



New Jersey Schools Insurance Group
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Board of Trustees Meeting of May 17, 2023
Action Item
Workers' compensation managed care services
NJSIG No. 0523-04

As a part of NJSIG's efforts to maintain compliance with the PSCL, NJSIG issued a request for proposals for workers' compensation managed care services (C-2023-0001). As a result of this open and fair process, NJSIG received numerous proposals for workers' compensation managed care services, as outlined in the committee's narrative report. These proposals were evaluated using weighted evaluation criteria, and the results of that evaluation are attached. Thus, based on the results of the committee's evaluation, it is proposed that a contract for workers' compensation managed care services be awarded to Qual-Lynx (QualCare, Inc.), for a duration of thirty-six months, with the option to extend for two additional twelve-month terms.

**NEW JERSEY SCHOOLS INSURANCE GROUP
MEMORANDUM**

Date: May 15, 2023

To: Board of Trustees
New Jersey Schools Insurance Group

From: Evaluation Committee for Workers' compensation managed care services (C-2023-0001)

Subject: Workers' compensation managed care services (C-2023-0001) competitive contracting narrative summary report and recommendations

The New Jersey Schools Insurance Group ("NJSIG") is a school board insurance group, also known as a governmental risk pool, established in accordance with P.L. 1983, c. 108, that provides insurance coverage and risk management services to member school districts.

The concept of pooling is one whereby public entities can join together to provide protection from risks on a group basis. As a school board insurance group, NJSIG is governed by a Board of Trustees which is comprised of school board members, superintendents and business administrators from NJSIG member districts.

By joining NJSIG, members collectively attain benefits not possible individually and pool their premiums into a common fund to be used for the benefit of all member districts. NJSIG is comprised of approximately three hundred sixty five boards of education and charter school districts, and offers members a cost-effective method of obtaining coverage for all property and casualty lines, including but not limited to: workers' compensation, general liability, automobile liability, excess liability, property, error and omissions, crime, electronic data processing, environmental liability, equipment breakdown, and auto physical damage coverage. NJSIG provides claims administration, underwriting and loss control services for members.

NJSIG's objective with this RFP was to engage an organization to provide workers' compensation managed care services that can arrange for the provision of appropriate and high quality medical care for injured workers of member insureds. Currently, NJSIG manages its workers' compensation program using a hybrid outsourced model. Under this model, the managed care organization ("MCO")

supports NJSIG's workers' compensation operations by providing: a team of professional nurse case managers dedicated to NJSIG workers' compensation claims; a contracted provider network with discounts on service fees; medical claim management, including protocol-based utilization review; an interface with medical care providers on claimant return-to-work program components; repricing, adjudication and payment of provider bills with NJSIG reimbursement of provider payments; and electronic access by NJSIG to all provider-maintained employee claimant medical records.

A full copy of the scope of work is contained within the request for proposals for workers' compensation managed care services (C-2023-0001). This solicitation was conducted in a fair and open process in accordance with the requirements for competitive contracting under the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq. As a result of this solicitation, NJSIG received five (5) proposals for workers' compensation managed care services, as outlined below.

An evaluation committee was convened to evaluate and summarize the proposals based on weighted evaluation criteria. These weighted evaluation criteria were designed to fairly evaluate all proposals, and are based on the model evaluation criteria set forth by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, as codified at N.J.A.C. 5:34-4.2. This evaluation methodology is designed to fairly evaluate the responsiveness of each proposal, and the responsibility of each proposer, based on the technical criteria, management criteria and cost criteria. A complete copy of the evaluation criteria, the relative weights assigned to the evaluation criteria and an explanation of the factors each criteria are intended to evaluate is included in the request for proposals for workers' compensation managed care services (C-2023-0001).

The results of the evaluation committee are summarized below:

1. Amerihealth Casualty Services (CompServices, Inc.) had a 57.67 mean composite score. The evaluation committee recommends rejecting this proposal.
2. First Managed Care Options, Inc. had a 65.00 mean composite score. The evaluation committee recommends rejecting this proposal.
3. Innovative Claims Strategies LLC had a 49.00 mean composite score. The evaluation committee recommends rejecting this proposal.
4. Medlogix, LLC had a 51.33 mean composite score. The evaluation committee recommends rejecting this proposal.
5. Qual-Lynx (QualCare, Inc.) had a 91 mean composite score. The evaluation committee recommends accepting this proposal.

S/ Sherwin Archibald

Sherwin Archibald
Claims Manager

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Contract Pursuant to the Public School Contracts Law

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WHEREAS, the New Jersey Schools Insurance Group (“NJSIG”) is authorized by N.J.S.A. 18A:18B-1, et seq. to provide insurance coverage for its members;

WHEREAS, NJSIG requires workers’ compensation managed care services to support NJSIG’s workers’ compensation operations;

WHEREAS, NJSIG has engaged in a fair and open competitive contracting process, pursuant to which proposals were solicited; and,

WHEREAS, an evaluation committee was convened by NJSIG and has evaluated all proposals submitted.

NOW THEREFORE, BE IT RESOLVED that:

- 1) NJSIG awards a contract for workers’ compensation managed care services, for a duration of thirty-six months, with the option to extend for two additional twelve-month terms, to Qual-Lynx (QualCare, Inc.).
- 2) NJSIG awards the contract to this provider based on technical criteria, management criteria and cost criteria;
- 3) The Executive Director is hereby authorized to execute a contract with the above-referenced provider;
- 4) This designation is in accordance with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq.;

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5) A notice of this action shall be published once in the official newspaper designated by NJSIG, and is on file and available for public inspection at the office of NJSIG.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 17th day of May, 2023.

New Jersey Schools Insurance Group

By: _____
Christopher Russo, Ed.D., Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE: