Director, a report shall be provided which includes only those claims for which the total cost incurred (paid and reserved) is \$10,000 or more. This severity report shall include the same data as required in D.2 above (Individual Claim Details of Loss Statistic Services.)
- i. Subrogation Reports:
- On a quarterly basis a report shall be provided on all claims for which the TPA has pursued (whether successful or not) subrogation, contribution or restitution on behalf of the City. In addition to the data required by Individual Claim Details of Loss Statistic Services, the following shall be included.
1. Claim number
  2. Name of party from whom recovery is sought
  3. Amount recovered to date
  4. Estimated amount yet to be recovered
- j. Loss Fund Reconciliation: A loss fund, held in trust, will be established and maintained. This fund is to be periodically replenished by the City and the TPA shall be required to provide biweekly reports as follows:
1. Replenishment of the loss fund will be provided on an as-needed basis with the TPA sending appropriate documentation of expenditures, including copies of check stubs or a copy of the check register, with a request for funds.
  2. Reconciliation reports are due to Risk Management on a bi-weekly basis. They will include the following and will include a copy of the bank statement:
    - a. Date of report
    - b. Balance at inception
    - c. Total disbursement by G/L, A/L and P/D
    - d. Balance at close
    - e. Request for replenishment of funds if needed
    - f. Current check register



# TPA & RISK SERVICES PROPOSAL FOR

## WORKERS' COMPENSATION, PROPERTY & CASUALTY

Presented to:



# PMA MANAGEMENT CORP.

Michael Hurst  
Sales Manager  
*Sunshine Region*

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RFP No.: RSK/230094  
Closing Date: January 26, 2023  
Effective Date: April 01, 2023

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# Cover Letter

January 18, 2023

Ms. Eileen Marquez – Senior Buyer  
City of Ocala Procurement Department  
110 Southeast Watula Avenue - 3rd Floor  
Ocala, FL 34471

Dear Ms. Marquez,

On behalf of PMA Management Corp., thank you for the opportunity to submit a proposal to continue serving the City of Ocala and provide Workers’ Compensation, Property and Casualty Third-Party Administrative (TPA) & Risk Services. It has been a pleasure working with the City of Ocala, and I believe we have made great progress together.

We understand that the business and risk management priorities of the City of Ocala include creating a safer, healthier workplace, safeguarding its assets, and reducing its total cost of risk. Our approach to risk management aligns our priorities with yours, helping to maximize the results we can achieve together.

This proposal outlines why PMA Management Corp is the best choice to continue serving as your partner in managing risk. In addition to the City of Ocala, we provide risk services to 200+ distinct clients in the public entity sector. PMAMC has 50 years of experience serving public entities. Key highlights of our workers’ compensation TPA & Risk Services proposal include:

- Unique **holistic approach**—which provides pre-loss, loss-reduction, and post-loss strategies to reduce your total cost of risk
- An **innovative company with a stable leadership team**, and **service-driven culture**—all focused on protecting workers while preventing claims and reducing their costs
- **Industry expertise** earned through **decades of experience and research collaboration** with various national self-insurance and public risk organizations
- A professional **service team** leveraging PMA’s 100 years of specialized risk management expertise and infrastructure
- **Low target caseloads** for claims professionals to facilitate greater focus on each claim
- An ever-evolving and fully integrated **managed care program** that uses a strategically sequenced, data-driven approach to assess lost-time claims and cost-effectively get injured workers the right care at the right time
- **24/7 Customer Service Center** that supports you, your injured workers, and their medical providers, enabling our claims professionals to focus on cost-effective claims resolutions.

At PMA Management Corp., we have created a 100-year success story one relationship at a time; we consider the City of Ocala to be an important chapter in that story. We are passionate about doing what we say and delivering exceptional value to our clients. We look forward to the opportunity to continue as your partner in managing risk, improving your program results, and exceeding your service expectations.

Sincerely,

Michael Hurst  
PMAMC Sales Manager  
PMA Companies |Old Republic Insurance Group  
Tax ID: 23-2652239  
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# Executive Summary



Years TPA & Risk Services Expertise

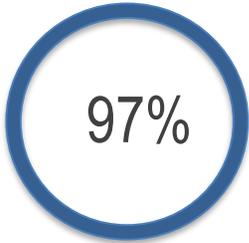


**Old Republic International (ORI)** is a Fortune 500 firm, the parent company of PMA Companies, and one of the nation's 50 largest shareholder-owned insurance organizations with consolidated assets of \$24.98 billion (as of December 31, 2021).



National Award-Winning Clients

**PMA Management Corp. (PMAMC)** is a leading provider of workers' compensation, property and casualty third-party administration and risk services for self-insureds, unbundled large deductible and self-insured retention programs, groups, trusts, captives, pools and programs. PMAMC's client retention averages 97% and client satisfaction averages 95% per independent surveys. PMAMC aims to deliver tangible value every day, striving to exceed our clients' service expectations and improve their financial results.



Average Customer Retention

**PMAMC** has over 30 years of property, casualty and workers' compensation experience. Our company's performance reflects an innovative spirit, a focus on service and partnership and a corporate structure that promotes accountability and exceeding customer expectations.



Average PMA Client Tenure



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# Our Results-Focused Claims Service

## Loss Reporting

PMAMC offers the City of Ocala a selection of in-house claims reporting options so you can choose the channel that's most convenient for the City of Ocala. PMAMC can receive first notice of loss (FNOL) reports electronically through PMAMC's website or through PMAMC Cinch®, our internet-based risk management information system. You can report losses from mobile devices, including iPhones, iPads, Android smartphones, and tablets. Telephone, fax, and mail reporting options are also available to the City of Ocala and its employees.

**Claims reported electronically are immediately assigned a PMAMC claim number.** That claim number will instantly be provided to the submitter and can be shared with your injured parties involved in the claim. For all reported claims, acknowledgement letters will be e-mailed to designated client contacts.

Optionally, for Workers' Compensation, PMAMC offers PMA Care24, a convenient **24/7 telephonic claim intake and first level clinical assessment** of the employee's injury by a Registered Nurse at the point of injury. The Registered Nurse serves as a patient advocate in determining the appropriate level of treatment pursuant to the injury assessment. If medical treatment is recommended, the employee will be referred to a provider within the PMAMC or client's Preferred Network. This interaction becomes the sole point of claim reporting to PMAMC and helps mitigate costs, unnecessary treatment utilization, and claim reporting redundancies.

## PMAMC's Customer Service Center

Our **24/7, multilingual Customer Service Center (CSC)** is available to answer high-level claims service needs of the City of Ocala, their employees, injured parties, medical providers, and vendor partners. PMAMC's CSC provides a suite of support services for our claims professionals resulting in the ability for claims teams to focus on adjusting functions. Our investment in this key department is what continues to differentiate PMAMC in the marketplace and allows us to maintain low claims professional turnover and strong satisfaction of our employees and customers.



**45,000+ Calls**

Handled monthly

**20 Seconds**

To answer a call

**<1.5% Rate**

Of call abandonment

PMAMC's CSC is a center of excellence in providing exceptional quality of **data integrity and capture at claim intake**. Our Customer Service representatives are measured by their ability to capture and display the most accurate information in the claim files, including employee demographics, location coding data, and items required by state EDI.



