

**JUDICIAL COUNCIL OF CALIFORNIA**

**QUESTIONS AND ANSWERS**

**RFP# JBWCP-2019-08-DM  
Claims Auditing Services**

**January 16, 2020**

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1. **Question:** Section 8.3.1. States – The JCC is seeking a service provider who has a background in highly decentralized environment. All members of the Proposer’s team must have prior experience in this environment. Can you please elaborate on what you mean by a decentralized environment and what types of programs and/or accounts our team members must have worked on to be considered as having prior experience? An example would be helpful.

**Answer:** Workers’ compensation administration is centralized through the JCC, however, each pool member maintains control of its local workers’ compensation policies and procedures, which can vary from court to court. Team members should be familiar with the operations of entities outlined in Section 8.3.3.

2. **Question:** For Task 1, TPA’s Workers’ Compensation Claims’ handling process audit in Table 1 (Cost Worksheet), how many files will be audited annually?

**Answer:** Approximately 150-180 files, but please note that review scopes may change depending on the needs of the program.

3. **Question:** For Task 1, Case Management Program in Table 1 (Cost Worksheet), how many files will be audited annually?

**Answer:** Approximately 80 files, but please note that review scopes may change depending on the needs of the program.

4. **Question:** Task 2, Spot Checks - Randomized, informal spot checks in Table 1 (Cost Worksheet), is this for one file or a group of files? If this is for a group of files, how many will be included the spot check? Will the same audit protocols apply?

**Answer:** A group of 30 files is reviewed using the same audit protocols.

5. **Question:** Task 2, One off claim reviews in Table 1 (Cost Worksheet), is this for one file or a group of files? Are the claim reviews done via review of the electronic claim file or is this an in-person file review with the location?

**Answer:** One off claims reviews typically involve one file. A group of files may be needed if there are multiple claims caused by a single incident. Claim reviews can be performed via review of the electronic claim file.

6. **Question:** Task 5, Transition planning in Table 1 (Cost Worksheet), typically, there is no set up or transition when moving from one auditing firm to another. Can you elaborate on what type of transition activities you may foresee?

**Answer:** The JCC may elect to carry over methodologies from one vendor to the next. In that event, the JCC will meet with the selected vendor to discuss any transition-related matters.

7. **Question:** How many open indemnities, medical only and future medical claims exist as of 12/31/19?

**Answer:** 793

8. **Question:** Although the JBWCP is lawfully uninsured, is there any excess coverage? If yes, what is the most recent retention level?

**Answer:** Yes. The most recent retention level is \$2,000,000 per occurrence with a maximum limit of indemnity per occurrence at \$100,000,000.

9. **Question:** What AIMS locations are handling files for the JBWCP?

**Answer:**

1800 Sutter Street,  
Concord, CA 94520

10360 Old Placerville Road  
Sacramento, CA 95827

10. **Question:** Who is the incumbent that is providing this service currently?

**Answer:** Sedgwick

11. **Question:** Is the expiring contract a matter of public record? If yes, can a copy be provided?

**Answer:** Yes, please send your public record request to [PAJAR@jud.ca.gov](mailto:PAJAR@jud.ca.gov)

12. **Question:** As of today, how many open loss time claims do you currently have?

**Answer:** As of 12/31/19, 1006 open indemnity claims.

13. **Question:** How many closed Indemnity claims do you currently have for the last three policy years?

**Answer:** 2016–17: 207

2017–18: 199

2018–19: 175

14. **Question:** In the last three years how many claims were reviewed for the TPA and how many were reviewed for Case Management?

**Answer:** Annual audit is 150 files and if Spot Checks are done, they have been at 30 each. We did 1 Spot Check in 2017, 3 in 2018, and 3 in 2019. Cost containment was audited in 2016 then not again until 2019.

15. **Question:** What is your annual volume of case management assignment in the last three policy year?

**Answer:** FY 16/17: 1210

FY 17/18: 1130

FY 18/19: 1111

16. **Question:** Please explain the difference in scope an additional audit as outlined 5.1.3 of the RFP and a spot check audit as identified in 5.2 of the RFP?

**Answer:** Currently, 30 files are randomly selected from open claims, same criteria as the Audit, and a Spot Check Summary Report is issued to provide the program a snapshot of the claims during the year.

17. **Question:** Approximately how many Open workers' compensation claims does the JBWCP have pending at this time?

