AGREEMENT
between
THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
and
GALLAGHER BASSETT SERVICES, INC.
for
WORKERS' COMPENSATION AND THIRD PARTY LIABILITY CLAIMS ADMINISTRATION SERVICES

THIS AGREEMENT, made and entered into by and between: THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, a political subdivision of the State of Florida, whose principal place of business is 1450 NE 2 Avenue, Miami, Florida 33132 (hereinafter, "M-DCPS") and Gallagher Bassett Services, Inc., a Delaware corporation authorized to conduct business in Florida, whose principal address is Two Pierce Place, Itasca, Illinois 60134 (hereinafter, "TPA").

WHEREAS, M-DCPS issued a Request for Proposals and addenda, identified as RFP 065-PP1O (hereinafter collectively, "RFP"), which is incorporated by reference herein, for the purpose of receiving proposals for Third Party Administration (TPA) Services for the Self Funded Workers' Compensation And Liability Program; and

WHEREAS, TPA offered a proposal in response to RFP 065-PP10 (hereinafter "Proposal"), which is incorporated by reference herein; and

WHEREAS, subsequent to receipt of Proposal by M-DCPS, M-DCPS and TPA entered into negotiations, which were memorialized by correspondence or other documents (hereinafter collectively "Negotiations"), which are incorporated by reference herein; and

WHEREAS, TPA desires to provide and M-DCPS desires to receive Third Party Administration (TPA) Services for the Self Funded Workers' Compensation and Liability Program as described under the terms and conditions of this Agreement.

NOW, THEREFORE, IN CONSIDERATION of mutual covenants and conditions set forth herein, the parties agree as follows:

ARTICLE 1 - RECITALS

1.1 **Recitals.** The parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

ARTICLE 2 - TERM OF AGREEMENT

2.1 **Term of Agreement.** This Agreement is effective as of 12:01 a.m., July 1, 2015 and will continue until 12:01 a.m., July 1, 2018. The term of the AGREEMENT may, by mutual agreement by M-DCPS and TPA, be extended for up to two additional one-year periods.

ARTICLE 3 - COMPENSATION OF TPA

July 1, 2015 - July 1, 2016	$5,275,000 *
July 1, 2016 - July 1, 2017	$5,275,000 *
July 1, 2017 - July 1, 2018	$5,275,000 *

* Performance Review results can decrease compensation by up to 1%.

Additional annual terms will be subject to negotiations.

Additional fees can be charged by TPA for allocated expenses as defined in Attachment E.

ARTICLE 4 - GENERAL CONDITIONS

4.1 **Claims and Organizations Included.** In addition to the M-DCPS, and as agreed to by the parties, services are to be provided for any affiliated or subsidiary board, authority, committee, independent agency or other organization (including newly constituted) provided that such affiliated or subsidiary board, authority, committee, independent agency or other organization is either a body politic created by the M-DCPS or one in which controlling interest or membership therein is vested in the M-DCPS.

4.2 **No Other TPA Compensation For Services Related to Agreement**.

4.2.1 TPA agrees that, except to the extent, if any, specifically authorized under this Agreement, neither TPA, nor any parent, subsidiary, or affiliate of TPA, shall accept any rebates, overrides, administrative fees, or any other compensation of any nature from anyone, including from any subcontractors used by TPA to provide such services, other than the compensation received by TPA from M-DCPS related to the services provided by, or on behalf of, TPA under this Agreement.

4.2.2 In the event TPA, or any parent, subsidiary, or affiliate of TPA, does receive any such compensation related to the services provided by, or on behalf of, TPA under this Agreement from anyone other than M-DCPS, TPA shall promptly disclose the receipt of any such compensation to M-DCPS and shall refund any such amounts received to M-DCPS within thirty (30) days of the receipt by TPA.

4.2.3 In the event TPA, or any parent, subsidiary, or affiliate of TPA, is entitled to any such compensation related to the services provided by, or on behalf of, TPA under this Agreement from anyone other than M-DCPS, TPA shall promptly disclose the entitlement to any such compensation to M-DCPS and shall promptly assign the entitlement to any such compensation to M-DCPS.

4.3 **Notice of Change in Compensation.** TPA may not effect any increase of rates or other consideration applicable to this Agreement prior to the later of:

4.3.1 12:01 a.m., July 1, 2018; or

4.3.2 At least one hundred and twenty (120) days after receipt by M-DCPS of valid written notice from TPA, stating specifically the amount of change proposed. Mere notice that a change in rates or consideration is proposed, without stating clearly the exact amount, and the effect of the proposed change on the overall consideration of this contract, shall not constitute a valid notice. The written notice of any change in rates or other change in consideration shall be delivered by certified mail to:

Risk and Benefits Officer
Office of Risk & Benefits Management
Miami Dade County Public Schools
1501 NE Second Avenue, Suite 335
Miami, FL 33132

4.4 **Notice of Termination or Adverse Change.**

4.4.1 **Notice by TPA.** TPA shall give valid written notice to M-DCPS at least one hundred and twenty (120) days prior to cancellation, non-renewal, or restriction of TPA's obligations under this Agreement. The written notice of cancellation, non-renewal, or restriction of TPA's obligations under this Agreement shall be delivered by certified mail to:

Risk and Benefits Officer
Office of Risk & Benefits Management
Miami Dade County Public Schools
1501 NE Second Avenue, Suite 335
Miami, FL 33132

4.4.2 **Notice by M-DCPS.** This Agreement may be canceled at any time at the request of M-DCPS by written notice to TPA stating when thereafter cancellation is to be effective.

4.4.3 **Basis of Termination.** In the event of termination of this Agreement for whatever reason, the earned fees shall be computed on a pro rata basis without penalty and TPA shall refund to M-DCPS the excess of paid fees or other consideration that were received by TPA within thirty (30) days from the date of termination.

4.5 **Agreement – Document Priority.** In the event of a conflict among the terms of this Agreement, and the Proposal and the RFP, the order of priority in determining the intent of the parties shall be as follows:

(1) This Agreement
(2) Documentation regarding negotiations for this Agreement
(3) Proposal
(4) RFP

4.6 **Hold Harmless/Indemnification.**

4.6.1 TPA agrees to indemnify, hold harmless and defend M-DCPS, its members, officials, officers or employees from any and all claims, judgments, costs, and expenses including, but not limited to, reasonable attorney's fees, reasonable investigative and discovery costs, court costs and all other sums which M-DCPS, its members, officials, officers or employees may pay or become obligated to pay on account of any, all and every third party claim or demand, or assertion of liability, or any claim or action founded thereon, arising or alleged to have arisen out of the products, goods or services furnished by TPA, its agents, servants or employees; the equipment of TPA, its agents, servants or employees while such equipment is on premises owned or controlled by M-DCPS; or the negligence or other culpability of TPA or the negligence or other culpability of TPA's agents when acting within the scope of their employment, whether such claims, judgments, costs and expenses be for damages, damage to property including M-DCPS's property, and injury or death of any person whether employed by TPA, M-DCPS or otherwise. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.6.2 TPA agrees that TPA's obligation to hold harmless and defend an indemnitee with respect a claim, judgment, cost, or expense caused in whole or in part by TPA, its agents, servants or employees, shall not apply to the extent the claim, judgment, cost, or expense is due to or caused in part by the negligence or other culpability of the indemnitee.

4.6.3 Any remedy provided to an indemnitee by this Section shall be in addition to and not in lieu of any other remedy available to the indemnitee under this Agreement or otherwise.

4.6.4 TPA agrees, at its own expense, and upon written request by the M-DCPS, to defend any suit, action or demand brought against M-DCPS on any claim or demand arising out of, resulting from or incidental to TPA's performance under this Agreement. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.7 **TPA Insurance Requirements.** Prior to commencement of services under this Agreement, TPA shall obtain and maintain without interruption until completion of all services required under this Agreement, the insurance as outlined below. TPA agrees to furnish a fully completed certificate of insurance naming M-DCPS and its members, officers, employees, and agents as additional insured on the General Liability insurance, signed by an authorized representative of the insurer providing such insurance coverages. The insurance coverages and limits shall meet, at a minimum, the following requirements:

4.7.1 **Workers' Compensation/Employer's Liability Insurance.** Such insurance shall be no more restrictive than that provided by the Standard Workers' Compensation Policy, as filed for use in Florida by the National Board on Compensation Insurance, without restrictive endorsements. The minimum amount of coverage (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One:	"Statutory"	
Part Two:	$1,000,000	Each Accident
	$1,000,000	Disease - Policy Limit
	$1,000,000	Disease - Each Employee

4.7.2 **General Liability Insurance.** Such insurance shall be no more restrictive than that provided by the most recent version of standard Commercial General Liability Form (ISO Form CG 00 01) as filed for use in the State of Florida without any restrictive endorsements other than those required by ISO or the State of Florida those described below. The coverage may include restrictive endorsements which exclude coverage for liability arising out of:

- Mold, fungus, or bacteria
- Terrorism
- Sexual Molestation

The minimum limits (inclusive of amounts provided by an umbrella or excess policy) shall be:

$2,000,000	General Aggregate
$2,000,000	Products/Completed
$1,000,000	Operations Aggregate Personal and Advertising Injury
$1,000,000	Each Occurrence

M-DCPS and its members, officers, employees, and agents shall be included as an additional insured on a form no more restrictive than the most recent version of ISO Form CG 20 10 (Additional Insured - Owners, Lessees, or Contractors).