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# Workers Compensation Early Intervention Model

Once a claim is reported, PMAMC deploys our people, processes, and powerful claims management information system (CMIS) to identify high exposure claims characteristics like comorbidities, psycho-social factors, injured worker age, body mass index (BMI), and length of employment. This critical information helps our claims professionals and triage nurses intervene early in the process to deliver a proactive approach designed to achieve positive outcomes



## Injury Occurs

RMIS Internet Reporting  
Telephonic Reporting  
Fax or Email Reporting

## PMA Care24

Optional Clinical Triage Service  
Injury Intake  
Direction of Care  
Automatic FNOL Generation

## Clinical Triage

Lost Time Claims  
Nurse Review  
Clinical Intervention

## Claims Resources

Multi-Tier, Experienced Claim Sta  
Right Claim, Right Person  
Right Time

## Enhanced Services

Subrogation Specialist  
OSHA Specialist  
Recover at Work Specialist  
Point of Sale Pharmacy Nurse  
Legal Bill Analyzer

## Predictive Modeling

Proprietary Algorithm  
FNOL Model  
30 Day Model



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## Property & Casualty Claim Process

### Accident Occurs

Internet Reporting  
 Telephonic Reporting  
 Fax or Email Reporting

### Coverage Verification

Coverage Experts  
 Investigation  
 Jurisdictional Expertise

### Fast-Track

Right Claim  
 Right Person  
 Right Time

### Claims Resources

Multi-tier, experienced claim staff  
 Complex Loss/Litigation Specialist

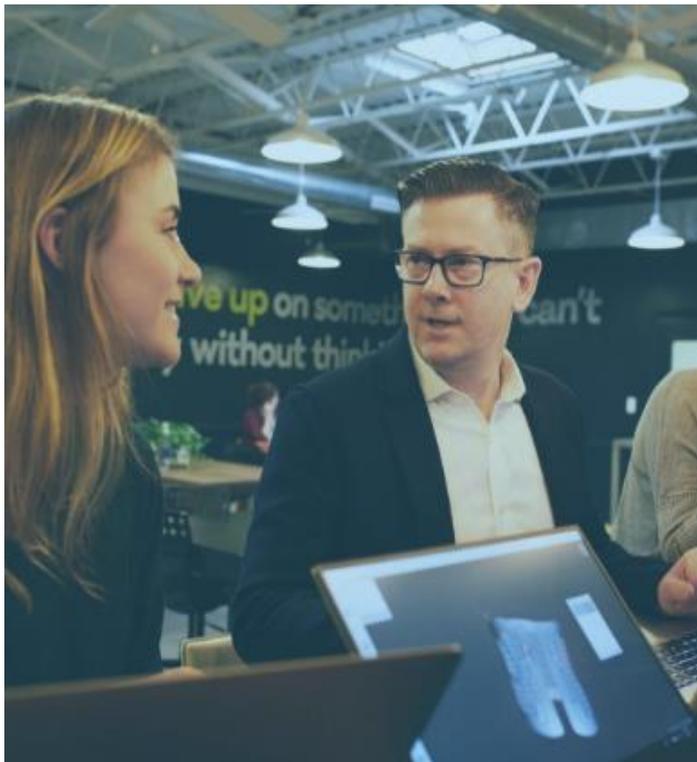
### Enhanced Resources

Subrogation Specialist  
 Legal Nurse Review  
 Strategic Vendor Partnerships  
 Legal Bill Analyzer

Upon receipt of your casualty and property claims, we will conduct an aggressive investigation that includes contact with all parties, onsite investigation coordination, liability determinations, and evaluation of alleged damages. **Early contact with all parties involved** in the loss provides us with the information needed to properly determine liability.

On-site investigations will be coordinated where appropriate. These investigations would be monitored and controlled by the service team. All investigations would be coordinated with the appropriate Risk Manager. Investigations will include photographs and diagrams to assist in liability and damages determination. Official reports such as police, fire, weather, autopsy, and toxicology will be obtained to assist our investigation.

Purchase orders, leases, contracts, and certificates of insurance will be reviewed to identify potentially responsible parties and facilitate risk transfer.



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## Claims Handling

Upon receipt of a claim, **PMAMC will ensure accuracy of all data points** provided on FNOL and follow-up for any missing information or any updates as needed. PMAMC claims system offers our customers the ability to track additional data fields specific to their business need that could be captured at the time of the claim reporting or throughout the life of the claim. These **custom codes** are viewable to our clients in PMAMC RMIS - Cinch®.

PMAMC designed our claims service to **reduce our clients' overall exposures and control costs**. Each step of our comprehensive claims program for workers' compensation, property and casualty has been structured to achieve results, including driving claims to resolution in a timely, thorough, and cost-effective manner.

We recruit and retain claims professionals with strong technical knowledge in all lines of business. In fact, our adjusting staff has **an average of 12 years of workers' compensation** claims handling experience and **an average of 10 years of property and liability** claims handling experience. PMAMC supervisors have **over 15 years of experience**. We leverage our roots as an insurance company with liability claims professionals who not only understand these distinct coverages, but also how best to resolve their claims. As part of our holistic approach, we maintain a tight linkage between claims management, PMAcare+, and risk control—enabling us to continually identify and **help you address emerging loss trends** while seeking to reduce your loss costs.

Upon receipt of a claim from the City of Ocala, a claim is generated in PMAMC claims system and referred to the supervisor for review and assignment. The supervisor utilizes their knowledge and claims facts available to assess claim complexity, provide guidance and determine the level of Claims Professional expertise that will be needed to most appropriately handle the file. The supervisor assigns the claim to the selected individual. The Claims Professional will receive an activity in the claims system notifying them of the claim receipt.

All claims are reviewed by the Claims Professionals within **24 hours of receipt** from the client and 24-hour contacts are completed. The number of contacts made on each claim is defined by **Special Handling Instructions** and PMAMC Best Practices. The Claims Professional will review the Special Handling Instructions for any guidelines on initial claim handling. During the initial investigation, the Claims Professional obtains all the necessary information that will be required to make a compensability determination for workers' compensation claims or a liability assessment in property and liability claims. **All of the information obtained is documented in the log notes and will be visible to the City of Ocala in our PMAMC RMIS system - Cinch®.** Additionally, Claims Professionals are **responsible for updating the data fields** that are mandatory for the state, carrier and client reporting. If the contact attempts are unsuccessful, the Claims Professional will follow-up via a letter or an email (if available) and make additional telephonic attempts to reach all parties.

**PMAMC values customer service** as a key result area of the Claims Professional staff. Therefore, upon reaching the parties involved in the claim, the Claims Professional will ensure that each contact is provided with all of the information necessary about the claim, next steps, outstanding items, etc. The Claims Professional will request any and all necessary information, including payroll records, police reports, medical records, investigative reports, and other relevant documents and upload them to the claim file.



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**Exhibit B - Proposal - PMA Management Corp**

For workers' compensation claims, it is the Claims Professional's responsibility to **ensure appropriate EDI filings** are completed timely and accurately. Additionally, workers' compensation lost time claims are evaluated by a PMAMC nurse case manager to **determine the need for clinical intervention** or nurse assignment. If the claim complexity and Special Handling Instructions indicate the need for a telephonic or a field case manager, a nurse is assigned to the file to work in collaboration with the Claims Professional **to help bring the injured worker back to safe and gainful employment.**

### ***PMAMC's Predictive Severity Model***

PMAMC has developed a **proprietary algorithm** based on the claim information gathered over multiple decades of claim handling experience. The Predictive Analytics tool encompasses multiple models that incorporate **45 different data points** and analyzes their influences on claim exposure and likelihood of claim payment as the data points relate to each other. This model identifies combinations of factors that influence ultimate claim exposure and duration and serves as a tool to bring supervisor and claims professional attention to the key components of the claim to ensure the appropriate claim assignment and intervention at the right time.

