



December 17, 2014

**SUBJECT: Letter of Clarification No. 11 Self- Insured Workers' Compensation Third Party Administration & Related Services**

**REFERENCE: Request for Proposal (RFP) No. S66-T25102**

**TO:** All Prospective Proposers

When issued, Letter(s) of Clarification shall automatically become a part of the proposal documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the proposers to ensure that it has obtained all such letter(s). By submitting a proposal on this project, proposers shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this proposal.

**Question:**

What was the number of case management assignments (broken down by field and telephonic) for the last calendar year or fiscal year? How many cases remain open as of November 30, 2014?

For case management pricing, how many hours were paid last year (2013)? If that isn't available, how many cases and what was the total paid amount?

How does the City pay for Retrospective Utilization Review services? Is it allocated to preauthorization or peer review? What is the current fee that is being paid for the RUR for medical necessity?

**Answer:**

- There were 155 field case management jobs in the last year averaging appx. \$500,000 in total spend with different vendors.
- The City pays for retrospective Utilization Review services as an allocation to the claims file.
- Direct pricing is proprietary
- The number of retrospective utilization reviews performed for the time period of 07-01-13 to 06-30-14 is 74

Sincerely,

Kim A. Smith

Division Manager Risk Management, Workers' Compensation