4.7.3 **Automobile Liability Insurance.** Such insurance shall be no more restrictive than that provided by Section II (Liability Coverage) of the most recent version of standard Business Auto Policy (ISO Form CA 00 01) without any restrictive endorsements, including coverage for liability contractually assumed, and shall cover all owned, non-owned, and hired autos used in connection with the performance of the Contract. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

$1,000,000	Each Occurrence - Bodily Injury and Property Damage Combined

4.7.4 **Professional Liability Insurance.** Such insurance shall be on a form acceptable to M-DCPS and shall cover TPA for those sources of liability arising out of the rendering or failure to render professional services in the performance of the services required in the Agreement including any hold harmless and/or indemnification agreement. Coverage must either be on an occurrence basis; or, if on a claims-made basis, the coverage must respond to all claims reported within three years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis. The minimum limits (inclusive of any amounts provided by an umbrella or excess

policy) shall be:

$3,000,000 Each Claim/Annual Aggregate

4.7.5 **Employee Dishonesty (Fidelity).** Such insurance shall be no more restrictive than that provided by the most recent version of standard Commercial Crime Coverage Form (ISO CR 00 21) without restrictive endorsements or on a form acceptable to M-DCPS and shall cover TPA and M-DCPS against loss caused by the dishonesty of employees of TPA in connection with the Agreement. Coverage will include Employee Theft, Forgery and Alteration, Computer Fraud, and Funds Transfer Fraud. The minimum limits shall be:

$10,000,000 Each Occurrence

4.7.6 **TPA's Insurance Primary and Non-Contributory.** The insurance provided by TPA shall apply on a primary basis to, and shall not require contribution from, any other insurance or self-insurance maintained by M-DCPS or its members, officers, employees, and agents. Any insurance, or self-insurance, maintained by M-DCPS shall be excess of, and shall not contribute with, the insurance provided by TPA.

4.7.7 **TPA's Insurance as Additional Remedy.** Compliance with these insurance requirements shall not limit the liability of TPA. Any remedy provided to M-DCPS by the insurance provided by TPA shall be in addition to and not in lieu of any other remedy (including, but not limited to, as an indemnitee of TPA) available to M-DCPS under this Agreement or otherwise.

4.7.8 **No Waiver by M-DCPS Approval/Disapproval.** Neither approval nor failure to disapprove insurance furnished by TPA shall relieve TPA from responsibility to provide insurance as required by this Agreement.

4.8 **Compliance With Laws, Rules, And Regulations.** TPA is responsible for full and complete compliance with all laws, rules, and regulations, including those of the Florida Department of Financial Services, which may be applicable to it. Failure or inability on the part of TPA to comply with such laws, rules, and regulations (including failure to obtain Department of Financial Services' approval) shall not relieve TPA from its obligation to perform completely in accordance with this Agreement.

4.9 **Acknowledgement of Adequate Disclosure by M-DCPS.** TPA acknowledges and agrees that due care and diligence was exercised in the preparation of the RFP, and all information contained therein was believed by M-DCPS to be substantially correct. TPA acknowledges, and accepted prior to making the Proposal, TPA's responsibility for determining the full extent of the exposures to risk and verification of all information in the RFP. Neither M-DCPS nor its representatives or consultants shall be responsible for any error or omission in the RFP, or for the failure on the part of TPA to determine the full extent of the exposures. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.10 **Default.** In the event of default, which may include, but is not limited to non-performance and/or poor performance of this Agreement, TPA shall lose eligibility to transact new business with M-DCPS for a period of 14 months from date of termination of this Agreement by M-DCPS. If TPA is determined to be ineligible, TPA may request a hearing pursuant to §120.569, Fla. Statute, and M-DCPS Board Policy 6320.

4.11 **Compliance with the Jessica Lunsford Act.** In accordance with the requirements of Sections 1012.465, and 1012.32 and 1012.467, Florida Statutes, M-DCPS Policy 8475 and 4121.01, as amended from time to time, TPA agrees that, if TPA receives remuneration for services, TPA and all of its employees who provide or may provide services under this Agreement will complete criminal history checks, and all background screening requirements, including level 2 screening requirements as outlined in the above-referenced statutes and M-DCPS rules prior to providing services to M-DCPS. Additionally, TPA agrees that each of its employees, representatives, agents. subcontractors or suppliers who are permitted access on school grounds when students are present, who have direct contact with students or who have access to or control of school funds must meet level 2 screening requirements as described in the above-referenced statutes and M-DCPS rules.

Pursuant to the 2009 amendments to the Jessica Lunsford Act enacted by the Florida Legislature, requirements for certain fingerprinting and criminal history checks shall be inapplicable to non-instructional contracted personnel who qualify for exemption from level 2 screening requirements as provided under §1012.468, Fla. Stat. (2009). In addition, the provisions of §1012.467, Fla. Stat. (2009) are incorporated herein by reference, and any provisions of this Agreement that may be inconsistent with, contrary to, or determined to be in conflict with §1012.467, will be superseded by said statute.

A non-instructional contractor who is exempt from the screening requirements set forth in §1012.465, §1012.468 or §1012.467, Florida Statutes, is subject to a search of his or her name or other identifying information against the registration information regarding sexual predators and sexual offenders maintained by the Department of Law Enforcement under §943.043 and the national sex offender public registry maintained by the United States Department of Justice. TPA will not be charged for this search. Further, upon obtaining clearance by M-DCPS, if M-DCPS deems necessary, M-DCPS will issue a photo identification badge which shall be worn by the individual at all times while on M-DCPS property when students are present.

TPA agrees to bear any and all costs associated with acquiring the required background screening, including any costs associated with fingerprinting and obtaining the required photo identification badge. TPA agrees to require all its affected employees to sign a statement, as a condition of employment with TPA in relation to performance under this Agreement, agreeing that the employee will abide by the heretofore described background screening requirements, and also agreeing that the employee will notify the TPA of any arrest(s) or conviction(s) of any offense enumerated in M-DCPS Policy 8475 and 4121.01 within 48 hours of its occurrence. TPA agrees to provide M-DCPS with a list of all of its employees who have completed background screening as required by the above-referenced statutes and who meet the statutory requirements contained therein. TPA agrees that it has an ongoing duty to maintain and update these lists as new employees are hired and in the event that any previously screened employee

fails to meet the statutory standards. TPA further agrees to notify M-DCPS immediately upon becoming aware that one of its employees who was previously certified as completing the background check and meeting the statutory standards is subsequently arrested or convicted of any disqualifying offense. Failure by TPA to notify M-DCPS of such arrest or conviction within 48 hours of being put on notice and within 5 business days of the occurrence of qualifying arrest or conviction, shall constitute grounds for immediate termination of this Agreement by M-DCPS.

The parties further agree that failure by TPA to perform any of the duties described in this section shall constitute a material breach of the Agreement entitling M-DCPS to terminate this Agreement immediately with no further responsibility to make payment or perform any other duties under this Agreement.

4.12 **Public Records.** Each party shall maintain its own respective records and documents associated with this Agreement in accordance with the records retention requirements applicable to public records. Each party shall be responsible for compliance with any public documents request served upon it pursuant to Section 119.07, Florida Statutes, and any resultant award of attorneys' fees attributable to the party's non-compliance with that law. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.13 **Access to Claim Files.** TPA shall provide M-DCPS real-time, electronic, internet-based access to all claim files, including all adjuster notes, supervisory notes, field case management notes, diary items, payment records, medical bills and expense bills. The TPA will provide M-DCPS with all needed access to internet based information system, RisxFacs except that if access is desired for other than M-DCPS employees or defense counsel, it will be granted based upon mutual agreement of TPA and M-DCPS.