PMAMC developed 2 main models to assist with claim exposure and duration analysis. These models are run daily to provide ongoing input and recommendations to the claims team:

#### **1. The Severity Escalation at FNOL Model**

This model produces a risk **score from a selection of low, moderate, or high**. This score serves as guidance to the claims team in determining, upon receipt of the initial claim, the proper trajectory for claim assignment to the correct claims professional. A low-risk score reflects a strong probability of the claim resulting in overall low ultimate probable exposure, where as a high risk score would drive supervisor assessment and assignment to the senior claims professional for complex analysis and handling. This FNOL model serves to ensure that the right claims are assigned to the right skill set level (based on complexity) at the right time within the life of a claim file.

#### **2. The Severity Escalation at 30-day Model**

This model builds upon the FNOL model and relies on the additional information that has been gathered by the claims professional since the loss was initially reported and throughout the first 30 days of the claim. This **additional data is used to re-score the claim** to identify files that may develop significantly, may change severity projections based on new information, or may require additional interventions based on new detail gathered during the investigation.

### ***File Supervision***

Unlike many TPAs, **PMAMC Claims Supervisors do not carry claim pendings and are solely responsible for guiding claims staff** on claim file direction, oversight, and compliance with customer's Special Handling Instructions. PMAMC maintains a span of control of 1:6 (or less) for our claims supervisor and claims professional staff.

WC Medical Only claims require supervisor review within 15 days from assignment to verify state and jurisdictional compliance. This review is documented in claim log notes. Subsequently, supervisor review is required within 90 days from assignment to identify closure opportunities or potential for escalation to an indemnity claim, based on claim definitions.



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**Exhibit B - Proposal - PMA Management Corp**

WC Indemnity claims require an **initial supervisor assignment note within 24 hours** after claim assignment. Supervisor Review on all claims classified as indemnity will be completed within 15 days from file assignment, 60 days thereafter, and every 90 days until resolution. Supervisors are required to comment regarding the accuracy and validity of reserves during each review.

Casualty and Property claims require supervisor review during initial assignment and on an ongoing basis depending on complexity of the file, expertise of the claims professional and client Special Handling Instructions.

**Claims Caseloads & Staffing**

PMAMC's Claims Professional caseloads and support resources, such as our 24/7 Customer Service Center, are established to **allow our claims professionals to give each claim the time and attention** it requires. This allows us to complete more thorough investigations, and to exercise greater control over loss development. PMAMC will commit to providing the City of Ocala with weekly reports outlining claims assigned to each Claims Professional to validate the proper caseload caps enforcement.



**140**

**Workers' Compensation Caseload Average  
for Lost Time Files**

**200**

**Workers' Compensation Caseload Average  
for Medical Only Files**

**150**

**Casualty Files Caseload Average**

*\*Varies by program, jurisdiction, and line of business*



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### PMAMC's Adjuster Duties

<b>Investigation</b>	<b>Reserving</b>	<b>Action Planning</b>
<p>Appropriate, timely and thorough <b>24-hour contact investigation of claims of all exposures occur within 24 hours of the first notice of claim to PMAMC.</b> Contact attempt follow requirements as outlined in Special Handling Instructions. Daily attempts at contact are made to reach the impacted parties and are documented in the claim log notes and visible in PMAMC RMIS Cinch system.</p>	<p><b>Initial reserve is established within 15 business days</b> of receipt of all new claims. Ongoing reserves are established based on most <b>probable outcome</b> based on the most current information available and are updated upon each review of the Action Plan as well as within 24 hours of any major claim event.</p>	<p>An <b>Action Plan is established within 30 days</b> of claim assignment and provides a summary of findings from Claims Professional investigation as well as details the strategies with specific goals and timeframes for executing key objectives to resolve claim. <b>Ongoing Action Plans</b> are completed at any major claim event or a minimum of every 90 days and include review of outstanding reserves on file.</p>

### Settlement Authority

Authorization will be requested prior to the settlement of any claim for any line of insurance that we would administer. Clear and detailed instructions will be outlined in **Special Handling Guidelines** for reference of all claims professionals.

**Our claims professionals will provide written requests for settlement authority in advance** of the proposed settlement date. Requests will include a detailed evaluation of the claims exposures, along with input from defense counsel and your risk manager.

### Litigation Management

PMAMC believes that **litigation management is a team effort** involving the Claims Professional, defense counsel, our client, and the carrier (if/where applicable) to best protect your interests. Upon knowledge of litigation, PMAMC Claims Professional will advise the City of Ocala contact no later than 48 hours and begin file preparation for assignment to the City of Ocala preferred defense firms. Our litigation management procedures include collaborative development of defense strategies with counsel selected by the City of Ocala, preparation and maintenance of files necessary for legal defense of claims or claim-related activity, attendance of hearings, depositions, mediations, where appropriate. PMAMC Claims Professionals are required to document their files timely and accurately with the outcome of each legal proceeding and will provide a summary of such outline to the City of Ocala. All fees and expenses for legal services are evaluated for adherence to budget, accuracy, and compliance with terms of negotiated fee agreements. **PMAMC will pay all attorney, strategic partner, and other vendor fees within 30 days of receipt.**



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**Exhibit B - Proposal - PMA Management Corp**

## ***Legal Bill Analyzer***

To help the City of Ocala save money on legal fees, we provide an optional enhanced service called Legal Bill Analyzer. This service utilizes technology and legal professionals to analyze bills against clients' legal guidelines and rate structures. In order to create clear expectations, PMAMC will collaborate with the City of Ocala to establish Customized Defense Counsel Guidelines and rates. The TPA Compliance Team at PMAMC will make sure the City of Ocala sees outcomes in the legal expenditure area through client onboarding, program support, and quality assurance. All aspects of invoices received from defense counsel will be reviewed by algorithm intelligence and legal professionals. This enables Claim Professionals to concentrate on strategic litigation management instead of legal invoice management. We can provide the City of Ocala reports of the findings to observe trends and drive down costs.

## ***Claims Reviews and Status Reports***

We are committed to providing the City of Ocala with all of the tools and information necessary to effectively manage their programs. This is accomplished by providing access to detailed claims information through PMAMC Cinch, by conducting in-person or telephonic claims reviews, and through the presentation of our annual Stewardship Reports.

**PMAMC will offer two annual telephonic claim reviews to the City of Ocala and all its employees as requested.** These reviews will serve to provide up-to-date loss information and will allow all parties to discuss detailed action plans and resolution strategies on the selected claims files being reviewed.

PMAMC's Claim Reviews are:

- customized for the audience involved in the review e.g. Risk Managers, Human Resource Managers, Financial Executives
- included for claims with incurred over \$25,000
- performed 2 times each year, telephonically or in-person (costs may apply to in-person for travel)
- delivered by the Client Service Manager and claims representatives(s)

PMAMC's Claims Reviews and the reports are meant to enhance the client experience while creating more operational efficiency.

- Streamlined process for the claims teams to complete the reports
- Automatic email reminders to the staff as the date of the review is approaching
- Q/A reports designed to assist the supervisors in managing the claim review preparation
- Corporate calendars for claim review meetings
- More efficient process for the Account Managers to schedule and prepare for the claim review meeting
- Customization of the report for the client - what is most important to them at the review
- Modernization of the report including key claim indicators

## ***Diary Management***

**All open claims are maintained on a diary by PMAMC Claims Professionals and PMAMC supervisors.** Claims on diary are reviewed at a minimum of every 90 days. PMAMC's supervisors have access to the claims professional's diary. All diary activities will have a corresponding entry or document in the claim file. Each claim has a diary set for a future date to ensure proactive file handling and resolution. PMAMC management teams and Quality Assurance Specialists review diary reports on a regular basis to address any delays in proactive file handling and to offer guidance.



