



RFQ/P 022013

Workers' Compensation/Employers Liability Third Party
Administration and Loss Control Services

Bay County Finance Department
Purchasing Division

THOMAS HICKNER
BAY COUNTY EXECUTIVE

REQUEST FOR QUALIFICATIONS---THIS IS NOT AN OFFER

IF FOR ANY REASON YOU CANNOT BID, RETURN THIS FORM SO STATING TO ENSURE THAT YOUR NAME MAY BE RETAINED ON OUR PROPOSERS LIST

DATE OF REQUEST	MAY 29, 2013
REFERENCE PROPOSAL NUMBER	RFQ/P 022013
PROPOSED DATE/TIME REQUIRED	JUNE 6, 2013 10:00 AM
SUBMIT PROPOSAL TO:	BAY COUNTY FINANCE DEPARTMENT PURCHASING DIVISION ATTN: FRANCES MOORE BAY COUNTY BUILDING 515 CENTER AVENUE 8 TH FLOOR BAY CITY, MI 48708-5128
MARK PROPOSAL:	"WORKERS' COMPENSATION/EMPLOYEE LIABILITY THIRD PARTY ADMINISTRATION AND LOSS CONTROL SERVICES" DELIVER TO PURCHASING IMMEDIATELY

The Bay County Purchasing Division on behalf of the The County of Bay, Bay Medical Care Facility and Bay County Department of Water & Sewer (D.W.S) is soliciting sealed letters of qualification from a qualified firm to provide Third Party Administration (TPA) and Loss Control Services to three above mentioned units of Bay County Government (County) for a period of five (5) years and five (5) months commencing August 1, 2013 and expiring on December 31, 2018. A five (5) year renewal option will be considered by the County upon the expiration of the initial contract period. The TPA will be required to keep financial and reporting information for each group separately as well as for the County as a whole.

The units are briefly described as follows:

The County of Bay includes employees reporting to the County Executive, County Commissioners, Clerk, Treasurer, Register of Deeds, Drain Commissioner, Sheriff, Prosecutor, the 18th Circuit Court and the 74th District Court and Friend of the Court. The employee population ranges from 550 in the winter months to 675 in the summer months.

Bay Medical Care Facility is a long term care facility providing skilled care to the residents of Bay County. The Facility employs approximately 330 employees. Bay Medical Care Facility operates under the direction of the Human Services Board for Bay County, a three (3) person board appointed by the Bay County Board of Commissioners.

Bay County Department of Water & Sewer (D.W.S.) is a wastewater treatment plant and maintains Bay County's sewer system. This facility employs approximately 44 employees. D.W.S. operated under the direction of the Bay County Road Commission, a three (3) person board elected by the general public.

The following information is included for your review:

- Self-Insured Employer Certification – 1/1/13 **Exhibit 1**
- Current Excess liability Insurance Binder – expiration date 7/1/13 **Exhibit 2**
- 7/1/11 – 7/1/12 audited annual payroll by classification. **Exhibit 3**
- Three (3) years' Experience Analysis by Division – 2009, 2010 and 2011 **Exhibit 4**
- Multiple years Claims Summary by Division **Exhibit 5**

I. PROJECT TIMELINE

- May 29, 2013 Request for Qualifications released
- June 6, 2013 Deadline for bid qualification submissions
- Week of June 10, 2013 Submissions reviewed and evaluated. Cost envelopes of those qualifying firms will be opened. Notification of oral presentation and interview dates and times for those firms who have qualified.
- Week of June 17, 2013 Oral presentation/interviews of selected firms. Firms' presentation and interviews will be scored.
- Week of June 24, 2013 Bid is awarded and all firms involved notified. Contract negotiations begin with highest ranked/ best qualified firm.

II. SCOPE OF WORK

1. Assist Bay County to continue to qualify with the proper State Authorities as a self-insured entity. The successful bidder will be required to complete and submit, on behalf of the County, the annual application to the State of Michigan to be a self-insured entity. Historical claims information necessary to complete the application shall be maintained by the successful bidder.
2. The successful bidder will be required to service all open claims during the contract period regardless of date of occurrence. Open claims are defined to include any claims from a previous period that are reopened or any incurred but not reported claims from a previous period. The successful bidder will be allowed a thirty (30) day period from the inception date of the contract in which to assume responsibility for services of tail claims.
3. Upon the termination date of the contract all open files in the possession of the successful bidder shall be turned over to the subsequent TPA. In addition all indemnity files closed within five (5) years' previous to the termination of the contract shall be turned over to the subsequent TPA.

