

ARLINGTON COUNTY, VIRGINIA

**AGREEMENT NO. 19-147-RFP
AMENDMENT NUMBER 1**

This Amendment Number 1 is made on the date of execution by the County and amends Agreement Number 19-147-RFP (“Main Agreement”) dated April 29, 2020 between Helmsman Management Services, LLC (“Contractor”) and the County Board of Arlington County, Virginia (“County”).

The County and the Contractor agree to amend the main contract called for under the Main Agreement as follows:

1. Pursuant to Number 4. Contractor Term, the County hereby renews the agreement for the period beginning May 1, 2021 and ending April 30, 2022.
2. Exhibit F – Claim Review Form is hereby added to the “Contract Documents” attached hereto.
3. Exhibit A - Scope of Services, A. Worker’s Compensation, Number 1 is hereby **deleted** in its entirety and **replaced** with the following:

A. Worker’s Compensation

The Contractor will provide the following services for Worker’s Compensation:

1. Claims investigation and recommended resolution including, but not limited to:
 - a. Compliance with regulatory requirements and filings.
 - b. Payment of medical bills and lost wage benefits.
 - c. Subrogation evaluation and follow-up. Based upon the results of the investigation of the claim, the Contractor must recognize and investigate subrogation, contribution and coordination of benefits possibilities, including (where needed) preservation of needed evidence and the use of experts to provide a basis for recovery. The Contractor shall not incur any expense for pursuit of a third party, and must not put any third party on notice without the County’s prior approval. The Contractor shall not charge the County for recovery efforts, unless if applicable, the claim is assigned with the approval of the County to a subrogation specialty claims unit.
 - d. Surveillance and *sub rosa* investigations, when appropriate and approved by the County.
4. Exhibit A - Scope of Services, A. Worker’s Compensation, Number 28 is hereby **deleted** in its entirety and **replaced** with the following:

28. File Documentation Requirements

- a. The Contractor shall clearly explain in the file notes the basis for initial reserves, reserve revisions and payments. The Contractor must document their contact with the County to discuss the reserves, in accordance with Exhibit F Claim Review Form before the Contractor establishes them in the system.
in the system.
 - b. The Contractor must establish specific direction on the investigation and handling of all indemnity claims within 2 business days of receipt of the first report of injury and clearly reflect this in the file. The Contractor's extent of the direction must be based upon the seriousness or complexity of the case at hand.
 - c. The Contractor must complete an initial claim status report on all indemnity claims involving disability payments within 14 business days of receipt of the first report of injury.
 - d. The Contractor must complete updated claim status reports and place in all indemnity claim files at 45, 75, and 105 calendar days, and every 90 calendar days thereafter from the receipt of the first report of injury. The Contractor must prepare a summary to include all information that relates to the direction and value of the claim, as well as further work to be done and a target day for completion.
 - e. The Contractor must clearly document all phone conversations, discussions, and meetings held on the claim in each file.
 - f. The Contractor must clearly evidence the diary schedule in the file.
 - g. The Contractor must establish a diary system so that each claim is reviewed at least every 90 days, or more often as needed. The Contractor must document notes to reflect the file was reviewed.
4. Exhibit B – Contract Pricing, Intake Services, Claim Intake internet, telephonic, fax, email is decreased from \$20 to \$0. See Exhibit B Revised Contract Pricing attached hereto as Attachment A.
 5. Exhibit B – Contract Pricing, Allocated Expense Fees, Indexing is decreased from \$11 per index to \$0. See Exhibit B Revised Contract Pricing attached hereto as Attachment A.