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## *Subrogation & Recovery*

**PMAMC offers specialized fee-based services for claims with subrogation and recovery opportunities** throughout the United States. These services provide an enhanced level of focus, expertise, and specialization. Our subrogation specialists are highly trained in jurisdictional nuances and have developed state-specific strategies to maximize recoveries for our customers

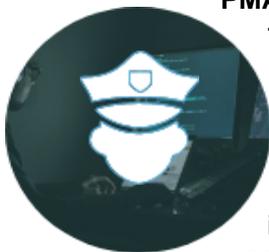
PMAMC also specializes in **maximizing excess recoveries for Production Resource Group** through our fee-based recovery services. PMAMC will identify claims for excess reporting based on the requirements on the specific carrier and send the initial excess notification to the excess carrier in a timely manner as well as provide a copy for your records. Following the carrier notification, **PMAMC will aggressively pursue all possibilities of excess insurance reimbursement** and document their efforts in the claim log notes. This approach will apply for all potential recoveries including, but not limited to, third party liens, contribution, special/second injury fund, and others.



## *Claim Indexing & Special Investigation Unit*

**All Workers Compensation indemnity and Liability claims** are indexed through the Insurance Services Office system and results documented in the claim log notes. If there are records that are relevant to the claim, the Claims Professional will follow-up to obtain those records. **Claims are automatically alerted to any new index matches within the 12-month period from the original indexing. The Claims Professional re-indexes the claims every 12 months thereafter.** Indexing claimants with the Central Index Bureau and the National Insurance Crime Bureau allows us to determine if the claimant has filed any other claims. This ensures that you are responsible only for the injuries related to your accident. Indexing is a critical tool in our fraud control program. Suspect claims are reviewed with the client and our Special Investigative Unit (SIU) to determine additional action steps.

**PMAMC employs a full-time SIU that is made available to the City of Ocala typically** at no additional cost. The SIU is staffed with industry fraud professionals with over 25 years of experience who are committed to detecting, deterring, and preventing fraud while protecting the assets of our clients. Our SIU works in conjunction with the PMAMC Claims Professionals. This collaborative approach has resulted in significant savings for our clients and criminal insurance fraud prosecutions in many states. PMAMC's SIU is responsible for fraud investigations, fraud training, regulatory anti-fraud compliance, private investigator vendor management, and maintaining PMA's Anti-Fraud Plan.



# Customer Education, Experience, & Satisfaction

## Special Handling Instructions

Understanding and meeting the unique needs of our customers is at the heart of our service model. PMAMC prides itself on being a **high-touch, customer-focused organization** with strong customization capabilities. As a part of onboarding of all PMAMC clients, we spend time to learn your requirements, your internal structure, unique program goals and custom requests. This information is utilized to partner with you to develop a **comprehensive, customized Special Handling Guideline document** that is stored in our claims system for the reference and utilization by PMAMC claims professionals and internal supporting departments. This document includes guidelines for handling your standard as well as catastrophic claims.

We work closely with you to develop and re-evaluate this document on an ongoing basis to ensure the timeliest information is being provided to our staff.

The Special Handling Instructions are developed to memorialize a mutual agreement between our organizations about how we will be servicing your program. It can include reserve notifications, initial contact information, specifics about benefit payments, settlement authority levels, attorney selection, and other areas important to you and your team.



### PMA Webservice®

PMAMC's clients also have access to PMA Webservice®—an on-line portal of safety and risk management resources exclusively for our clients. Our Risk Control Consultants designed PMA Webservice® **to offer convenient access to practical loss prevention and safety information and solutions**, including technical bulletins, safety and compliance training programs, monthly webinars led by PMAMC industry specialists, as well as tools and resources to enhance your safety and health programs.



### PMAMC Learning Academy

PMAMC has a comprehensive learning academy accessible to all employees which includes an **on-demand Video Reference Library, annual topic-focused workshops, and personalized learning sessions**. This provides PMAMC employees the ability to expand upon skills related to our technology, all disciplines of the claims process, including legal management and strategic resolutions, managed care partnerships, and risk control. We also frequently use focused training sessions to concentrate new policies and procedures, case law developments, and changes in rules and regulations.



### Satisfaction Surveys

PMAMC offers our customers an opportunity to **assess the experience of their employees and injured parties** throughout the claims process by providing Satisfaction Surveys that can be delivered at varied frequency and be focused on any specific areas including customer service of the claims handling staff, medical care, claim handling experience, and others. These surveys could also be offered to the City of Ocala employees to assess their satisfaction level with this program.



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## ***Communication with Medical Providers, Employers, and Injured Workers***

PMAMC believes in the importance of communication and relationship building at all levels of claim handling. It is our experience that claims with proactive disability management and ongoing follow-up, lead to faster resolution and better ultimate outcome for our customers and their employees. The outline below will summarize PMAMC requirements for ongoing disability management and engagement on behalf of our Claims Professionals.



**Ongoing and proactive communication with the client** for return-to-work planning is important for disability management. When the physical status of the employee changes, updates of physical capabilities and their impact on return to work in transitional/modified/full duty capacity are communicated to the client. In addition, **the Claims Professional will contact the client at a minimum of 30-day intervals** unless other contact has taken place in the interim. Claims Professional will verify return to work with the client and document the file accordingly.

The Claims Professional will utilize job descriptions obtained during initial client contact and provide them to the treating medical providers. It is the Claims Professional's responsibility to communicate with the medical provider confirming they received the appropriate job description and considered it during their assessment of the employee. If the client can accommodate light-duty work, the Claims Professional will obtain available job descriptions from the employer.

Ongoing and proactive **communication with the employee** is critical to facilitate prompt resolution of the claim and to **demonstrate empathy and caring**. On all indemnity claims the Claims Professional will contact the employee at consistent intervals throughout the claim to establish a strong rapport and trust. Contacts and interactions may be more frequent if the claim circumstances change or based on the specific events of the file.

On files involving a Nurse Case Manager, the **PMAMC registered nurse will serve as a patient advocate** and provide an additional level of support to the injured employee by remaining in ongoing contact, closely monitoring treatment progression, reviewing ODG guidelines and working with medical provider on a clinically appropriate treatment and return to work plan.

Claims Professional will **engage the treating provider at the onset of the claims file** and in coordination with the employee's treatment plan. The Claims Professional and/or Nurse Case Manager will follow up with the treating medical provider after the employee's medical appointments for updated work status, medical prognosis, updated diagnosis, appointment dates, and any additional treatment referrals.



If a Nurse Case Manager (telephonic or field) follows up with the medical provider, he/she will engage the Claims Professional to discuss the findings and agree on an action plan that would provide the best benefit to the injured employee while allowing him/her to progress along the treatment trajectory.

The Claims Professional or a Nurse Case Manager may elect to engage a **PMAMC Recover-At-Work Specialist** on select cases to assist with **additional expertise from a vocational rehab specialist** that can work with the medical provider to adjust restrictions and allow for a safe return to work. Utilization of this offering will be done in consultation with the client unless outlined differently in Special Handling Instructions.



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# Comprehensive & Integrated Managed Care



## Provider Channeling Tool

PMAMC PPO network is **updated at a minimum every 180 days and is available online** to the City of Ocala. PMAMC provides Claims Professionals and clients with a customized Provider Search tool to locate network providers for employees. **This tool offers claims professionals and injured workers an opportunity to search for network providers by address, zip code, and provider specialty.** Additionally, it provides our Claims Professionals with an opportunity to nominate new providers into the network and help grow the footprint of successful treating physicians. PMAMC Provider Channeling Tool is available online and can provide quick access to the necessary treatment with prior approvals. Networks review their contractual arrangements with individual providers on an annual basis and address any concerns or areas of opportunity. Specialty Networks (those handling PT, DME, and diagnostic services) provide continuous feedback to the medical provider and use a scoring system to drive referrals to the physicians/facilities with best outcomes.

