

# Request for Proposal for Third Party Claims Administration Services

December 15, 2010



Mississippi Institutions of Higher Learning  
Office of Risk Management  
3825 Ridgewood Road  
Jackson, Mississippi 39211

**Request for Proposal for  
Third Party Claims Administration Services (RFP)  
December 15, 2010**

**I. Introduction**

The Board of Trustees of State Institutions of Higher Learning (IHL), through the Office of Risk Management (RM), is seeking third party claims administrator(s) (TPA) specializing in workers' compensation and/or third party liability claims investigation and administration to provide services to the IHL Self-Insured Workers' Compensation Plan (WC Plan) and the IHL Self-Insured Tort Plan (Tort Plan).

The WC Plan currently consists of the following participants: Alcorn State University, Delta State University, Jackson State University, Mississippi State University, Mississippi University for Women, Mississippi Valley State University, The University of Mississippi, The University of Mississippi Medical Center, The University of Southern Mississippi, IHL, IHL Board Office, and other entities under the authorities of IHL (hereafter referred to as WC Participant). As of November 30, 2010, the number of open and closed workers' compensation claims for July 1, 2009 through June 30, 2010 (FY10) was 1,518 (233 of these claims were lost-time claims).

The Tort Plan currently consists of the following participants: Alcorn State University, Delta State University, Jackson State University, Mississippi State University, Mississippi University for Women, Mississippi Valley State University, The University of Mississippi (excluding The University of Mississippi Medical Center for general and professional liability), The University of Southern Mississippi, IHL, IHL Board Office, and other entities under the authorities of IHL (hereafter referred to as Tort Participant). The current third party claims administrator of both plans is F. A. Richard & Associates, Inc. (FARA). As of November 30, 2010, the number of open and closed tort liability claims for FY10 was 107, excluding auto claims. The Tort Plan currently purchases coverage for Tort Participant automobiles through the commercial insurance market; however, pricing for automobile claims services is required as part of the TPA response in the event the Tort Plan selects not to purchase coverage through the commercial insurance market at a future date. The summary claims reports for the WC Plan, the Tort Plan and the Automobile claims are located in Exhibit "D".

**II. Purpose**

The TPA shall provide third party claims management services for either or both the WC Plan and the Tort Plan through a dedicated claims unit. These services include, but are not limited to, management of claim files and its associated cost, investigation and payment of claims, and management of litigation. To perform these services, the TPA must possess the resources, flexibility, innovation, and commitment to service that provides value beyond simple "claims payment". To this end, IHL requires that the TPA have the capabilities, expertise, and service commitment to excel in all areas of services requested in this RFP applicable to their proposal. Furthermore, the TPA is expected to maintain an industry leadership position and the resources to assist IHL in working positively in state and federal legislative environments.

### **III. Contract Period**

The term of the Agreement(s) will be July 1, 2011, through June 30, 2015 (plan years 2012-2015). Thereafter, the Agreement(s) may be extended by mutual agreement of both parties evidenced in writing. The Agreement(s) may be terminated by either party, with or without cause at any time, upon ninety (90) days prior written notice.

### **IV. Scope of Services**

#### **A. Tort Plan**

The TPA's responsibilities shall include, but are not limited to, the following:

- (1) Provide an adequate number of dedicated professionally trained claim staff to assure excellence in all areas of services requested in this RFP and Agreement and meeting the minimum experience requirements specified in the RFP;**
- (2) Review all incident, claim and loss reports received from Tort Participants, as defined in the RFP, and process each such incident, claim or loss report to conclusion in accordance with applicable statutory, administrative regulations and best practices;**
- (3) Conduct a thorough investigation of each reported incident, claim or loss to the extent necessary, which may include but not be limited to, photographs, diagrams, police reports, recorded statements from involved parties and all witnesses, etc. to determine the Tort Plan's liability, etc.;**
- (4) Provide, through electronic mail, first written reports to RM within seven (7) working days from receipt of claim for all claims. Status reports will be provided by electronic mail every thirty (30) days in a format approved by RM;**
- (5) In the event of notification of an incident or claim involving a death of third party claimant or a bodily injury (BI) that is reasonably expected to fall within one of the following categories, or involves a professional medical liability claim, an on-site contact and investigation is required within 24 hours of the notice to the TPA of the occurrence;**
  - Cord injury – potential paraplegia, quadriplegia**
  - Amputations to a major member**
  - Potential brain damage**
  - Potential blindness or significant hearing loss**
  - Serious burns (second or third degree over 50% of the body)**
  - Multiple Fractures - involving more than one member**
  - Fracture of both heel bones**
  - Massive internal injuries affecting body organs**

- Any injury potentially resulting in incontinence of bowel and/or bladder
- Fatalities
- Heart Attacks
- Potentially serious chemical exposure
- Crimes of a violent nature resulting in serious injuries or potential psychological trauma (i.e. rape, shooting, stabbing)
- Any other serious injury that it is known will potentially result in significant impairment and medical expense

Provide, through electronic mail, a summary report to RM within 48 hours of the on-site contact and investigation.

- (6) Arrange for independent investigators or medical or other experts to the extent deemed necessary by the TPA in connection with processing any incident, claim or loss. If it is mutually deemed necessary to assign an independent, third party claims investigator ("fee adjuster") to handle a portion of the investigation of a qualified claim or loss, the fee for services of such fee adjuster will be paid by the TPA, not out of IHL funds, if those services are ones that the TPA staff is equally capable and qualified to handle. The fee adjuster will be mutually agreed upon and determined by geographic location and the type of claim/injury involved;
- (7) Payment of losses and expenses. The TPA shall pay losses and expenses other than settlements three (3) times a month, on the tenth, twentieth, and last day of the month. The TPA shall have the authority to compromise or settle any claim or loss up to five thousand dollars (\$5,000.00). The TPA shall notify RM within five (5) days of execution of a TPA compromise or settlement of any claim. The TPA's authority to compromise or settle any claim or loss may be increased or decreased by RM through written notification to the TPA at any time during this contract;
- (8) Perform all reasonable and necessary administrative and clerical work in connection with claims or losses including the preparation of laser printed checks bearing the name of Tort Plan and drawn on the account(s) established and maintained by IHL, monthly reconciliation of bank statements on said accounts, cooperating with IHL's actuary and auditors, and compliance with administrative procedures of IHL;
- (9) Perform reasonable and necessary administrative and clerical work in connection with the investment management program of the Tort Plan assets including working with IHL's investment manager. Examples of work are, but not limited to, notification to IHL and IHL's investment manager, by electronic mail, of checks issued in excess of \$25,000 when issued, the amount of checks written three times a month, and end of month report that includes all refund/subrogation recoveries, deposits and ending balances;

- (10) Manage the litigation process, including the review of legal bills, and assist attorneys selected by IHL in accordance with the *IHL Tort Assignment and Litigation Management Plan* in Exhibit “E”;**
- (11) Maintain a current estimate of expected total cost of each qualified claim or loss, and provide for reserve calculation tracking (including initial reserve establishment and all subsequent changes) within the claim files;**
- (12) Furnish to IHL selected loss information and data in an electronic format agreed to by IHL. A description of required information and data is in Attachment “E” of the Agreement;**
- (13) Provide narrative reports of claims and settlement requests as requested by RM;**
- (14) Provide claim forms and other forms appropriate for the efficient operation of the Tort Plan;**
- (15) File all periodic reports and renewal applications required by regulatory agencies to maintain the Tort Plan;**
- (16) Prepare thoroughly documented notes to all files with respect to an initial summary description of claim, liability, reserve history, expected settlement/closure date, telephone conversations, etc. Provide real-time internet based access to IHL, through RM, that includes all required software. The on-line access shall include, but is not limited to, access by claim to the claim historical data, supervisory and adjuster note screen, diary screen, all payment detail, defense and claimant attorney identification and notes on system confirming file review frequency. Preferably the on-line access shall provide all documentation of a claim file in a paperless environment and allow RM the ability to run management reports on the Tort Plan as needed;**
- (17) Provide in an electronic format historical claims report on a monthly basis and any other additional information, analysis, reports and services as requested by IHL. Provide real-time internet based reporting capability for IHL and its participants as designated by RM;**
- (18) Support and cooperate with the RM in its responsibilities to IHL including, but not limited to, the IHL approved *Operational Guidelines and Procedures for the Self-Insured State Institutions of Higher Learning Tort Claims Plan and Fund* (Tort Guidelines). The current Tort Guidelines located in Exhibit “E” are subject to amendment by IHL;**
- (19) Agree to the Performance Criteria specified in Attachment “F” of the Agreement;**
- (20) Report all bodily injury claimants to the Index Bureau;**

- (21) Investigate and pursue subrogation possibilities on behalf of IHL. All funds received from subrogation collections shall be considered IHL's;**
- (22) Meet, at least quarterly, with RM to review claims, settlements and strategy.**
- (23) TPA must report IHL's claims data to CMS (Centers for Medicare and Medicaid Services) according to Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007(MMSEA).**

**B. Workers' Compensation**

**The TPA's responsibilities shall include, but are not limited to, the following:**

- (1) Provide an adequate number of dedicated professionally trained claim staff to assure excellence in all areas of services requested in this RFP and Agreement and meeting the minimum experience requirements specified in the RFP;**
- (2) Review all incident, claim and loss reports received from WC Participants, as defined in the RFP, and process each such incident, claim or loss report to conclusion in accordance with applicable statutory, administrative regulations and best practices;**
- (3) Conduct a thorough investigation of each reported incident, claim or loss to the extent necessary, which may include but not be limited to, photographs, diagrams, police reports, recorded statements from involved parties and all witnesses, etc. to determine the WC Plan's liability, etc.;**
- (4) Provide, through electronic mail, first written reports to RM within seven (7) working days from receipt of claim for all claims. Status reports will be provided by electronic mail every thirty (30) days in a format approved by RM;**
- (5) In the event of notification of an incident, claim, illness or injury involving death of an employee or a loss that is reasonably expected to fall within one of the following categories, on-site contact is required and investigation shall be commenced with 24 hours of notice of the incident to the TPA:**
  - Cord injury - potential paraplegia, quadriplegia**
  - Amputations to a major member**
  - Potential permanent brain damage**
  - Potential blindness or significant hearing loss**
  - Serious burns (second or third degree over 50% of the body)**
  - Multiple fractures - involving more than one member**
  - Fracture of both heel bones**
  - Massive internal injuries affecting body organs**

- Any injury potentially resulting in incontinence of bowel and/or bladder
- Fatalities
- Heart attacks
- Potentially serious chemical exposure
- Potentially serious injuries to multiple employees, as the result of a single accident
- Crimes of a violent nature resulting in serious injuries or potential psychological trauma (i.e. rape, shooting, stabbing)
- Any other serious injury that it is known will potentially result in significant impairment and medical expense

Provide, through electronic mail, a summary report to RM within 48 hours of the on-site contact and investigation.

- (6) Arrange for independent investigators or medical or other experts to the extent deemed necessary by the TPA in connection with processing any incident, claim or loss. If it is mutually deemed necessary to assign an independent, third party claims investigator ("fee adjuster") to handle a portion of the investigation of a qualified claim or loss, the fee for services of such fee adjuster will be paid by the TPA, not out of IHL funds, if those services are ones that the TPA staff is equally capable and qualified to handle. The fee adjuster will be mutually agreed upon and determined by geography and the type of claim/injury involved;
- (7) Payment of medical and death benefits, temporary and permanent disability compensation and other losses and expenses. The TPA shall pay losses and expenses other than settlements, indemnity payments and mileage reimbursements three (3) times a month, on the tenth, twentieth, and last day of the month. The TPA shall have the authority to compromise or settle any claim or loss up to five thousand dollars (\$5,000.00). The TPA shall notify RM within five (5) days of execution of a TPA compromise or settlement of any claim. The TPA's authority to compromise or settle any claim or loss may be increased or decreased by RM through written notification to the TPA at any time during this contract;
- (8) Perform all reasonable and necessary administrative and clerical work in connection with claims or losses including the preparation of laser printed checks bearing the name of WC Plan and drawn on the account(s) established and maintained by IHL, monthly reconciliation of bank statements on said accounts, cooperating with IHL's actuary and auditors, and compliance with administrative procedures of IHL;
- (9) Perform reasonable and necessary administrative and clerical work in connection with the investment management program of the WC Plan assets including working with IHL's investment manager. Examples of work are, but not limited to, notification to IHL and IHL's investment manager, by electronic mail, of checks issued in excess of \$25,000 when issued, the amount of checks written three times a month, and end of

**month report that includes all refund/subrogation recoveries, deposits and ending balances;**

- (10) Manage the litigation process, including the review of legal bills, and assist attorneys in accordance with the *IHL Workers' Compensation Assignment and Litigation Management Plan* in Exhibit "E";**
- (11) Notify excess insurers of all claims or losses with values that may exceed IHL's retention and provide such excess insurers with necessary information on the current status of those claims or losses unless relieved of this obligation by IHL;**
- (12) Monitor the treatment programs recommended for employees by physicians, specialists and other health care providers by reviewing all reports prepared by them and maintaining such contact with these providers as may be appropriate;**
- (13) Assist in arranging for rehabilitation or retraining of employees in appropriate cases. Included in this assistance is working with the employee and the WC Participant in circumstances under which an ill or injured employee desires to return to work in the shortest period of time;**
- (14) Maintain a current estimate of expected total cost of each claim or loss, and provide for reserve calculation tracking (including initial reserve establishment and all subsequent changes) within the claim files;**
- (15) Furnish to IHL selected loss information and data in an electronic format agreed to by IHL. A description of required information and data is in Attachment "E" of the Agreement;**
- (16) Provide narrative reports of claims and settlement requests as requested by RM;**
- (17) Provide claim forms and other forms appropriate for the efficient operation of the WC Plan;**
- (18) Prepare thoroughly documented notes to all files with respect to an initial summary description of claim, liability, reserve history, expected settlement/closure date, telephone conversations, etc. Provide real-time internet based access to IHL, through RM, that includes all required software. The on-line access shall include, but is not limited to, access by claim to the claim historical data, supervisory and adjuster note screen, diary screen, all payment detail, defense and claimant attorney identification and notes on system confirming file review frequency. Preferably the on-line access shall provide all documentation of a claim file in a paperless environment and allow RM the ability to run management reports on the WC Plan as needed;**

- (19) Provide access to medical cost containment services. Preferably provide a network of medical providers for the employees and a medical savings report similar to the format in Attachment “E”. Preferably provide in-house medical review by experienced physicians and nurses.**  
**In the event IHL decides to establish a workers’ compensation network of providers, the TPA shall assist in the selection of a panel of physicians or other providers of health care to initially treat employees and a panel of medical specialists to provide long-term or specialty care as requested by IHL. This may include the development of methods of using any in-house dispensary or other medical facility more effectively;**
- (20) File all periodic reports and renewal applications required by regulatory agencies to maintain the WC Plan;**
- (21) Provide in an electronic format historical claims on a monthly basis and any other additional information, analysis, reports and services as requested by IHL. Provide a text file to UMMC as specified by IHL and UMMC. Provide real-time internet based reporting capability for IHL and its participants;**
- (22) Support and cooperate with RM in its responsibilities to IHL including, but not limited to, the IHL approved *Operational Guidelines and Procedures for the Self-Insured State Institutions of Higher Learning Workers’ Compensation Program* (WC Guidelines). The current WC Guidelines located in Exhibit “E” are subject to amendment by IHL;**
- (23) Agree to the Performance Criteria specified in Attachment “F” of the Agreement;**
- (24) Report all indemnity claims to the Index Bureau;**
- (25) Investigate and pursue subrogation possibilities on behalf of IHL. All funds received from subrogation collections shall be considered IHL’s;**
- (26) Meet, at least quarterly, with RM to review claims, settlements and strategy.**
- (27) TPA must report IHL’s claims data to CMS (Centers for Medicare and Medicaid Services) according to Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007(MMSEA).**
- (28) Section 25-3-95, Mississippi Code of 1972, (b) states “When an employee's absence is due to a work-related injury for which the employee is receiving temporary disability benefits under Section 71-3-17(b) or 71-3-21, the injured employee shall not use accrued personal and/or medical leave and receive workers' compensation benefits simultaneously if the combined receipt of both benefits results in the employee being paid, while absent due to the work-related injury, a total amount that exceeds one hundred percent (100%) of his wages earned in**

state employment at the time of injury. In such cases, the injured employee may use only as much of his accrued personal and/or medical leave as necessary, which may be fewer than eight (8) hours of accrued personal and/or major medical leave in a day, to constitute the difference between the amount of temporary disability workers' compensation benefits received and one hundred percent (100%) of his wages earned at the time of injury in state employment. It is the intent of the Legislature that no state employee who is absent and disabled from work due to a work-related injury shall receive more than one hundred percent (100%) of his wages earned in state employment at the time of injury through the use of accrued personal and/or medical leave combined with temporary disability benefits under the Workers' Compensation Law. The procedure for implementing this paragraph (b) shall be as directed by the applicable appointing authority. The receipt or payment of benefits in compliance with this paragraph (b) shall be considered the employee's exclusive remedy against the employer in accordance with Section 71-3-9." The TPA shall generate a "Claimant Indemnity Payments Report" and send via email every Thursday to personnel designated by RM. The report lists all Temporary Disability and Temporary Partial Disability payments issued during the prior week for the member. The TPA will copy RM.