*The County may entertain suggestions from bidders as to the parameters for transferring closed indemnity files to a subsequent TPA should the stated five (5) years be contrary to industry standards.

4. The successful bidder will be designated the "Agent of Record" for the County in securing written proposals for excess workers compensation and employer's liability insurance to protect Bay County in the Aggregate or the Specific either separately or combined. The successful bidder will present the written proposals to the County and the County will select the most qualified firm. The cost of any excess insurance for workers' compensation will be an extra expense to the County in addition to the fees paid for claims administration and loss control services. It is understood and agreed that the successful bidder may receive from the insurance company a commission for the placement of reinsurance with that company and that his compensation is over and above the fees paid by the County as stated in the service contract. All commission amounts shall be revealed in the written proposals that are provided to the County.
5. The successful bidder shall provide the County and the Excess insurer with timely and complete monthly reports of all accidents, including occupational diseases. Data for these reports shall be maintained for the County as a whole and for each individual group (General, Bay Medical Care Facility and Department of Water & Sewer). Monthly reports shall include:
 - a. The number, type and severity of accidents/illnesses by division or department.
 - b. All payments made on behalf of each employee for benefits and expenses.
 - c. Estimate of all reserves for actual, anticipated or potential benefit.
6. The successful bidder shall provide 40 hours of on-site Loss Control Service annually during the term of the agreement. This is to be 40 hours of on-site service by the loss control representative, excluding travel time to and from Bay County. If the County desires additional hours of loss control services, the cost of the same shall be in addition to the contract fee and shall be paid on an hourly basis.
7. The Loss Control services to be provided to the County shall include, but not be limited to: inspection of County work sites, operations, machinery and equipment; safety training of County personnel and the making of recommendations for changes intended to reduce the County's potential for loss under the Workers; Disability Compensation Act of 1969, as amended, and to comply with OSHA and MIOSHA requirements and any other applicable safety laws or regulations. The scheduling of inspections shall be mutually agreed upon. The successful bidder agrees to make a good faith effort to honor the County's scheduling requests, if any. The successful bidder shall be expected to advise the County as to the best utilization of the hours of Loss Control services contracted for, with respect to the various types of Loss Control Services available.
8. The successful bidder shall be responsible for the compilation and timely filing of all notices and reports mandated by the Worker's Disability Compensation Act of 1969, as amended.
9. The successful bidder shall conduct all necessary investigations in order to determine the extent of Bay County's liability as an employer for Employer's Liability or under the Workers' Disability Compensation Act of 1969, as amended. The successful bidder shall be responsible for the verification and approval of all claims the County is required to pay as a result of its liability under the act. The verification and approval procedure followed by the successful bidder shall insure adequate internal control over the payment process.

10. The successful bidder shall prepare all necessary documents and data required for the Bureau of Workers' Disability Compensation; shall calendar and coordinate with legal representation as to deadlines, case development and appearances. The Bay County Department of Corporation Counsel is charged with performing all civil legal duties for the County. The County reserves the right to select and direct attorney(s) in all litigation and will consider recommendations from the successful bidder. Bidder may submit resumes and rates of recommended legal counsel with its proposal.
11. Provide all claims administration and reporting services that would enable the County to fulfill its obligation as an employer under the Michigan Workers' Disability Compensation Act of 1969, as amended, or as an employer for Employers' Liability during the contract period.
12. ALL open files in the possession of the current TPA will be transferred to the successful bidder. The successful bidder and the County will discuss and reach an agreement as to which closed files will be transferred from the current TPA. The successful bidder will be required to maintain an accurate inventory of all files in their possession and provide same to the County upon request.
13. Complete and accurate supporting documentation, which may be inspected periodically by the County of Bay, must be maintained for all claims possessed.
14. The successful bidder shall be required to establish three (3) separate trust (claims) accounts, one for each employer unit, from which payments on behalf of that unit will be made. The successful bidder will request monthly reimbursement on separate statements to each unit and the firm's availability to meet that schedule and other related factors, may also be considered.
15. On or before February 1st of each year, during the contract term, the successful bidder will be required to submit to Bay County, proof that the successful bidder had received its annual renewal of bureau approval to continue to provide the services enumerated above.

