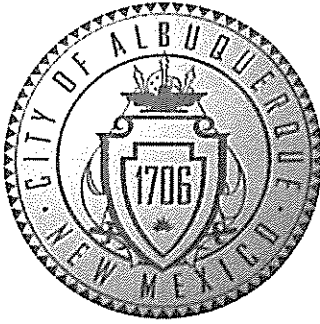


EC-20-167



CITY OF ALBUQUERQUE

Albuquerque, New Mexico
Office of the Mayor

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

September 9, 2020

TO: Pat Davis, President, City Council

FROM: Timothy M. Keller

A handwritten signature in black ink, appearing to be 'TK', is written over the name 'Timothy M. Keller'.

SUBJECT: Mayor's Recommendation of Award (ROA) for RFP No. RFP-2020-034-DFA-IC
"Workers Compensation Cost Containment Service Medical Bill Review"

The City of Albuquerque's Department of Finance and Administration, Risk Management Division in conjunction with the Purchasing Division, issued the RFP for Workers Compensation Cost Containment Service Medical Bill Review.

The RFP was posted on the Purchasing E-Procurement, Bonfire website on May 29, 2020 and advertised in the Albuquerque Journal on May 31, 2020.


The City received two (2) responses to this solicitation. The ad hoc evaluation committee evaluated and scored the proposals received in accordance with the evaluation criteria published in the RFP. After thoroughly reviewing and scoring the proposals, CorVel Corporation earned the highest score of 883 points. The ad hoc committee found CorVel Corporation to be both responsive and qualified and recommends an award to CorVel Corporation.

I concur with this recommendation.

The City of Albuquerque's Department of Finance and Administration, Risk Management Division will manage this contract.

Mayor's Recommendation of Award (ROA) for RFP No. RFP-2020-034-DFA-IC "Workers Compensation Cost Containment Service Medical Bill Review"

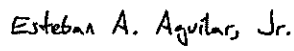
Approved:



Sarita Nair Date
Chief Administrative Officer


9/23/20

Approved as to Legal Form:

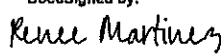
DocuSigned by:


Esteban A. Aguilar, Jr. Date
City Attorney

9/17/2020

DS

5:31 PM MDT

Recommended:

DocuSigned by:


Renee Martinez Date
Director of Finance and Administrative Services

9/10/2020 | 12:58 PM PDT

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Cover Analysis

1. What is it?

This is a request for approval to contract with Corvel Corporation to provide medical bill review services to comply with the New Mexico Worker's Compensation Act for the City of Albuquerque's Self-Insured Worker's Compensation Program.

2. What will this piece of legislation do?

This legislation will authorize Risk Management to enter into a contract with Corvel Corporation for services to include: 1) Payment reduction of medical bills to the lowest dollar value available pursuant to the New Mexico Fee Schedule and Rules as promulgated by the New Mexico Workers' Compensation Administration, Current Procedural Terminology billing guidelines, Preferred Provider Organization discounts, geographic area analysis, and other negotiated contracts with networks; 2) Generate Explanation of Benefits (EOB) on bills recommended for reduced payment with mandated remedies language and contact information; and 3) Interface with the City of Albuquerque's workers' compensation claims management system and provide actual images of bills, supporting bill documents, EOBs, and reconsiderations.

3. Why is this project needed?

Contract for medical bill review will provide an efficient cost-effective process to reduce medical bills to the lowest amounts in a timely manner and reduce administrative time. Consistently reducing medical bills to the lowest amounts will provide savings in costs paid out on workers' compensation claims.

4. How much will it cost and what is the funding source?

An estimated annual cost for medical bill review services is \$65,960.

Claim Expense offset by Reserves is budgeted in the Risk Fund 705: Risk Workers' Compensation Section, Department 2542000, under WC Medical 526311.

5. Is there a revenue source associated with this Plan? If so, what level of income is projected?

N/A.

