

**RESOLUTION  
ROCK COUNTY BOARD OF SUPERVISORS**

FINANCE COMMITTEE  
INITIATED BY



JEFFREY S. KUGLITSCH  
DRAFTED BY

FINANCE COMMITTEE  
SUBMITTED BY

AUGUST 28, 2013  
DATE DRAFTED

**AUTHORIZING CONTRACT FOR ADMINISTRATION OF SELF-INSURANCE PROGRAM**

1 WHEREAS, Rock County has been involved in a self-insurance program since April 20, 1979; and

2  
3 WHEREAS, the County remains self-insured and continues to operate a limited self-insurance  
4 program for workers' compensation exposures; and

5  
6 WHEREAS, it is necessary to retain the services of an administration firm to provide claim  
7 management and administration on loss control activities; and

8  
9 WHEREAS, currently Willis HRH Wisconsin has performed these services for Rock County; and

10  
11 WHEREAS, Rock County has been very satisfied with the services provided by Willis, HRH; and

12  
13 WHEREAS, the Finance Committee recommended that the County continue to stay with Willis  
14 HRH Wisconsin as our third party administrator for workers' compensation.

15  
16 NOW, THEREFORE, BE IT RESOLVED by the Rock County Board of Supervisors in session this  
17 26 th day of September, 2013, that the County Board Chair and County Clerk are authorized and  
18 hereby directed to execute necessary documents with Willis HRH Wisconsin for the provision of  
19 worker's compensation self-insurance administration services to Rock County for the period January 1,  
20 2014 through December 31, 2016 at the following rates per claim:

Claim Type	Per Claim Proposed Fees		
	2014	2015	2016
24 Indemnity (Lost Time)	\$1,250	\$1,250	\$1,275
25 Medical Only Paid Over \$1,500	625	625	630
26 Medical Only Paid Under \$1,500	160	160	160

27  
28 BE IT FURTHER RESOLVED THAT it is understood that there will be an additional cost of \$625  
29 per claim if this matter goes to litigation. In addition, for claims expected over \$150,000 and for other  
30 specific injuries an additional fee of \$2,550 per claim may be charged. If the claim would ultimately  
31 close for less than \$150,000, Willis HRH Wisconsin would adjust the fee to the appropriate rate. Other  
32 ancillary services may be provided by Willis HRH Wisconsin provided all services are approved by the  
33 County prior to the acquisition of those services.

Respectfully submitted:

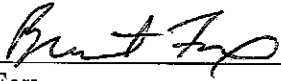
FINANCE COMMITTEE

Mary Mawhinney  
Mary Mawhinney, Chair

Sandra Kraft  
Sandra Kraft, Vice Chair

Mary Beaver  
Mary Beaver

13-9B-413



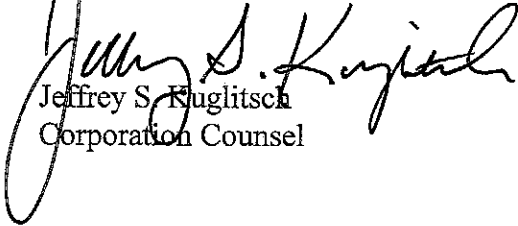
Brent Fox



J. Russell Podzilni

LEGAL NOTE:

The County Board is authorized to enter into this agreement pursuant to secs. 59.01 and 59.51, Wis. Stats. Professional services are not subject to bidding requirements of § 59.52(29), Wis. Stats.



Jeffrey S. Kuglitsch  
Corporation Counsel

FISCAL NOTE:

Administrative fees are paid from the Workers' Compensation Trust Account. These costs are then allocated to various County departments based upon number of personnel. There will be sufficient funds in the trust account and department 2014-2016 budget appropriations for these fees.



Sherry Oja  
Finance Director

ADMINISTRATIVE NOTE:

Recommended.



Craig Knutson  
County Administrator

## EXECUTIVE SUMMARY

Rock County has been self-insured for workers' compensation since April of 1979. Our current workers' compensation provider is Willis HRH Wisconsin based out of Appleton, Wisconsin. The County began working with Willis on September 1, 2009, following the numerous problems encountered by our previous provider, Xchanging. It was the recommendation of both staff and the Finance Committee that the County continue to use Willis HRH Wisconsin. Willis has provided outstanding services to the County in the four years since they have been hired. In addition, Willis currently provides third-party administrative services to 16 of the 32 self-funded Wisconsin counties. The Finance Committee is recommending that we continue on a per claim basis for a three-year contract. Willis has provided some risk management services which has reduced the amount of workers' compensation claims. The cost of the three-year proposal between January 1, 2014 through December 31, 2016 is provided in the resolution. This fee provides for the following: handling all claims occurring during the term of the contract until the claim is closed no matter how long it takes to close. Additional charges of \$625 per claim could be incurred if the matter goes to litigation. In addition, large claim and specific injuries could require an additional \$2,550 per claim. If the expected claim would ultimately close for less than the \$150,000, the fee would be adjusted to the appropriate rate. Ancillary services, including all loss control, legal, investigation, rehab and medical bill audit services would be paid separately by Rock County. All services requested would have to be approved by the County prior to the acquisition of those services.