- C. The TPA shall maintain a blanket fidelity bond in an amount no less than \$1,000,000 with IHL named as exclusive beneficiary. The TPA shall provide an insurance certificate for the blanket fidelity bond coverage indicating the limits of liability and name of the carrier. Any losses under this contract due to employee theft or dishonesty shall be fully repayable to the WC or Tort Plan. It shall be the TPA's responsibility to recover these funds and reimburse the Tort Plan and/or WC Plan accordingly. The Certificate of Insurance shall be addressed to Mississippi Institutions of Higher Learning, Office of Contracts and Grants Compliance, 3825 Ridgewood Road, Suite 417, Jackson, MS 39211
- D. The TPA shall provide a certificate of insurance for Commercial General Liability including Professional Liability, Automobile Liability, and Workers' Compensation coverage indicating the limits of liability, deductibles and name of the carrier. The Commercial General Liability, including Professional Liability insurance and the Automobile Liability coverage, shall be a minimum amount of Three Million Dollars (\$3,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate through an insurance company with a Best rating of A- or higher and a financial size Class X or higher. The Certificates of Insurance shall name the Board of Trustees of State Institutions of Higher Learning as a certificate holder. The Certificates of Insurance shall be addressed to Mississippi Institutions of Higher Learning, Office of Contracts and Grants Compliance, 3825 Ridgewood Road, Suite 417, Jackson, MS 39211
- E. The TPA agrees that data contained on tapes, discs, files, batch files, and other records pertinent to the TPA's services provided to and on behalf of IHL are the property of IHL and must be made capable of separate retrieval and distribution. The TPA must provide for the physical security of all such

records. The TPA shall provide for transfer of records currently in off-site storage and any costs thereof. The TPA shall provide to IHL written procedures documenting its security and off-site storage of all such records and such documentation shall become Attachment "B" of the Agreement(s). Transaction data shall be maintained for seven years after the claim is closed. Summary data shall be maintained indefinitely.

All data, including medical, financial, and personnel information reviewed and collected in connection with the Agreement(s) shall be held in strict confidence and shall not be released, disclosed, or published by the TPA without the written consent of IHL, except to IHL or others required to provide a service under the Agreement(s).

- F.** The TPA shall provide to IHL its written Continuity of Operations Plan and such documentation shall become Attachment "B" of the Agreement(s).
- G.** The TPA agrees that IHL shall have the right to audit all records maintained by the TPA relative to the TPA's performance under the Agreement(s). IHL shall also maintain the right to perform financial, performance and other special audits on such records maintained by the TPA during regular business hours throughout the Agreement period. The TPA agrees that confidential information including, but not limited to, medical and other pertinent information relative to claims of the WC Plan and Tort Plan shall not be disclosed to any person or organization for any purpose without the written consent of IHL, except to IHL or others required to provide a service under the Agreement(s).
- H.** The TPA's administrative office shall be open for business, Monday through Friday, each week of the year excluding legal holidays or closure due to causes beyond the reasonable control of the TPA.
- I.** The TPA shall consult with and assist IHL in the establishment and coordination of necessary procedures and practices to meet any applicable state requirements and needs of IHL.
- J.** The TPA shall cooperate and assist RM, in the event a Risk Management Information System is established by RM, in the transferring of data and all necessary information needed by the RMIS system and vendor.
- K.** The TPA shall participate in the training of IHL and the Tort and WC Participants' personnel who are directly or indirectly involved in the processing of third party liability claims or losses and workers' compensation claims or losses throughout the term of the agreement(s). This training includes, but is not limited to, orientation of their personnel in proper claims procedures, statutory requirements, and other matters necessary for the administration of the program.
- L.** The TPA shall work closely with RM including meeting with RM and/or IHL as requested for the purpose of furnishing requested information.

- M. Upon termination of the Agreement(s), the TPA shall cooperate with IHL and the new third party claims administrator(s) during the transition of the WC and Tort Plans' business to the new third party claims administrator(s). Upon request from IHL, the TPA shall provide all Plans' information maintained by the TPA in a time frame approved by IHL, with no additional fees. Information provided via tape shall be in a format approved by IHL and shall include, but not be limited to file layouts and legends. The TPA shall provide such explanation of the information provided as to facilitate a smooth transition.**
- N. The TPA shall process all claims or losses transferred from the previous third party claims administrator remaining open at June 30, 2011, or any claims reopened thereafter.**
- O. The TPA shall load and maintain all Tort and WC Plan claims data for all claims, whether open or closed.**
- P. The TPA shall process all run-out claims or losses for 180 days following termination of the Agreement(s) if requested in writing by IHL at the same fee as the last year of the Agreement(s).**
- Q. The TPA shall provide a toll-free telephone line for claim reporting and communication with the Tort and WC Participants. The TPA shall provide direct lines to the staff dedicated to handling IHL's workers' compensation and tort claims for communication with RM and staff.**

**V. General Instructions**

- A. In preparing your response to any RFP question or request for information, you shall repeat each question followed by your response. Questions and answers shall be in the same order as found in the RFP. Provide complete answers and explain all issues in a concise, direct manner. All information requested is considered important. If you have additional information you would like to provide, include it in the back of your response as an appendix. All documentation submitted in response to this RFP and any subsequent requests for information pertaining to this RFP will become the property of IHL and will not be returned to the bidder.**

**The information contained in your response to this RFP will be used by IHL in determining if your firm will be selected. The selected proposal will become an integral part of the contract and IHL will expect all representations made in the proposal to have been made by the TPA and to be honored by the TPA. As such, it is imperative that the proposal be prepared by the TPA. If you cannot provide a direct response for some reason (e.g. your company does not collect or furnish certain information), please indicate the reason rather than providing general information that fails to answer the question.**

**FAILURE TO PROVIDE ALL INFORMATION REQUESTED AND IN THE MANNER REQUESTED MAY RESULT IN DISQUALIFICATION OF YOUR**

**BID.**

**B. Timeline**

The following is an outline of dates in the TPA selection process. Dates are subject to change. Notification of any changes will be provided in writing to all TPAs that have provided notice of intent to bid.

December 15, 2010	RFP released.
January 5, 2011	Intent to Bid and all questions regarding the RFP due in RM office by 4:00 p.m. (Central Standard Time).
January 12, 2011	Response to questions sent.
February 9, 2011	Proposals due in RM office by 4:00 p.m. (Central Standard Time).
Week of March 7, 2011	On-site review of finalists' claims files and operations (at RM's discretion).
April 22, 2011	Award Notification
July 1, 2011	Agreement(s) effective.

All organizations responding to this RFP will be notified in writing of the outcome of the process as soon as it is determined.

**C. Intent to Bid and Submission of Proposal**

1. All potential TPAs are requested to indicate in writing their intention to bid by January 5, 2011, to the address below. Only those bidders that provide notification of intent to bid will receive copies of responses to questions, changes and updates. Your notification of intent to bid shall contain: (1) confirmation that your organization meets or exceeds the Minimum Required Qualifications outlined in VI., A., 1., 2. 3. and 4. (if bidding on Tort Plan), B., 1., 2. 3. and 4. (if bidding on WC Plan), C., and D.; (2) your organization's primary contact's name, title, address, telephone, fax number and e-mail address; and (3) an indication for which service(s) your organization intends to provide a bid.
2. The proposal may be submitted via e-mail, in CD format, or hard copy and received at the address indicated in the following Section D no later than 4:00 p.m. (Central Standard Time) on February 9, 2011. Electronic responses are the preferred method, and must be in Word or PDF format.
3. The successful proposal(s) will be incorporated into the resulting Agreement(s). The proposals are subject to the "Mississippi Public Records Act of 1983," codified as section 25-61-1 et seq., Mississippi Code Annotated.

**D. Communication**

IHL shall be bound only by written responses to written questions concerning the RFP. Questions regarding the RFP and your intent to bid should be submitted in writing electronically, hard copy or facsimile by January 5, 2011, 4:00 p.m. Central Standard Time.

If mailing a CD or hard copy, address to:  
State Institutions of Higher Learning  
Office of Risk Management  
3825 Ridgewood Road, Suite 429  
Jackson, MS 39211.

Please enclose 3 copies of your proposal if sending hard copy.  
If sending via e-mail, send to [riskmanagement@mississippi.edu](mailto:riskmanagement@mississippi.edu)  
If sending via fax, send to (601) 432-6986.

- E. This RFP is issued by IHL. This is not a formal bid process and IHL is not required to select the lowest proposal. This is merely an invitation to submit proposals. IHL reserves the right, without qualifications, to request clarifications, corrections, select any proposal as a basis for negotiation, to recall, suspend, reject any or all proposals, select or reject any, all, or none of the services discussed in the RFP and to exercise its discretion and apply its judgment with respect to any proposal submitted any time leading up to the time of final agreement signing. IHL may award all or part of the services contained in this RFP. IHL reserves the right to reject any or all responses to this RFP. Any proposal received that does not meet the general instructions may be considered to be “non-responsive” and be disqualified.**

**VI. Minimum Required Qualifications to Respond**

**A. Tort Plan**

- 1. The TPA shall have a minimum of ten (10) years of experience providing third party liability claim services to parties other than itself. Preference will be given to a TPA with claims experience handling third party liability claims under the Mississippi Tort Claims Act. Preference will be given to a TPA with a claims office and staff located in Mississippi.**
- 2. The TPA shall provide a claims manager who has a minimum of fifteen (15) years of experience in investigation, evaluation and settlement negotiation of third party liability claims, and a minimum of ten (10) years of experience in claims supervision of third party liability claims. The claims manager will supervise all aspects of the services required by IHL and be responsible for the quality of work product of personnel performing all required services outlined in the Agreement. Preference**

**will be given to a TPA that provides a claims manager with claims experience handling third party liability claims under the Mississippi Tort Claims Act and located in Mississippi.**

- 3. The claims adjuster handling claims for IHL must have a minimum of five (5) years of experience in third party liability claims investigation and evaluation. IHL prefers a claims adjuster with experience in third party liability settlement negotiation. Preference will be given to a TPA that provides an adjuster with claims experience handling third party liability claims under the Mississippi Tort Claims Act and located in Mississippi.**

**B. WC Plan**

- 1. The TPA shall have a minimum of ten (10) years of experience providing workers' compensation claim services to parties other than itself. Preference will be given to a TPA with claims experience handling workers' compensation claims under the Mississippi Workers' Compensation Law.**
- 2. The TPA shall provide a claims manager who has a minimum of fifteen (15) years of experience in investigation, evaluation and settlement negotiation of workers' compensation claims, and a minimum of ten (10) years of experience in claims supervision of workers' compensation claims. The claims manager will supervise all aspects of the services required by IHL and be responsible for the quality of work product of personnel performing all required services outlined in the Agreement. Preference will be given to a TPA that provides a claims manager with claims experience handling workers' compensation claims under the Mississippi Workers' Compensation Law.**
- 3. The TPA shall provide a dedicated claims supervisor who has a minimum of ten (10) years combined experience in investigation, evaluation and settlement negotiation of workers' compensation claims, and is currently a claims supervisor of workers' compensation claims. Preference will be given to a TPA that provides a claims supervisor with claims experience handling workers' compensation claims under the Mississippi Workers' Compensation Law.**
- 4. Each dedicated claims adjuster handling claims for IHL must have a minimum of five (5) years of experience in workers' compensation claims investigation, evaluation and settlement negotiation. Preference will be given to a TPA that provides an adjuster with claims experience handling workers' compensation claims under the Mississippi Workers' Compensation Law.**

- C. The TPA's office servicing IHL shall be located in Mississippi, preferably in the Greater Jackson area.**

- D. The RM may alter any and all qualifications stated in VI., A., B, and C. if it is in the best interest of IHL after execution of an Agreement(s) with the selected TPA under this RFP process.

## VII. Required Contents of the Proposal

**In preparing your response to the questionnaire, you shall repeat each question in the order presented in this RFP followed by your response. Provide complete answers and explain all issues in a concise, direct manner. The proposer must submit the following information in the order requested:**

1. State the full name and home office address of your organization. If the office that will service IHL is located at a different address than the home office, provide the complete address, phone number and facsimile number for this office as well.
2. Provide the name, title, address, telephone number, e-mail address and facsimile number of the contact person for this proposal. The contact person shall be an officer of the organization in a position to address any of IHL's clarifications and concerns in a prompt and accurate manner. All communication from RM during this process will be directed solely to this individual.
3. Restate each item listed in Section VI, A through C (or A and C or B and C if bidding on only one Plan), "Minimum Required Qualifications" of the RFP and describe in detail how your organization and personnel meet or exceed the required minimum qualifications.
4. Restate each item listed in Section IV, A through Q, "Scope of Services" of the RFP and describe in detail how your organization will provide each service to IHL if selected as TPA. Include any other services your organization offers which are not listed. If bidding on Tort Plan only, skip B. If bidding on WC Plan only, skip A.
5. If bidding on Tort Plan: Describe in detail how your organization will support RM in providing claim service for professional liability including medical malpractice to IHL if selected as TPA.
6. If bidding on Tort Plan: For claim services provided by the administrative office that will service IHL, provide the following third party liability claim data and how your system captures this data on all clients (in total, not client specific), for the 2010 calendar year:
  - a. Average number of days from date the claim was reported to the date claimant was contacted;
  - b. Average cost per bodily injury claim;
  - c. Number of claims subrogated and of these the number of subrogated claims dollars collected;

- d. Average number of days to pay non-bodily injury claims;
- e. Average number of days to pay bodily injury claims;
- f. Average number of days files closed after last activity;
- g. Average response time to client inquiries from time of receipt;
- h. Maximum number of open claim files handled by any adjuster.

7. **If bidding on WC Plan:** For claim services provided by the administrative office that will service IHL, provide the following workers' compensation data and how your system captures this data on all clients (in total, not client specific), for the 2010 calendar year:

- a. Average number of days from date the lost time claim was reported to the date claimant was contacted;
- b. Average length (in days) of disability per claim excluding those that are medical only;
- c. Average paid medical cost per claim;
- d. Average indemnity cost per claim;
- e. Number of claims subrogated and of these the number of subrogated claims dollars collected;
- f. Average number of days to pay medical bills on non-controverted claims;
- g. Average number of days files closed after last activity;
- h. Average response time to client inquiries from time of receipt;
- i. Maximum number of open lost time files handled by any adjuster;
- j. The number of times the Workers' Compensation Commission (WCC) notified your firm of untimely filing of WCC forms.

8. **If bidding on WC Plan:** Explain your firm's medical cost containment program, describing each service in detail. In addition, restate each service listed below and (1) state whether your firm currently performs the service in-house or contracts with an outside firm. If a contractual agreement exists, provide the name and physical location of the firm and the current net cost to your firm. (2) Provide your current actual cost charged to the claim file for each service. If your organization does currently provide a service in-house, provide your current cost charged to the claim file for each service. If your organization does not provide a service in-house or contractual, list as "not applicable".

- a. Mississippi Workers' Compensation Commission Fee Schedule Review
- b. Hospital Bill Review
- c. Inpatient Pre-certification
  - (1) Initial Review
  - (2) Concurrent Reviews
- d. Outpatient Pre-certification
- e. RN Telephonic Case Management
- f. RN On-site Case Management
- g. Usual, Customary, and Reasonable Review
- h. Peer Review

- i. Utilization Review
- j. Physical Therapy Pre-certification
- k. Occupational Therapy Pre-certification
- l. Other PPO Arrangements
- m. Provide information on any other services you may offer which are not listed above.