## PMAMC Health Ticket

To support communication with injured workers, **PMAMC offers a medical resource card that is mailed to the injured employee** on every claim. The card provides an **outline of resources available to the injured worker**, including a reference to the pharmacy card, listing of PT, DME, and ancillary scheduling services, and medical bill submission protocols.

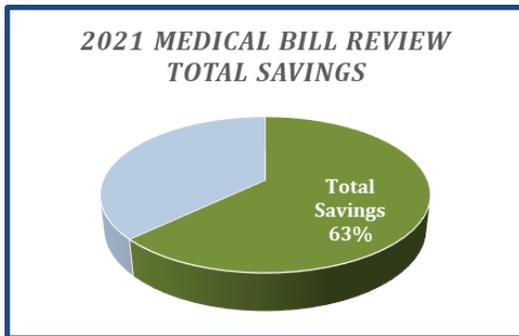
## Point of Sale Pharmacy Intervention Program

This optional program is driven by a PMAMC team of clinical experts trained in pharmacology whose **sole focus is to review incoming medications outside of CDC guidelines and develop a comprehensive intervention strategy that would involve potential weaning, drug testing, urine testing, peer reviews, and other tools to help mitigate long-term dependency right at the point of sale.** These nurses review alerts live in our PBM system and make decisions regarding approval of medications utilizing a combination of clinical knowledge and jurisdictional expertise.

## Medical Bill Review & Network Management

PMAMC is strategically partnered with Conduent for Medical Bill Review Services. **Our average Florida customer savings off billed charges in 2021 was 70%, PPO penetration is 73%.**

Medical bill review is integral for managing workers' compensation medical costs. Our bill review service team provides comprehensive expert bill review services. As a cost containment tool, it can deliver real savings by repricing medical bills to state mandated fee schedules, as well as usual and customary rates. It also ensures that negotiated provider discounts are applied, duplicate billings are caught, and dollars are not paid out for services that were not reasonable or necessary. Our full-service bill review platform using the power of the flexible and impactful



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technology has set the standard for maximum net savings with low reconsideration rates. As our client, you will get access to high-quality services at more predictable costs, along with increased flexibility to meet changing regulatory requirements. The benefits of front-end bill processing pre-integrated with bill review are realized with an automated bill and data intake solution.

**Physical and electronic technology accurately extracts data** and securely delivers it to our medical bill review platform, giving PMAMC actionable insights into bill status and workflows. Our clinical bill review offering combines research, data analysis and medical expertise to **uncover hidden savings** through retrospective line-item audits of complex or specialty medical bills and their related medical records. During the bill audit process, **we scrutinize for potential billing errors**, charges not supported by documentation, charges not related to the workers compensation injury, charges that should not be unbundled, validation of the diagnosis-related group, implant verification/proof of service, correct use of CPT, diagnosis, procedure, HCPCS codes and modifiers, and unlisted or bill review code verification and/or re-pricing.

Our negotiators will identify bills based on customized thresholds or those with limited fee schedule savings that aren't eligible for PPO repricing. We leverage **a highly reliable and defensible database** as the basis for negotiating a fair cost to both parties. This consistent, systematic approach concludes with obtaining a signed agreement from the provider prior to payment.

- **Complex Bill Review.** PMAMC's Complex Bill Review (CBR) team includes coding specialists and Registered Nurses. These experts perform review of medical documentation to ensure appropriate billing based on clinical reports. Our CBR coding specialists review bills for compliance with complex state-mandated rules and regulations beyond fee schedule and UCR guidelines.
- **PPO Networks.** PMA offers access to a hierarchy of **strategically aligned provider networks** designed to make available the highest quality providers while achieving **industry-leading savings** for the client. This includes a series of specialty networks with focused expertise in multiple ancillary services, including physical medicine, DME, diagnostics, Home Health and Dental.
- **Out-of-Network Program (OON).** Our OON services provide savings below traditional state fee schedule or usual and customary charges for medical services provided outside of PMA's preferred provider network



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## PMAcare+ Signature Program

The PMAcare+ Signature Program is a best-in-class approach to Field Case Management (FCM). Powered by a secure, state-of-the-art case management system and a **national network of 2,000 Field Case Managers**, including nearly 250 who are bilingual, the program is designed to improve injured workers' experiences, increase the efficiency of their care, and expedite their safe and productive return to the workplace.

### Improved Security, Care & Outcomes

The PMAcare+ Signature Program combines positive outcomes and **effective cost control and cybersecurity** designed to ensure key user benefits:

- Quality control for case management performance and outcomes
- Multi-level data security protocols protect our customers and their injured workers' data
- Robust single-system data management for complete and consistent program analysis
- Reduced overspending via preferred primary and ancillary service providers with negotiated pricing

THE AVERAGE DAYS  
A CASE IS OPENED DECREASED BY

**23%**

THE AVERAGE INVOICED AMOUNT  
DECREASED BY

**18%**

THE AVERAGE RETURN TO WORK  
INCREASED BY

**11%**

*\*Typical results after two years of Signature usage*

*\*Your experience with PMAcare+ Signature Program may differ.*

### Safeguarding What Matters

All PMAcare+ Signature Program case management work is performed within a single secure and dedicated system. Field Case Manager notes go **directly into the PMA claim system** via secured electronic transmission, which means your injured workers' information is protected throughout the case management process. This approach mitigates risk for all parties and provides a comprehensive view of your case management program.

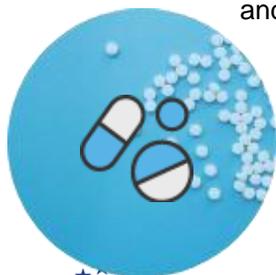
### Strong, Flexible Model to Optimize Results

Our customers may continue working with their preferred FCM providers and still reap the benefits of the PMAcare+ Signature Program. **We can work with customer-nominated providers** to contractually add them to the network to leverage the Signature platform's secure environment. Incorporating these providers into our network gives injured workers the care and protections afforded by the Signature Program.

## Pharmacy Benefit Management (PBM) Services

PMAMC offers robust pharmacy benefit management services. Our program delivers **utilization controls, targeted interventions, and care management solutions** to address drug utilization, prescriber activity, and medication mix. Our PBM program offers full adjudication of physician dispensed and third-party invoices for pharmaceutical products. Additionally, the program includes retail pharmacy with all major national chains, mail order pharmacy, clinical management and formularies, as well as on-line resources for reporting and education.

PMAMC provides a claim eligibility feed to our PBM through an electronic interface that is used to manage script alerts and administer the specifics of each pharmacy program.



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Our PBM principles include a focus on providing value pricing to clients, encouraging the use of high-quality and less expensive generic drugs, maintaining excellent pharmacy relationships to provide a robust pharmacy network and offering a skilled team of professionals to manage and achieve our program goals. PMAMC has significant resources to help control pharmacy costs and to meet the needs of injured workers.

Some of the features of the PMAMC Pharmacy Benefit Management program include:

- Average 30% *contract* savings off billed charges, **average 54% savings, including cost avoidance savings**
- **Over 70,000+ pharmacy-chains and independents.** Including all major retail chains (CVS, Walgreens, Target, Wal-Mart, Albertsons & Rite Aid)
- **First-Fill capabilities** even if claim has not been reported to PMAMC at no cost to your employees
- **In-house medical and clinical expertise** to guide claim representatives and nurse case managers
- **Script Alert- identifies potentially inappropriate patterns** of medication use and evaluates the need for interventions



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# Additional Services for Your Consideration

## Point of Injury Clinical Triage Program - PMA Care24

This optional **24/7/365 telephonic first notice of loss and clinical assessment** by a Registered Nurse (RN) of an employee's condition occurs immediately at the point of injury. The RN serves as a **patient advocate** in determining the most appropriate level of care and triaging the new loss. The RN provides treatment recommendations and/or refers the injured employee to a provider within the PMA Preferred Network. This interaction becomes the sole point of claim reporting to PMAMC and helps mitigate costs and utilization.

