

1 [Agreement - Intercare Holdings Insurance Services, Inc. - Workers' Compensation Third
2 Party Administrator - Not to Exceed \$26,179,119]

3 **Resolution authorizing the San Francisco Municipal Transportation Agency and the**
4 **Department of Human Resources to execute an agreement with Intercare Holdings**
5 **Insurance Services, Inc., for Workers' Compensation Third Party Administrator**
6 **services for an amount not to exceed \$26,179,119 and for a term of three years, from**
7 **August 1, 2017, through July 31, 2020, with an option to extend the term for up to an**
8 **additional two years.**

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10 WHEREAS, To maximize the operational and management efficiency and achieve cost
11 savings to the City, the San Francisco Municipal Transportation Agency (SFMTA) and the
12 Department of Human Resources (DHR) agreed to enter into a joint agreement for workers'
13 compensation third party administrator services to manage workers' compensation claims
14 brought by SFMTA and other City employees ; and

15 WHEREAS, On June 7, 2016, the SFMTA Board of Directors authorized the Director of
16 Transportation to issue a Request for Proposals for Workers' Compensation Claims
17 Administration Services with the Department of Human Resources, to jointly evaluate
18 proposals and negotiate a contract with a Third Party Clams Administrator (TPA) for an initial
19 term of three-years with an option to extend the contract up to two years at the sole discretion
20 of the Director of Transportation and the Director of DHR; and

21 WHEREAS, On June 27, 2016, the City received proposals from Acclamation
22 Insurance Management Services, Athens Insurance Services, Broadspire Services, Intercare
23 Holdings Insurance Services, Inc. (Intercare), JT2 Integrated Resources, and Tristar
24 Insurance Group; and

1 WHEREAS, A selection panel evaluated all six proposals and ranked the proposal from
2 Intercare Holdings Insurance Services, Inc. (Intercare) highest; and

3 WHEREAS, The SFMTA and DHR have negotiated an agreement with Intercare in the
4 amount of \$26,179,119, with a term of three years, and an option to extend the term for up to
5 two additional years, a copy of which agreement is on file with the Clerk of the Board of
6 Supervisors in File No. 170510; and

7 WHEREAS, On May 5, 2016, the SFMTA, under authority delegated by the Planning
8 Department, determined that the Workers' Compensation Claims Administration Services
9 Agreement is not defined as a "project" under the California Environmental Quality Act
10 (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and
11 15378(b); and

12 WHEREAS, An approval for this professional services contract was obtained from the
13 Civil Service Commission at its February 10, 2012, commission meeting through Notice of
14 Action for Personal Service Contract No. 4088-11-22, and SFMTA and DHR have confirmed
15 that this approval continues to be valid for the propose contract; and

16 WHEREAS, On June 20, 2017, the SFMTA Board of Directors adopted Resolution
17 No. 170620-082, approving the agreement between Intercare and the City and County of San
18 Francisco and, contingent on Board of Supervisors' approval, authorizing the Director of
19 Transportation to execute the agreement; now, therefore, be it

20 RESOLVED, That the Board of Supervisors approves the proposed agreement
21 between the San Francisco Municipal Transportation Agency and the Department of Human
22 Resources with Intercare Holdings Insurance Services Inc. for workers' compensation third
23 party claims administration services , for an amount not to exceed \$26,179,119 and an initial
24 term of three-years from August 1, 2017, through July 31, 2020, with an option to extend the
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1 agreement up to July 31, 2022, said option may be exercised at the sole discretion of the
2 Director of Transportation and the Director of the DHR; and, be it

3 FURTHER RESOLVED, That within thirty (30) days of the agreement being fully
4 executed by all parties, the San Francisco Municipal Transportation Agency shall provide the
5 final agreement to the Clerk of the Board for inclusion into the official file.

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