**IHL reserves the right to select or reject any, all, or none of the services discussed in this section.**

9. Describe in detail how your organization proposes to load and maintain all Tort and/or WC Plan claims data for all claims, open and closed, in a manner to assure consistency in claims data reporting. This shall include your plan to renumber all claim files or maintain the current claim file numbers on transferred open and closed claims. Provide a **Conversion Timetable** identifying the task, the estimated duration of the task by week starting with the date of award through the contract effective date.
10. Provide the name(s) of the claims manager(s), dedicated claims supervisor(s), and designated or dedicated claims personnel to perform the services for IHL. Make a brief statement regarding each claims manager(s), claims supervisor(s), and claims personnel showing how they are qualified to provide the requested services to IHL. In addition, complete the Tort Experience and/or Workers' Compensation Experience forms found in Exhibit "F", which will present in detail how each meets the Minimum Required Qualifications in VI., A., 2., 3., and 4., and/or B., 2., 3., and 4. of this RFP.

Please provide a copy of your company's diversity policy. Also, list title, race and sex of all employees to be assigned to this account. Indicate any with degrees from IHL system universities.

11. Provide a complete resume for each claims manager(s), claims supervisor(s) and claims personnel that will be assigned or render services on IHL's account, including detailed information on any special training or designations.
12. If bidding on Tort Plan: List at least three (3) current self-insured third party liability clients authorized under the Mississippi Tort Claims Act. Your references should include the following:
  - the largest account under contract as of January 1, 2011
  - the oldest account under contract as of January 1, 2011
  - a new account under contract that your organization added within the previous 24 months

For each reference, provide a reference name, full address, contact person, title, phone and fax number and e-mail address, the client's

number of employees, the client's number of claims handled by your firm, the period of time retained as a client, and a list of services you provide. If one account matches more than one of the requirements listed above, provide an additional reference.

13. **If bidding on WC Plan: List at least three (3) current self-insured workers' compensation clients authorized under the Mississippi Workers' Compensation Commission rules and regulations. Your references should include the following:**
- the largest account under contract as of January 1, 2011
  - the oldest account under contract as of January 1, 2011
  - a new account under contract that your organization added within the previous 24 months

For each reference, provide a reference name, full address, contact person, title, phone and fax number and e-mail address, the client's number of employees, the client's number of claims handled by your firm, the period of time retained as a client, and a list of services you provide. If one account matches more than one of the requirements listed above, provide an additional reference.

14. **List at least three current self-insured clients other than previously listed in VII., 12. and 13. For each reference, provide a reference name, full address, contact person, title, phone and fax number and e-mail address, the client's number of employees, the client's number of claims handled by your firm, the period of time retained as a client, and a list of services you provided.**
15. **List all clients who have discontinued use of your services since January 1, 2009. For each reference, provide a reference name, full address, contact person, title, phone and fax number and e-mail address, the client's number of employees, the client's number of claims handled by your firm, the period of time retained as a client, and a list of services you provided.**
16. **State whether any officers or principals of your company and/or their immediate families are, or have been within the preceding 12 months, employees of IHL or the State of Mississippi or elected officials of the State of Mississippi.**
17. **Has your organization ever been involved in a lawsuit involving any area covered by this RFP? If yes, provide details including dates, jurisdiction, cause number, and outcome.**
18. **During the past five years has your organization, related entities, principals or officers ever been a party in any civil or criminal litigation whether directly related to this RFP or not? If so, provide details**

including dates and outcome.

19. **Provide the criteria used to determine the effectiveness of claim handling and claim supervision by your firm.**
20. **Provide a written statement detailing your company's understanding of the Mississippi Tort Claims Act and/or the Mississippi Workers' Compensation Law (depending on which Plan(s) you are bidding), rules and regulations as they pertain to administering the third party claims services under this RFP.**
21. **Provide a written statement detailing your company's understanding of services requested herein as well as a detailed written plan outlining how your company proposes to provide the services required by this RFP.**
22. **Provide your organization's written business contingency disaster and recovery plan that includes, but is not limited to, procedures documenting the security and off-site storage of all data contained on tapes, discs, files, batch files, and other records pertinent to the TPA's services provided to and on behalf of IHL.**
23. **Describe the process which IHL will perform to obtain required information as listed in Attachment "E" of the Agreement and provide online access to a demonstration. Provide an example of a narrative report recommending settlement of a claim currently used by your firm. All reports should equate policy year with IHL's fiscal year beginning July 1 and ending June 30.**
24. **Complete the cost quotation form (Exhibit "C").**
25. **An officer, principal or owner of the TPA firm must sign the Statement of Compliance (Exhibit "A"). FAILURE TO COMPLY WITH THIS REQUIREMENT WILL AUTOMATICALLY DISQUALIFY YOUR BID.**

**EXHIBIT "A"**

**Statement of Compliance**

## **EXHIBIT "A"**

### **Statement of Compliance**

**Proposer agrees to adhere to all of the conditions and requirements set forth below in addition to the IHL RFP:**

- 1. That the attached proposal is valid for at least 120 days subsequent to the due date of submission. The proposal shall become part of the ensuing Agreement in the event that the Agreement is awarded to your organization.**
- 2. That IHL reserves the right to correct and clarify this RFP. Any corrections and clarifications will be sent to all bidders that have provided written notice of intent to bid.**
- 3. That IHL reserves the right to consider any information at its disposal, whether gained from the proposer's proposal, question and answer conferences, references and any other source.**
- 4. That this RFP is issued by IHL. This is not a formal bid process and IHL is not required to select the lowest proposal. This is merely an invitation to submit proposals. IHL reserves the right, without qualifications, to select any proposal as a basis for negotiation, to reject all proposals and to exercise its discretion and apply its judgment with respect to any proposal submitted. IHL reserves the right to request clarifications or corrections to proposals. IHL reserves the right to recall, suspend, reject any or all proposals, select or reject any, all, or none of the services discussed in this RFP, or cancel the RFP in its entirety at IHL's sole discretion any time leading up to the time of final Agreement signing. Any proposal received that does not meet the General Instructions may be considered to be "non-responsive" and may be disqualified.**
- 5. That IHL reserves the right to further clarify and/or negotiate with the "proposer evaluated best" following completion of the evaluation of proposals but prior to Agreement execution, if such is deemed necessary by IHL. IHL also reserves the right to move to the next best proposer if negotiations do not lead to a final Agreement with the best proposer.**
- 6. That all costs incurred by the proposers in preparing and delivering their proposals, and any subsequent time and travel to meet with IHL regarding the proposal shall be borne at the proposers' expense.**
- 7. That the TPA agrees to the attached Agreement Exhibit "B" and said Agreement shall be effective and binding upon the parties for the period of July 1, 2011, through June 30, 2015. Thereafter, the Agreement may be extended by mutual agreement of both parties. However, the Agreement may be terminated by either party, with or without cause at any time, upon ninety (90) days prior written notice.**
- 8. That any action at law, suit in equity, or judicial proceeding for the enforcement of the Agreement or for any breach thereof, shall be instituted only in the courts of the State of Mississippi.**

9. That the Agreement shall be governed by the laws of the State of Mississippi both as to interpretation and performance.
10. That the TPA hereby agrees that it shall not make any delegation of its duties unless authorized by the Agreement or approved in writing by the RM prior to any such delegation. It is further mutually understood and agreed by both parties that this is not an exclusive TPA Agreement. IHL is free to contract with other professionals to perform similar and like services as those contained in this RFP. Payment for work performed by the TPA shall not be affected by this provision.
11. That the TPA shall maintain full and accurate records with respect to all matters covered under this RFP and ensuing Agreement. IHL shall have free access at all proper times to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all data, documents, proceedings, and activities pertaining to the audit.
12. That all documents submitted to IHL shall become documents of IHL and shall become subject only to the Mississippi Public Records Act of 1983. IHL has the right to use any and all ideas or adaptations of the ideas contained in any proposal received in response to the RFP. Selection or rejection of the proposal will not affect this right.
13. That the TPA's proposal and response shall be made part of the Agreement.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

**The appropriate officer of your firm must sign this statement and include it as part of your proposal.**

## **EXHIBIT "B"**

### **Third Party Claims Administration Services Agreement**

*Note: The following sample Agreement relates to the TPA which provides services to both the Tort Plan and WC Plan. Should two TPAs be selected, the Agreement will be adjusted accordingly to reflect the appropriate Plan.*

## **THIRD PARTY CLAIM ADMINISTRATION SERVICES AGREEMENT**

**This Agreement is made by and between the Board of Trustees of State Institutions of Higher Learning ("IHL"), and \_\_\_\_\_ ("TPA").**

**The parties to this Agreement, in consideration of the mutual covenants and conditions set out herein, agree as follows:**

**-1-**

**The TPA agrees to provide third party claims management services for IHL on behalf of the IHL Self-Insured Workers' Compensation Plan (WC Plan) and the IHL Self-Insured Tort Claims Plan (Tort Plan). The required services and responsibilities of the TPA are set forth in Section IV of the *Request for Proposal for Third Party Claims Administration Services* (RFP), dated December 15, 2010. The TPA warrants that it is able to perform these services and possesses the resources, flexibility, innovation, and commitment to service that provides value beyond simple claims payment, and that the TPA has the capabilities, expertise, and service commitment to excel in all areas of services requested in this Agreement.**

**-2-**

**The TPA acknowledges and agrees that it serves in a fiduciary capacity with respect to its responsibilities to IHL under this Agreement and shall exercise reasonable care and due diligence consistent with standards in the industry in the performance of its obligations under this Agreement.**

**-3-**

**The TPA shall maintain full and accurate records with respect to all matters covered under the RFP and this Agreement. The TPA agrees that IHL shall have free access at all proper times to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all data, documents, proceedings, and activities.**

**-4-**

**The TPA hereby represents and warrants that it is qualified to do business in the State of Mississippi and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified.**

**-5-**

**The TPA hereby represents and warrants that it shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Agreement.**

-6-

**The TPA acknowledges and agrees it will act as an independent contractor under this Agreement, and neither the TPA nor any employee or agent of the TPA is an employee of the IHL Executive Office.**

-7-

**The TPA recognizes that it will review, investigate, and compile information on Tort and WC Plan incidents, claims and losses with the potential of litigation, as well as other confidential and proprietary information of IHL. The TPA agrees that it will not at any time directly or indirectly disclose such confidential or proprietary information to any other person or organization for any purpose except as may be authorized by IHL, except to IHL or others required to provide a service under the Agreement.**

-8-

**The TPA agrees that its administrative office shall be open for business, Monday through Friday, each week of the year excluding legal holidays or closure due to causes beyond the reasonable control of the TPA.**

-9-

**IHL agrees to compensate the TPA for services performed by the TPA under the terms of this Agreement as set forth in Attachment "A".**

-10-

**IHL shall at all times provide funds adequate for payment of Tort and WC Plans' claims or losses and of allocated loss expenses. For purposes of this Agreement, allocated loss expenses shall mean all costs, charges or expenses of third parties incurred by the TPA, its agents or its employees which are properly chargeable to a Tort and WC Plan claim or loss including, without limitation, medical cost containment services, court costs, fees and expenses of attorneys, independent adjusters, investigators, experts and witnesses and fees for obtaining diagrams, reports, documents and photographs. IHL shall deposit such funds in a bank account or accounts established by and belonging to IHL. IHL shall have full responsibility for the care, custody and control of such account or accounts, but shall arrange for the TPA to issue checks on the account or accounts for use in the payment of Tort and WC Plan claims and losses.**

-11-

**It is mutually agreed that the TPA shall not be required to advance its own funds to pay Tort and WC Plan claims, losses or allocated loss expenses hereunder.**

-12-

**This Agreement shall be effective and binding upon the parties for the period of July 1, 2011, through June 30, 2015. Thereafter, the Agreement may be extended by mutual agreement of both parties. However, the Agreement may be terminated by either party, with or without**

cause at any time, upon ninety (90) days prior written notice. All notices given pursuant to this Agreement shall be in writing and be personally delivered or mailed with postage prepaid, by registered or certified mail, return receipt requested to the address set forth below or such other address as a party may from time to time specify in writing to the other party. If so mailed and also sent by facsimile, the notice shall conclusively be deemed to have been received on the business day next occurring 24 hours after the latest to occur of such mailing and facsimile communication; otherwise, no notice shall be deemed given until it actually arrives at the address in question. The addresses to which notices are to be sent are as follows:

**(A.) If to IHL:**

**Commissioner of Higher Education  
Board of Trustees of State Institutions of Higher Learning  
3825 Ridgewood Road  
Jackson, Mississippi 39211  
Facsimile No: (601) 432-6972**

**with a copy of any notice to:**

**Director of Risk Management  
Board of Trustees of State Institutions of Higher Learning  
3825 Ridgewood Road, Suite 429  
Jackson, Mississippi 39211  
Facsimile No: (601) 432-6986**

**(B.) If to TPA:**

-13-

Any or all medical cost containment services may be terminated by IHL with or without cause upon ninety (90) days prior written notice of intent to terminate. Such action, if taken, will affect only those items regarding medical cost containment services and fees of this Agreement. Absent any additional notification pursuant to this Agreement, the remainder of this Agreement will continue in full force.

-14-

The services under this Agreement applicable to the WC Plan shall automatically terminate in the event that the Mississippi Workers' Compensation Commission or any successor agency with authority to do so shall reject or revoke IHL's authority to self-insure its workers' compensation liability. Such termination shall be effective, at the option of IHL, on the effective date of such rejection, or such later date as may be mutually agreed upon by the parties.

The services under this Agreement applicable to the Tort Plan shall automatically terminate in the event that the Mississippi Tort Claims Board or any successor agency with authority to do so shall reject or revoke IHL's authority to self-insure its third party liability. Such

termination shall be effective, at the option of IHL, on the effective date of such rejection, or such later date as may be mutually agreed upon by the parties.

IHL shall have the right upon ten (10) working days written notice, to terminate this Agreement without damage, penalty, cost, or expense to IHL of any kind whatsoever in the event that the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds anticipated for the continuing fulfillment of the Agreement are at any time not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which the funds were provided or if funds are not otherwise available to IHL. The effective date of termination shall be as specified in the notice of termination

-15-

Upon termination of this Agreement, the TPA shall deliver, at the TPA's sole cost, all tapes, disks, files, batch files, and other records pertinent to the TPA's services provided to and on behalf of IHL except those the TPA will continue to process.

-16-

It is mutually understood and agreed that this Agreement shall be governed by the laws of the State of Mississippi both as to interpretation and performance.

-17-

It is mutually understood and agreed that any action at law, suit in equity, or judicial proceeding for the enforcement of this Agreement or for any breach thereof, shall be instituted only in the courts of the State of Mississippi.

-18-

The TPA hereby agrees that it shall not make any delegation of its duties under this Agreement without the prior written consent of IHL. It is further mutually understood and agreed by both parties that this is not an exclusive Agreement. IHL is free to contract with other professionals to perform similar and like services as those contained in this Agreement. Payment for services performed by the TPA shall not be affected by this provision.

-19-

The TPA agrees that all documents submitted to IHL shall become documents of IHL and shall become subject to the Mississippi Public Records Act of 1983.

-20-

To the fullest extent allowed by law, the TPA shall indemnify, defend, save and hold harmless, protect, and exonerate IHL, the individual board members and staff, and the participants and their employees from and against all claims, demands, liabilities, suits, actions, damages, losses, and costs of every kind and nature whatsoever, including without limitation, court costs, investigative fees and expenses, and attorneys' fees, arising out of or caused by the TPA and/or its partners, principals, agents, employees, and/or subcontractors in the performance of or

failure to perform the services included in the agreed-upon contract. Each party shall have available to it all remedies available at law or equity. Each party agrees to cooperate with the other party in the investigation of any claim of liability associated with this agreement.

-21-

This Agreement may not be modified or amended, in whole or in part, except by written amendment signed by the TPA and IHL.

-22-

The *Request for Proposal for Third Party Claims Administration Services* (RFP), dated December 15, 2010, and attached hereto as Attachment "C" and the TPA's response to said RFP, dated \_\_\_\_\_, and attached hereto as Attachment "D" are made a part of the Agreement. Any conflict between the RFP, the response to said RFP and this Agreement shall be controlled by the terms of this Agreement.

-23-

Except as otherwise provided for herein, no provision of this Agreement shall be waived, altered, modified or amended except in writing signed by the party against whom such waiver, alteration, modification or amendment is sought to be enforced.

-24-

If a court determines that any provision of this Agreement is not enforceable against IHL, TPA agrees that the individual signing this agreement on behalf of IHL is not personally responsible or liable for any of the obligations and duties contained herein.

-25-

This Agreement and the Attachments "A", "B", "C", "D", "E" and "F" attached hereto represent the entire Agreement for the services described herein. If any clause herein is declared null, void or illegal by a court of competent jurisdiction, the rest and remainder of such clauses within this Agreement shall remain valid and binding.