Customers that elect to participate in this offering are provided with a **unique 1-800 number** that they can offer to their employees for claim reporting purposes. At the time of injury, employee or their supervisor (based on the client's internal set-up) utilizes this number to call-in a claim. They will reach a telephonic nurse who will complete a triage of the injury and medical history and provide an assessment of future medical needs for the injured employee. Our PMA Care24™ product is specific to PMAMC and provides a number of great benefits to our clients, including **early access to clinical care, impact on OSHA recordables** by avoiding unnecessary treatment, **reduction in Emergency Room spend**, access to after-hour care when panel providers are not available, **reduction in lag times for reporting claims**, and improved network and panel penetration.

### Access to Tele-Health

**Telemedicine** connects injured workers with specially trained physicians and physical therapists for medical diagnosis and treatment online, including prescribing medications when necessary. Injured workers can have one-on-one video consultations right from the comforts of home via their smartphones, tablets, or computers.

#### Telerehabilitation

- Injured workers can avoid delays in getting the physical therapy (PT) they need with quality care through telerehabilitation
- Telerehabilitation offers one-on-one PT sessions with certified physical therapists via a smartphone, tablet, or computer
- 30- or 45-minute sessions are available 7 days a week in all 50 states



### Telephonic, Field & Catastrophic Nurse Case Management Services

PMAMC's service team includes telephonic nurse case manager resources. Additionally, PMAMC employs a team of specialized and dedicated nurses that are responsible for evaluation and action plan development on all lost time cases identified through the PMA model. The PMAMC program contains a team of highly skilled Registered Nurses with strong expertise in managing occupational injuries. Our Nurse Case Managers work in an integrated fashion with our claims professionals, treating providers and injured workers to facilitate an appropriate treatment plan to achieve timely, safe return-to-health. PMAMC offers telephonic and field case management services that are geared toward employee advocacy and education. PMAMC offers our clients access to a national network of multi-lingual nurses available to travel and assist employees in their care plans.



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### Utilization Review



PMAMC uses evidence-based and jurisdictionally compliant medical guidelines to evaluate the **reasonableness and necessity of injured employee care**. Treatment is reviewed prospectively, concurrently, or retroactively by a Registered Nurse via a **URAC certified process**. Utilization Review determinations serve to impact treatment decisions and the strategy based on jurisdictional guidelines.

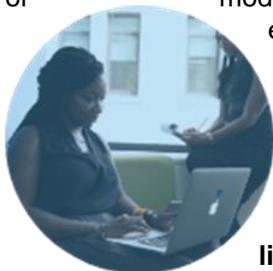
### Medical Peer Review

PMAMC engages a board-certified provider, in the same specialty as the injured employee's treatment physician, to review the treatment file and **render an expert opinion of medical treatment** for reasonableness and necessity. The Peer Review physicians are also engaged to provide an expert opinion in cases that warrant further review as a part of the Utilization Review process or through other jurisdictional requirements.



### PMAMC Recover-At-Work Solution®

PMAMC offers Recover -At- Work solution for our customers looking to improve their outcomes in this area. PMAMC utilizes internal Recover-At-Work specialists (RAWS) **trained in vocational rehabilitation with certifications in rehabilitation specialty and occupational health**. These resources are utilized to assist our customers with analysis and development of a comprehensive job demand bank, creation of



modified duty positions within unique departments understanding complexities of each employer's business. Our RAWS are uniquely positioned to provide our customers with solutions and recommendations around development and **implementation of the return to work programs at departmental or organizational levels**. Additionally, RAWS are often utilized to provide **transferrable skill analysis, resume reviews and assist with cross-departmental job placements within employer's organization**. Unlike a formal vocational rehabilitation specialist assigned by the state, through defense counsel or due to litigation, the RAWS is focused on offering injured employees support and confidence necessary for the return to work in temporary or permanent capacity.

### PMAMC Medicare Solutions

PMAMC offers dedicated centralized resources for oversight and management of all Medicare and Medicaid products and services. Our PMAMC Medicare Solutions division provides our customers with access to **best-in-class services for all of their Medicare and Medicaid needs**, including Medicare Set-Asides, Social Security checks, conditional liens and other related services. We provide **extensive quality oversight** to these services and conduct regular audits and quality assurance initiatives to ensure compliance with PMAMC Service Level standards and expectations.

Claims professional will evaluate each claim on its specific merit and provide recommendations related to the need for Medicare Set-Aside, conditional lien searches, structured settlement considerations. Recommendations are made in collaboration with case managers, defense counsel and other parties.



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# Risk Control Services

Drawing on **100+ years of safety, risk management and commercial insurance experience**, our risk control team has provided cost effective safety and risk management services to organizations throughout the United States. With more than **60 risk control consultants on staff**, our risk control services are designed to prevent claims, support effective safety and risk management practices and lower the cost of risk for our clients.

Outlined are core skills of the PMAMC’s risk control team and how we believe the City of Ocala will benefit from an expanded engagement with our risk control team, **if you so choose**. *Please note that these services are only applicable for clients who purchase the program.*

## Data Analytics

Organizations that leverage data analytics will better understand their business, their industry, their strengths and their opportunities for improvement. **PMAMC will bring clarity to complex data, analyzing loss trends** to pinpoint areas needing improvement and ultimately reduce the frequency and severity of your losses and costs. We provide analytic solutions, including **stewardship reporting, loss trending analysis, industry comparison**, and goal establishment. PMAMC can provide a “Performance Indicator Report” for the City of Ocala program where we normalize and rank client performance. (see below).



## Risk Assessment

PMAMC risk control can support the City of Ocala underwriting process by assessing exposures presented by employees. We have experience working closely with underwriters to identify risk characteristics which drive performance and selection.

## Safety & Risk Management Training

PMAMC’s risk control team is also available to develop and present customized safety and risk management training events to address the specific needs of the City of Ocala and its employees via remote training platforms or in live on-site training (post COVID).

## Risk Improvement Support

Every organization can improve their safety and risk management performance. Using data analytics, we work with organizations to understand historical loss trends and develop plans to prevent claims and reduce claim costs.

## OSHA & Regulatory Compliance Support

To help our clients manage their OSHA compliance and other regulatory safety standards we offer a **broad range of safety training and safety program assistance designed to ensure compliance and keep employees safe**. We routinely provide training and program development around OSHA lockout / tagout, fall protection, hazard communication, ergonomics, blood borne pathogens, personal protective equipment, emergency planning and workplace violence to name a few. To support these efforts, many of our consultants are authorized **OSHA 10 and 30-hour outreach trainers**. In addition to OSHA compliance, we also offer many programs designed to manage the liability exposures associated with facility conditions, motor vehicle operations and employment practices.



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**OSHA REPORTING & SPECIALIST SERVICES**

PMAMC offers our clients access to our proprietary **OSHA tool through PMA Cinch**, our online risk management information system. This tool offers users the ability to quickly and efficiently track the recordability of OSHA cases, and easily complete and generate OSHA 300 and 300A logs in compliance with OSHA regulations.