4.14 **Ownership of Claim Files.** M-DCPS shall have all right, title, interest, and ownership to all loss statistics and claim files created as a result of the services provided, or to be provided, by TPA under this Agreement. Further, at the sole option of the M-DCPS, and upon ten (10) days written notice, TPA, at TPA's sole expense, shall return such files to the M-DCPS. At the termination of this Agreement, at the sole expense of TPA, TPA shall provide M-DCPS with computer tapes or other computer media containing all of the claim data. Such data shall be made available in a format generally importable into a commonly recognized database for claims administration services.

4.15 **Audit Rights**

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

4.15.2 **Audit of Records**

4.15.2.1 **Definition.** For the purposes of this Section 4.15.2, the term "Records," shall mean all documentary and electronic records of TPA

and TPA's subcontractors that are related to the services performed under this Agreement including, but not be limited to:

- Financial records (including accounting records, payroll records, timesheets, audited and unaudited financial statements)
- Contracts (including contracts with subcontractors and contracts between subcontractors and others)
- Contractor performance data
- Network and provider agreements
- Cost data

4.15.2.2 **Right to Audit.** At the sole option of M-DCPS, TPA shall agree, at no additional cost to M-DCPS, to allow Auditor to have access to Records of TPA and Records of TPA's subcontractors for the purposes of reviewing and auditing such Records. Any Records requested for audit or review must be related to the services provided under this Agreement. M-DCPS shall have the right to audit Records during the contract period and for five years following the termination of the Agreement.

4.15.2.3 **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 private 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 IPA chosen location in Miami-Dade 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's subcontractor shall only be made to the extent reasonable grounds exist for TPA or TPA's subcontractor to protect the information contained in such Records.

4.16 **TPA Is Independent Contractor.** The parties agree that TPA is engaged to perform services under this Agreement as an independent contractor, and not as an agent, of M-DCPS.

4.17 **Entire Agreement.** This Agreement incorporates and includes all prior negotiations, correspondence, conversations, agreements and understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in, or incorporated by reference in, this document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

4.18 **Amendments.** No modification, amendment, or alteration in the terms or conditions

contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by each party hereto.

4.19 **Waiver.** The parties agree that each requirement, duty and obligation set forth herein is substantial and important to the formation of this Agreement and, therefore, is a material term hereof. Any party's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

4.20 **Governing Law.** This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Any controversies or legal problems arising out of this Agreement and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the State courts of the Eleventh Judicial Circuit of Miami-Dade County, Florida. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.21 **No Waiver of Sovereign Immunity.** Nothing contained in this Agreement is intended to serve as a waiver of sovereign immunity by M-DCPS or any person to which sovereign immunity may be applicable. This section will survive the termination of this Agreement regardless of the cause giving rise to such termination.

4.22 **Non-Discrimination.** TPA shall not discriminate against any person in the performance of the duties, responsibilities and obligations under this Agreement because of race, age, religion, color, gender, national origin, marital status, disability or sexual orientation.

4.23 **Successors.** This Agreement shall be binding upon and shall inure to the benefit of all assigns, transferees and successors in interest of the parties.

4.24 **Assignment.** Neither this Agreement nor any interest herein may be assigned, transferred or encumbered by any party without the prior written consent of the other party.

4.25 **MMSEA.** TPA acknowledges and agrees that M-DCPS has an obligation to perform MIR as set forth in Section 111 of the MMSEA. MMSEA provides for mandatory reporting requirements for group health plan arrangements and for liability insurance (including self-insurance), no-fault insurance, and workers' compensation (see 42 U.S.C. 1395y(b)(7) & (8)). M-DCPS agrees to properly register (or, as appropriate, to cause its insurance carrier to properly register) with the CMS as the RRE and to provide to TPA all relevant information including the RRE Identification Number(s) assigned, and properly designated a MIR reporting agent acceptable to TPA. M-DCPS agrees that for each and every claim reported to TPA in which M-DCPS possesses the information, M-DCPS shall provide the following information as soon as required to comply with applicable law and avoid fines and penalties: claimant's first and last name, social security number, date of birth and gender. M- DCPS consents to the disclosure of any required information to TPA's designated third party for processing M-DCPS's MIR.

As used in the paragraph above, the following terms have these meanings:

CMS The Centers for Medicare and Medicaid Services under MMSEA.

MMSEA Medicare, Medicaid, and SCHIP (State Children's Health Insurance Program) Extension Act of 2007 (P.L. 110-173).

MIR Mandatory Insurer Reporting under MMSEA.

RRE A Responsible Reporting Entity under MMSEA.

4.26 **Banking.** TPA shall provide an on-line check data and banking communication system known as "APACS," which provides for automated payments and control. The account will be funded by M-DCPS and maintained with Citibank to administer a SIMMS cash management program. Such cash management program will deal directly with the funding program of M-DCPS banking facility. TPA will analyze the account from time to time and will submit advisory reports, including any deficiencies to the account. As a result of the advisories, the M-DCPS agrees to fund any increase within 30 days of notification.

In the event of cancellation or nonrenewal of this Agreement, M-DCPS agrees to fund Citibank in an amount sufficient to fund all of M-DCPS's outstanding obligations as they become due.

If, at any time, M-DCPS or its carrier fails to provide adequate funding, TPA may issue "stop payment" orders on outstanding payments. Any bank charges resulting from inadequate funding including, but not limited to, interest, stop payment charges and overdraft fees shall be the obligations of M-DCPS and shall be paid by M-DCPS upon demand by TPA.

If MDCPS on more than one occasion fails to provide adequate funding, TPA shall have the right to convert M-DCPS's program to either daily clearance or voucher upon 48 hours notice to M-DCPS. This right shall be without prejudice to other rights of TPA under this Agreement.

TPA shall provide reports semi-annually on the account balance on or about January 1 and July 1 of each year.

4.27 **Notice.** When any of the parties desire to give notice to the other, such notice must be in writing, sent by U S Mail, postage prepaid, addressed to the party for whom it is intended at the place last specified. The place for giving notice shall remain such until it is changed by written notice in compliance with the provisions of this paragraph. For the present, the parties designate the following as the respective places for giving notice:

As to M-DCPS

The School Board of Miami-Dade County, Florida
Attn: Alberto M. Carvalho, Superintendent
1450 N.E. Second Avenue, Suite 912
Miami, Florida 33132

With a copy to:

Risk and Benefits Officer
Office of Risk & Benefits Management
Miami Dade County Public Schools
1501 NE Second Avenue, Suite 335
Miami, FL 33132

And a copy to:

The School Board of Miami-Dade County, Florida
Attn: Walter J. Harvey, School Board Attorney
1450 N.E. Second Avenue, Suite 430
Miami, Florida 33132
As to TPA

Ms. Vilma Palma-Blackmon
Senior Vice President
Gallagher Bassett Services, Inc.
2901 SW 149th Ave., Suite 200
Miramar, FL 33027

And a copy to:

Legal Department
Gallagher Bassett Services, Inc.
Two Pierce Place
Itasca, IL 60143

ARTICLE 5 - SPECIAL CONDITIONS FOR WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES

5.1 **Mission Statement of the Workers' Compensation Program.** The services to be provided by TPA under this Agreement should be consistent with the following M-DCPS Mission Statement:

1 M-DCPS is committed to treating injured employees with understanding, caring and respect.

2 M-DCPS is committed to providing injured employees with high quality medical care through immediate access to the best medical professionals in the community. One of our primary goals is to continually improve the process of accessing injured employees to the highest quality local medical professionals.

3 M-DCPS's commitment to the local medical professional is to trust them to provide the best medical care to our injured employees and to pay their bills quickly and accurately.

4 M-DCPS is looking to the local medical professionals to share our commitment to

returning workers to active healthy lives as quickly as possible.

5 M-DCPS is developing measurements for success and will be asking the local medical professionals to work with M-DCPS to develop success measurements and to continually improve the process of accessing injured workers to the best medical care.

5.2 **Dedicated Miami-Dade Service Office.** TPA agrees to provide a dedicated services office for the handling of M-DCPS claims located in Miami-Dade County. Subject to mutual agreement of the parties, some dedicated staff may be located at other locations.