-26-

If a court determines that any provision of this contract is not enforceable against IHL, the TPA agrees that the individual signing this agreement on behalf of IHL is not personally responsible or liable for any of the obligations and duties contained herein.

**Board of Trustees of State  
Institutions of Higher Learning**

**Company Name**

**BY:** \_\_\_\_\_  
**Dr. Hank M. Bounds**  
**Commissioner of Higher Education**

**BY:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## ATTACHMENT "A"

### *Compensation*

For services rendered under this Agreement, IHL agrees to pay the TPA as follows:

- A. Tort Plan Claims Administration fees (excluding automobile claims) are *(To be completed upon selection of TPA)*
- B. Automobile Claims Administration Fees are *(To be completed upon selection of TPA)*
- C. WC Plan Claims Administration fees are *(To be completed upon selection of TPA)*
- D. Medical Cost Containment Services fees are *(To be completed upon selection of TPA)*

The TPA shall invoice IHL for Claims Administration fees by the applicable plan. Claims Administration fees are payable on a quarterly basis in arrears. Interest may be assessed for payments not made when due in accordance with the timely payment provisions of Mississippi law.

Medical Cost Containment Services fees will be verified and reconciled and then paid by the TPA with funds from IHL's bank account.

Any services and/or fees not specifically authorized by this Agreement must be approved by RM prior to payment. The payment of an invoice by IHL shall not prejudice its right to object or question any invoice or matter in relation thereto. Such payment by IHL shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any costs invoiced therein. The TPA's invoice or payments shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by IHL, on the basis of audits, not to constitute allowable costs. Any payment shall be reduced for overpayment, or increased for underpayment on subsequent invoices. IHL reserves the right to deduct from amounts that are or shall become due and payable to the TPA under this Agreement any amounts which are or shall become due and payable to IHL by the TPA.

In the event Claims Administration services are rendered for less than a full year for any contract period, the appropriate annual fee, if applicable, will be prorated.

**ATTACHMENT "B"**

***TPA Business Continuity of Operations Plan including security and off-site storage  
procedures***

**(To be completed upon selection of TPA.)**

**ATTACHMENT "C"**

*Request for Proposal for Third Party Claims Administration Services (RFP),  
dated December 15, 2010*

**ATTACHMENT "D"**

*TPA's response to RFP,  
Dated*

## **ATTACHMENT "E"**

### ***Required Reports***

**All reports should equate policy year with IHL's fiscal year beginning July 1 and ending June 30**

#### **A. Workers' Compensation**

- 1. Claim and Expense Report in an electronic format (monthly)**
- 2. Claim and Expense Report by WC Participant with outstanding and/or incurred amounts omitted in an electronic format (This report is to be provided to each WC Participant monthly.)**
- 3. Litigation Expense Report in an electronic "Word" format (quarterly)**
- 4. Federal 1099 Information (annually)**
- 5. Subrogation Report in an electronic format (monthly)**
- 6. Various reports as may be requested by State regulatory bodies in an electronic, CD or other format as designated by RM (as requested)**
- 7. Transaction Register in an electronic or other format as designated by RM (monthly)**
- 8. Bank Statement Reconciliation in an electronic or other format as designated by RM (monthly)**
- 9. Void check register in an electronic or other format as designated by RM (monthly)**
- 10. Medical Cost Containment Allocated Loss Expense Report in an electronic format (quarterly)**
- 11. Summary Report of Total Charges, Payments, and Frequency by CPT Code in an electronic format if available (as requested)**
- 12. Savings Summary and Savings by Participant Report in an electronic format (quarterly)**

#### **B. Tort**

- 1. Claim and Expense Report in an electronic format (monthly)**
- 2. Claim and Expense Report by Tort Participant with outstanding and/or incurred amounts omitted in an electronic format (This report is to be provided to each Tort Participant monthly.)**
- 3. Litigation Expense Report in an electronic "Word" format (quarterly)**
- 4. Federal 1099 Information (annually)**
- 5. Subrogation Report in an electronic format (monthly)**
- 6. Various reports as may be requested by State regulatory bodies in an electronic, CD or other format as designated by RM (as requested)**
- 7. Transaction Register in an electronic or other format as designated by RM (monthly)**
- 8. Bank Statement Reconciliation in an electronic or other format as designated by RM (monthly)**
- 9. Void check register in an electronic or other format as designated by RM (monthly)**

## Required Contents of Reports

### A. Litigation Expense Report (quarterly):

The Litigation Expense Report shall list all claims for which legal fees have been paid in the current fiscal year. The following information is required, as a minimum, for each claim listed:

1. Claimant name
2. Institution
3. Date of occurrence
4. Claim status (open or closed)
5. Claim number
6. Law firm name
7. Attorney names actively working the complaint
8. Amount of legal fees paid in current fiscal year
9. Amount of total legal fees paid on claim for all years

### B. Claim and Expense Report (monthly):

The Claim and Expense Reports shall contain, at a minimum, the following information:

1. Claim number
2. Claimant name
3. Occurrence/injury date
4. Claim status
5. Brief description of occurrence
6. Amount paid in current period - indemnity, medical, expense, total
7. Amount paid to date - indemnity, medical, expense, total
8. Amount outstanding - indemnity, medical, expense, total
9. Total incurred - indemnity, medical, expense, total
10. Change in reserve (from previous period)

The Claim and Expense Reports preferred format is as follows:

<b>UNIVERSITY</b>	
	<b>UNIVERSITY DIVISION</b>
	open and closed claims from the beginning of the current fiscal year to the most recent month-end (i.e. 7/1/10 through 2/1/11), with a total at the end
	open claims and any closed claims for which payment was made in current period from the previous fiscal year (i.e. 7/1/09 through 6/30/10), with a total at the end
	continue as above with open claims and closed claims for which payment was made in current period for each previous year (i.e. 7/1/96 through 6/30/97, 7/1/95 through 6/30/96, and so on) with totals at end of each

	<b>Division Total</b>
	<b>Division Summary (summary numbers listed by year for all years)</b>
	<b>NEXT DIVISION (repeat all above)</b>
<b>UNIVERSITY SUMMARY (summary numbers listed by year for all years)</b>	

<b>NEXT UNIVERSITY (repeat all above)</b>
---

<b>ALL UNIVERSITIES TOTAL SUMMARY BY YEAR</b>
---

**C. Savings Analysis Summary and a Savings by Participant Report**

**SAVINGS ANALYSIS**

**BILL REVIEW**

IHL (year)

**I. OVERVIEW**

<b>A. Time Period</b>	<b>7/1/10- 9/30/10</b>	<b>10/1/10- 12/31/10</b>	<b>1/1/11- 3/31/11</b>	<b>4/1/11- 6/30/11</b>
<b>B. Total Number of Bills</b>				
<b>C. Total Charges</b>	\$	\$	\$	\$
<b>D. Total Reductions</b>	\$	\$	\$	\$
<b>E. Percentage of Savings</b>	%	%	%	%
<b>F. Bill Review Fees</b>	\$	\$	\$	\$
<b>G. Net Percentage of Savings</b>	%	%	%	%
<b>H. Additional Payment With Re-evaluation</b>	\$	\$	\$	\$

**II. HOSPITAL**

<b>A. Hospital Charges</b>	\$	\$	\$	\$
<b>B. Hospital Reductions</b>	\$	\$	\$	\$
<b>C. Percentage of Savings</b>	%	%	%	%
<b>D. Fees and Charges</b>	\$	\$	\$	\$
<b>E. Net Savings</b>	\$	\$	\$	\$
<b>F. Net Percentage of Savings</b>	%	%	%	%

**III. SPECIFIC SAVINGS BELOW FEE SCHEDULE**

<b>A. Reductions Below Fee Schedule</b>	\$	\$	\$	\$
---	----	----	----	----

<b>B. Savings Impacted Through Clinical Review</b>	\$	\$	\$	\$
<b>C. PPO Savings</b>	\$	\$	\$	\$
<b>D. Negotiated Discount Savings</b>	\$	\$	\$	\$
<b>Total of Savings Below Fee Schedule</b>	\$	\$	\$	\$
<b>Percentage of Savings Below Fee Schedule</b>	%	%	%	%

**D. Safety & Loss Control Reports**

All reports should equate policy year with IHL’s fiscal year beginning July 1 and ending June 30.

**Workers’ Compensation:**

- 1. Ability to query any or all fields in database to produce reports needed for data analysis. Desirable aspects include ability to sequentially sort, filter and subtotal values. Fields to include but not limited to university, division/department, individual, cause, type (nature), body part, date of injury, financials, lost work days, and classification.**

Reports should be capable of providing historical records for at least the previous ten years in order to track trends accurately. Fields within database to be defined by IHL. When multiple insureds or multiple years are queried, subtotaling by insured and/or year should be an available option in order to eliminate the need for multiple reports/queries. All reports should have option of including or excluding financials.

- 2. Ability to produce report consistent with U. S. Department of Labor, Bureau of Labor Statistics Annual Survey of Occupational Injuries and Illnesses (OMB 1220-0045) upon request.**

**Tort Claims**

Ability to query any or all fields in database to produce reports needed for data analysis. Desirable aspects include ability to sequentially sort, filter and subtotal values. Fields to include but not limited to university, division/department, individual, cause, type (nature), date of injury, financials, and classification.

Reports should be capable of providing historical records for at least the previous ten years in order to track trends accurately. Fields within database to be defined by IHL. When multiple insureds or multiple years are queried, subtotaling by insured and/or year should be an available option in order to eliminate the need for multiple reports/queries. All reports should have option of including or excluding financials.

## ATTACHMENT "F"

### Performance Criteria

At IHL's discretion, an audit of the TPA's performance will be performed via a randomly selected statistically valid sample of claim and loss control files by a qualified, independent third party. Compliance with the areas below will be measured on the files selected. The results of the audit after appropriate review and comment by the TPA will be the final determinant of performance guarantee compliance.

	PERFORMANCE CRITERIA	FINANCIAL PENALTY
	<i>TORT CLAIM MANAGEMENT</i>	
1.	Mail or phone contact with all lost time injured workers, the medical provider, and the Tort Participant contact within three (3) working days of claim knowledge.	\$500 per file
2.	Documentation of reserves and reserve changes on all bodily injury files over \$5,000 in incurred value.	\$100 per file absent correct reserve documentation
3.	All non-bodily injury claims closed and, if payment is applicable, paid within sixty (60) days of receipt.	\$50 per late payment
4.	Every three (3) months (or more frequent) documented file reviews of all bodily injury claim files over \$5,000 by the claim supervisor.	\$100 for each missed review or late review
5.	Every three (3) months (or more frequent) documented file reviews of all bodily injury claim files over \$15,000 by the claim manager.	\$100 for each missed review or late review
6.	Telephone or written response to Tort Participant inquiries within forty-eight (48) hours of receipt.	\$100 for each late response or late attempted response
7.	Limit the number of open claim files to a monthly average of 125 per adjuster.	\$50 for each day in excess of the stated monthly average

	<b>PERFORMANCE CRITERIA</b>	<b>FINANCIAL PENALTY</b>
	<b><i>WORKERS' COMPENSATION CLAIM MANAGEMENT</i></b>	
1.	<b>Mail or phone contact with all lost time injured workers, the medical provider, and the WC Participant contact within three (3) working days of claim knowledge.</b>	<b>\$500 per file</b>
2.	<b>Detailed and completed reserve calculation work sheets on all lost time files over \$5,000 in incurred value. The work sheets are required for initial and subsequent reserve changes when the total incurred value is \$5,000 or more.</b>	<b>\$100 per missing or incomplete reserve calculation sheet</b>
3.	<b>All (non-controverted) medical bills paid within forty-five (45) days of receipt.</b>	<b>\$50 per late payment</b>
4.	<b>All indemnity (TTD) payments made in accordance with Mississippi Workers' Compensation Commission rules.</b>	<b>\$100 per late payment</b>
5.	<b>Every three (3) months (or more frequent) documented file reviews of all lost time files over \$5,000 by the claim supervisor.</b>	<b>\$100 for each missed review or late review</b>
6.	<b>Every three (3) months (or more frequent) documented file reviews of all lost time files over \$15,000 by the claim manager.</b>	<b>\$100 for each missed review or late review</b>
7.	<b>All Mississippi Workers' Compensation Commission forms (B-3, B-15, B-16, B-17, B-31, etc.) filed with the Mississippi Workers' Compensation Commission timely and accurately.</b>	<b>\$50 for each missed form or late form</b>
8.	<b>Files closed within sixty (60) days of last activity.</b>	<b>\$50 for each file closed late</b>
9.	<b>Telephone or written response to WC Participant inquiries within forty-eight (48) hours of receipt.</b>	<b>\$100 for each late response or late attempted response</b>
10.	<b>Limit the number of open lost time files to a monthly average of 150 per adjuster.</b>	<b>\$50 for each day in excess of the stated monthly average</b>

Additionally, in the event the TPA fails to comply with the reasonable recommendations of the independent auditor as directed by IHL, or to otherwise correct defects disclosed by said audit, the TPA agrees to pay a monetary penalty to IHL in an amount not to exceed 5% of the annualized Agreement service fee stated in Attachment "A" of this Agreement.

Penalties will only apply if less than 90% of a given claim performance criteria is not met or if less than 95% of all claim performance criteria are not met. Total of all performance criteria penalties shall not exceed 10% of the annualized Agreement service fee stated in Attachment "A" of this Agreement.

Following is the process of appeal in the event the TPA contests an assessment of a financial penalty. TPA shall, in writing, detail why it disagrees and provide the basis for its request to dismiss the financial penalty to RM within thirty (30) days of the consulting auditors final

**report. RM shall, in writing, notify TPA of RM's determination within thirty (30) days of receipt of TPA's appeal. In the event TPA desires to appeal RM's determination, it shall, in writing, detail why it disagrees and submit three names of qualified independent auditors to RM within fifteen (15) days of receipt of RM's determination. RM shall select one of the qualified independent auditors from the submitted names, provided that RM agrees they are qualified, to review the disputed findings at the sole expense of the TPA. Both IHL and the TPA agree to abide by the finding(s) of the independent auditor in the resolution of the matter.**

**EXHIBIT "C"**

**Cost Quotation Form**

## Cost Quotation Form

Please use this section to list your proposed administrative fee structure.

IHL requires all administration fees to be bundled into a guaranteed fixed cost by plan (line of business). Please indicate the plan (line(s) of business) for which your company is submitting a proposal by checking only one of the following boxes:

- Our proposal is for both workers' compensation and tort plans (lines of business) as indicated in Part I below.
- Our proposal is for both workers' compensation and tort plans (lines of business), however, we are willing to administer one plan as indicated in Parts I and II below.
- Our proposal is for administration of the workers' compensation plan (line of business) only as indicated in Part II below.
- Our proposal is for administration of the tort plan (line of business) only as indicated in Part II below.

The TPA shall provide multiple year rate guarantees for plan years 2012 to 2015 (four years).