All other terms and conditions of the Main Agreement remain in effect.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

DocuSigned by:
SIGNATURE: Cynthia Davis
02CC7A8A62DB466...
NAME: Cynthia Davis
TITLE: Assistant Purchasing Agent
DATE: 4/14/2021

HELMSMAN MANAGEMENT SERVICES, LLC

DocuSigned by:
SIGNATURE: Peter J. Clas
5638BBD3FBC845B...
NAME: Peter J. Clas
TITLE: Vice President & Manager
DATE: 4/1/2021

EXHIBIT F
CLAIM REVIEW FORM

Coverage (i.e., WC, GL, AL)	Policy Dates:		
Policy Number:	Loss Run valued as of:		
Claim Number:	Date of Loss:		
Claimant:	D.O.B./Age:		
Location:			
Description of Accident/Injuries:			
Claimant Attorney:			
Amounts Paid to Date:			
Medical/B.I. \$	Indemnity/P.D. \$	Expense \$	Total Paid \$
Current Reserves (INCLUDING AMOUNTS PAID):			
Medical/B.I. \$	Indemnity/P.D. \$	Expense \$	Total Reserves \$
Current Status:			
Recommended Action:			
Third Party Sources of Recovery:			
Authority/Additional Information Needed From Arlington County:			
Projected Closing Date:			

Exhibit B**Revised Contract Pricing****Unless otherwise stated, services listed cannot be unbundled.****General Administrative Services**

Description	Proposal Pricing	Negotiated Pricing
Annual Administration Fee (what's included) <i>Includes Account management, 15 RMIS ID's with support</i>	\$59,000	\$45,000
Implementation Fee	Included	Included
Account Manager and Account Management staff	Included	Included
Communication materials/posters	Included	Included
Risk Control Services	160 hrs included	160 hrs included annually per contract

Risk Management Information System (RMIS) and Technical support

Description	Proposal Pricing	Negotiated Pricing
Annual RMIS Fee for Access	Included in Admin	Included in Admin Fee
RMIS User ID Cost	Included in Admin	Included in Admin Fee
Prior TPA's TPA/Carrier Data Conversion	\$4495 per line of business	\$4495 Total all lines of business
Prior TPA's TPA/Carrier Data Conversion Updates	\$495	\$495
County Human Resources Feed	\$1,500 annually	Waived/No Charge
Electronic Data Transmission/ Extracts (based on frequency, if applicable) Monthly/Weekly/Daily	\$5,995/\$17,500/\$29,000	\$3,600/\$7,800/\$18,950
Training – onsite and online	Included	Included in Admin Fee
Technical support	Included	Included in Admin Fee
State EDI files	Included	Included in Claim Fee
Monthly reporting	Included	Included in Claim Fee
Ad hoc report programming	\$125/hr	\$125/hr as needed upon client request

Monthly Carrier Data Extracts	Included	Included in Admin Fee
Annual Banking Fees (per account)		Included in Admin Fee
Carrier TPA Oversight Fees: Tail Claims/New claims		Not applicable for Virginia
OSHA reporting access/services	\$4200 for up to 10 ID's	\$4,200 total for unlimited users

Intake Services

Description	Proposal Pricing	Negotiated Pricing
Claim Intake internet, telephonic, fax, email	EDI included with \$20 for all other	EDI/online reporting/Telephonic: \$0 Email: \$20
Incident Only/record only Reporting	\$45 per claim	\$45 per claim
24/7 Nurse Triage	Varies by vendor selected	Varies by vendor selected. Ranges between \$75.55 and \$85.00 per claim up to 4 calls with injured employee
Self Insurance Reporting	Included	Included in Admin Fee

Allocated Expense Fees

Description	Proposal Pricing	Negotiated Pricing
Subrogation	15% of recovery	15% of recovery for Second Injury Fund or Third Party claims only. Does not apply to medical provider recovery
Indexing	\$11 per index	\$0

Hardcopy File Storage	included	Monthly Storage Fee is included in Admin Fee if storage is within Iron Mountain. If there is a fee to transfer hard files to another storage company, shipping charges will be pass through cost back to client
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Medical Management Services

Description	Proposal Pricing	Negotiated Pricing
Fee Schedule and Usual & Customary	\$8.95 per bill	\$8.50 per bill
Professional Review	26% of savings capped at 10K per bill	26% of savings capped at 10K per bill
PPO Network	26% of savings	26% of savings
DME Network	26% of savings	26% of savings, if use of DME company outside of Helmsman network
Pharmacy Bills	\$8.95	\$8.50
State EDI	Included	Included in Admin Fee
Implant Review		Fee is pass through with no profit based on contract vendor of Helmsman. If outside of Helmsman network, 26% of saving would apply on bill reductions
Fee Negotiations	26% of savings	26% of savings
Duplicate Bill Processing	Included	Included in Claims Fees
Description	Proposal Pricing	Negotiated Pricing
Initial 1099 Provider Notification Letter	Included in per claim rates	Included in per claim rates