5.3 **Minimum Staffing Requirements.** TPA agrees to provide the following staffing dedicated to the handling of M-DCPS claims:

Branch Manager	1
Client Liaison	1
WC Supervisors	3
WC Claim Representatives	14
Claims Assistants	6
Office/Operations Manager	1
Administrative Assistant	1
Nurse Consultants	3
Network Developer/Claims Specialist	1

A non-dedicated Account Manager will also be provided.

It is acknowledged that some staff members may be employees of sub-contractors. All dedicated staff shall be approved by the Risk & Benefits Officer, or designee, and TPA agrees not to add, remove or reassign dedicated staff without the prior approval of M-DCPS.

5.4 **Compliance with Rules of Division of Workers' Compensation.** TPA shall be responsible for compliance with all rules and regulations promulgated by the various state agencies prescribing the practices and procedures of self-insurer service companies. TPA shall also be responsible for all required EDI DWC reporting. TPA shall reimburse M-DCPS 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 TPA.

5.5 **Scope of Services.** Except as otherwise provided in this Agreement, TPA shall, for the duration of this Agreement, provide all of the services described in Attachment A to this Agreement, Scope of Worker's Compensation Services.

5.6 **Obligations Not Terminated By Term of Agreement.** TPA shall provide service on all claims occurring during, or before, the term of this Agreement and until six (6) months after the termination of this Agreement (including renewals, extensions or replacements thereof), all legally required reports for the contract period rendered, and all required reports to appropriate agencies. The compensation of TPA paid for services during the term of this Agreement

includes the full compensation for such continuing obligations and, except as noted herein, no additional consideration shall be due for such obligations which extend beyond the term of this Agreement.

5.7 **Performance Reviews.** Except as otherwise provided in this Agreement, TPA and M-DCPS agree that periodic Performance Reviews will be conducted in accordance with the processes and guidelines described in Attachment B, Workers' Compensation Performance Reviews.

ARTICLE 6 - SPECIAL CONDITIONS FOR THIRD PARTY LIABILITY CLAIMS ADMINISTRATION SERVICES

6.1 **Dedicated Miami-Dade Service Office.** TPA agrees to provide a dedicated services office for the handling of M-DCPS claims located in Miami-Dade County. Subject to mutual agreement of the parties, some dedicated staff may be located at other locations.

6.2 **Minimum Staffing Requirements.** TPA agrees to provide the following staffing dedicated to the handling of M-DCPS claims:

Supervisor/Asst Branch Mgr.	1
Claims Representatives	5
Technical Assistant	1

It is acknowledged that some staff members may be employees of sub-contractors. All dedicated staff shall be approved by the Risk & Benefits Officer, or designee, and TPA agrees not to add, remove or reassign dedicated staff without the prior approval of M-DCPS.

6.3 **Scope of Services.** Except as otherwise provided in this Agreement, TPA shall, for the duration of this Agreement, provide all of the services described in Attachment C to this Agreement, Scope of Third Party Claims Services:

6.4 **Obligations Not Terminated By Term of Agreement.** TPA shall provide service on all claims occurring during, or before, the term of this Agreement and until six (6) months after the termination of this Agreement (including renewals, extensions or replacements thereof), all legally required reports for the contract period rendered, and all required reports to appropriate agencies. The compensation of TPA paid for services during the term of this Agreement includes the full compensation for such continuing obligations and, except as noted herein, no additional consideration shall be due for such obligations which extend beyond the term of this Agreement.

6.5 **Performance Reviews.** Except as otherwise provided in this Agreement, TPA and M-DCPS agree that periodic Performance Reviews will be conducted in accordance with the processes and guidelines described in Attachment D, Third Party Liability Performance Reviews.

{SIGNATURE PAGE FOLLOWS}

IN WITNESS WHEREOF, the parties have made and executed this Agreement on the respective dates under each signature. THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA by and through its Chair, and GALLAGHER BASSETT SERVICES, INC., by and through its duly authorized representative.

FOR THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

By: _____
Superintendant of Schools

On this 21 day of July, 2015.

ATTORNEY FOR SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____

On this 20 day of July, 2015.

RISK MANAGER OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

By: _____

On this 20 day of July, 2015.

FOR GALLAGHER BASSETT SERVICES, INC.

By: _____
President

Attest:

By: _____
Secretary

On this 10th day of July, 2015.

ATTACHMENT A
WORKERS' COMPENSATION CLAIMS ADMINISTRATION
SCOPE OF SERVICES

ADMINISTRATIVE SERVICES

TPA will provide the following administrative services:

1. In accordance with state mandated time frames, prepare (with M-DCPS's assistance) and file with the appropriate state agencies all applications, bonds, documentation, 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 M-DCPS's excess insurers. Report claims to M-DCPS's excess insurer(s) in accordance with the requirements of the excess insurer(s). Provide a copy of the reports to M-DCPS, including reports demonstrating when 50% of retention has been incurred for all years. Follow specific written investigation procedures for any case for which excess Workers' Compensation insurers require 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 electronic data interface (EDI) and data necessary for the promulgation of experience modifications.

5. Comply fully with all rules, regulations, guidelines or procedures established by M-DCPS and the State of Florida, including EDI.

6. Provide M-DCPS, annually, with the latest paylag report from the State of Florida.

7. Recognize that M-DCPS will be continuing a Workers' Compensation program which focuses on respecting the injured worker and the medical providers providing care. Proposers must be committed to work collaboratively with M-DCPS to effect program changes and enhancements as requested by M-DCPS. Proposers must be committed to work collaboratively with the third party liability claims administrator when appropriate.

8. Annually, provide M-DCPS with a Statement on Standards for Attestation Engagements No. 16 (SSAE) SOC 1 Type 2 report as required by the financial auditors.

9. Prepare and follow provisions specific to M-DCPS, for approval by M-DCPS, for ensuring that in the event of an emergency, e.g.; hurricane preparedness, including how proposers services will continue, how M-DCPS's employees will be paid indemnity in advance, and how they will be instructed on obtaining medical care.

10. Provide advance notice and coordinate in advance with M-DCPS any internal audits

associated with the Workers' Compensation program.

11. Assist M-DCPS with its Return to Work program, including identifying return to work opportunities and appropriate use of outside vendors.

CLAIMS SERVICES

TPA will provide the following claims services:

1. Establish reporting procedures which are compatible with the needs and organizational structure of M-DCPS.

2. Provide necessary forms and instructions for use. Such forms are to include appropriate First Reports of Injury with mailing address of primary recipients preprinted thereon.

3. Provide customer service lines with a 305 area code for employees, as well as a toll-free line for employees residing outside the 305 area code.

4. Develop specific service instructions with M-DCPS for the handling of M-DCPS's claims. Develop specific service instructions with M-DCPS for the handling of M-DCPS's catastrophic claims.

5. Conduct such investigation into the specifics of each individual report of employee injury as in the exercise of professional judgment would seem necessary. Enhanced efforts shall be taken to identify possible fraudulent claims including recorded statements from claimants and discussions with the claimant's supervisors.

6. Subject to the exercise of professional judgment, accept and settle or deny all reported claims for employee injuries on behalf of M-DCPS in accordance with the applicable Workers' Compensation Law or law of damages. When it appears the final value of any claim will exceed a discretionary limit of $15,000, M-DCPS shall be notified and the final decision for settlement shall rest with M-DCPS. Any settlement is to include preparation and actuation of all necessary stipulations, compromise, and release agreements. All claims will also be handled in accordance with School District Policy 6430, Illness or Injury In-Lime-of-Duty-Instruction and Non-instructional.

7. M-DCPS will select and employ outside professionals such as surveillance personnel, expert witnesses, and attorneys to assist in the investigation, adjustment, and defense of claims.

    (a) M-DCPS has selected specific vendors and pricing schedules for the following services: Legal services, Field Case Management, Translation services, Transportation services, Surveillance and Investigation services, Medicare Set-Aside services and Court Reporting services.

    (b) TPA will review all bills for such services for reasonableness and conformity to any pre-established rates or fees and will have the ability to adhere to any set pricing schedules.

(c) TPA will work collaboratively with these outside professionals, including data sharing, portals and other methods for sharing information.

8. Review all medical bills and bills for other services for which a claim is being made for reasonableness and conformity to rules, regulations, and legally imposed medical and surgical fee schedules.

9. Prepare and maintain files necessary for legal defense of claims and/or other litigation (such as actions for subrogation, contribution, or indemnity) or other proceedings.

10. Where appropriate or desirable, attend hearings, depositions, mediations, and other proceedings. The adjuster handling the claim file will provide an updated written file note within 48 hours after the hearing, deposition, mediation or other proceeding.