## Part I

<b>Guaranteed Fixed Cost if Awarded Administration of <u>both</u> Workers' Compensation and Tort Claims</b>
---

	Year 2012	Year 2013	Year 2014	Year 2015
<b>Guaranteed Fixed Cost Tort Plan Claims Administration Fee*</b>				
<b>Guaranteed Fixed Cost WC Plan Claims Administration Fee</b>				

**Provide fees with the following condition: The TPA selected will administer any run-out claims.**

**\*Excluding automobile claims**

<b>Affirm Claims Administration Guaranteed Fixed Cost Fees are Guaranteed for the following years (Y/N):</b>
--

	Year 2012	Year 2013	Year 2014	Year 2015

	Year 2012	Year 2013	Year 2014	Year 2015
<b>Guaranteed Fixed Cost Automobile Claims Administration Fee</b>				

<b>Affirm Automobile Claims Administration Guaranteed Fixed Cost Fees are Guaranteed for the following years (Y/N):</b>
---

	Year 2012	Year 2013	Year 2014	Year 2015

**Automobile claims reports are located in Exhibit "D".**

	<b>Year 2012</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2015</b>
<b>Mississippi Workers' Compensation Commission Fee Schedule Review</b>				
<b>Hospital Bill Review</b>				
<b>Inpatient Pre-certification (1) Initial Review  (2) Concurrent Reviews</b>				
<b>Outpatient Pre-certification</b>				
<b>RN Telephonic Case Management</b>				
<b>RN On-site Case Management</b>				
<b>Usual, Customary, and Reasonable Review</b>				
<b>Peer Review</b>				
<b>Utilization Review</b>				
<b>Physical Therapy Pre-certification</b>				
<b>Occupational Therapy  Pre-certification</b>				
<b>Other PPO Arrangements</b>				
<b>Other services you may offer which are not listed above</b>				

<b>Affirm Medical Cost Containment Fees are Guaranteed for the following years (Y/N):</b>				
	<b>Year 2012</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2015</b>

## Part II

<b>Guaranteed Fixed Cost if Awarded Administration of <u>either</u> Workers' Compensation <u>or</u> Tort Claims</b>
---

	Year 2012	Year 2013	Year 2014	Year 2015
<b>Guaranteed Fixed Cost Tort Plan Claims Administration Fee*</b>				
<b>Guaranteed Fixed Cost WC Plan Claims Administration Fee</b>				

**Provide fees with the following condition: The TPA selected will administer any run-out claims.**

**\*Excluding automobile claims**

<b>Affirm Claims Administration Guaranteed Fixed Cost are Guaranteed for the following years (Y/N):</b>
---

	Year 2012	Year 2013	Year 2014	Year 2015

**Skip this section if bidding on the WC Plan only**

	Year 2012	Year 2013	Year 2014	Year 2015
<b>Automobile Claims Administration Fee</b>				

<b>Affirm Automobile Claims Administration Guaranteed Fixed Cost are Guaranteed for the following years (Y/N):</b>
--

	Year 2012	Year 2013	Year 2014	Year 2015

**Automobile claims reports are located in Exhibit "D".**

**Skip this section if bidding on the Tort Plan only**

	<b>Year 2012</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2015</b>
<b>Mississippi Workers' Compensation Commission Fee Schedule Review</b>				
<b>Hospital Bill Review</b>				
<b>Inpatient Pre-certification</b> <b>(1) Initial Review</b> <b>(2) Concurrent Reviews</b>				
<b>Outpatient Pre-certification</b>				
<b>RN Telephonic Case Management</b>				
<b>RN On-site Case Management</b>				
<b>Usual, Customary, and Reasonable Review</b>				
<b>Peer Review</b>				
<b>Utilization Review</b>				
<b>Physical Therapy Pre-certification</b>				
<b>Occupational Therapy Pre-certification</b>				
<b>Other PPO Arrangements</b>				
<b>Other services you may offer which are not listed above</b>				

<b>Affirm Medical Cost Containment Fees are Guaranteed for the following years (Y/N):</b>				
	<b>Year 2012</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2015</b>

**EXHIBIT "D"**

**Summary of Claims Reports as of December 9, 2010, for the Tort and the WC Plans**

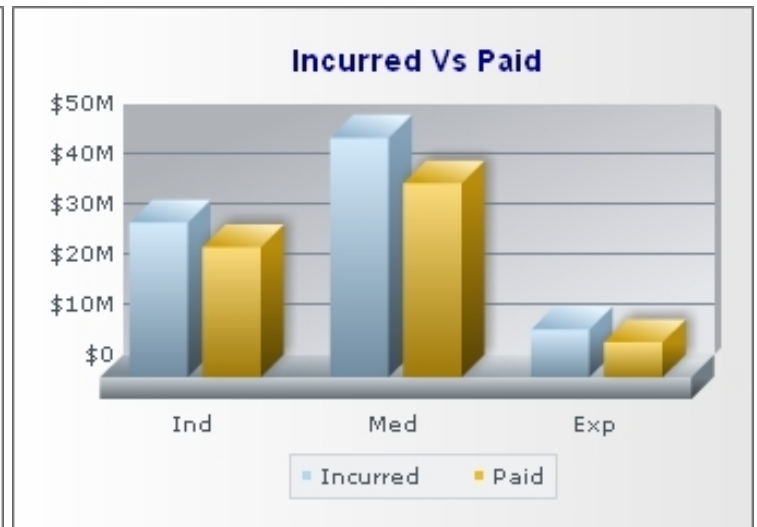
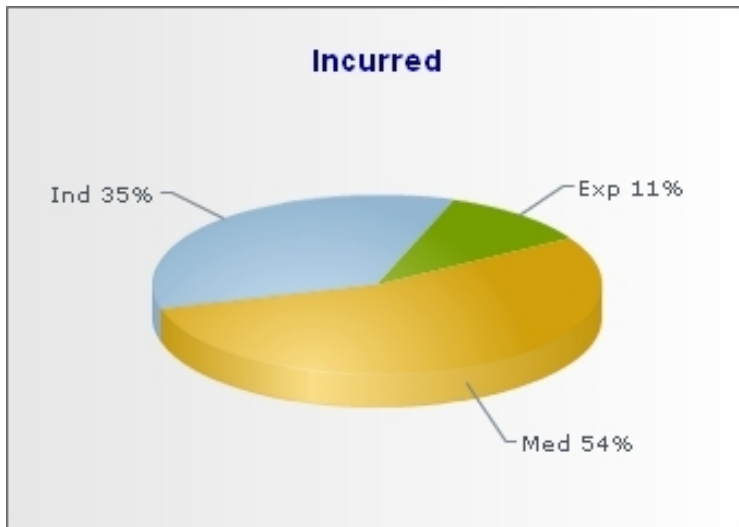
**Automobile Claims Reports as of December 3, 2010**

*Note: The claims data on the following charts in this exhibit (excluding auto) are presented by calendar year.*

Incurred and Paid Losses - Workers' Compensation Claims

Valuation Date 12/9/10

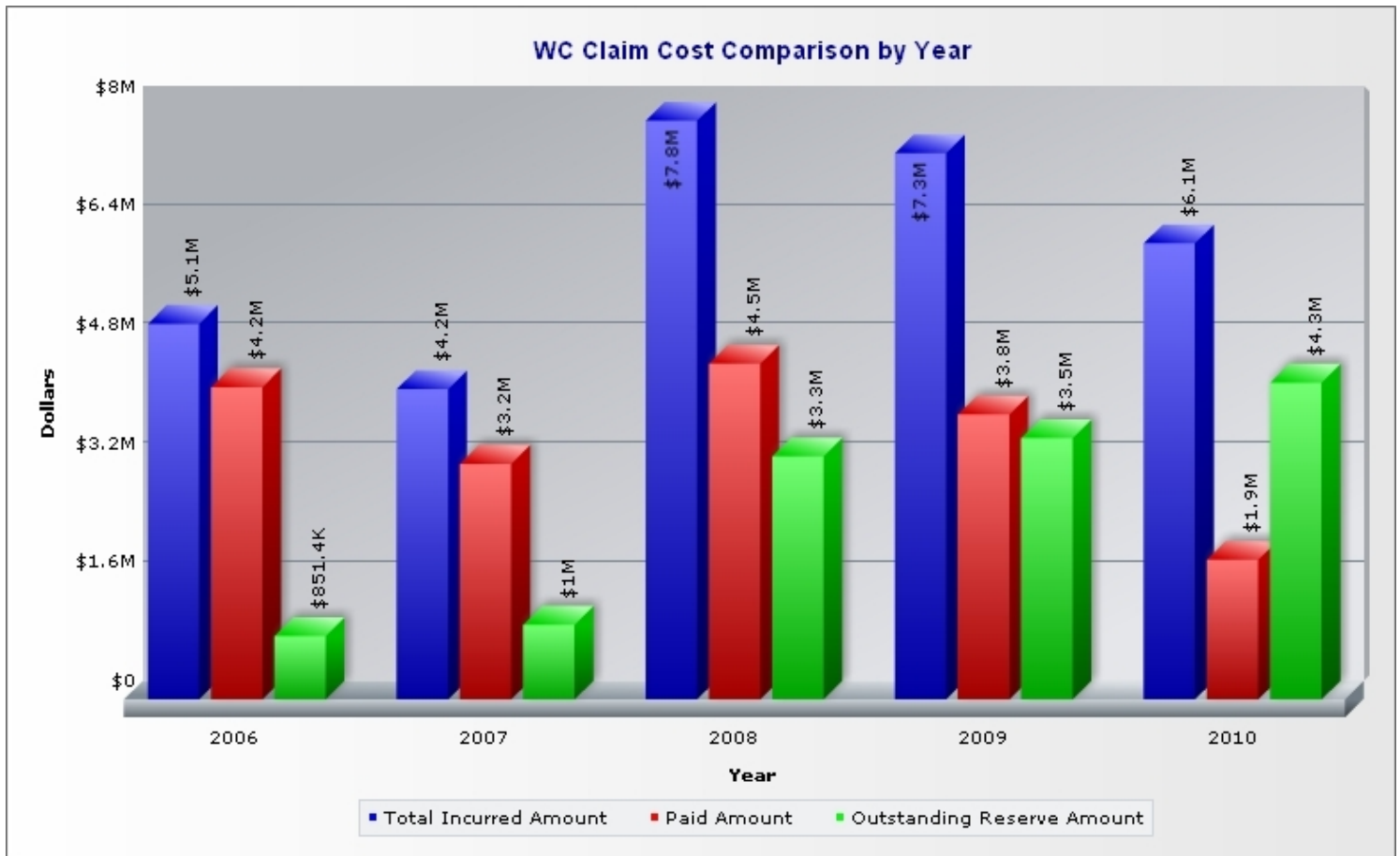
	<b>Incurred</b>	<b>Paid</b>	<b>Outstanding</b>
<b>Indemnity</b>	\$30,903,123.81	\$25,997,958.06	\$4,905,165.75
<b>Medical</b>	\$47,919,764.36	\$38,752,524.96	\$9,167,239.40
<b>Expense</b>	\$9,532,598.82	\$6,988,518.54	\$2,544,080.28
<b>Totals</b>	\$88,355,486.99	\$71,739,001.56	\$16,616,485.43
<b>Recovery</b>	( \$830,838.61 )	( \$844,711.56 )	( \$13,872.95- )
<b>Excess Reimbursement</b>	( \$468,244.72 )	( \$468,244.72 )	( \$0.00 )



Claims ( CL=Closed, OP=Open, RE=Reopen )

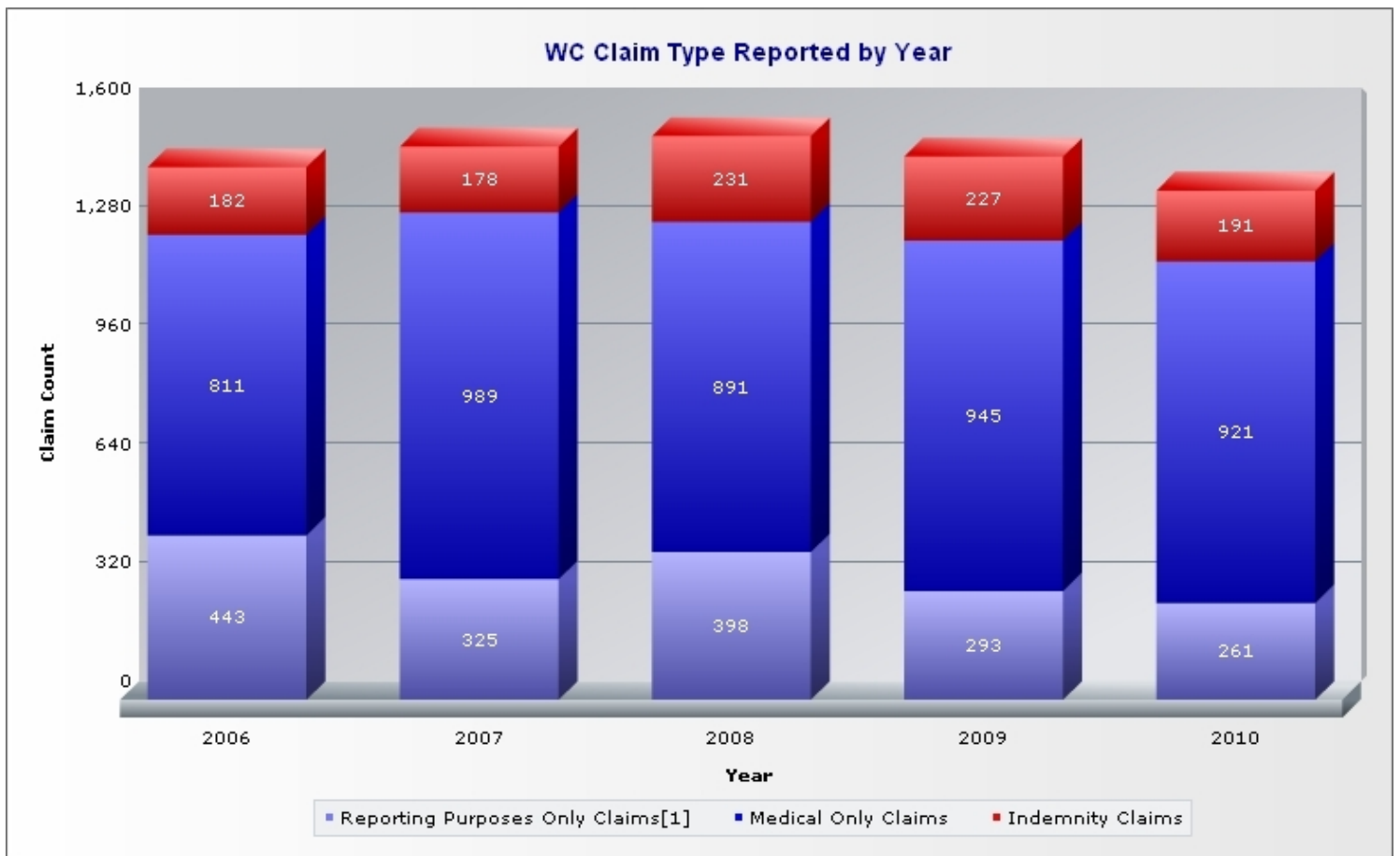
Insured	Claims				Total	Incurred	Paid
	CL	OP	RE	Total			
Alcorn State University	774	15	5	794	\$3,952,805.84	\$3,053,692.91	
Delta State University	914	11	3	928	\$2,151,602.31	\$1,527,456.88	
IHL Miscellaneous Expenses	2	0	0	2	\$2,025.54	\$2,025.54	
Institutions of Higher Learning Business Office	80	2	1	83	\$412,704.57	\$307,081.00	
Jackson State University	1074	15	2	1091	\$6,422,380.17	\$5,648,471.40	
Medical Bill Review Fees	2	0	0	2	\$7,038.62	\$7,038.62	
Mississippi State University	7298	52	20	7370	\$20,265,952.42	\$16,748,073.93	
Mississippi University For Women	406	3	1	410	\$1,304,504.12	\$983,444.60	
Mississippi Valley State University	535	18	6	559	\$5,289,626.99	\$2,706,836.15	
University Of Mississippi	3097	26	14	3137	\$10,294,962.58	\$8,195,327.95	
University Of Mississippi Medical Center - Wc	14817	164	39	15020	\$25,643,947.72	\$21,622,916.65	
University Of Southern Mississippi	3622	29	7	3658	\$12,607,936.11	\$10,936,635.93	
<b>Totals</b>	<b>32621</b>	<b>335</b>	<b>98</b>	<b>33054</b>	<b>\$88,355,486.99</b>	<b>\$71,739,001.56</b>	

Valuation Date 12/9/10



Year	Total Incurred Amount	Paid Amount	Outstanding Reserve Amount
2006	\$5,053,636.76	\$4,202,246.50	\$851,390.26
2007	\$4,173,976.81	\$3,169,964.48	\$1,004,012.33
2008	\$7,786,299.34	\$4,518,210.91	\$3,268,088.43
2009	\$7,348,932.88	\$3,832,642.42	\$3,516,290.46
2010	\$6,136,517.99	\$1,875,936.06	\$4,260,581.93

Valuation Date 12/9/10



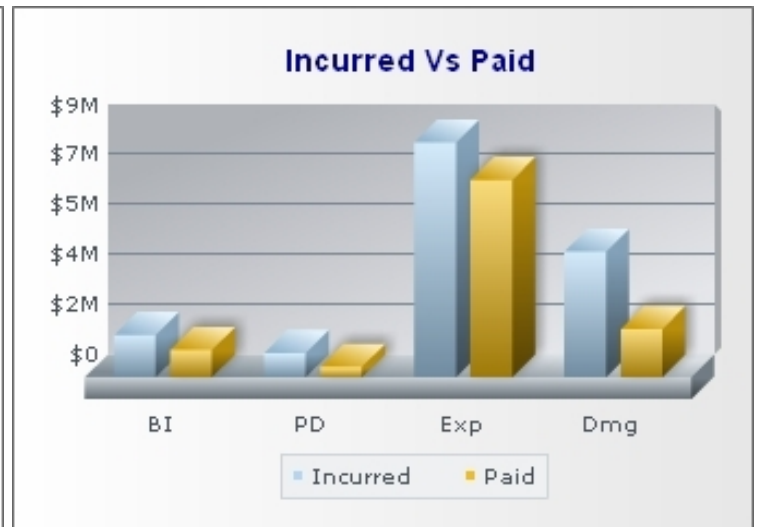
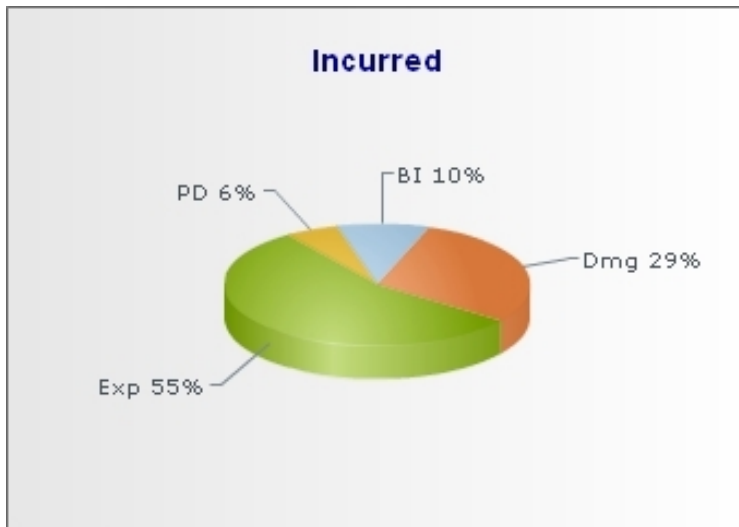
<sup>(1)</sup> "Reporting Purposes Only Claims" are only those reported for WC reporting purposes and not all claims (or Events) reported by employees to the Company.

