

(Proposal #485)

EM SUBMISSION NO.: 2012EM145

PRESENTED: 3/6/12

ADOPTED: 3/8/12

BY THE EMERGENCY MANAGER

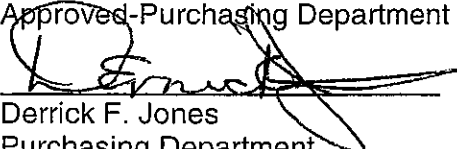
**RESOLUTION TO EAGLE CLAIMS MANAGEMENT FOR
WORKERS COMPENSATION THIRD PARTY ADMINISTRATOR**

On February 9, 2009, City Council authorized the Proper City Officials to enter into a three year contract with Eagle Claims Management, 3500 Kraft S.E., Grand Rapids, Michigan for a workers compensation third party administrator as requested by the Risk Manager in an amount not to exceed \$275,369.92; and

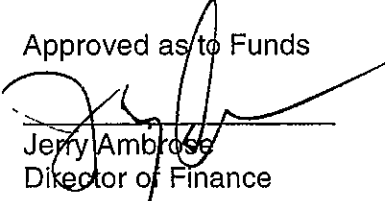
Eagle Claims Management has agreed to extend the current terms and conditions of the existing contract for an additional three years at the existing rate of \$75,500.00 per year. Funding will come from account number: 627-174.871-801.000; and

IT IS RESOLVED, That the Proper City Officials, upon the Emergency Manager's approval, are hereby authorized to enter into a three year contract with Eagle Claims Management for a workers compensation third party administrator at an annual amount not to exceed \$75,500.00 for an aggregate amount not to exceed \$226,500.00. (Fringe Benefit Fund) \$75,500 FY12; \$75,500 pending adoption of the FY13 budget; \$75,500 pending adoption of the FY14 budget

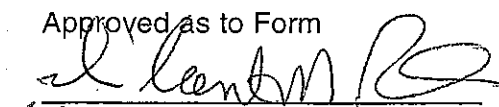
Approved-Purchasing Department


Derrick F. Jones
Purchasing Department

Approved as to Funds


Jerry Ambrose
Director of Finance

Approved as to Form


Peter M. Bade
City Attorney

EM DISPOSITION:

ENACT ☒ FAIL ☐

DATED 3-8-12


Michael K. Brown, Emergency Manager

022212 - KRN

RESOLUTION STAFF REVIEW

DATE: March 5, 2012

Agenda Item Title: Worker's compensation TPA Eagle Claims Management

Prepared By: Erycka Hunter, Human Resources

Background/Summary of Proposed Action: The State of Michigan requires the City to have its self insured workers compensation program administered by an outside company certified by the state. This is a shared contract with Hurley Hospital.

Financial Implications: Failure to utilize a TPA would result in the City losing its self-funded status and requiring a significant increase in costs through commercial insurance premiums. In addition, the recommended company provides a reduced cost and proven service.

Budgeted Expenditure? Yes ☒ No ☐ Please explain if no:

Account No.: 627-174.871-801.000

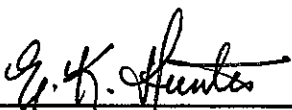
Pre-encumbered? Yes ☒ No ☐ Requisition # 1200113

Other Implications (i.e., collective bargaining):

The City's self-insured status from the State of Michigan would be in jeopardy.

Staff Recommendation: Recommend Approval

Staff Person:


Erycka Hunter, Human Resources