11. At the request of M-DCPS, provide a complete copy of all files involving litigation, potential or actual subrogation, or potential or actual recovery from special or second injury funds to the Risk and Benefits Officer or the designee thereof.

12. Aggressively pursue all possibilities of subrogation, excess insurance reimbursement, third party liens, contribution or indemnity and/or recovery from special or second injury funds on behalf of M-DCPS.

13. 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. Such 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 provided to M-DCPS within ten working days after the end of the period for which the report is being made.

14. Provide access to rehabilitative services for injured employees including consultation for retraining or reassignment of employees with limited physical performance arising from covered injuries.

15. The supervising adjuster shall meet with M-DCPS's Risk & Benefits Officer, or the designee thereof, to consult with and refer all questionable or contested cases and those with an estimated value in excess of $15,000.

16. Aid in communications/coordination with M-DCPS's safety and accident prevention program staff as necessary including providing claims data needed to target safety and prevention initiatives.

17. Conduct adequate, timely and complete 24 hour contact in the investigation of claims regardless of exposure (24 hours from first notice to WC management organization, not 24 hours from when adjuster received).

18. Document and establish reserves on a periodic basis for all claims. Use an external source to periodically review the adequacy of reserve setting.

19. Pay vendor bills (attorneys, surveillance, etc.) within 20 days.

20. Develop and follow appropriate written policies when (i) the injured employee requests a second opinion, (ii) medical evaluation is questioned, or (iii) grievance report is filed.

21. Assist, as appropriate, in the scheduling of independent medical examinations.

22. Monitor the purchase of items deemed to be medically necessary for the accommodation of an injured employee. Advise the Risk and Benefits Officer, or designee, of all purchases over $2,500, and obtain approval from the Risk and Benefits Officer, or designee for those items with a cost greater than $5,000.

23. Follow all provisions of Florida Statute in regard to medical benefit entitlement and administration.

FIRST NOTICE OF INJURY SERVICES

TPA will provide the following administrative services:

1. Provide 24 hour telephonic claim reporting and intake capabilities. Staff providing this service must be South Florida-based, or as otherwise agreed upon by the parties. Send First Notice of Injury to the State of Florida in a timely manner. TPA must accept responsibility for penalties for late notice to the State of Florida when caused by other than the delay of M-DCPS.

2. Receive and examine on behalf of M-DCPS all reports of employee injury claims. Refer injured workers to appropriate medical services, and as appropriate and based upon pre-established criteria agreed upon by M-DCPS provide immediate referral to specialty medical providers for injuries. Review each reported injury for indication that the injured worker has had a previous workers' compensation claim.

3. Coordinate data between first report of injury and claims administration system. Newly reported injuries must be in the claims system as a claim with 24 hours of report.

4. Work with District staff and the claims administrator to improve the school/site based process for the call in of first reports of injury.

CLAIMS INFORMATION SYSTEM SERVICES

1. TPA shall provide M-DCPS with the ability to access comprehensive on-line real-time electronic claim information data, including reporting capabilities, at no additional cost to M-DCPS.

2. TPA shall provide M-DCPS with regular monthly reports, as agreed upon by the parties, in such a format as is acceptable to M-DCPS. TPA will provide ad-hoc reports as agreed between the parties.

3. TPA shall provide access to information system to designees of M-DCPS, including consultants, defense counsel, and the M-DCPS Attorney's Office.

4. Periodically, TPA's information systems and M-DCPS's systems must transfer data. TPA must have sufficient IT staff to coordinate routine data transfers.

5. TPA agrees that M-DCPS 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 manner with internet based access available to M-DCPS.

NETWORK ACCESS & DEVELOPMENT SERVICES

TPA will provide the following network access and development services:

1. Provide M-DCPS access to a provider network that contains appropriate providers. M-DCPS is interested in working with TPA to assure that high quality providers, particularly in key specialties, are encouraged to participate in the network and who contractually agree to preferred appointment setting criteria, reporting and standards to best address the medical and rehabilitative needs of M-DCPS injured employees. Key specialties include internists, orthopedics, neurology, neurosurgery, occupational medicine specialties, pulmonology, infectious disease specialists, ear/nose/throat specialists, allergists, psychiatry and psychology.

2. Assist M-DCPS in the development of M-DCPS specific outcome based network of key providers, particularly in key specialties. Provide contracting and credentialing services required to develop M-DCPS specific network. Provide on-going provider evaluation services and ongoing credentialing services for network. Provide a local provider relations staff member. Develop and maintain combined directory of customized and traditional providers.

3. Provide peer review and utilization review services, as appropriate.

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

MEDICAL BILL REVIEW AND AUDIT SERVICES

TPA will provide the following medical bill review and audit services:

1. For Medical Bill Review:

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

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

(c) Process, pay and mail bills within 20 days of receipt.

2. EXTERNAL Medical Auditing Services. TPA must retain independent medical bill review audit services. Bill Review Audits must be semi-annual. Bill Review Audits must include thorough review of invoices and bill review process for, at minimum:

   All inpatient hospital bills where over $10,000 was paid
   Other medical invoices so that, in total, at least 100 bills were reviewed

   Successful proposer will work with M-DCPS to develop strategy for these audits. Audit reports must be provided within 180 days of completion of semi-annual period.

3. Quarterly provide reporting and reimburse M-DCPS for any overpayments made in the bill review process, within 30 days of identification of overpayment. Reimburse M-DCPS for any penalties and/or interest associated with inaccurate payments.

PHARMACEUTICAL MANAGEMENT SERVICES

TPA shall recommend a prescription benefit management (PBM) vendor which:

1. Provide M-DCPS injured workers access to a pharmacy network of local and national pharmacies with agreed upon discounted prices for drugs. Provide M-DCPS injured workers with communication materials, including pharmacy cards, to assure proper information is available for prompt dispensing of and proper coding and billing of pharmaceuticals.

2. Provide M-DCPS with pharmacy specific reporting on a monthly basis of generic/brand utilization, network penetration, narcotic usage and other detailed reports as agreed between the parties.

3. Develop appropriate utilization review procedures in real time to assure dispensed drugs are appropriate for injury, timely dispensing and concurrent review for medical interactions.

4. Reprice pharmaceuticals dispensed in provider/physician offices to agreed upon discounted prices.

WELLNESS INITIATIVE SERVICES

TPA will work closely with M-DCPS to ensure that solutions proposed will be proactive and educational, with the goals of positively impacting Workers' Compensation spend and promoting a healthy overall lifestyle and healing as events warrant. TPA shall dedicate a fund of, at a minimum, $100,000 annually to M-DCPS wellness initiatives. Wellness initiatives should be

proactive and address the health and fitness of employees BEFORE an injury. Due to the high prevalence of injuries and comorbidities, M-DCPS is interested in beginning initiatives in the Transportation Department. Wellness initiatives will be coordinated with current health plan wellness initiatives and safety initiatives.

CONTAGIOUS DISEASE MANAGEMENT SERVICES

TPA must assist M-DCPS in the investigation and management of claims for contagious diseases. TPA will:

1. Assist in the investigation of contagious disease allegations.

2. Provide quarterly (or more often, at the request of M-DCPS) reporting regarding contagious disease claims.

3. Manage contagious disease claims as Workers' Compensation claims.

ATTACHMENT B
WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES
PERFORMANCE REVIEWS

The TPA and M-DCPS agree that Performance Reviews will be conducted after the first six months of operations. Each Performance Review will involve Claim File Reviews and an overall Program Management Review. Performance Reviews will be conducted by the Risk and Benefits Officer, or the designee thereof.

In the Claim File Review process, for each claim file that is reviewed, the reviewer will assign a score from 0 to 100 based upon the criteria outlined in this Attachment B. At the conclusion of reviewing all selected claim files, an average score for all claim files reviewed will be calculated. In the Program Management Review process, a separate single score between 0 and 100 will calculated.

The average score for the Claim File Reviews will account for 75% of the overall scoring for the Performance Review. The total score for the Program Management Review will account for 25% of the overall scoring for the Performance Review. As an example, if the average Claim File Review score is 86 points and the Program Management Review score is 70, the total score will be calculated as follows:

Claim File Review average	86 points times 75% weight =	64.5 points
Program Management Review	70 points times 25% weight =	17.5 points
Total Weighted Review Points		82.0 points

The penalties will be based upon the Total Weighted Review Points.