Year	Reporting Purposes Only Claims	Medical Only Claims	Indemnity Claims
2006	443	811	182
2007	325	989	178
2008	398	891	231
2009	293	945	227
2010	261	921	191

**Incurred and Paid Losses - Tort Claims**

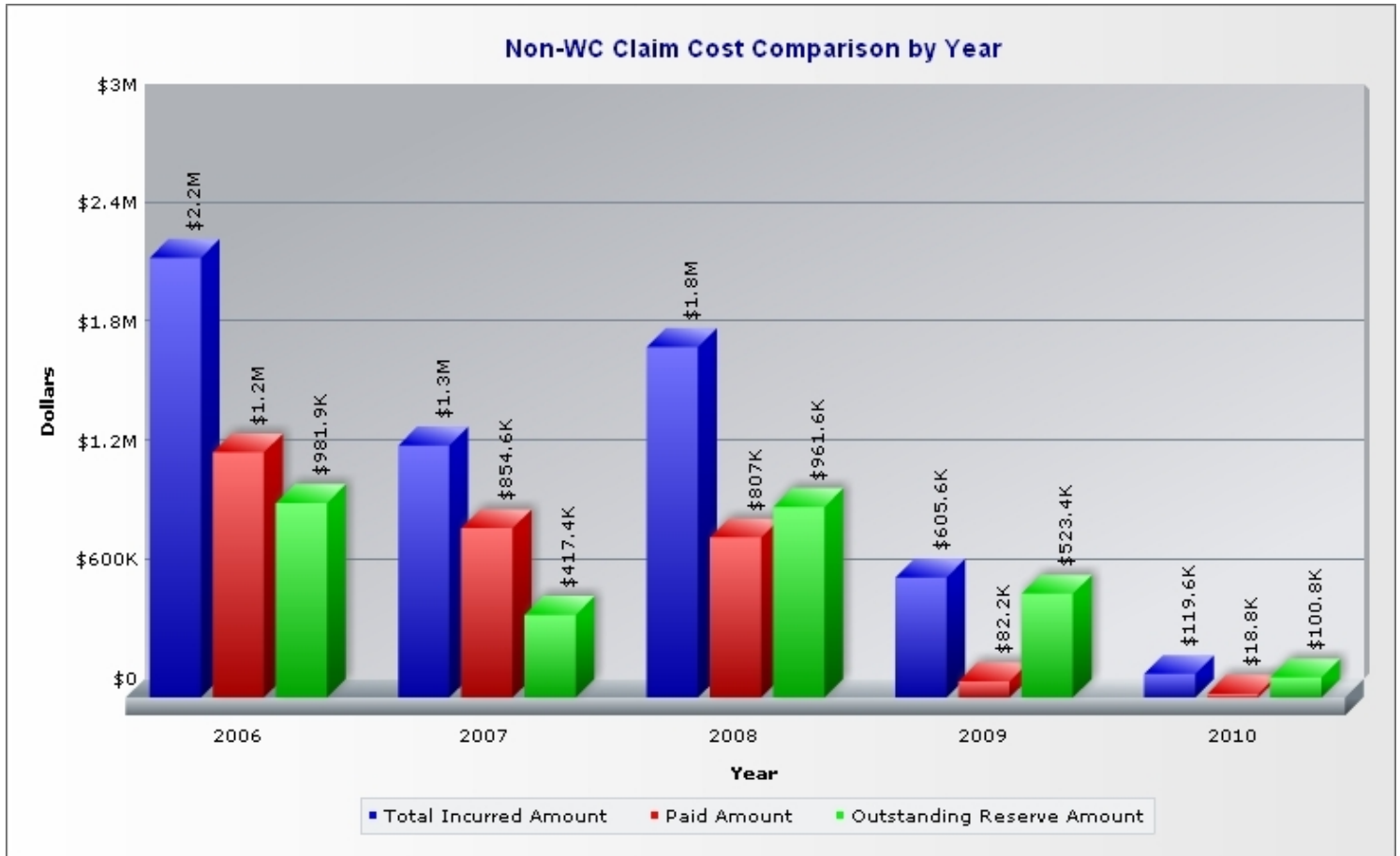
Valuation Date 12/9/10

	<b>Incurred</b>	<b>Paid</b>	<b>Outstanding</b>
<b>Bodily Injury</b>	\$1,519,533.11	\$981,802.43	\$537,730.68
<b>Property Damage</b>	\$871,136.46	\$367,461.46	\$503,675.00
<b>Expense</b>	\$8,460,705.22	\$7,104,563.15	\$1,356,142.07
<b>Damages</b>	\$4,523,422.99	\$1,736,422.99	\$2,787,000.00
<b>Totals</b>	\$15,374,797.78	\$10,190,250.03	\$5,184,547.75
<b>Recovery</b>	<b>( \$14,799.00 )</b>	<b>( \$14,798.35 )</b>	<b>( \$0.65 )</b>

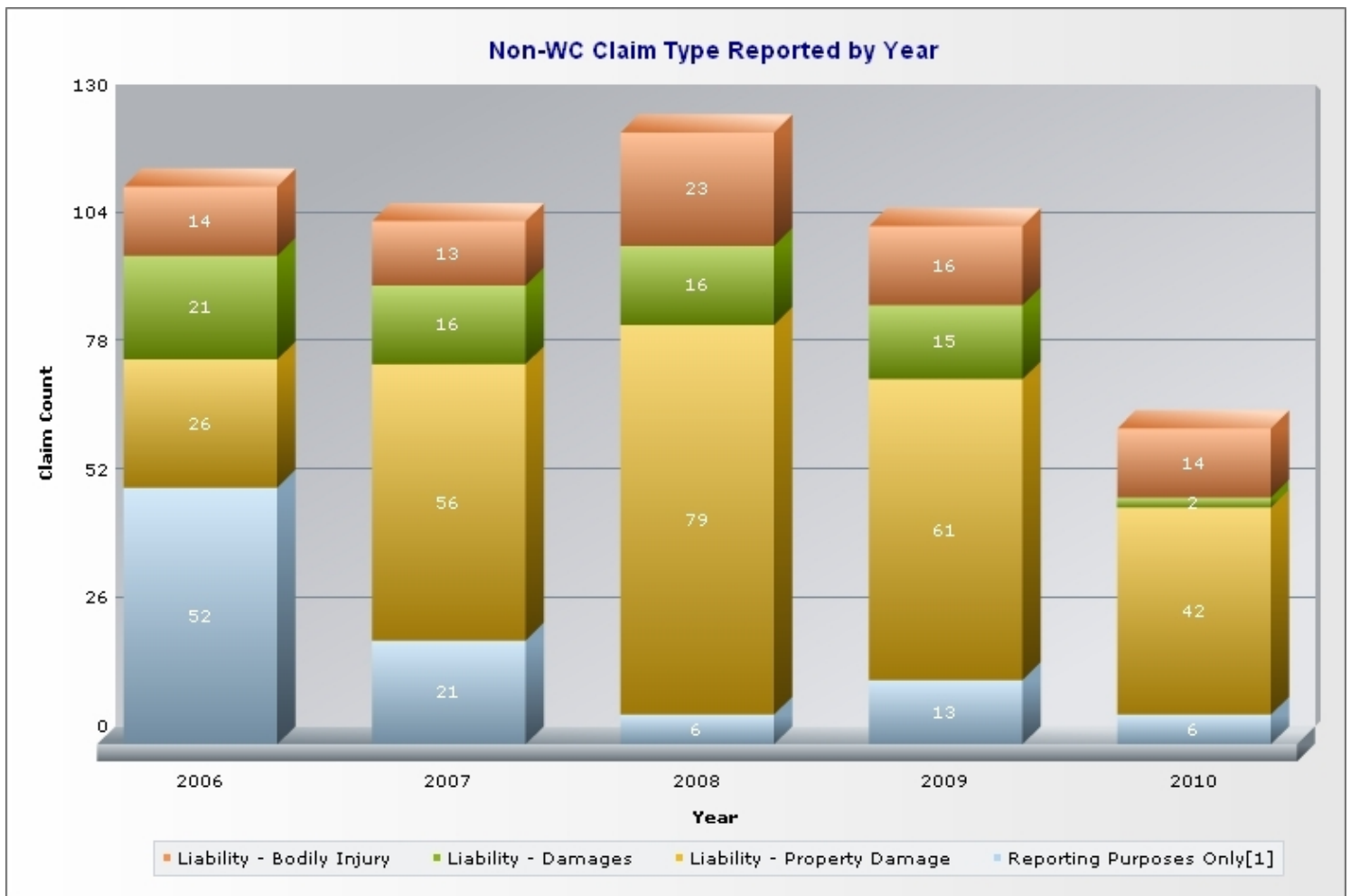


**Claims ( CL=Closed, OP=Open, RE=Reopen )**

Insured	Claims			Total	Incurred	Paid
	CL	OP	RE			
Alcorn State University	523	5	1	529	\$1,413,585.34	\$731,567.93
Delta State University	39	2	1	42	\$315,013.73	\$160,752.52
Institutions of Higher Learning Business Office	20	1	0	21	\$232,655.46	\$137,739.66
Jackson State University	496	12	2	510	\$2,667,351.95	\$2,105,833.94
Mississippi State University	532	13	1	546	\$3,638,251.74	\$2,046,739.74
Mississippi University For Women	136	0	0	136	\$417,707.93	\$417,707.93
Mississippi Valley State University	82	5	1	88	\$1,592,472.77	\$1,265,076.41
University Of Mississippi	153	3	0	156	\$279,736.74	\$251,924.06
University Of Southern Mississippi	369	20	1	390	\$4,818,022.12	\$3,072,907.84
<b>Totals</b>	<b>2350</b>	<b>61</b>	<b>7</b>	<b>2418</b>	<b>\$15,374,797.78</b>	<b>\$10,190,250.03</b>



Year	Total Incurred Amount	Paid Amount	Outstanding Reserve Amount
2006	\$2,219,182.46	\$1,237,233.42	\$981,949.04
2007	\$1,272,036.20	\$854,631.27	\$417,404.93
2008	\$1,768,644.52	\$807,013.87	\$961,630.65
2009	\$605,627.81	\$82,209.08	\$523,418.73
2010	\$119,587.75	\$18,812.25	\$100,775.50



<sup>[1]</sup> "Reporting Purposes Only Claims" are only those reported for Non-WC reporting purposes and not all claims (or Events) reported by employees to the Company.

Claim Type	2006	2007	2008	2009	2010
Liability - Bodily Injury	14	13	23	16	14
Liability - Professional	21	16	16	15	2
Liability - Property Damage	26	56	79	61	42
Reporting Purposes Only	52	21	6	13	6

Valuation Date 12/9/10

All Open Claims - Includes Workers' Compensation and Tort



Year	WC	PL	GL	Total Incurred	Paid Amount	Outstanding Reserve Amount
1993	1	0	0	\$238,510.68	\$133,486.15	\$105,024.53
1994	1	0	0	\$51,835.00	\$31,856.46	\$19,978.54
1996	2	0	0	\$958,295.89	\$557,811.00	\$400,484.89
1997	0	1	0	\$102,500.00	\$63,967.16	\$38,532.84
1999	6	3	0	\$2,444,994.42	\$1,112,912.25	\$1,332,082.17
2000	2	1	0	\$845,251.83	\$248,224.45	\$597,027.38
2001	6	0	1	\$1,811,472.35	\$1,148,938.14	\$662,534.21
2002	5	1	1	\$1,683,871.97	\$1,190,458.18	\$493,413.79
2003	9	0	0	\$1,407,265.65	\$1,021,813.47	\$385,452.18
2004	1	4	1	\$1,512,442.35	\$542,603.20	\$969,839.15
2005	10	0	0	\$2,232,140.41	\$1,320,019.17	\$912,121.24
2006	10	5	5	\$3,098,924.45	\$1,265,585.15	\$1,833,339.30
2007	17	4	1	\$2,674,372.55	\$1,253,955.29	\$1,420,417.26
2008	39	6	2	\$6,940,724.63	\$2,711,005.55	\$4,229,719.08
2009	40	8	8	\$6,285,837.98	\$2,246,128.79	\$4,039,709.19
2010	277	2	14	\$5,683,664.35	\$1,325,700.79	\$4,357,963.56
Total				\$37,972,104.51	\$16,174,465.20	\$21,797,639.31

Valuation Date 12/9/10

All Open Claims - Includes Workers' Compensation and Tort



Year	WC	PL	GL	Total Incurred	Paid Amount	Outstanding Reserve Amount
1993	1	0	0	\$238,510.68	\$133,486.15	\$105,024.53
1994	1	0	0	\$51,835.00	\$31,856.46	\$19,978.54
1996	2	0	0	\$958,295.89	\$557,811.00	\$400,484.89
1997	0	1	0	\$102,500.00	\$63,967.16	\$38,532.84
1999	6	3	0	\$2,444,994.42	\$1,112,912.25	\$1,332,082.17
2000	2	1	0	\$845,251.83	\$248,224.45	\$597,027.38
2001	6	0	0	\$1,786,372.35	\$1,131,002.42	\$655,369.93
2002	5	1	0	\$1,662,871.97	\$1,170,662.52	\$492,209.45
2003	9	0	0	\$1,407,265.65	\$1,021,813.47	\$385,452.18
2004	1	4	1	\$1,512,442.35	\$542,603.20	\$969,839.15
2005	8	0	0	\$2,166,571.37	\$1,286,827.68	\$879,743.69
2006	9	5	2	\$2,990,692.87	\$1,218,852.26	\$1,771,840.61
2007	12	4	1	\$2,513,554.23	\$1,154,410.02	\$1,359,144.21
2008	31	5	2	\$6,663,131.46	\$2,591,179.01	\$4,071,952.45
2009	23	4	1	\$5,483,391.84	\$2,023,093.05	\$3,460,298.79
2010	36	1	0	\$3,393,316.99	\$936,541.33	\$2,456,775.66

**IHL System-wide Auto Claims Experience**  
**FY 2007 – FY 2011 as of December 3, 2010**

**(FY 2011)**

<b>Earned Premium</b>	<b>\$215,150.27</b>
<b>Total Paid</b>	<b>\$19,646.43</b>
<b>Total Incurred</b>	<b>\$28,510.97</b>
<b>Total Salvage/Subrogation</b>	<b>\$0.00</b>
<b>Total Expenses</b>	<b>\$364.00</b>
<b>Total Reserve</b>	<b>\$8,500.54</b>
<b>Loss Ratio:</b>	<b>13.25%</b>
<b>Claim Count:</b>	<b>18</b>

**(FY 2010)**

<b>Earned Premium</b>	<b>\$518,954.00</b>
<b>Total Paid</b>	<b>\$108,953.94</b>
<b>Total Incurred</b>	<b>\$190,685.51</b>
<b>Total Salvage/Subrogation</b>	<b>\$0.00</b>
<b>Total Expenses</b>	<b>\$7,935.57</b>
<b>Total Reserve</b>	<b>\$73,796.00</b>
<b>Loss Ratio:</b>	<b>36.74%</b>
<b>Claim Count:</b>	<b>46</b>

