

Mississippi Tort Claims Board
c/o Mississippi Department of Finance & Administration

Request for Proposal for Third Party Claims Administration Services

Amendment 1

Questions and Answers

Can the Board provide a loss run for the last five year for their claims handled by the third party administrator broken down by type and status?

Can you provide claim break out by type for the past five (5) years?

Could you provide us with a loss run over the last three years for each of the different claim types (bodily injury, property damage, minor property damage and glass)?

See attached loss runs by fiscal year for last five (5) fiscal years. Reports include coverage type – auto, general, or professional; status – open, reopened, or final (closed); severity – 3 is broken glass only, 3A is minor property damage only, 2 is full assignment investigation bodily injury/property damage; and payments broken out by glass, property damage, bodily injury, and other expense. ****NOTE**** The claim count at the end is actually a claimant count.

Please clarify the total number of open claims currently being handled by the TPA and breakdown by claim type.

See attached report of open claims.

Can the Board provide the total number of open claims each adjuster is working at this time?

There are currently four (4) claims personnel working our account, with an average load of 133 claims. No one has less than 100 claims.

Does your current provider put a limit on the amount of claims an adjuster can handle?

Under Section 2.3 Term, in 2.3.1.1, Requirements, B, it is indicated that the contract will limit the total number of open claim files assigned to each of the claims personnel. Further, it is stated that the exact size of this limitation will be determined in the contract negotiations. Can you advise on the current limit per claims person in place today and/or on a desired limit per claims person?

The Board will set the limit on the number of claims an adjuster may handle, and that number is currently around 150 claims. We do random checks of caseload limits periodically. These limits are set to insure adjusters are not overloaded and have proper time and energy to devote to our claims.

Can you provide the current annual fees being paid for these services with your current TPA provider?

You may complete a public records request with the Department of Finance & Administration's Director of Communications, Chuck McIntosh. The information is also available on Transparency Mississippi.

Please clarify the current and expected new claims volume by line of business and claim type.

Under Section 2.3 Term, in 2.3.1.1, Requirements, C, respondents are asked to provide an estimate of costs for the entire contract on an annual basis, based on not more than 500 bodily injury and property damage claims. Are there 500 bodily injury and 500 property damage claims, or is the 500 combined bodily injury and property damage claims. If combined, what is the average split on bodily injury and property claims?

Current claims volume can be seen in the loss runs, specifically for fiscal year 2018 just completed.

The estimate of 500 bodily injury and property damage claims (severity 2) is a combined figure. You could possibly calculate the average split by looking at the loss runs provided.

The estimate for minor property damage claims (severity 3A) is around 100 annually. These are claims that may require a bit of investigation or are beyond the abilities of our in-house Claims Officer.

We did not provide an estimate for glass claims (severity 3), because TPA handling of these claims is the exception not the rule. These claims are generally handled in-house, but could fall to the TPA in the case of an emergency or unexpected changes in staff.

Please describe the TPA's role in handling/managing litigated claims.

Will we be handling litigated claims? If yes, how many litigated claims per year?

All litigated claims are managed by our in-house Claims Manager. You will not be managing or directing litigated claims. You will be expected to maintain an open file to assist with any additional investigation requests by the defense counsel.

Is it the expectation of the Board that any necessary field investigation would be handled by independent adjusters as an allocated loss adjusting expense to the file?

Your job is to provide the licensed, experienced and adequate claims personnel to handle any necessary field investigation.

Are you able to provide any statistical data for your claims program, time in process by claim type, average indemnity, average expense, etc?

No

What are your goals for the RFP, reduced costs, improved claims processing, innovative technology (self-service app), etc?

The State limits these contracts to five (5) years, so this is a requirement.

Does the existing TPA work claims in their claims system or does Mississippi Tort Claims Board require TPA's to work in their claims system. If the claims are worked in the TPA's claim system, how many users will need access to the claims system?

Will the contractor have to provide a claims management system/software or does the State have a system the contractor will have access to?

The existing TPA works claims in their system. They have one read-only access point for our system. We have one read-only access point to the TPA system.

We do expect the TPA to have their own system/software.

Does the scope of services covered under this RFP include handling of any takeover claims or will the other TPA work those to final? If takeover is part of the scope of this RFP, please provide open claims counts by type.

Takeover claims will be part of the scope of this RFP. See open claims report for counts and types.

Are we required to handle "report only" claims? If yes, please provide a three year loss run for this classification as well.

Claims are assigned to the TPA by our Claims Manager; they are not submitted directly to the TPA from the agencies. Any claim assigned will be worked regardless of whether it exceeds authority limits.

Does our bid price include all expenses? For example: independent adjusters, appraisers, CCC, copying charges, police report fees, etc...

No

Are there any reporting requirements? For example: loss runs, open/closed claims, etc...

Quarterly billings for minor property damage claims and glass claims are paid based on closed claims, which must be documented with a report.

A daily report of payments made on our behalf from our TPA account are required.

For claims assigned to the TPA, there is an initial 10-day report, followed by 30-day reports on all claims which exceed TPA authority or as directed otherwise by our in-house Claims Manager.

Other than the seven page RFP, are there any additional pages/addendums related to this contract. If yes, please supply them to us.

The RFP package is 29 pages. It includes the five (5) sections of the RFP; Attachment A, Certifications and Assurances; Attachment B, Required Clauses for Service Contracts Resulting from this Request for Proposals; and Attachment C, Optional Clauses for Use in Service Contracts Resulting from this Request for Proposals.