M-DCPS will perform two Performance Reviews for the first annual period of the contract. The initial review will be after the TPA has been providing services for six (6) months. Each review will occur approximately 1-2 months after the conclusion of the performance period. The following chart outlines the expected review schedule. After the first year, Performance Reviews will occur annually, however, M-DCPS will retain the right, at M-DCPS's sole discretion, to perform such reviews at any time.

Performance Review	Performance Period	Total Weighted Review Points	Penalty
1	Months 1 - 6 of Contract	80	NA
2	Months 7 - 12 of Contract	80	1%
3	Months 13 -24 of Contract	90	1%
4	Months 25 - 36 of Contract	95	1%
5 *	Months 37 -48 of Contract	95	1%
6 *	Months 49 - 60 of Contract	95	1%

* If agreement extension authorized by M-DCPS.

Failure to perform at or above expected levels for the Performance Reviews will result in a financial penalty of 1% of the amount that was charged by the TPA for the performance period.

Any financial penalties will be credited to future amounts invoiced by the TPA to M-DCPS.

The Performance Reviews will measure objective performance standards which are easily identified and measured. After each Performance Review is performed, the TPA will meet with the M-DCPS Risk and Benefits Officer and/or designee to discuss initial evaluation results. The TPA will be given an opportunity to factually rebut the initial findings. Thereafter, a final tally of the review results will be prepared. The outcome of Performance Reviews will be presented to the Miami-Dade County School Board, superintendent and audit committee for review.

The initial Performance Review will be for information and educational purposes only and no penalties will be imposed. A minimum Total Weighted Review Points of 80 is expected in the first annual period of the contract. The minimum Total Weighted Review Points is raised to 90 on the second annual period, and 95 for annual periods thereafter. Failure to meet these average compliance expectations will result in the penalty noted above.

CLAIM FILE REVIEWS

The Claim File Review will include 50 randomly selected claim files. The make-up of the files selected for each review will be at least 50% open files. At least 50% of the selected files will have recent (within performance period) dates of injury and remaining selected files will have dates of injury prior to the beginning of the performance period.

Each claim will generate a score from 1 to 100 points. All timeliness standards of performance are stated in business, not calendar, days. In any instances where a standard is not applicable to a particular claim file, the file will be awarded the appropriate point(s) for that standard. Only transactions that are paid or processed during the performance period will be subject to scoring.

MEDICAL MANAGEMENT/CONTROL – 33 Points

1. **Bill Payment (13 Points)**
   The TPA will review bills, invoices, and other claims for payment submitted by health care providers to identify proper authorization, over utilization, underutilization and billing errors and will adjudicate/pay those bills and mail (postmark) payments within 20 days. Bills will be properly coded.

2. **Medical Plan of Action (5 Points)**
   A written medical plan of action must be established jointly between the adjuster and, as appropriate, supervisor or case manager within 10 days of the TPA's knowledge of the claim. Quarterly updates of the written medical plan of action must be done. The medical plan of action must include, as appropriate, the medical resources required (field nurse case manager, specialist referral, transportation, attendant care, etc.), the diagnosis, prognosis, proposed treatment plan, anticipated MMI and stay-at-work or return-to-work plan.

3. **Timely Care/Treatment (5 Points)**
   Medical appointments with specialists must take place within 7 days of a request for specialist care by an authorized party and appropriate to the diagnosis. If appointment

with appropriate specialist is not available within 7 days of request/referral, file must document reasonable attempts to procure such appointment.

4. **Quality Referral Process (5 Points)**
   The TPA must provide a substantive and written cover letter and chronologically arranged medical records to any independent medical examiner at least 5 days prior to an independent medical examination appointment date or, as appropriate, provide the documents in a timely manner to defense counsel on the appointments that they are to schedule.

5. **Stay-at-Work/Return-to-Work Communication (5 Points)**
   The M-DCPS Workers' Compensation Coordinator must be notified in writing, no later than the next business day of the TPA's knowledge that an employee has been given limitations/restrictions or other altered duty status.

CLAIMS MANAGEMENT – 33 Points

1. **Claim Receipt, Screening and Assignment (4 Points)**
   Appropriate claim and medical resources are assigned to maximize effectiveness in benefits delivery and claim resolution in accordance with mutually agreed upon (M-DCPS and TPA) criteria.

2. **Timely Reporting, Quality Contact (4 Points)**
   Adjuster will make timely (within 24 hours but not later than the next business day excluding weekends and holidays), appropriate, and meaningful contact with the injured employee, employer, and physician. File will document this contact. If contact is not made, file will document attempts at contact. Documentation will include, but not be limited to, documentation of compensability, mechanism of injury, medical necessity of medical care, orientation of the injured worker, duty status, as well as evidence of meaningful medical, educational, vocational and societal background information relevant to the ability of the injured employee to return to his or her usual occupation.

3. **Recovery Activity (4 Points)**
   All possible avenues of subrogation/recovery will be thoroughly explored with appropriate follow-up diaries.

4. **Action Plan (4 Points)**
   The file will include a current written Action Plan at all times. Action Plan will be updated, at minimum, every quarter. File documentation will include a clear understanding by adjuster direction, strategy and "who" is going to do "what" to ensure successful result. End result desired or expected will be clearly documented.

5. **Communication (4 Points)**
   Evidence/documentation of routine and effective communication between all interested parties involved in the claim: adjuster, nurse case manager, physicians and other health care providers, employer, employee, legal counsel, etc.

6. **Litigation Management (4 Points)**
   Evidence of proactive litigation activity and plan (i.e. claim management not "abandoned" to defense counsel) reasonable efforts should be documented and readily evident from the claim file. File will reflect timely response to all legal filings, legal correspondence and proceedings. File will include evidence of a litigation action plan from defense counsel.

7. **Documentation (5 Points)**
   Claim file documentation must be meaningful and self-explanatory. A "The file must speak for itself" standard will be kept at all times. Actionable events (new information, transactions, correspondence and communication, actions, etc.) must be documented in real- time (i.e. same day).

8. **Supervisor, Manager Involvement (4 Points)**
   Appropriate supervisory/management involvement will be documented in claim file. Supervisory/management directives will include initial assignment and subsequent directives will include involvement in evaluating reserves, involvement in strategic planning and disposition of claim.

FINANCIAL MANAGEMENT - 34 Points

1. **Reserves (4 Points)**
   A comprehensive reserve analysis must be prepared and be included as part of the claim file within the following intervals:
   a. Within 10 days of the TPA's knowledge of a claim,
   b. Within 90 days of the TPA's knowledge of a claim,
   c. At 6 month intervals thereafter, as long as a claim remains open, and
   d. At any time where, in the TPA's professional judgment, a claim event has occurred requiring a reserve increase or decrease.

2. **Medical Payments (10 Points)**
   Medical reimbursement made on behalf of M-DCPS must be in accordance with contracted rates or the Florida Fee Schedule. Medical reimbursement includes reimbursements for physician office visits, surgeries, pharmaceuticals, physical therapy, and other medical treatments. A random sampling of medical reimbursements paid for each claim file will be reviewed.

3. **Indemnity Payments (10 Points)**
   Determination of the injured employee's proper average weekly wage and compensation rate must be made within 10 days of TPA's receipt of the wage statement as required by Statute/Administrative Code. Thereafter, timely indemnity payments will be documented.

4. **Expense Payments (10 Points)**
   Appropriate use/management of support resources will be reviewed. This will include the use of all vendors/resources enlisted and paid as an allocated loss adjustment expense (ALAE) or a legal expense such as defense counsel, surveillance, translators, Medicare

set-aside services, transportation services, etc. To the extent a preferred panel of providers of these services has been established by M-DCPS, use of preferred providers and contracted rates will be reviewed.

PROGRAM MANAGEMENT REVIEW

REPORTING & COMMUNICATIONS - 20 Points

1. **Quarterly Meetings (5 Points)**
   The TPA will establish and conduct quarterly meetings with the Risk and Benefits Officer, or designee, to review progress of the program, review financial indicators of the program, and to discuss any open issues. Meetings will, as appropriate, include sub-contractors of the TPA involved in the program. Agendas will be developed in advance of the meetings and minutes of meetings will be kept. Attendance via teleconference meets this requirement.

2. **Monthly & Quarterly Reportings (10 Points)**
   M-DCPS and the TPA will develop a written listing of reports to be provided by the TPA to M-DCPS. The written listing of reports will include information regarding the timing of reports and distributions of reports.