Telephonic Case Management	\$120 per hour	\$110 per hour, billable at 10 minute increments per usage
Field Case Management	\$120 per hour	\$110 per hour, billable at 10 minute increments per usage. This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Return to Work Coordinator	\$120 per hour	\$110 per hour
Vocational Rehabilitation	Rate charged as incurred.	Rate charged as incurred. Service offered by Helmsman at \$300/per hour billable at 30 minute increments. This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Utilization Review Pre-cert	\$155 per review	\$140 per review
Utilization review – drug strategies	\$25 per denied description	\$25 per denied description
Utilization Review – URAC appeal/non-clinical/Consult	\$105 per review	\$100 per review
Physician/ Medical Director Case Management	\$425 per Hour	\$395 per Hour, billable at 30 minute increments
Peer Review / Physician Advisor	Pass through vendor charge	Pass through vendor charge, Market rates with no profit load
Nurse case management (fee schedule per task assignments)	n/a	Noted above in Nurse fees
Specialty services (catastrophic claims	\$125 per hour	\$125 per hour
Medication Review ie contraindications, etc	Included	Included

Specialty Network Services (designate ability to unbundle and depict current utilized providers)

Description	Proposal Pricing	Negotiated Pricing
Durable Medical Equipment	\$8.95 per bill & 26% of prof. savings	\$8.50 per bill & 26% of prof. savings if out of Helmsman contracted network rates. If in Helmsman network, only \$8.50 per bill applies
Transportation	Pass through	This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Translation	Pass through	This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Specialty Investigative Unit (SIU)	\$95/hr + mileage	\$95/hr + mileage This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Physical Therapy	\$8.95 per bill & 26%* of prof. savings	\$8.50 per bill & 26%* of prof. savings if out of Helmsman network. If in network, only \$8.50 per bill charge applies. This service may be unbundled with any costs passed through to the County with no

		profit load based on Helmsman contracted rates.
Occupational Therapy	\$8.95 per bill & 26%* of prof. savings	\$8.50 per bill & 26%* of prof. savings if out of Helmsman network. If in network, only \$8.50 per bill charge applies. This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Radiological: MRI/CT Scan etc.	\$8.95 per bill & 26%* of prof. savings	\$8.50 per bill & 26%* of prof. savings if out of Helmsman network. If in network, only \$8.50 per bill charge applies. This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Onsite Adjusting	Pass through vendor charge	This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Auto Damage Appraisals	Included in Claim fee	Included in Claim fee
Description	Proposal Pricing	Negotiated Pricing
Property Appraisals	Pass through vendor charge	This service may be unbundled with any costs passed through to the County with no profit load based on

		Helmsman contracted rates.
Accident Reconstruction	Pass through vendor charge	This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.

Medicare Agent Reporting and Services

Description	Proposal Pricing	Negotiated Pricing
Set up and engagement	Included	Included
Monthly Maintenance	Included	Included
Quarterly Reporting	Included	Included
Medicare Set Asides: initial evaluation, revision, medical allocation	\$1500 for initial review. \$500 for Revision	\$1500 for initial review. \$500 for Revision within Helmsman MSA network. This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Medicare Future Medical Allocation i.e. life care plan	\$900 per review	\$900 per review if in Helmsman network. Vendor rates apply if outside of Helmsman network. This service may be unbundled with any costs passed through to the County with no profit load based on Helmsman contracted rates.
Medicare Eligibility Verification	\$125 per review	\$125 per review

Per Claim Fees for New Claims

Claim Type	Life of Contract Fee Per Claim
Workers Compensation	
Record Only	\$45
Medical Only	\$157
Indemnity – Managed Medical	\$846
Indemnity – Employers Liability or Federal Act	\$846

Auto/General Liability	
Record Only	\$45
Fast Track	\$295
Physical Damage	\$295
Property Damage	\$468
Bodily Injury	\$761
Complex	\$761