This option incorporates trained OSHA Recordkeeping Specialists who can help alleviate the organizational burdens of OSHA tracking and recordability. **These specialists can help with recordability, tracking, and OSHA log generation.** All services are performed in accordance with the OSHA requirements and special handling guidelines for our clients, including:

- Assistance with customized reporting
- Reporting by state, region, or specific location
- Flexible report generation frequency to support our clients’ unique OSHA compliance needs

**PMAMC’s RMIS System**

**PMAMC Cinch®**

PMAMC provides clients with **PMA Cinch®**, a Risk Management Information System with easy access to live claim information, status updates, and the ability to run reports and dashboards. The robust capabilities and flexibility of Cinch® allow your end users to pinpoint the information that can significantly impact your bottom line. **By analyzing trends** and taking quick corrective action, you can **enhance your operating performance, lower costs, and improve your financial results.** On a day-to-day basis, Cinch® will give you **timely and convenient access** to information about claims. The tool features an “Executive Dashboard” for a high-level view of activity. It also enables users to drill down, analyze, and develop reports and graphs about a wide range of information, including:

- **Executive Summary Tool**
- Utilize an **interactive tool** to organize and view both aggregate and individual claims information.
- View **claims information per your parameters**—location, type, status, and accident date range.
- Data appears in **easy-to-view graphs, charts, and tables**, allowing you to grasp information quickly.
- Display **elements are based upon detailed data** in your existing loss reports.
- **Ease of Use**

The Dashboard is highly intuitive and requires minimal training, but **we are happy to deliver training to any client** as needed.

We have continuously enhanced PMAMC Cinch® based on feedback from **client focus groups**. We listened to our clients and gave them the reports and tools they need to make decisions about their risk management programs.

*We also provide Stewardship Reports, Benchmarking and customer reporting capabilities which outline trends that have an impact on your organization’s total cost of risk. Stewardship Reports provide benchmarking, pending analysis, risk profiles, and risk management*

**Real-time access to adjuster notes, supervisory notes, field case management notes, diary items, payment records, medical and expense bills**



**Contains all historical converted claim information at enterprise claim levels**



**Successful Conversions from 50+ TPA systems, including your current TPA**



**Full or restricted access for client**



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Workers' Compensation, Auto, Property, and General Liability

# Business Metrics and Analytics

PMAMC offers Business Metrics and Analytics services that assist with interpreting your historical business data using analytical methodologies, statistical and predictive models to **transform your data into business insights** that can be leveraged to make business decisions, **improve productivity and reduce expenses**. These solutions help our clients **develop trend analysis** and provide them with recommendations for actionable items that can help improve their outcomes. Below are some of the examples of the available dashboards. However, the **functionality is vast and expansive** and would be **best displayed via a live demonstration** of the PMAMC RMIS Cinch® system. Additional reports capturing any data required could be provided upon request.



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# Stewardship, Benchmarking and Client Reporting

## Stewardship Reporting

In addition, we provide a detailed stewardship report on an annual basis to review the overall results of your program against your risk management goals. This report provides an **extensive financial analysis**, a detailed analysis of loss information, including PMAcare+ and litigation management impact, and a comprehensive review of risk-management data. This report is used both to demonstrate the results that have been obtained and to identify loss trends, enabling you to determine exactly where to focus your ongoing risk management efforts.



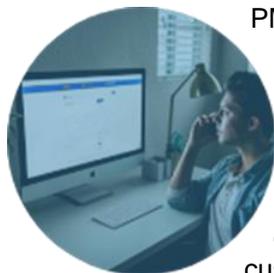
It is PMAMC's philosophy that **every client should be a success story**. We utilize our stewardships to highlight success stories that we achieve in partnership with our clients while also using our analytical capabilities to highlight further areas of opportunity that could be impacted. We strive to support our client in the **quest of continuous improvement** and to utilize our expertise in risk management and claims handling to develop joint ideas and solutions to impact the total cost of risk for our customers while continuing to care for their injured workers, customers and claimants.

## Benchmarking

PMAMC offers Business Metrics and Analytics services that assist with interpreting your historical business data using iterative methodologies, statistical and predictive models to **transform your data into business insights** that can be leveraged to make business decisions, improve productivity and reduce expenses. These solutions help our clients develop trend analysis and provide them with recommendations for actionable items that can help improve their outcomes. PMAMC post-loss services include **peer, industry and jurisdictional benchmarking**. PMAMC offers **sophisticated business analytics model** that includes extensive data aggregation via our state-of-the-art claims system, data mining by our team of highly specialized business analysts, **predictive analytics focused on directing the right claim to the right resource at the right time**, and a suite of data visualization tools.



## Client Reporting



PMAMC Business Metrics and Analytics assists our customers with solving for recommendations related to their unique business needs. We utilize your data to provide information and recommend actions that could help improve outcomes, reduce total cost of risk and enhance your program.

Our reporting capabilities are expansive and can support all of our customers' needs, including **scheduled and ad-hoc reporting related to deductibles, open excess recoveries**, numerous variations of customized loss runs, customized data fields, and any other analytics required by our clients.



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# PMAMC's Transition Plan

PMAMC has successfully transitioned numerous accounts from other TPA's. Over the years, we have developed detailed plans for the smooth transition of new accounts that will provide for uninterrupted benefits to your employees. Here are the key action steps and timeframes for your reference.

### Transition Overview

Upon award of the City of Ocala contract, PMAMC will schedule a comprehensive service orientation meeting to discuss the specific claim and servicing guidelines that will work the best for you. We will work with you to ensure that specific personnel and/or departments will be informed of the key facets of the transition. PMAMC will also be engaging our entire service team to begin the implementation of claim file transfer, data conversion, funding mechanisms, PMA CINCH® installation, and other initiatives. Over the years, we have developed custom detailed plans for the smooth transition of new accounts that will eliminate any interruptions in the claims process.



**7 Day Transition Plan**

- Perform claims orientation meeting with the Client and PMAMC Service Team
- Establish Special Handling Instructions
- Collect copies of open run-off claim files from the Incumbent TPA to begin the imaging process
- Begin Data Conversion Process
- Set-up access to PMA CINCH® (RMIS)
- Establish banking arrangement for claims funding
- Establish location structure and required coding





**15-30 Day Transition Plan**

- Convert available images into PMAMC system
- Notify medical providers and vendors of changes in TPA
- Connect with key vendor partners for PMAMC Orientation
- Set-up and training on PMA CINCH®
- Claims evaluation of takeover files
- Reserving, payment, diary set-up
- Completion of data conversion
- Customized reporting development

	Pre-Transition	At Transition	Post Transition
Implementation Planning Meeting	✓	✓	✓
Outreach to Parties Involved in Claims	✓	✓	✓
Process Integration, Special Handling Instructions, Program Customization	✓	✓	
Customize Banking, Feeds, Reporting Requirements	✓	✓	
Conversion and Data Load		✓	✓
Reserving, Payments, File Summaries		✓	✓



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## Exhibit B - Proposal - PMA Management Corp

# Pricing Proposal

PMA offers a complete and comprehensive claims management and risk services program.

