

May 21, 2015

15-126

ACCEPT PROPOSAL AND AWARD FOR THIRD  
PARTY ADMINISTRATOR: WORKERS'  
COMPENSATION PROGRAM

PREPARED BY: Cathy Huey, Buyer/Contract Specialist, Procurement

FINANCIAL  
RESPONSIBILITY: Jim Langstraat, Associate Vice President, Financial  
Services

APPROVED BY: Gordon Herbst, Interim Vice President, Finance and  
Administration  
Dr. Jeremy Brown, President

REPORT: The College is in need of contracting for a third party administrator to perform administration services for workers' compensation claims for the Safety and Risk Services Department. The third party administrator is required to investigate and evaluate claims, establish reserve levels, report claims status regularly to the College, represent PCC at hearings, and work with the Safety and Risk Services Department to negotiate settlements.

On March 11, 2015, the Request for Proposal (RFP) was advertised in the Daily Journal of Commerce, State of Oregon Procurement Information Network (ORPIN), and the College's Purchasing and Contract Services solicitation website. A total of twenty-five (25) vendors registered and received copies of the RFP, of which three (3) vendors were out of state MBE firms. On the deadline of April 9, 2015 at 1:00pm, the College received five (5) proposals. One (1) was rejected for not including the required signed and dated Certification and Contract Offer. The proposals were evaluated by the committee members based on the following criteria: Firm's experience, program costs, presentation, services offered, content of the claims reports, quality of references, and experience of account consultants. After reviewing the proposals and interviewing each proposer, the committee selected the proposer with the highest evaluation score.

Evaluation scores:

<b>Proposer</b>	<b>Evaluation Score</b>
Cannon Cochran Management Services, Inc	356
CorVel Corporation	351
Tristar Insurance Group	334
Claims Strategies & Solutions	262

Note: None are an MWESB firm.

**RECOMMENDATION:** That the Board of Directors accept the proposal and award the contract to Cannon Cochran Management Services, Inc. The contract will be valid for three (3) years with two (2) one (1) year extensions, not to exceed \$250,000 over the five (5) year term. Expenditures for this project will come from the Risk Management fund.