**(FY 2009)**

<b>Earned Premium</b>	<b>\$516,818.00</b>
<b>Total Paid</b>	<b>\$96,132.56</b>
<b>Total Incurred</b>	<b>\$255,491.47</b>
<b>Total Salvage/Subrogation</b>	<b>\$0.00</b>
<b>Total Expenses</b>	<b>\$25,909.91</b>
<b>Total Reserve</b>	<b>\$133,449.00</b>
<b>Loss Ratio:</b>	<b>49.44%</b>
<b>Claim Count:</b>	<b>32</b>

**(FY 2008)**

<b>Earned Premium</b>	<b>\$648,680.00</b>
<b>Total Paid</b>	<b>\$64,477.28</b>
<b>Total Incurred</b>	<b>\$70,464.12</b>
<b>Total Salvage/Subrogation</b>	<b>\$0.00</b>
<b>Total Expenses</b>	<b>\$5,986.84</b>
<b>Total Reserve</b>	<b>\$0.00</b>
<b>Loss Ratio:</b>	<b>10.86%</b>
<b>Claim Count:</b>	<b>44</b>

**(FY 2007)**

<b>Earned Premium</b>	<b>\$682,503.00</b>
<b>Total Paid</b>	<b>\$229,396.79</b>
<b>Total Incurred</b>	<b>\$238,162.08</b>
<b>Total Salvage/Subrogation</b>	<b>(\$559.25)</b>
<b>Total Expenses</b>	<b>\$9,324.54</b>
<b>Total Reserve</b>	<b>\$0.00</b>
<b>Loss Ratio:</b>	<b>34.90%</b>
<b>Claim Count:</b>	<b>61</b>

**EXHIBIT "E"**

*Operational Guidelines and Procedures for the Self-Insured State Institutions of Higher Learning Tort Claims Plan and Fund*

*Tort Assignment and Litigation Management Plan*

*Operational Guidelines and Procedures for the Self-Insured State Institutions of Higher Learning Workers' Compensation Program*

*Workers' Compensation Assignment and Litigation Management Plan*

**OPERATIONAL GUIDELINES AND PROCEDURES  
FOR THE SELF-INSURED  
STATE INSTITUTIONS OF HIGHER LEARNING  
TORT CLAIMS PLAN AND FUND**

- I. **The State Institutions of Higher Learning Tort Claims Plan (Plan) is authorized by the Mississippi Tort Claims Board (MTCB) and the Board of Trustees of the State Institutions of Higher Learning (IHL). This Plan is formed for the purpose of providing self-insurance coverage for specific agencies, institutions and employees of IHL as defined in the amended Board of Trustees of State Institutions of Higher Learning Operational Agreement against claims and suits brought under the Mississippi Tort Claims Act, M.C.A. Section 11-46-1 et seq. (Act). As such, all agencies, institutions and employees shall participate in the Plan and fully cooperate with the administration of the Plan and its guidelines and procedures.**
  
- II. **The Plan shall be administered through the IHL Office of Risk Management (IRM).**
  - A. **The following shall coordinate through the Director of Risk Management (Director):**
    1. **The Director shall be responsible for overseeing IHL compliance with the Act, the Board of Trustees of State Institutions of Higher Learning Operational Agreement, the regulations of the MTCB and the Policies and Bylaws of IHL. The following are some compliance issues and requirements:**
      - (a) **The annual submission to MTCB of the following items:**
        - (1) **An audited financial statement by an independent Certified Public Accountant;**
        - (2) **An actuarial valuation by an independent actuary that is a member of the Society of Actuaries and a member of the American Academy of Actuaries;**
        - (3) **Contracts with third-party administrators (if any);**
        - (4) **Excess insurance policies (if any);**
        - (5) **A list of self-insured agencies, institutions and employees of IHL and the amount of premiums due from and collected from each; and**
        - (6) **A Litigation Expense Report - by Fiscal Year**
        - (7) **Other data as may be required by MTCB.**
      - (b) **In coordination with the Assistant Commissioner of Finance & Administration, provide MTCB quarterly a Statement of Cash Receipts, Disbursements, and Balance and a Statement of Estimated Unobligated Cash.**

- (c) **The daily management shall include the responsibility to the Plan to:**
- (1) Provide oversight of the Plan;**
  - (2) Administer the disposition of claims against the Plan;**
  - (3) Approve any award or settlement made from the Tort Claims Fund subject to the following schedule of authorities;**
    - Commissioner of Higher Education or his designee up to \$100,000**
    - Director up to \$100,000**
    - Third party claims administrator up to \$2,500. The Commissioner or the Director may authorize changes in the third party claims administrator's settlement authority in amounts not less than \$2,500 nor more than \$10,000.**
  - (4) To authorize payment of all necessary expenses attributable to the operation of the Plan from such fund;**
  - (5) Select and appoint defense counsel from the attorneys approved by the MTCB and approve and pay all associated legal costs;**
  - (6) To purchase, cancel, modify or replace any policies of liability insurance required for the protection of IHL and its agencies, institutions and employees against claims and suits brought under this Act and approve payment of the necessary premiums;**
  - (7) Develop and manage the Plan's loss control program. Coordinate with the agencies, institutions and employees self-insured by the Plan to reduce frequency and severity of losses through education and recommendations;**
  - (8) Review all liability insurance policies prior to procurement by any entity;**
  - (9) Issue certificates of coverage to the agencies, institutions and employees participating in the Plan;**
  - (10) Establish and assess premiums to be paid by the agencies, institutions and employees covered by the Plan;**
  - (11) Work with the third-party claims administrator to process claims against agencies, institutions and employees self-insured under the Act through this Plan (if any);**

- (12) Dispose of salvage obtained in settlement or payment of any claim at fair market value;**
  - (13) Solicit, evaluate, and recommend contractual agreements for services with third-party claims administrators, loss control specialists, actuaries, claims auditors, independent financial auditors, and consultants as needed.**
- (d) Presentations and reports as required by the Board of Trustees or Commissioner. Following are examples:**
- (1) Presentation of settlement cases in excess of the Commissioner's authority;**
  - (2) Presentation of audited financial statement, actuarial reports, and quarterly Statement of Cash Receipts, Disbursements, and Balance, and Statement of Estimated Unobligated Cash, and annual and quarterly reports on legal costs;**
  - (3) Presentation and recommendation of contracts with third-party claims administrators, loss control specialists, actuaries, claims auditors, independent financial auditors, and consultants as needed;**
  - (4) Presentation of quarterly Litigation Expense Reports and an annual Litigation Expense Report - by Fiscal Year;**
  - (5) Other data as may be required by the Board of Trustees or Commissioner.**

## TORT ASSIGNMENT AND LITIGATION MANAGEMENT PLAN

The Board of Trustees of State Institutions of Higher Learning, through its IHL Self-Insured Tort Claims Plan (hereinafter called "IHL"), desires to assign \_\_\_\_\_ (hereinafter referred to as "Attorney") in the matter of \_\_\_\_\_.

The Attorney is expected to fully and faithfully perform in the best interests of IHL and those on whose behalf IHL is acting and to review every legal activity with the view towards the most efficient and immediate resolution. IHL views Attorney as an integral part of the litigation management process and expects Attorney to comply with this plan as part of his/her ethical obligations.

### I. REPORTING

All reports shall be sent to IHL's Office of Risk Management (RM), IHL's designated claim personnel, and other parties designated by the RM.

#### A. Receipt of a new file

Attorney is expected to possess the legal knowledge, skill, thoroughness, and preparation reasonably necessary for the representation of IHL in actions governed by the Mississippi Tort Claims Act. The Attorney is to acknowledge the receipt of this new assignment by signing and returning the Assignment and Litigation Management Plan to IHL. As soon as possible the Attorney shall review the Official Notice of Claim for compliance with section §11-46-11 and the Attorney shall advise if the Official Notice of Claim is in strict compliance. After contact with IHL's claim personnel, and with recognition and knowledge of the immunities offered by the Mississippi Tort Claims Act, the Attorney shall provide a recommendation for handling the defense of this action prior to answering the complaint. Inclusive in the Attorney's recommendation shall be the Attorney's opinion as to appropriate disposition of the litigation, evaluation of the exposure, and an estimation of the projected cost of defense.

#### B. Status Reports

On an ongoing basis the Attorney is expected to briefly summarize pertinent developments on a file as they occur to include a summary of discovery responses, depositions, hearings, and other similar items of major importance. These summaries shall be sent to the RM, IHL's claim personnel, and other parties designated by the RM.

### II. ACTIVITY REQUIREMENTS

#### A. Answer and Discovery

The Answer is expected to be timely filed and, if appropriate, accompanied by preliminary Interrogatories and Requests for Production of Documents. Any other discovery is expected to be approved by the RM or IHL's designated claim personnel.

- B. **File Documentation**

A copy of Attorney's work product is expected to be sent to IHL, IHL's designated claim personnel, and any other designated parties approved by the RM; however, non-substantive matters not affecting the conduct of the litigation or evaluation of the case need not be sent.
- C. **Investigations and Negotiations**

Investigation is to be conducted by IHL's designated claim personnel with the assistance and counsel from Attorney when appropriate. Attorney is not to conduct investigation or handle settlement negotiations unless specifically authorized by the RM or IHL's designated claim personnel.
- D. **Expert Witnesses**

Expert witnesses shall not be hired by Attorney without specific prior approval of the RM or IHL's designated claim personnel.
- E. **Motion Practice and Depositions**

Attorney is expected to minimize the use of motions and depositions. Attorney will not be paid for engaging in paper wars with opposing counsel, and any depositions to be taken must be authorized by the RM or IHL's designated claim personnel.
- F. **Inter-Office Conferences and Duplication of Effort**

The IHL will not pay for duplicate effort. This matter is assigned to the Attorney and the Attorney is responsible for the quality of the work product and the avoidance of duplication of billing. The IHL will not pay for the attendance by any other attorney at any meeting, court appearance, conference, or other similar item without prior approval by the RM or IHL's designated claim personnel. The Attorney is expected to direct activities to be performed by appropriate personnel so that the work activities are performed by the least expensive staff member capable of handling the required activity. The IHL will not pay for interoffice communications within Attorney's offices.
- G. **Research**

IHL will not pay for research of relatively routine matters that should otherwise be within the knowledge of experienced practitioners. All billings requesting payment for research must include a statement of justification.
- H. **Request for Settlement Authority**

Settlement authority requests must be made on a timely basis. Attorney is expected to review settlement possibilities and provide their recommendation in a time frame that allows IHL's designated claim personnel and the RM ample time for review prior to the trial.

### III. BILLING REQUIREMENTS

The Attorney's compensation shall be the lesser of (a) the assigned attorney's usual and normal fee, or (b) the maximum fee established by attachment "A" of this agreement. The Attorney's compensation for all other expenses and costs shall be the lesser of (a) the assigned attorney's usual and normal charges, or (b) the maximum fee established by this agreement.

#### A. Billing Format and Cycle

1. Each claim will be billed separately by the Attorney. Each bill is expected to include the style of the case, IHL's designated claim personnel file number, and a summary at the end of each bill setting forth the total amount of fees and expenses in the billing period.
2. Attorney's bill may be submitted to the IHL's designated claim personnel on 90-day intervals from the time the file is opened. An Attorney Status Report is to be included with each quarterly bill. Upon receipt, the bill will be reviewed and if appropriate recommended to the RM for payment. The RM, after review and if appropriate, shall authorize payment.
3. Expense items incurred in conjunction with the litigation are to be forwarded to IHL's designated claim personnel for review and payment.
4. All billing will be made on a tenth of an hour system.
5. Each item performed by Attorney will be itemized on the bill showing the date performed, nature of the task, identity of the individual performing the task, and time spent on the task.
6. IHL will not pay for research of relatively routine matters that should otherwise be within the knowledge of experienced practitioners. All billings requesting payment for research must include a statement of justification.

#### B. Miscellaneous Billing Provisions

1. Secretarial or administrative time is inclusive in the hourly fee paid the Attorney and the Attorney may not bill for such services. Examples of such services include but are not limited to clerical tasks, which include diary activities, opening and closing files, searching for files, filing materials in files, word processing, and similar activities.
2. Payment of an associate attorney's time will not be allowed unless prior approval is obtained from the RM. Should an associate be approved to assist the Attorney, the time billed must contribute to the defense or disposition of the file and not duplicate the efforts of the Attorney.
3. Attorney may bill for file organization at the paralegal rate if the work is necessary and the time spent is reasonable.
4. Where a task benefits more than one case, the time and travel spent shall be prorated or apportioned between the files on which the time is spent.
5. The assigned attorney taking a deposition is expected to prepare the summary rather than a paralegal or another lawyer being utilized to summarize the deposition after the transcript is received. (Line by line summaries will not be reimbursed unless approved by the RM or IHL's designated claim personnel

in advance).

C. Expenses and Costs

1. Photocopying - No more than \$.15 per page or the actual charge of a copy service. Large copying jobs are to be sent to a capable but economical outside copy service.
2. Facsimiles - Attorney will not bill for sending or receiving facsimiles, or any supplies or service fees applicable to the facsimile equipment.
3. Messenger and Delivery - Use of an outside messenger service will not be reimbursed unless approved by the RM or IHL's designated claim personnel in advance. If the outside messenger service is for the convenience of opposing counsel or the claimant/plaintiff, he or she should pay for same and not IHL.
4. Travel - Travel in a personal automobile to handle an assigned matter shall be billed at the current General Service Agency rate in effect per mile for actual miles traveled. Discretion is required in any overnight travel and only reasonable hotel rates and meal expense shall be reimbursed. If air travel is required, prior approval must be obtained from the RM or IHL's designated claim personnel. IHL will only pay the rates for coach airfare and compact rental cars. Meals are reimbursed only if overnight stay is necessary and strictly for the purpose of IHL business. There will be no reimbursement for entertaining, dry cleaning, or other non-essential expenditures.
5. Telephone - Long distance telephone and facsimile charges shall be reimbursed at actual cost to Attorney. Cellular telephone expenses are not reimbursable by IHL.
6. IHL will not pay for overhead items such as costs of seminars, books and association dues.
7. Attorney shall provide IHL's designated claim personnel with receipts for all expense items for which reimbursement is sought.
8. No additional compensation will be provided by IHL for any expense, cost, or fee not specifically authorized by this agreement or by written authorization from the RM or IHL's designated claim personnel.

IV. AUDIT

IHL may request an audit of all the files handled by Attorney on behalf of IHL to evaluate the quality of the work and compliance with the items contained in this Litigation Management Plan. IHL reserves the right to seek reimbursement of inappropriately billed time or expense items.

V. MISCELLANEOUS

Except as may otherwise be required by law or legal process, copies of all reports, work products or other information pertaining to work governed by this agreement, except those authorized by this contract, requested by a third party shall be approved by the RM prior to release to the third party.

VI. TERMINATION OF ASSIGNMENT

The RM or his duly authorized representative may terminate this contract at any time by giving written notice to the Attorney of such termination at least five days before the effective date of such termination. In that event, all finished and unfinished work by the Attorney shall become the property of IHL. If the contract is terminated by the RM or his duly authorized representative, the Attorney shall be entitled to receive just and equitable compensation for any satisfactory work completed.

ACKNOWLEDGMENT AND AGREEMENT

The Attorney identified below acknowledges that he/she has received the Assignment and Litigation Management Plan for Mississippi Institutions of Higher Learning and that it has been read by the staff in the firm assisting the Attorney handle litigation on behalf of IHL. The undersigned Attorney and his/her law firm agree to comply with the terms of this Agreed Litigation Management Plan as part of Attorney's ethical obligations.

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NAME OF ATTORNEY

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SIGNATURE

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DATE



**OPERATIONAL GUIDELINES AND PROCEDURES  
FOR THE SELF-INSURED  
STATE INSTITUTIONS OF HIGHER LEARNING  
WORKERS' COMPENSATION PROGRAM**

- I. The State Institutions of Higher Learning Self-Insured Workers' Compensation Program (Program) is authorized by Mississippi Workers' Compensation Commission (MWCC) and the Board of Trustees of State Institutions of Higher Learning (IHL). This Program is formed for the purpose of providing workers' compensation benefits for the employees of IHL, its agencies and institutions under the Mississippi Workers' Compensation Act, M.C.A. Section 71-3-5 et seq. (Act). As such, all agencies and institutions of IHL shall participate in the Program and fully cooperate with the administration of the Program and its guidelines and procedures.
  