## Claims Handling Activities:

- Investigation
- Three-Point Contact
- Action Planning
- Claims Processing
- Compensability Decisions
- SIF Investigation
- Excess Reporting & Recovery
- Fraud Prevention / SIU Capabilities
- Account Management
- Quality Assurance Program Oversight
- Structured Settlements
- Pre-Settlement Advisories
- EDI with State as Required
- 1099 Reports
- Settlement Authority
- Resolution Negotiation
- Litigation Management
- Check Issuance
- Payment Registers
- Claim Review Meetings
- Stewardship Meeting
- Self-Insurance Re-Application Assistance
- First Report of Injury Filed with State Agency
- Customized Claim Handling Instructions
- Reserve Advisories
- Patriot Act Compliance
- Office of Federal Asset Control Compliance
- Claim Acknowledgements
- Direct Deposit of Indemnity Payments

## PMAcare+ Managed Care:

- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Early Intervention Nurse Assessment on Lost Time Claims
- PPO & Specialty Network Access
- PPO Radius Listing & Mapping to Locations
- Pharmaceutical Benefit Management
- Case Management

## Safety/Loss Prevention Services:

- Webservice Access
- PMA Technical Bulletins
- PMA Monthly Web Events Training
- 300+ Safety Videos/DVD Library
- WC/Liability Performance Indicator Report
- Risk Management Assessment
- PMA Insights White Papers
- PMA Engineering & Safety Services

## RMIS Services:

- Executive "Dashboard"
- Internet Claim reporting via Cinch
- Claim Number Notification
- Real Time Access to Claim Log Notes
- Client Diary System
- Loss Analysis Reports
- PMAcare+ Savings Reports
- Reserve Analysis Reports
- Email Claims Professional Capabilities
- "Schedule My Reports" Feature

## Loss Adjustment Expenses:

- Independent Medical Exams
- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Case Management Expenses
- Utilization Review Expenses
- SIF / SITF Recovery
- PPO Network Access Fees
- Private Investigators
- Medicare Section 111 Reporting Fee
- Central Index Bureau /National Insurance Crime Bureau
- Legal Fees / Attorney Fees
- Records Reproduction Fees
- Medicare/Medicaid Conditional Payment Review

Client is responsible for the payment of all Loss Adjustment Expenses including, but not limited to, the above.



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**Pricing Option – Flat Fee – LOC**

PMA Management Corp. will provide comprehensive LOC Third Party Administration Services for all new claims as represented in your proposal for the period April 1, 2023, to April 1, 2028, as follows:

Contract Type		Year 1	Year 2	Year 3
LOC – Flat Fee		\$267,413	\$267,413	\$267,413
<b>Bundled Services</b>				
Claims Handling		Included	Included	Included
Annual Admin Fee		Included	Included	Included
CINCH (\$500 per add'l user)	3 Users	Included	Included	Included
<b>Unbundled Services</b>				
Cost Containment	(% of Savings)	19%	19%	19%
<b>Optional Unbundled Services</b>				
Risk Control	Per Hour	\$135	\$135	\$135
Subrogation Specialist	% of Recovery	17%	17%	17%

*\*This pricing is for a 3-year contract with two optional extension year(s). Each extension year is subject to a 5% rate increase.*

*\*This quote is valid for 90 days from the day of presentment. If the quote is accepted after 90 days, we reserve the right to re-price the account.*

*\*For Flat Fee Pricing agreements, if during the term of the contract, any individual occurrence results in more than ten claimants, as determined by PMAMC, then the following additional claims handling fees above and beyond the Annual Flat Fee shall apply: beginning with the 11th claim and for every claim thereafter, \$850 will be charge for each Lost Time Claim; \$125 for each Medical Only Claim; and \$40 for each Record Only Claim.*

*For Flat Fee Pricing agreements, if during the term of the contract, any individual occurrence results in more than ten loss lines, as determined by PMAMC, then the following additional claims handling fees above and beyond the Annual Flat Fee shall apply: beginning with the 11th loss line and thereafter, \$650 per AL/GL Bodily Injury Loss Line; \$395 per AL/GL Property Damage Loss Line; \$325 per Auto Physical Damage Loss Line, \$595 per First Party Property Loss Line; and \$995 per Professional Liability Loss Line.*

*Pricing includes one dedicated PMA liability adjuster, as well as a quarter of a part time adjuster.*



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28 TPA & Risk Services for Workers' Compensation, Auto, Property, and General Liability

Exhibit B - Proposal - PMA Management Corp

**Exhibit A – Other Services Fee Schedule**

All fees are billed as incurred unless specifically agreed otherwise.

<u>Service Type</u>	<u>Amount</u>
<b>Managed Care:</b>	
Bill review and repricing	\$ 0 per bill, plus 19% of savings
Utilization review	\$125 per review
Clinical case management services	\$103.00 per hour
Medical consultant review	\$255 per review
PMA Care 24	\$103.00 per call
Point of Sale Pharmacy Program	\$75.00 per review
Medical Director	\$250 per hour
<b>Medicare Solutions:</b>	
Section 111 Reporting	\$9.00 per claim queried
Medicare Set-Aside Allocation	\$2,200 each
CMS Submissions	\$630 each
Medicare Conditional Payment Research	\$130 each
Medicare Conditional Payment Appeal or Dispute	\$260 each
Medicare Conditional Payment Research Final Demand	\$55 each
Medical Cost Projections	\$1900 each
Evidenced Based MSA	\$2,200 each
Life Care Plan	\$185 per hour
Legal Nurse Review	\$1,900 per review
Update (of prior MSA report)	\$785 per report
Resolution Services	\$130 per hour
Medicare/Social Security Verification	\$205 each
Medicaid Conditional Payment Research	\$260 each
Medicare Advantage Plan Conditional Payment Negotiation	\$525 each
Provider Relations Specialist	\$110 per hour
<b>Information Systems:</b>	
RMS fee	Included for up to 3 users \$500 per year each addt'l user
Standard Data Conversion	N/A
Customized Reporting/Programming	\$155.00 per hour
Standard Data Feed Set-Up	\$2,500 per year
Standard Data Feed	\$200 per month



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29 TPA & Risk Services for Workers' Compensation, Auto, Property, and General Liability

**Exhibit B - Proposal - PMA Management Corp**

<b>Risk Control:</b>	
General	\$135 per hour
Industrial hygiene services	\$180 per hour
Special Projects	To be determined
<b>Claim Adjustment:</b>	
Vocational Rehabilitation	\$103.00 per hour
Claim Indexing	\$7.90 - \$13.10 per query depending upon search method and services
Legal Bill Analyzer	3% of gross billed charges
<b>Other:</b>	
Administrative	Included
Non-standard claim intake	\$18 per claim
Subrogation Specialist Services	17% of gross recovery
Excess & Second Injury Fund Recovery Services	2% of gross recovery
Recover to At Work	\$110.00 per hour
Standard Data Extract (upon termination)	\$5,000
OSHA reporting preparation services	\$18 per incident \$1,500 annual minimum
OSHA special projects	To be determined
Each Claim Review in excess of two per year	\$1,500 per review, per day plus PMA expenses
Onsite claim review	Travel incurred by PMA personnel is reimbursed in full by the client



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# PMAMC Funding Options

PMAMC offers ACH direct deposit and expedited payments at no additional cost to the City of Ocala. PMAMC claims loss funding options are outlined below.

## Traditional Escrow



With this option, the client will provide PMA with an escrow of three months of estimated paid losses and loss adjustment expenses. PMA will pay for the claims throughout the month with this account. At the end of the month, PMA will bill the client for losses and loss adjustment expenses paid along with the appropriate claims handling fees (if applicable). The client will also receive detailed loss reports showing all claims activity for the month and a cumulative claims summary report by policy/contract.

## Direct Funding

With this option, the client will receive a daily, weekly, or monthly electronic communication from Wells Fargo Bank with the total claim checks issued that day, week, or month. On the next business day, Wells Fargo will initiate an ACH transfer to deduct the previous days' (weeks'/months') claims from the client's bank account. Payment is deposited directly into a sub-account, which is unique to the client. At month-end, the client will receive an AMPS billing statement for the loss-handling fees. The client will also receive detailed claims reports showing all activity for the month and a cumulative claims summary report by policy/contract. Reimbursement by check or client-initiated wire transfer/ACH transfer is required for payment of all fees.



## PMAMC eBilling Solution



eBilling\* is available to PMAMC clients for loss funding and service fees bills. With eBilling you can easily access and view your bills electronically through our secure internet site instead of receiving paper copies through the mail



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# THANK YOU

**We WOULD BE HONORED TO CONTINUE  
AS YOUR TPA AND RISK SERVICES PARTNER**

**PMA MANAGEMENT CORP.**