

1 [Contract - Intercare Holdings Insurance Services, Inc. - Workers' Compensation Third Party
2 Administrator Services - \$33,771,962]

3 **Resolution authorizing the Municipal Transportation Agency to execute an agreement**
4 **with Intercare Holdings Insurance Services, Inc. for Workers' Compensation Third**
5 **Party Administrator services for an amount not to exceed \$33,771,962 for a three-year**
6 **base term from November 1, 2022, through October 31, 2025, and two three-year**
7 **options to extend, with said options to be exercised by the Municipal Transportation**
8 **Agency without further approval of the Board of Supervisors; and where applicable,**
9 **affirming the Planning Department's determination under the California Environmental**
10 **Quality Act.**

11
12 WHEREAS, State law requires the Municipal Transportation Agency (SFMTA), as an
13 employer, to provide workers compensation benefits, comprising short-term and long-term
14 medical treatment, temporary and permanent disability, and other statutory benefits to injured
15 SFMTA employees; and

16 WHEREAS, The SFMTA assumed responsibility for managing its workers'
17 compensation claims on July 1, 2000, as authorized by Charter, Section 8A.104(c); and

18 WHEREAS, The SFMTA and City's Department of Human Resources (DHR) issued a
19 joint Request for Proposals on May 4, 2022, for separate contracts for workers' compensation
20 claims administration services; and

21 WHEREAS, The SFMTA and DHR received proposals from three proposers:
22 Innovative Claim Solutions; Tristar; and Intercare Holdings Insurance Services, Inc.
23 (Intercare); and

24 WHEREAS, The SFMTA and DHR determined that Innovative Claim Solutions'
25 proposal was not responsive to RFP requirements concerning account handling certifications

1 and documentation concerning the experience and qualifications of its claims management
2 personnel, and its proposal therefore was not evaluated; and

3 WHEREAS, A selection panel of persons with significant experience and expertise in
4 workers' compensation claims management evaluated the remaining two proposals and
5 ranked Intercare's proposal the highest; and

6 WHEREAS, On July 18, 2022, the Civil Service Commission authorized the SFMTA to
7 contract out workers compensation claims management services, Notice of Action for
8 Personal Service Contract Number 48002 – 21/22; and

9 WHEREAS, On September 13, 2022, the SFMTA, under authority delegated by the
10 Planning Department, determined that the Workers' Compensation Claims Administration
11 Services Agreement is not a "project" under the California Environmental Quality Act (CEQA)
12 pursuant to Title 14 of the California Code of Regulations, Sections 15060(c) and 15378(b),
13 and a copy of the CEQA determination is on file with the Secretary to the SFMTA Board of
14 Directors and is incorporated herein by reference; and

15 WHEREAS, The contract amount exceeds \$10,000,000, therefore the contract is
16 subject to Board of Supervisors' approval, in accordance with Charter, Section 9.118(b); now,
17 therefore, be it

18 RESOLVED, That the Board of Supervisors approves Contract No. SFMTA-2022-31
19 with Intercare Holdings Insurance Services, Inc., to provide workers' compensation claims
20 administration services for a contract amount not to exceed \$33,771,962 for a three-year base
21 term and two options of three-years each to extend the term for a total term of nine years, said
22 options to be exercised by the Municipal Transportation Agency without further approval of the
23 Board of Supervisors; and, be it

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

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