FISCAL IMPACT ANALYSIS

TITLE: Medical Bill Review Services

R: O:
 FUND: 705
 DEPT: 2542000

- No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	Fiscal Years			Total
	2021	2022	2023	
Base Salary/Wages	-	-	-	-
Fringe Benefits at	-	-	-	-
Subtotal Personnel	-	-	-	-
Operating Expenses	-	-	-	-
Property	-	-	-	-
Indirect Costs	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -
[X] Estimated revenues not affected				
[] Estimated revenue impact				
Revenue from program				0
Amount of Grant		-	-	
City Cash Match				
City Inkind Match				
City IDOH				
Total Revenue	\$ -	\$ -	\$ -	\$ -

These estimates do not include any adjustment for inflation.
 * Range if not easily quantifiable.

Number of Positions created

COMMENTS:

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY: Alan R. Gutowski
 Risk Finance Manager

APPROVED:

DocuSigned by:
 Alan R. Gutowski
 FISCAL ANALYST

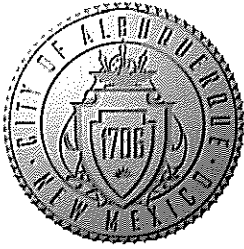
DocuSigned by:
 Renee Martinez 9/10/2020 | 12:58 PM PDT
 DIRECTOR (date)

REVIEWED BY:

DocuSigned by:
 Jayne Aranda
 EXECUTIVE BUDGET ANALYST

DocuSigned by:
 Lawrence L. Davis 9/17/2020 | 7:56 AM PDT
 BUDGET OFFICER (date)

DocuSigned by:
 Kristine Garner
 CITY ECONOMIST



City of Albuquerque

Department of Finance and Administrative Services

Timothy M. Keller, Mayor

Interoffice Memorandum

Date 8/10/2020 | 5:43 PM MDT

TO: Sarita Nair, Chief Administrative Officer

FROM: Renee Martinez, Director of Finance and Administrative Services

SUBJECT: **Recommendation of Award –**
 RFP Number: RFP-2020-034-DFA-IC
 RFP Name: Workers Compensation Cost Containment Service Medical Bill Review

DS
RM

The Department of Finance and Administrative Services, Purchasing Division, issued the subject solicitation in conjunction with the Risk Management Division for Workers Compensation Cost Containment Service Medical Bill Review.

The solicitation was posted on the Purchasing website and advertised in the Albuquerque Journal. The number of responses received for evaluation were two (2).

The Ad Hoc Evaluation Committee evaluated and scored the responses in accordance with the evaluation criteria published in the RFP and recommends award of contract to CorVel Corporation.

I concur with this recommendation. Listed below are the composite scores for the top three responses received:

COMPANY NAME	SCORE
CorVel Corporation	883
Innovative Claims Strategies LLC	657

The Department that will be managing this contract is Finance and Administrative Services, Risk Management Division.

Approved:

DocuSigned by: 8/12/2020 | 1:42 PM MDT

Sarita Nair (Date)
Chief Administrative Officer

Attachment: Scoring Summary





RFP-2020-034-DFA-IC - Workers' Compensation Cost Containment Service- Medical Bill Review Scoring Summary

Supplier	Total	B-1 - Experience	B-2 - Approach	B-3 - Medical Bill Review Software	B-4 - Access to Preferred Provider Network	B-5 - Repriced Sample Bills	B-6 - Project Management	C - Cost	D-1 - Local	D-2 - Small Business	D-3 - NM State Resident Business	D-4 - Veterans Business	D-5 - Pay Equity
	/ 1,400 pts	/ 200 pts	/ 200 pts	/ 200 pts	/ 100 pts	/ 100 pts	/ 200 pts	/ 100 pts	/ 50 pts	50 pts	/ 50 pts	/ 100 pts	/ 50 pts
CorVel Corporation	883	188	150	180	73	61	166	25	0	0	41	0	0
Innovative Claims Strategies LLC	657	131	130	129	70	22	100	75	0	0	0	0	0