III. MODIFIED QUALIFICATIONS-BASED SELECTION (MQBS) PROCESS TO BE USED

The *Bay County Purchasing Policy* provides for the use of the Modified Qualifications Based Selection (MQBS) Process. This fair and rational procedure facilitates the selection of professional services on the basis of qualifications and competence in relation to the scope and needs of the particular project. For the Workers' Compensation/Employee Liability Third Party Administration and Loss Control Services, the process is to be carried out through the establishment of a *Modified Qualifications Based Selection (MQBS) Committee*. The committee is charged to implement the MQBS process and provide recommendations to the Bay County Executive and Bay County Board of Commissioners. Members of a MQBS committee will review materials submitted by each person, compare, and rate them according to the selection requirements stated in this MQBS.

The MQBS process to be used for this project involves a number of steps:

1. The Bay County Board of Commissioner identifies the general scope of the work.
2. A selection schedule is established.
3. A list of professional firms is developed.
4. Qualification documents are requested.
5. Qualification documents are evaluated.
6. A short list of proposers who receive 100 points or more is prepared for further consideration with the top proposer(s) being interviewed and evaluated/cost envelopes are opened.

7. Interviews are conducted.
8. Firms are ranked for selection.
9. A contract is negotiated with the top ranked firm.
 - a. If an agreement cannot be reached, those negotiations are ended and negotiations are begun with the second ranked firm and so on down the line, until agreement is reached and a firm selected.
10. All firms involved receive post-selection communications.

IV. QBS COMMITTEE MEMBERS

The QBS Committee for the Workers' Compensation/Employee Liability Third Party Administration and Loss Control Services may include or their designee:

- Chairman of the Board of Commissioners or designee
- Board Analyst Robert Redmond
- Purchasing Agent Frances Moore
- Finance Officer Crystal Hebert
- Corporation Counsel Martha Fitzhugh
- Personnel and Employee Relations Director Tim Quinn
- Retirement Administrator/Accountant Danean Wright

V. POINT DISTRIBUTION TO BE USED FOR RATING QUALIFICATIONS OF PROPOSERS

A maximum of one hundred (100) points could be awarded for each proposer's qualifications, with a minimum of eighty (80) needed to qualify. Qualifying scores will be assigned on the following basis:

- **Qualifications and experience of staff performing work** **1 to 30 points**
 - Years of experience
 - Education
 - Length of time with firm
 - Depth of staff and backup plan in case of absence
- **References (preference given to governmental)** **1 to 15 points**
- **Quality of firm background and history** **1 to 20 points**
 - Years in business
 - Years in TPA business
- **Responses to questions in Claims Administration section** **1 to 35 points**
 - Management of medical and lost time claims
 - Standard report/forms samples
 - Medical claims review
 - Resolution of long term/disputed claims
 - Trust account management/accounting
 - Web-based services

Total Possible Qualifications Score:

100 points

Proposers whose qualifications scores are below the minimum of eighty (80) points will be eliminated from further consideration. Proposers whose qualifications score at least eighty (80) points may be invited to make an oral presentation and be interviewed, as determined by Bay County, to be held at the Bay County Building, 515 Center Ave., Bay City, Michigan 48708.

Following this procedure and the finalization of the pricing structure, the Contractual Agreement will be presented to the selected proposer. If not executed by the proposer within 10 (ten) business days, negotiations with the first-ranked proposer will be terminated, and Bay County reserves the right to open negotiations with the second-ranked proposer. This iterative process shall be continued until Bay County selects one (1) or more Workers' Compensation/Employee Liability Third Party Administrator and Loss Control services provider to recommend to the Bay County Executive and Bay County Board of Commissioners.