3. **Reporting and Reimbursement of State of Florida penalties (5 Points)**
   The TPA will provide quarterly reporting to M-DCPS of all penalties paid by the TPA to the State of Florida. Report will include documentation of the reason for the penalty and describe the responsibility. The TPA will promptly reimburse M-DCPS for penalties for which the TPA actions are responsible.

STAFFING – 20 Points

1. **Caseloads (10 Points)**
   Average assigned caseloads for adjusters will not exceed 170 open claim files.

2. **Total Staffing (10 Points)**
   Total staffing for the service office will meet or exceed contractually agreed figures.

PROVIDER NETWORK DEVELOPMENT - 20 Points

1. **Provider Contracting (5 Points)**
   The TPA will provide a contracting mechanism and credentialing for custom M-DCPS specific agreements with key providers to develop a quality medical network for injured workers.

2. **Directory (10 Points)**
   The TPA will provide an updated directory for use by M-DCPS staff, adjusters and providers of custom and traditional network providers no less than semi-annually.

3. **Annual Goals (5 Points)**
   On an annual basis, the TPA and M-DCPS will meet and agree upon discounts, types of specialists and key providers to be added to the network.

EXCESS INSURANCE – 20 Points

1. **Reporting (5 Points)**
   TPA will provide documentation of compliance with all reporting requirements of excess insurers.

2. **Documentation of appropriate communications with excess insurers (5 Points)**
   All claim files with total incurred experience projections exceeding the self-insured retention for date of injury will document appropriate communication with excess insurance. All required and appropriate information will be provided to excess insurers.

3. **Prompt reimbursement of excess insurance (10 Points)**
   The TPA will file for reimbursement from excess insurer for each claim file when total payments exceed self-insured retention. Initial filing for reimbursement will occur within 60 days of when total payments exceeded self-insured retention. The TPA will follow up with excess insurer every 45 days until all excess insurance reimbursements have been received by M-DCPS.

PRESCRIPTION PROGRAM – 20 Points

1. **Application of Agreed Upon Discounts (10 Points)**
   Reprice pharmaceuticals dispensed in provider/physician offices to agreed upon discounted prices. Annually, the discount schedule will be agreed upon between the parties.

2. **In-Network Penetration (5 Points)**
   75% of pharmacy in network penetration on eligible pharmacy bills including re-validation of pharmacy program. Changes to this metric will be mutually agreed upon if appropriate industry, administrative or regulatory changes occur.

3. **Prescription Reporting (5 Points)**
   Provide M-DCPS with pharmacy specific reporting on a monthly basis of generic/brand utilization, network penetration, narcotic usage and other detailed reports as agreed between the parties.

ATTACHMENT C

SCOPE OF SERVICES
THIRD PARTY LIABILITY CLAIMS ADMINISTRATION SERVICES

ADMINISTRATIVE SERVICES

TPA will provide the following administrative services:

1. Prepare (with M-DCPS' assistance) and file with the appropriate state agencies all applications, bonds, documentation, and data required (if any) for implementation and continuance of the program.

2. Prepare, maintain, and file all records and reports as may be required by legal authorities (state, local, and federal) including Form 1099 and all reporting required for Medicare Secondary Payor provisions.

3. Prepare, maintain, and file statistical or other records and reports as required by M-DCPS' excess insurers.

4. Prepare, maintain, and file statistical information required by Rating Bureaus or appropriate state agencies.

5. Comply fully with all rules, regulations, guidelines or procedures established by M-DCPS and the State of Florida.

CLAIMS SERVICES

TPA will provide the following claims services:

1. Establish reporting procedures which are compatible with the needs and organizational structure of M-DCPS.

2. Provide necessary forms and instructions for use. Such forms are to include appropriate accident reports with mailing address of primary recipients preprinted thereon. Coordinate with all M-DCPS locations to assure that all have appropriate forms and are aware of reporting requirements.

3. Be available on a 24 hour basis, and provide immediate response to claims investigation requests through use of email or cellular telephones.

4. Provide customer service lines with a 305 area code for employees, as well as a toll-free line for employees residing outside the 305 area code. Within the schools themselves, employees do not have access to dial a 1-800 number, the number must be a 305 number.

5. Prepare and follow a work plan that has been approved by M-DCPS in the handling of M-DCPS' claims. Prepare and follow a work plan that has been approved by M-DCPS in the handling of M-DCPS' catastrophe claims.

6. Receive and examine on behalf of M-DCPS all reports of third party claims including claims by an employee of one Insured against another Insured.

7. Report claims to M-DCPS' excess insurer(s) in accordance with the requirements of the excess insurer(s). Provide a copy of the report to M-DCPS. Follow specific written investigation procedures for any case for which the excess insurer requires specific notification.

8. Within 24 hours after notification of a serious (one requiring more than first aid) third party bodily injury claim, contact the claimant by telephone or in person. Within two working days after notification of any other third party claim, contact the claimant by telephone or in person.

9. Subject to the exercise of professional judgment, accept and settle or deny all third party claims on behalf of M-DCPS. When it appears that the claim is questionable or contested or the final value of any claim will exceed a discretionary limit of $15,000, M-DCPS shall be notified and the final decision for settlement shall rest with M-DCPS or its designee. Any settlement is to include preparation and actuation of all necessary compromise and release agreements.

10. Conduct such investigation as in the exercise of professional judgment would seem necessary. Follow specific written investigation procedures for any case for which the excess insurer requires specific notification.

11. M-DCPS will select and employ outside professionals such as surveillance personnel, expert witnesses, and attorneys to assist in the investigation, adjustment, and defense of claims.

    (a) M-DCPS has selected specific vendors and pricing schedules for the following services: Translation services, Transportation services, Surveillance and Investigation services, Medicare Set-Aside (CMS) services and Court Reporting services.

    (b) TPA must be able to review all bills for such services for reasonableness and conformity to any pre-established rates or fees and have the ability to adhere to any set pricing schedules.

    (c) The firm with whom M-DCPS contracts must agree to work collaboratively with these outside professionals.

    M-DCPS will be involved in the selection process for such outside professionals and will be involved in establishing effective utilization decision making criteria.

12. Prepare and maintain files necessary for legal defense of claims and/or other litigation (such as actions for subrogation, contribution, or indemnity) or other proceedings.

13. Where appropriate or desirable, attend hearings, depositions, mediations, and other proceedings. The attorney or other party representing M-DCPS shall provide a written report to M-DCPS within ten working days after the hearing, deposition, mediation or other

proceeding. The adjuster handling the claim file will provide an oral report to M-DCPS within ten working days after the hearing, deposition, mediation or other proceeding.

14. Pay in a timely fashion all claims and expenses pertaining to M-DCPS's claims.

15. At the request of M-DCPS, provide a complete copy of all files involving litigation, potential or actual subrogation, or potential or actual recovery from special or second injury funds to the Risk and Benefits Officer or the designee thereof.

16. Aggressively pursue all possibilities of subrogation, excess insurance reimbursement, third party liens, contribution or indemnity on behalf of M-DCPS. Services for Automobile Liability shall include the pursuit of subrogation on behalf of M-DCPS for Automobile Physical Damage losses.

17. Periodically as appropriate, but at least every six months, review all open cases and complete a strategic action plan in order to assist in the settlement of the cases. Such written review shall include a review and verification of outstanding reserves. A written summary of the review shall be documented in the open case file and shall be provided to M-DCPS within ten working days after the end of the period for which the report is being made.

18. Document and establish reserves on a periodic basis for all claims. Use an external source to periodically review the adequacy of reserve setting.

19. The supervising adjuster shall meet with M-DCPS's Risk and Benefits Officer, or the designee thereof, to consult with and refer all questionable or contested cases and those with an estimated value in excess of $15,000.

20. Aid in communication/coordination with M-DCPS's loss control prevention program staff as necessary including providing claims data needed to target loss control prevention initiatives.

CLAIM INFORMATION SYSTEM SERVICES

TPA shall provide M-DCPS with the ability to access comprehensive on-line, real-time electronic claim information data, including reporting capabilities, at no additional cost to M-DCPS. The TPA will provide M-DCPS with all needed access to internet based information system, RisxFacs except that if access is desired for other than M-DCPS employees or defense counsel, it will be granted based upon mutual agreement of TPA and M-DCPS. TPA shall provide M-DCPS with regular monthly reports, as agreed upon by the parties, in such a format as is acceptable to M-DCPS.

TPA agrees that M-DCPS 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 manner with internet based access available to M-DCPS.