- II. The Program shall be administered through the IHL Office of Risk Management (IRM).
  - A. The following shall coordinate through the IHL Director of Risk Management (Risk Manager):
    1. The Risk Manager shall be responsible for overseeing IHL compliance with the Act, IHL Policies and Bylaws and the regulations of MWCC. The following are some compliance issues and requirements:
      - (a) The annual submission to MWCC of the following items:
        - (1) An actuarial valuation by an independent actuary who is a member of the Society of Actuaries and a member of the American Academy of Actuaries;
        - (2) Excess insurance policies (if any);
        - (3) Other data and reports as may be required by MWCC.
      - (b) The daily management shall include the responsibility to the Program to:
        - (1) Provide oversight of the Program;
        - (2) Oversee the disposition of claims against the Program;
        - (3) Approve any award or settlement made from the Program's Fund subject to the following schedule of authorities:  
Commissioner of Higher Education or his designee up to \$50,000  
Risk Manager up to \$50,000  
Third party claims administrator up to \$2,500  
The Commissioner or the Director of Risk Management

- may authorize changes in the third party claims administrator's settlement authority in amounts not less than \$2,500 nor more than \$10,000;
- (4) Authorize payment of all necessary expenses attributable to the operation of the Program from such fund;
  - (5) Oversee the management of litigation and payment of all associated legal costs. The Attorney General's office appoints defense counsel and approves payment of legal expenses;
  - (6) Purchase, cancel, modify or replace any policies of workers' compensation insurance, including excess coverage, required for the benefit of IHL, its agencies, institutions and employees under this Act and approve payment of the necessary premiums;
  - (7) Develop and manage the Program's loss control program. Coordinate with the agencies and institutions self-insured by the Program to reduce frequency and severity of losses through education and recommendations;
  - (8) Assure issuance of certificates of coverage to the agencies and institutions participating in the Program;
  - (9) Establish and assess premiums to be paid by IHL, its agencies and institutions covered by the Program;
  - (10) Oversee the third-party claims administrator in processing claims of IHL, its agencies and institutions self-insured through this Program;
  - (11) Approve disposal or assignment of purchased medical equipment;
  - (12) Assure notice is provided to the institution, including the President or Chancellor, acknowledging receipt of an indemnity claim by the claims administrator. Assure notice is provided to the institution, including the President or Chancellor, acknowledging assignment of legal counsel. Assure notice on large claims (\$50,000 or more) is provided to the institution President or Chancellor prior to presentation to IHL for approval of settlement;
  - (13) Solicit, evaluate, and recommend contractual agreements for services with third-party claims administrators, loss control specialists, actuaries, claims auditors, independent financial auditors, and consultants as needed.

- (c) **Presentations and reports to IHL or the Commissioner. Following are examples:**
- (1) Presentation to IHL of settlement cases in excess of the Commissioner or his designee's authority;**
  - (2) Presentation of actuarial reports, and quarterly Statement of Cash Receipts, Disbursements, and Balance, and Statement of Estimated Unobligated Cash;**
  - (3) Presentation and recommendation of contracts with third-party claims administrators, loss control specialists, actuaries, claims auditors, independent financial auditors, and consultants as needed;**
  - (4) Presentation of quarterly Litigation Expense Reports and annual Litigation Expense Reports;**
  - (5) Other reports and data as may be required by IHL or Commissioner.**

**WORKERS' COMPENSATION ASSIGNMENT  
AND LITIGATION MANAGEMENT PLAN**

The Attorney General (AG) desires to assign the law firm of \_\_\_\_\_ (hereinafter referred to as "Attorney") to conduct litigation on behalf of the Board of Trustees of State Institutions of Higher Learning's Self-Insured Workers' Compensation Program (hereinafter called "IHL"). The Attorney is expected to fully and faithfully perform in the best interests of IHL and to review every legal activity with the view toward the most efficient and immediate resolution. IHL views Attorney as an integral part of the litigation management process and expects Attorney to comply with this plan as part of his/her ethical obligations.

**I. REPORTING**

All reports shall be sent to IHL's Office of Risk Management (RM), IHL's designated claim personnel, and other parties designated by the RM.

**A. Receipt of a new file**

Attorney is expected to designate an assigned attorney that has the legal knowledge, skill, thoroughness, and preparation reasonably necessary for the representation of IHL. The Attorney is to acknowledge the receipt of a new assignment in writing to RM, IHL's claims administrator, and other parties designated by the RM as soon as reasonably possible. That acknowledgment should include the name of the attorney assigned the defense, a brief summary of the known facts, and an itemization of the activities to be performed to complete the investigation and/or evaluation with designation as to who is to do those items. As soon as adequate information is available, the assigned attorney should offer an opinion as to the evaluation of the exposure, an estimation of the projected cost of defense, and the appropriate disposition of the litigation to the RM, IHL's claims administrator, and other parties designated by the RM.

**B. Status Reports**

On an ongoing basis the assigned attorney is expected to briefly summarize pertinent developments on a file as they occur to include a summary of discovery responses, depositions, hearings, and other similar items of major importance. These summaries shall be sent to the RM, IHL's claims administrator, and other parties designated by the RM.

**II. ACTIVITY REQUIREMENTS**

**A. Answer and Discovery**

The Answer is expected to be timely filed and, if appropriate, accompanied by preliminary Interrogatories and Requests for Production of Documents. Any other discovery is expected to be approved by the RM or IHL's designated claims administrator.

- B. **File Documentation**  
A copy of Attorney's work product is expected to be sent to the RM, IHL's designated claim personnel, and other parties designated by the RM; however, non-substantive matters not affecting the litigation or evaluation of the case need not be sent.
- C. **Investigations and Negotiations**  
Investigation is to be conducted by IHL's designated claim personnel with the assistance and counsel from Attorney when appropriate. Attorney is not to conduct investigation or handle settlement negotiations unless specifically authorized by the RM or IHL's designated claim personnel.
- D. **Expert Witnesses**  
Expert witnesses shall not be hired by Attorney without specific prior approval of the RM or IHL's designated claim personnel.
- E. **Motion Practice and Depositions**  
Attorney is expected to minimize the use of motions and depositions. Attorney will not be paid for engaging in paper wars with opposing counsel, and any depositions to be taken must be authorized by the RM or IHL's designated claim personnel.
- F. **Inter-Office Conferences and Duplication of Effort**  
IHL will not pay for duplicate effort. A matter will be assigned to a specific attorney within the firm, and responsibility for the quality of the work product and the avoidance of duplication of billing remains with that assigned attorney. IHL will not pay for the attendance by more than one representative of a law firm at any meeting, court appearance, conference, or other similar item without prior approval. The assigned attorney is expected to direct activities to be performed by appropriate personnel so that the work activities are performed by the least expensive staff member capable of effectively handling the required activity. IHL will not pay for interoffice communications within firm.
- G. **Research**  
The Attorney and its assigned attorney are expected to be well versed in Workers' Compensation law; therefore IHL will not pay for extensive research of relatively routine matters which should otherwise be within the knowledge of experienced practitioners.
- H. **Request for Settlement Authority**  
Settlement authority requests must be made on a timely basis. Attorney is expected to review settlement possibilities and provide their recommendation in a time frame that allows IHL's designated claim personnel and the RM ample time for review prior to the hearing.

### III. BILLING REQUIREMENTS

The Attorney's compensation shall be the lesser of (a) the assigned attorney's usual and normal fee, or (b) the maximum fee established by attachment "A" of this agreement. The Attorney's compensation for all other expenses and costs shall be the lesser of (a) the assigned attorney's usual and normal charges, or (b) the maximum fee established by this agreement.

#### A. Billing Format and Cycle

1. Each claim will be billed separately by Attorney. Each bill is expected to include the style of the case, IHL's designated claim personnel file number, and a summary at the end of each bill setting forth the total amount of fees and expenses in the billing period.
2. Attorney's bill may be submitted to the IHL's designated claim personnel on 90-day intervals from the time the file is opened. Upon receipt, the bill will be reviewed and if appropriate recommended to the RM. The RM will review and forward to the Attorney General for approval of payment.
3. Expense items incurred in conjunction with the litigation are to be forwarded to IHL's designated claim personnel for review and payment.
4. All billing will be made on a tenth of an hour system.
5. Each item performed by Attorney will be itemized on the bill showing the date performed, nature of the task, identity of the individual performing the task, and time spent on the task.

#### B. Miscellaneous Billing Provisions

1. Secretarial or administrative time is inclusive in the hourly fee paid the Attorney and the Attorney may not bill for such services. Examples of such services include but are not limited to clerical tasks, which include diary activities, opening and closing files, searching for files, filing materials in files, word processing, and similar activities.
2. Attorney will not bill for an associate's apprenticeship time that does not contribute to the defense or disposition of the file. Examples include but are not limited to attending scheduled items that are actually handled by the more experienced attorney, or more than one redraft of a pleading or letter.
3. Attorney may bill for file organization by a paralegal or attorney if the work is necessary and the time spent is reasonable.
4. Where a task benefits more than one case, the time and travel spent shall be prorated or apportioned between the files on which the time is spent.
5. The assigned attorney taking a deposition is expected to prepare the summary rather than a paralegal or another lawyer being utilized to summarize the deposition after the transcript is received. (Line by line summaries will not be reimbursed unless approved by the RM or IHL's designated claim personnel in advance).

### C. Expenses and Costs

1. Photocopying - No more than \$.15 per page or the actual charge of a copy service. Large copying jobs are to be sent to a capable but economical outside copy service.
2. Facsimiles - Attorney will not bill for sending or receiving facsimiles, or any supplies or service fees applicable to the facsimile equipment.
3. Messenger and Delivery - Use of an outside messenger service will not be reimbursed unless approved by the RM or IHL's designated claim personnel in advance. If the outside messenger service is for the convenience of opposing counsel or the claimant/plaintiff, he or she should pay for same and not IHL.
4. Travel - Travel in a personal automobile to handle an assigned matter shall be billed at the current General Service Agency rate in effect per mile for actual miles traveled. Discretion is required in any overnight travel and only reasonable hotel rates and meal expense shall be reimbursed. If air travel is required, prior approval must be obtained from the RM or IHL's designated claim personnel. IHL will only pay the rates for coach airfare and compact rental cars. Meals are reimbursed only if overnight stay is necessary and strictly for the purpose of IHL business. There will be no reimbursement for entertaining, dry cleaning, or other non-essential expenditures.
5. Telephone - Long distance telephone and facsimile charges shall be reimbursed at actual cost to Attorney. Cellular telephone expenses are not reimbursable by IHL.
6. IHL will not pay for overhead items such as costs of seminars, books and association dues.
7. Attorney shall provide IHL's designated claim personnel with receipts for all expense items for which reimbursement is sought.
8. No additional compensation will be provided by IHL for any expense, cost, or fee not specifically authorized by this agreement or by written authorization from the RM or IHL's designated claim personnel.

### IV. AUDIT

IHL may audit all files handled by Attorney on behalf of IHL to evaluate the quality of the work and compliance with the items contained in this Litigation Management Plan. IHL reserves the right to seek reimbursement of inappropriately billed time or expense items.

### V. MISCELLANEOUS

Except as may otherwise be required by law or legal process, copies of all reports, work products or other information pertaining to work governed by this agreement is the property of IHL and may not be released to a third party, except those authorized by this contract, unless approved by the RM prior to release.

VI. TERMINATION OF ASSIGNMENT

The RM or his duly authorized representative, following consultation with the Attorney General, may terminate this contract at any time by giving written notice to the Attorney of such termination at least five days before the effective date of such termination. In such event, all finished and unfinished work by the Attorney shall be transferred to IHL. If the contract is terminated by IHL as provided herein, the Attorney shall be entitled to receive just and equitable compensation for any satisfactory work completed.

ACKNOWLEDGMENT AND AGREEMENT

The Attorney identified below acknowledges that it has received the Assignment and Litigation Management Plan for Mississippi Institutions of Higher Learning and that it has been read by the lawyers and paralegals in the firm who will handle litigation on behalf of IHL. The undersigned Attorney and his/her law firm agree to comply with the terms of this Litigation Management Plan as part of Attorney's ethical obligations.

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NAME OF FIRM

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BY

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TITLE

---

DATE

## ATTACHMENT "A"

The Attorney's maximum fees (hourly charges) to provide legal services for IHL are as follows:

Partner	\$ _____
Associate	\$ _____
Paralegal	\$ _____

The maximum fees include, but are not limited to, all applicable taxes, fees, general office expense, overhead, profit, and all other direct and indirect costs incurred or to be incurred, by the Attorney. No additional compensation will be provided by IHL for any expense, cost, or fee not specifically authorized by contract, or by written authorization from the RM or IHL's designated claim personnel.

The payment of an invoice by IHL shall not prejudice IHL's right to object or question any invoice or matter in relation thereto. Such payment by IHL shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any costs invoiced therein. Attorney's invoice or payment shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by IHL not to constitute allowable costs. Any payment may be reduced for overpayment, or increased for underpayment on subsequent invoices.

**EXHIBIT “F”**

*Tort Experience*

*Workers’ Compensation Experience*

# Tort Experience

## 1. TPA

(TPA Name) has been providing third party liability claims services to parties other than itself since (date).

(TPA Name) has experience handling third party liability claims under the Mississippi Tort Claims Act. *(Indicate Yes or No)*

## 2. Claims Manager

Name: \_\_\_\_\_

**Experience in investigation, evaluation and settlement negotiation of third party liability claims**

Title	Company(s)	Dates served in this position

**Experience in claims supervision of third party liability claims**

Title	Company(s)	Dates served in this position

Claims manager has experience handling third party liability claims under the Mississippi Tort Claims Act. *(Indicate Yes or No)*

**3. Claims Adjuster(s)**

Name: \_\_\_\_\_

**Experience in third party liability claims investigation and evaluation**

Title	Company(s)	Dates served in this position

**Adjuster has experience in third party liability settlement negotiation. (*Indicate Yes or No*)**

**Adjuster has experience handling third party liability claims under the Mississippi Tort Claims Act. (*Indicate Yes or No*)**

Name: \_\_\_\_\_

**Experience in third party liability claims investigation and evaluation**

Title	Company(s)	Dates served in this position

**Adjuster has experience in third party liability settlement negotiation. (*Indicate Yes or No*)**

**Adjuster has experience handling third party liability claims under the Mississippi Tort Claims Act. (*Indicate Yes or No*)**

*Add additional space as needed.*

# Workers' Compensation Experience

## 1. TPA

**(TPA Name)** has been providing workers compensation claim services to parties other than itself since **(date)**.

**(TPA Name)** has experience handling workers' compensation claims under the Mississippi Workers' Compensation Law. ***(Indicate Yes or No)***

## 2. Claims Manager

Name: \_\_\_\_\_

**Experience in investigation, evaluation and settlement negotiation of workers' compensation claims**

<b>Title</b>	<b>Company(s)</b>	<b>Dates served in this position</b>

**Experience in claims supervision of workers' compensation claims**

<b>Title</b>	<b>Company(s)</b>	<b>Dates served in this position</b>

**Claims manager has experience handling workers' compensation claims under the Mississippi Workers' Compensation Law. *(Indicate Yes or No)***

**3. Dedicated Claims Supervisor**

Name: \_\_\_\_\_

**Experience in investigation, evaluation and settlement negotiation of workers' compensation claims**

<b>Title</b>	<b>Company(s)</b>	<b>Dates served in this position</b>

**Claims supervisor is currently a claims supervisor of workers' compensation claims. (Indicate Yes or No)**

**Claims supervisor has experience handling workers' compensation claims under the Mississippi Workers' Compensation Law. (Indicate Yes or No)**

**4. Dedicated Claims Adjusters**

Name: \_\_\_\_\_

**Experience in workers' compensation claims investigation, evaluation and settlement negotiation**

<b>Title</b>	<b>Company(s)</b>	<b>Dates served in this position</b>

**Adjuster has experience handling workers' compensation claims under the Mississippi Workers' Compensation Law. (Indicate Yes or No)**

Name: \_\_\_\_\_

**Experience in workers' compensation claims investigation, evaluation and settlement negotiation**

Title	Company(s)	Dates served in this position

**Adjuster has experience handling workers' compensation claims under the Mississippi Workers' Compensation Law. (*Indicate Yes or No*)**

Name: \_\_\_\_\_

**Experience in workers' compensation claims investigation, evaluation and settlement negotiation**

Title	Company(s)	Dates served in this position

**Adjuster has experience handling workers' compensation claims under the Mississippi Workers' Compensation Law. (*Indicate Yes or No*)**

*Add additional space as needed.*