VI. CONTENT OF PROPOSAL REQUIRED TO BE CONSIDERED FOR THIS RFQ

All Bids must be good for one-hundred and twenty (120) days after the previous stated bid opening date; once the contract has been signed all fees shall be firm for the duration of the contract.

FEE PROPOSAL ENVELOPE MUST CONTAIN THE FOLLOWING:

1. Each Fee Proposal must be submitted on the attached form labeled **"FEE PROPOSAL."**
2. Each bid proposal shall identify if nonstandard reports can be provided upon request of the client and, if available, state if there is a fee associated with this service. The actual fee associated with this service shall be identified.
3. Each bid proposal will identify if web-based reporting and account information is provided as a mandatory or optional service. Identify if there is a fee associated with this service. The actual fee associated with this service shall be identified.
4. Explain procedures/programs in place to review medical claims for appropriateness and cost-saving measures. Identify if there are fees associated with such programs. The actual fee associated with this service shall be identified.

Proposers will be evaluated on the following information.

It is required that narrative proposals be indexed and formatted in the same order and categories as noted below:

MANDATORY AND TECHNICAL QUALIFICATIONS

A. MANDATORY REQUIREMENTS

1. Each bidder is also required to submit with their bid a list of excess insurance carriers with whom the bidder is licensed to do business. **(ATTACHMENT A)**

B. FIRM HISTORY/PROFESSIONAL STAFF

1. Provide the names and brief resumes for the Claims and Loss Control Professionals, Technical Support Staff, Accounting Staff and any other staff who will be assigned to Bay County's account, should your firm be the successful bidder. The lead person assigned to this account must have a minimum of five (5) years' experience. **(ATTACHMENT B)**
2. Each bidder shall include the locations and staffing level of Claims Offices in the State of Michigan and specify the office site of those persons who would service the Bay County account. **(ATTACHMENT C)**
3. If the primary people assigned to the County were to be absent either short term or long term or leave employment, what plan does your firm have to maintain the County's expected level of service? **(ATTACHMENT D)**

C. CLAIMS ADMINISTRATION

1. Each bid proposal shall clearly describe the methodology by which both medical and lost time claims will be managed, the maximum number of indemnity and medical claims that can be assigned to any claims representative at one time and whether the successful bidder intends to personally interview each lost time claimant. **(ATTACHMENT E)**
2. Along with the submission of proposal, all bidders are required to submit SAMPLES OF STANDARD REPORTS AND FORMS that will be provided to the County. Examples of such reports/forms would include but not be limited to: check register, claims report, claims analysis report, incident reporting form, etc. **(ATTACHMENT F)**
3. Provide a written description of your firm's methodology used for establishing reserves for actual and anticipated claims. How often are reserve amounts are reviewed and updated? **(ATTACHMENT G)**
4. Each bidder shall describe in writing the firm's philosophy to resolve long term and/or disputed claims. **(ATTACHMENT H)**
5. Identify and discuss any of the services, or methods of managing claims which you believe to be unique to you firm or gives your firm a competitive advantage. **(ATTACHMENT I)**
6. Identify how a trust account for each unit will be established and managed. **(ATTACHMENT J)**

D. REFERENCES

1. Provide three (3) governmental/municipal clients your firm has serviced in a third party administrator capacity in the past five (5) years. **(ATTACHMENT K)**
2. Provide three (3) past governmental/municipal clients who have terminated your firms' services as a third party administrator within the past three (3) years and indicate the reason why. **(ATTACHMENT L)**

The following will not be considered for evaluation but must be completed and submitted or your proposal will be considered incomplete, marked rejected and returned.

E. ADDITIONAL REQUIREMENTS

1. Does the success bidder have a return to work program that the County may utilize? If, so please provide any information. **(ATTACHMENT M)**
2. State of Michigan Recognition **(ATTACHMENT N)**

Submit proof of approval by the Michigan Department of Labor & Economic Growth – Workers' Compensation Agency for your firm to act as a servicing company to: service claims, provide underwriting service and furnish safety engineering services to self-insurers.
3. Certification. **(ATTACHMENT O)**

All proposers are required to return the attached document certifying they have not been part of any collusion and that they are they are authorized to act as an agent for the company or firm they represent.
4. Business Information. **(ATTACHMENT P)**
5. Current Insurance Certificate. **(ATTACHMENT Q)**
6. Copy of your Preferred Contract. **(ATTACHMENT R)**

Proposers are permitted to include a maximum of five (5) additional pages of information not requested above, if you feel it may be useful and applicable to this RFQ.