Reports provided will include, at a minimum:

- Specific Excess Claim Reports (monthly)

- Claim Summary Reports (monthly)
- Large Claim Reports (semi-annually)
- Legal Payment Breakdown-Detail-Excel (monthly)
- Legal Payment Breakdown-Detail-Excel (quarterly)
- Legal Payment Breakdown-Detail-Excel (semi-annually)
- Ad-hoc Report is as Requested by M-DCPS (as requested and agreed upon by the parties)
- Other Report is as agreed by the parties.

When services are sub-contracted by TPA to another vendor, it remains the responsibility of the TPA to provide reports. Annually, a distribution list and methods of distribution will be agreed upon by the parties for all reporting.

Periodically, TPA's information systems and the M-DCPS's systems must transfer data. TPA must have sufficient IT staff to coordinate routine data transfers.

ATTACHMENT D

THIRD PARTY LIABILITY CLAIMS ADMINISTRATION SERVICES PERFORMANCE REVIEWS

The TPA and M-DCPS agree that Performance Reviews will be conducted after the first six months of operations. Each Performance Review will involve Claim File Reviews and an overall Program Management Review. Performance Reviews will be conducted by Risk and Benefits Officer, or the designee thereof.

In the Claim File Review process, for each claim file that is reviewed, the reviewer will assign a score from 0 to 100 based upon the criteria outlined in this Attachment D. At the conclusion of reviewing all selected claim files, an average score for all claim files reviewed will be calculated. In the Program Management Review process, a separate single score between 0 and 100 will calculated.

The average score for the Claim File Reviews will account for 75% of the overall scoring for the Performance Review. The total score for the Program Management Review will account for 25% of the overall scoring for the Performance Review. As an example, if the average Claim File Review score is 86 points and the Program Management Review score is 70, the total score will be calculated as follows:

Claim File Review average	86 points times 75% weight =	64.5 points
Program Management Review	70 points times 25% weight=	17.5 points
Total Weighted Review Points		82.0 points

The penalties/rewards will be based upon the Total Weighted Review Points.

M-DCPS will perform two Performance Reviews for the first annual period of the contract. The initial review will be after the TPA has been providing for six (6) months. Each review will occur approximately 1-2 months after the conclusion of the performance period. The following chart outlines the expected review schedule. After the first year, the reviews will occur annually, however, M-DCPS will retain the right, at M-DCPS's sole discretion, to perform such reviews at any time.

Performance Review	Performance Period	Total Weighted Review Points	Penalty
1	Months 1 -6 of Contract	80	NA
2	Months 7 - 12 of Contract	80	1%
3	Months 13 -24 of Contract	90	1%
4	Months 25 - 36 of Contract	95	1%
5 *	Months 37 -48 of Contract	95	1%
6 *	Months 49 - 60 of Contract	95	1%

* If agreement extension authorized by M-DCPS.

Failure to perform at or above expected levels for the Performance Reviews will result in a

financial penalty of 1% of the amount that was charged by the TPA for the performance period. Any financial penalties will be credited to future amounts invoiced by the TPA to M-DCPS.

The Performance Reviews will measure objective performance standards which are easily identified and measured. After each Performance Review is performed, the TPA will meet with M-DCPS Risk and Benefits Officer and/or designee to discuss initial evaluation results. The TPA will be given an opportunity to factually rebut the initial findings. Thereafter, a final tally of the review results will be prepared. The outcome of Performance Reviews will be presented to the Miami-Dade County School Board, superintendent and audit committee for review.

The initial Performance Review will be for information and educational purposes only and no penalties will be imposed. A minimum Total Weighted Review Points of 80 is expected is in the first annual period of the contract. The minimum Total Weighted Review Points is raised to 90 on the second annual period, and 95 for annual periods thereafter. Failure to meet these average compliance expectations will result in the penalty noted above.

CLAIM FILE REVIEWS

The Claim File Review will include 20 randomly selected claim files. The make-up of the files selected for each review will be at least 50% open files. At least 50% of the selected files will have recent (within performance period) dates of occurrence and remaining selected files will have dates of injury more than 12 months prior to the performance period.

Each claim will generate a score ranging from 1 to 100 points. All timeliness standards of performance are stated in business, not calendar, days. In any instances where a standard is not applicable to a particular claim file, the file will be awarded the appropriate point(s) for that standard. Only transactions that are paid or processed during the performance period will be subject to scoring.

1. **Claim Receipt, Recording & Contact Assigned – 20 Points**

   The TPA will document claims intake information on all liability claims, enter the claim into the system, properly code claim, assign claim number and assign adjuster. This information will be available electronically within one business day of receipt of claim intake information.

   A minimum of "three attempts" by the claims adjuster to contact the appropriate claimant(s), employees, and/or supervisor will be considered a "contact," if followed up with appropriate correspondence and documented in the file within the measurement period.

2. **Document Subrogation Recovery Potential - 20 Points**

   Adjusters will document subrogation, contribution, and/or coordination of benefits recovery potential in the claim file within fourteen (14) days of claim receipt.

3. **Direction Within Fourteen (14) Days of Claim Receipt - 20 points**

   For liability claims, within fourteen (14) days of receipt of the claim, the claims adjuster will document appropriate specific direction for the investigation and handling of the case.

4. **Establishment of Reserves - 20 Points**

   Within 72 hours of receipt of the claim, initial reserves for the file set; thereafter, reserves will be reviewed on an on-going basis, and, at a minimum of 30 days from 72 hour review, 30 days from 30 day review, 60 days from last 60 day review and every 6 months thereafter. Increase or Decrease of reserves by $10,000 or more requires notice to the Risk and Benefits Officer, or designee. File should document such notice when appropriate.

5. **Rapid Response to Litigation Complaints - 20 Points**

   Claims adjusters will "address" litigation within two (2) days of litigation receipt. This will mean a referral to the appropriate legal counsel for assignment within two (2) days in keeping with M-DCPS Litigation Guidelines and Protocols.

PROGRAM MANAGEMENT REVIEW

REPORTING & COMMUNICATIONS – 33 Points

1. **Semi-annual Meetings (15 Points)**
   The TPA will establish and conduct semi-annual meetings with the Risk and Benefits Officer, or designee, to review progress of program, review financial indicators of program, and to discuss any open issues. Meetings will, as appropriate, include sub-contractors of the TPA involved in the program. Agendas will be developed in advance of meetings and minutes of meetings will be kept. Attendance via teleconference meets this requirement.

2. **Monthly & Quarterly Reporting (18 Points)**
   M-DCPS and the TPA will develop a written listing of reports to be provided by the TPA to M-DCPS. The written listing of reports will include information regarding the timing of reports and distributions of reports.

STAFFING – 33 Points

1. **Total Staffing**
   Total staffing for service office will meet or exceed contractually agreed figures.

EXCESS INSURANCE - 34 Points

1. **Reporting (10 Points)**
   TPA will provide documentation of compliance with all reporting requirements of excess

insurers.

2. **Documentation of Appropriate Communications with Excess Insurers (10 Points)**
   All claim files with total incurred experience projections exceeding self-insured retention for date of injury will document appropriate communication with excess insurance. All required and appropriate information will be provided to excess insurers.

3. **Prompt Reimbursement of Excess Insurance (14 Points)**
   TPA will file for reimbursement from excess insurer for each claim file when total payments exceed self-insured retention. Initial filing for reimbursement will occur within 60 days of when total payments exceeded self-insured retention. TPA will follow-up with excess insurer every 45 days until all excess insurance reimbursements have been received by M- DCPS.

ATTACHMENT E
ALLOCATED EXPENSES

The following allocated expenses will be paid from the claims file:

- Legal Fees
- Professional Photographs
- Extraordinary costs for witness statements
- Medical records
- Rehabilitation Expert's costs
- Fees for service of process
- Architects, contractors
- Engineer
- Police, fire, coroner, weather, or other such reports
- Property damage appraisals
- Sub rosa investigation
- Official documents and transcripts
- Pre- and post-judgment interest paid
- Transportation and Translation
- Conditional Payment Research (CPR)
- Conditional Payment Negotiation (CPN)
- Medicare Set Aside Allocation (MSA)
- Claims Settlement Allocation (CSA)
- Field Case Management
- Telephonic Case Management, other than dedicated staff
- Peer Review
- Utilization Review
- Vocational Rehabilitation
- Medical Examinations
- Accident reconstruction
- Extraordinary Travel made at client's request
- Court reports
- Chemist
- Collection cost payable to third parties on subrogation
- Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or loss which must have the explicit prior approval of the client