DEPARTMENT OF FINANCE AND ADMINISTRATION
RISK MANAGEMENT DIVISION

**MEMORANDUM**

**DATE:** **August 05, 2016**

**TO:** **Gregory Pease, Chairman**
**Professional Services Evaluation Committee**

**FROM:** **Mitchell Perin, Financial & Administrative Manager**
**Risk Management Division**

**Subject:** **P-35-13 Workers' Compensation Managed Care Services Renewal - Amendment 3**

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The current term for the contract No. 9926 with USIS, INC, d/b/a AMERISYS for Workers' Compensation Managed Care Services is from October 1, 2015 to September 30, 2016. Risk Management is exercising the third of four one-year renewal options for the period October 1, 2016 to September 30, 2017 with one one-year renewal options remaining. The maximum indebtedness to the City will be a not -to-exceed amount of $347,511.00 to a new maximum indebtedness of $1,352,587.12. The FY 17 fee for services October 1, 2016 to September 30, 2017, described in Exhibit "B" Contract Fee Schedule. All other terms and conditions shall remain the same.

Accordingly, I recommend:

That the City Contract No. 9926, with USIS, INC, d/b/a AMERISYS for Workers' Compensation Managed Care Services (i) be renewed for the term October 1, 2016 to September 30, 2017. The fee for the Services October 1, 2016 to September 30, 2017 as described in Exhibit "B" Contract Fee Schedule. (ii) Increase the maximum indebtedness to the City by a not exceed amount of $347,511.00 for a new total maximum indebtedness of $1,352,587.12. All other terms and conditions remain the same.

Thank you for your consideration in this matter.

USIS, INC, d/b/a AMERISYS acknowledgement attached

*140 Alexandria Boulevard*
*Suite H*
*Oviedo, Florida 32765*
*1-800-752-0886*

*AmeriSys*★

August 1, 2016

Twane L. Duckworth
Chief of Risk Management
117 W. Duval Street, Ste 335
Jacksonville, FL 32207

Re : Agreement for Workers' Compensation Managed Care Services

Dear Mr. Duckworth:

This is to confirm our agreement to extend the above mentioned contract, in accordance with the extension provisions and amounts outlined Form 1 Price Sheet in proposal P-35-13 August 7, 2013. Other terms of the agreement remain the same.

This contract extension is for contract period October 1, 2016 through September 30, 2017.

Thank you for allowing us to serve your organization and feel free to contact me should you have any questions.

Respectfully submitted,

Ron Warble
Executive Vice President
USIS, Inc. d/b/a AmeriSys

Acknowledgment:

Twane Duckworth

8/4/16
Date

**Form 1 – Price Sheet**

NAME OF CONSULTANT: USIS Inc. dba AmeriSys

**Proposed Flat Annual Cost for ALL REQUESTED SERVICES:**

| Term | Proposed Cost |
|---|---|
| October 1, 2013 – September 30, 2014 | $329,418.00 |
| October 1, 2014 – September 30, 2015 | $334,649.00 |
| October 1, 2015 – September 30, 2016 | $341,009.12 |
| October 1, 2016 – September 30, 2017 | $347,511.00 |
| October 1, 2017 – September 30, 2018 | $354,160.00 |

Please outline ALL variable costs which are not included above.
A variable to the flat fee is with the Coventry Network Access regarding CAT Claims. A Percentage of Savings Fee of **23%** will be added on Catastrophic Claims. A catastrophic claim is defined as a case involving a single bill with potential PPO savings in excess of **$200,000**. Though we do not anticipate this to occur, we have placed this exception in to prevent the necessity of unnecessarily increasing the flat rate cost of our services for a shock claim or outlier.

Please confirm that all services outlined in the Transition Phase are included in above pricing.
All services outlined in the Transition Phase are included in the above pricing.

9. **QUOTATION OF RATES, FEES OR CHARGES AND OTHER DETAILED COST PROPOSAL OR COST BREAKDOWN INFORMATION.** Describe the Contractor's overall willingness to meet both time and budget requirements for the project, and subject to Chapter 126, Part 3 of Jacksonville Ordinance Code, Section 126.302(e) in particular, proposed total compensation or unit price quotations, including, without limitation, hourly rates, fees, or other charges that will ultimately be used during, contract negotiations to calculate or determine total compensation. **(20 points maximum score)**

NAME OF CONSULTANT: USIS Inc. dba AmeriSys

| QUOTATION OF RATES, FEES OR CHARGES AND OTHER DETAILED DETAILED COST PROPOSAL OR COST BREAKDOWN INFORMATION | | | |
|---|---|---|---|
| **REVENUE** | | | **$ 329,418** |
| **LABOR** | | | |
| | DIRECT LABOR | | |
| | CLERICAL | $ 9,293 | |
| | BILL REVIEW | $ 41,745 | |
| | UTILIZATION REVIEW NURSE | $ 15,004 | |
| | ACCOUNTING | $ 8,918 | |
| | SUPERVISOR | $ 13,310 | |
| | | | $ 88,270 |
| | INDIRECT LABOR | | |
| | ADMIN/IT, ACCOUNTING, LEADERSHIP, SUPPORT | $ 47,873 | |
| | | | $ 47,873 |
| **TOTAL LABOR** | | | **$ 136,142** |
| **EXPENSE** | | | |
| | DIRECT EXPENSE (NETWORK ACCESS, RENT, HARDWARE, ETC) | $ 119,063 | |
| | INDIRECT EXPENSE (IT COSTS, SOFTWARE, ETC) | $ 27,837 | |
| **TOTAL EXPENSE** | | | **$ 146,900** |
| **OVERHEAD (CORPORATE INSURANCE, LEGAL, ETC) AND PROFIT** | | | **$ 46,375** 14% |