**Answer:** 1078

18. **Question:** Can you provide a breakdown by claim type (Indemnity, Medical Only, Future Managed Medical, etc.)?

**Answer:** MO 72; FM 312; Indemnity 694

19. **Question:** Would the audit include a sampling of all claim types or be limited only to Indemnity claim types?

**Answer:** Audit is open to all claim types as directed by the Advisory Committee.

20. **Question:** How does the JBWCP define its' annual audit sample size and please provide what number of files that is anticipated to be?

**Answer:** The JBWCP will determine if the audit sample will include: indemnity, future medical, and/or medical only files. The auditor will randomly select the claims. For the last three years, the number of files have been 180.

21. **Question:** Would the audit require travel to the TPA location(s) to conduct the annual audit onsite or would this be accomplished over the TPA's CMIS portal to allow for a virtual audit?

**Answer:** It could be accomplished using the TPA's portal.

22. **Question:** If travel to TPA locations is necessary to facilitate the audits, then how many such sites is anticipated for a visit?

**Answer:** NA

23. **Question:** For spot checks described in 5.2.1 scope of work, are those able to be facilitated remotely using the TPA's CMIS to review the files?

**Answer:** Yes.

24. **Question:** For one-off claim reviews described in 5.5.2, are those able to be facilitated remotely?

**Answer:** Yes.

25. **Question:** Please provide a copy of the most recent audit completed to enable more clarity on the expectations on the extent of detail.

**Answer:** Please see the Tab 9 beginning on page 383 of the Meeting for the [2018 Claims Technical and Contractual Administrative Audit Report](#) for the approved audit from 17/18. The current 18/19 is still in draft form and not approved yet.

26. **Question:** Who is the TPA for the JBWCP? The special claims instructions refer to AIMS, which has several locations in California. Is that correct?

**Answer:** AIMS is the current TPA and has several locations in California.

27. **Question:** Allied Managed Care appears to be the case management provider. Is that correct?

**Answer:** Yes.

28. **Question:** If some of the courts use different TPAs and managed care services because of the decentralized nature of the program, please indicate the TPAs and managed care companies which work with different courts. If others are used, please indicate the name(s) and the services they provide as well as the approximately percentage of claims in which they participate.

**Answer:** We utilize only one TPA.

29. **Question:** How many open claims existed in the program as of 12/31/2019? Please indicate the number of Indemnity, Future Medical, and Medical Only claims included in this total.

**Answer:** 1078

30. **Question:** How many claims, on average, have been filed each year by members of the JBWCP for the last 3 to 5 years? Please break down the claim count by Incident Only, Medical Only, and Indemnity claims.

**Answer:**

<b>Claim Type</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
TD	251	348	334
IO	153	150	126
MO	322	191	171
FA	31	3	3
DC	1	1	0

31. **Question:** How many WC supervisors and WC claims technicians manage claims for the JBWCP?

**Answer:**

- 1 – Program Manager
- 1 – Assistant Program Manager (directly supervises one FM Adjuster)
- 2 – Claims Supervisors
- 10 – Claims Adjusters
- 3 – Claims Assistants

32. **Question:** Does the JBWCP have a Risk Management Information System (such as Origami, Riskonnect, Ventiv, and others) which combines the loss information from the various independent courts?

**Answer:** Yes, Ventiv

33. **Question:** If the JBWCP does not have a Risk Management Information System how do the various members access the information on their claims? If AIMS is the sole TPA, no further clarification is required. If there are other TPAs and they provide access to their individual systems for claims reviews, please provide the name(s) of these claims systems.

**Answer:** AIMS is the sole TPA.

34. **Question:** We typically recommend that we perform our initial work on-site in the TPA's office but also believe that accessing claims information remotely is also an effective and cost-efficient method for performing claims audits and auditing case management programs, since that reduces travel expenses (e.g., air fare, lodging, meal rental cars, etc.). Would this method be acceptable for the JBWCP?

**Answer:** Yes

35. **Question:** Does the JBWCP have a particular sample size in mind for the annual claims audit and case management audit?

**Answer:** Currently 180 but considering increasing to 200.

36. **Question:** The RFP refers to the allocation process and that the final values used to allocate costs are provided by the JBWCP's actuary. Who has been the actuary for the past 3 to 5 years, and who is the current actuary?

**Answer:** Bickmore and currently Bickmore Actuarial.