VII. GENERAL INFORMATION

1. **ADDENDA:** All additions, corrections or changes to the solicitation documents will be made by addenda only. Bidders shall not rely upon interpretations, corrections, or changes made in any other manner, whether by telephone or in person. Additions, corrections, and changes shall not be binding unless made by addenda. All addenda issued shall become part of the Agreement documents. Addenda will be sent to all known potential bidders by e-mail.
2. **CONTACT INFORMATION:** To receive these communications, possible bidders are asked immediately to send contact information by email to Frances Moore, Bay County Purchasing Agent, at Mooref@baycounty.net; failure to do so may limit your ability to submit a complete, competitive proposal.
3. **TAX-EXEMPT STATUS:** Bay County is a tax-exempt entity. The successful bidder will receive a tax-exempt form.

4. FOIA: All bids are confidential until the listed bid opening time and date; however, as a public entity, Bay County is subject to the Michigan Freedom of Information Act (FOIA). Information contained in proposals may be subject to FOIA requests.
5. RESPONSIBILITY: Bidders are solely responsible for ensuring their bid is received by the Bay County Purchasing Agent in accordance with the solicitation requirements, before the date and time specified in this Request, and at the place specified.

The Bay County Purchasing Agent shall not be responsible for any delays in mail or by common carrier or mistaken delivery. Delivery of bid shall be made to the Bay County Purchasing Agent, Bay County Building, 8TH Floor, Bay City, MI 48708.

Deliveries made before the due date and time but to the wrong office will be considered non-responsive unless re-delivery is made to the office specified before the due date and time specified in this request.

6. INSURANCE: The Bidder shall purchase and maintain such insurance as will protect him from claims set forth below which may arise out of or result from the Bidder's service, whether such service be by himself or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:
 - a. Worker's compensation insurance for claims under Michigan's Workers' Compensation Act or other similar employee benefit act of any other state applicable to an employee.
 - b. Employer's liability insurance, in conjunction with workers' compensation insurance, for claims for damages because of bodily injury, occupational sickness or disease or death of an employee when workers' compensation may not be an exclusive remedy, subject to a limit of liability of not less than \$100,000 each accident.
 - c. Motor vehicle liability insurance required by Michigan law including no-fault coverage for claims arising from ownership, maintenance or use of a motor vehicle with liability limits of not less than \$1,000,000 per occurrence combined single limit bodily injury and property damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
 - d. General liability insurance for claims for damages because of bodily injury or death of any person, other than the Supplier's employees, or damage to tangible property of others, including loss of use resulting by other specific liability insurance and are ordinarily insurable under general liability insurance, subject to bodily injury limits of not less than \$1,000,000 each occurrence and mandatory \$1,000,000 annual aggregate and property damage limits of not less than \$1,000,000 each occurrence; or combined bodily injury/property damage limits of not less than \$1,000,000 each occurrence, and \$1,000,000 annual aggregate.
 - e. Professional liability coverage (error and omissions) with limits of liability of \$2,000,000 claim applicable to this retention.

Insurance required shall be in force until acceptance by the County of the delivered goods and services, and shall be written for not less than any limits of liability specified above. The Bidder has the responsibility of having any subcontractor comply with these insurance requirements. Certificates of insurance, acceptable to the County, shall be filed with the County prior to commencement of the project. These certificates shall contain a provision that coverages afforded under the policies will not be modified or canceled without 30 days prior written notice to the County.

The following wording shall appear on the certificates of insurance:

"It is understood and agreed that thirty (30) days advance written notice of cancellation, non-renewal, reduction, and/or material change in coverage will be mailed to Bay County."

Commercial general liability as described above shall include an endorsement stating the following shall be ADDITIONAL INSUREDS:

"It is understood and agreed that the following shall be additional insureds: The County of Bay including all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and their board members, employees, and volunteers."