Per Claim Fees for Open (Takeover) Claims

Claim Type	Life of Contract Fee Per Claim
Workers Compensation	
Medical Only	\$150
Indemnity – Managed Medical	\$395
Indemnity – Employers Liability or Federal Act	\$395

Auto/General Liability	
Fast Track	\$200
Physical Damage	\$200
Property Damage	\$295

Bodily Injury	\$295
Complex	\$295
Property Claims	\$468

Other Fees	
Claims Payment Account	\$350,000

Definitions

For the purposes of this Agreement, the following definitions shall apply:

Allocated Loss Adjustment Expenses (ALAE) will be used in all claims reporting by the Contractor. ALAE is defined as all expenses or fees allocable to a specific claim including but not limited to, legal expenses or attorneys' fees, court costs or fees, and expenses and fees for litigation management, electronic legal billing, service of process, depositions or examinations under oath, interest, copies of any public records, transcription services, appraisals, subrogation, private investigation, surveillance (excluding Helmsman SIU on A/L claims), professional photography, expert witness analysis or testimony, accident reconstruction, engineering analysis and field investigation, hospital or other medical reports, medical examinations, medical or hospital bill review, PPO networks, Utilization Review, and Catastrophic Case Management (Florida only). The definition of "allocated loss adjustment expense" shall be amended when, and to the extent, necessary to bring the definition into compliance with applicable law.

Automobile/General Liability Fast Track Claim: A third party claim for damage covered by the Property Damage or Bodily Injury coverage grant of an Automobile, Garage or General Liability policy that has total paid loss and expense less than \$1,000 and is open for fewer than 30 days from the date of claim registration.

Automobile/General Liability Property Damage Claim: A third party claim that does not meet the Fast Track claim criteria for damage, which is covered by the Property Damage coverage grant of an Automobile, Garage or General Liability policy. Each claimant will have a separate file and corresponding Claims Service Fee.

Automobile/General Liability Bodily Injury Claim: A third party claim that does not meet the Fast Track claim criteria for bodily injury which is covered by the Bodily Injury coverage grant of an Automobile, Garage or General Liability policy, or any claim for damages under Underinsured or Uninsured Motorist or Personal Injury Protection coverage. Each claimant will have a separate file and corresponding Claims Service Fee. If a third party liability claim involves both property damage and bodily injury, a separate claim handling charge is incurred for both coverage grants for the purposes of Claim Service Fees.

Automobile/General Liability Complex Claim: Pollution claims, specialty claims, and any third party claim that involves contractual liability, liquor liability, discrimination, "high

severity” of injury, “significant property damage” or complex coverage issues, and any claim that is open longer than two years. Our internal guidance generally defines "high severity" and "significant" based on a potential exposure above \$150,000.

Workers Compensation Medical Only Claim: Any claim, which is not a Managed Medical claim and meets the following criteria:

1. Medical paid >\$0 but < \$3,000 or Expense paid is >\$0
2. Days open from date of registration < 180 days

A claim where no Indemnity benefits are incurred or paid

Workers Compensation Managed Medical Claim: Any claim which meets the following criteria:

1. Medical paid >\$0 but < \$3,000 or Expense paid is >\$0
2. Days open from date of registration < 180 days
3. A claim where no Indemnity benefits are incurred or paid

Full investigation required and completed on a "Workers Compensation Medical Only Claim".

Workers Compensation Indemnity Claim: Any claim which meets the following criteria:

1. Medical paid > or = \$3,000
2. Days open from date of registration > or = 180 days
3. A claim where Indemnity benefits are incurred or paid

A claim where the employer provides salary continuation during the disability period, active or prior litigation, or is controverted.

Workers Compensation Indemnity Claim - Federal Act Claim: Any claim where indemnity benefits are alleged or paid under a federal workers compensation act (e.g. USL&H). This includes Maritime and Jones Act claims.

Workers Compensation Indemnity Claim - Employers Liability Claim: Any claim where benefits are alleged or paid under the Coverage B portion of the WC policy.

Record Only Claim: Any claim reported to Helmsman that requires no payment or activity other than generating a record within our claims management system.