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From the Director, Risk Management, Department of Administrative Services, requesting authorization to award a 5 year contract effective November 1, 2019 through November 1, 2024 to Sedgwick Claims Management Services for the Third-Party Administration of Milwaukee County’s Workers’ Compensation program with a total cost of \$237,633.00 for year one and averaging \$222,131.00 for the remaining 4 years, by recommending adoption of the following:

A REVISED RESOLUTION

WHEREAS, the 2019 Adopted Budget included \$295,000 to hire a Third-Party Administrator (TPA) to administer Milwaukee County’s (the County) Workers’ Compensation Program (Workers’ Compensation); and

WHEREAS, the Risk Management Division, Department of Administrative Services, solicited Requests for Proposals (RFP) for claims administration purposes, resulting in nine proposals; and

WHEREAS, the proposals were reviewed by the RFP panel, and four finalist interviews were conducted; and

WHEREAS, Sedgwick Claims Management Services, Inc., (Sedgwick) scored the highest overall point total; and

WHEREAS, Sedgwick offers state-of-the-art technology and information services, which will provide for an improved employee experience, a nurse case management care line, and other value-added services into the contract proposal that will reduce overall liabilities, claims, and financial expenditures and increase transparency, and data capabilities for the County; and

WHEREAS, the first-year contract cost for Sedgwick, \$237,633, includes \$184,668 life of contract pricing for all new claims going forward and \$52,965 for legacy claim file handling fees; and

WHEREAS, the Workers Compensation TPA RFP showed Sedgwick as the lowest priced, most qualified bidder, and the savings from the prior year have a projected net savings of more than \$293,843 over a five-year period; and

40 WHEREAS, the Committee on Finance and Audit, at its meeting of July 18, 2019,
41 recommended adoption of File No. 19-609 (vote 4-1); now, therefore,
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43 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby
44 authorizes the Risk Management Division, Department of Administrative Services, to
45 execute a contract with Sedgwick Claims Management Services, Inc. (Sedgwick), for
46 the Third-Party Administration of Milwaukee County's Worker's Compensation Program
47 effective November 1, 2019; and
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49 BE IT FURTHER RESOLVED, the contract with Sedgwick is for five years; three
50 years plus two one-year extensions by mutual agreement, at a cost of \$237,633 for the
51 first year and an average cost of \$222,131 for the remaining four years.
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