This coverage shall be primary to the additional insureds, and not contributing with any other insurance or similar protection available to the additional insureds, whether said other available coverage be primary, contributing, or excess.

All coverages shall be with insurance carriers licensed and admitted to do business in Michigan.

7. **COST OF DEVELOPING PROPOSAL:** The Respondent shall be responsible for all costs incurred in the development and submission of this response. The County assumes no contractual obligation because of the issuance of this RFP, the preparation or submission of a response by a Respondent, the evaluation of an accepted response, or the selection of finalists. The County will not be contractually bound until the County and the successful Respondent have executed a written contract for performance of the work.
8. **PROPOSAL DELIVERY:** To be considered, the Proposal must contain: Two (2) sealed envelopes, one (1) must be clearly marked "**QUALIFICATIONS FOR WORKERS' COMPENSATION/EMPLOYEE LIABILITY THIRD PARTY ADMINISTRATION AND LOSS CONTROL SERVICES**" and contain five (5) copies of that portion of the proposal including all attachments and only one (1) sealed envelope clearly marked "**FEE SCHEDULE.**"

The County will not accept proposals sent by FAX machine or E-mail.

9. **NON-DISCRIMINATION:** In the performance of the bid, bidder agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Bidder further agrees that every contract or subcontract entered into for the performance of this bid will contain a provision requiring non-discrimination in employment, as specific here, binding upon each contractor or sub-contractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights Act (MCL 37.1201 et seq.) or the Michigan Persons with Disabilities Civil Rights Act (MCL 37.1101

et seq.) Any breach of this provision may be regarded as a material breach of the contract or subcontract.

10. **BID OPENING:** There will be a public bid opening immediately following the deadline to receive proposals in the Bay County Finance Department conference room located in the Bay County Building, 7th Floor, 515 Center Avenue, Bay City, Michigan. All bidders are invited to attend and hear the proposals read.
11. **BID REJECTION/ACCEPTANCE:** The County reserves the right to accept or reject any or all bids, to waive any irregularities and to make the final determination as to the best low qualified bid.
12. **AWARD:** In the event the bid is awarded directly by the Finance Officer, a Notice of Intent to Award will be used to notify all bidders of her intent to award the bid to the vendor providing the best value to the County. If a bidder disagrees with this intent, the bidder may obtain from the Purchasing Office, a bid protest form, which must be completed and returned to Frances Moore, Bay County Purchasing Agent, Bay County Finance Department Purchasing Division, 8th Floor, Bay County Building, 515 Center Avenue, Bay City, MI 48708-5128, (989) 895-4037 within ten (10) working days from the date of the notice of intent to award.
13. **CONTRACT:** The County's award of this bid is conditioned upon the execution of a formal agreement for products and services between the selected bidder and the County, occurring within 10 days after the date that the bidder receives such agreement from the County. If bidder proposes a standard contract, bidder must submit a copy of all proposed terms and conditions with its proposal. In submitting a proposal, bidder acknowledges that contents of this RFQ will become incorporated within any formal agreement. This RFQ does not include every term and condition which shall appear in the formal agreement. In the event that the bidder does not execute the formal agreement within the stated time limit, the County may reject the selected bidder and proceed to accept another qualified bid, or reject all bids.
14. **QUESTIONS:** All questions about this RFQ must be directed in writing, to:

Frances Moore
Purchasing Agent
Mooref@baycounty.net

Written questions received by **12:00 P.M. June 4, 2013** will be answered and responses will be returned in writing to all potential proponents.

VIII. ADA ASSISTANCE

Bay County will provide necessary and reasonable auxiliary aids and services, such as a signer for the hearing impaired and audio tapes of printed materials being considered, to individuals with disabilities upon 10 days notice to Bay County. Individuals with disabilities requiring auxiliary aids or services should contact Bay County by writing or calling:

Michael Gray, Assistant County Executive for Recreation and Administrative Services
Office of the Bay County Executive
Bay County Building
515 Center Avenue
4th Floor, Suite 401
Bay City, MI 48708-5128
Telephone (989) 895-4013
TDD (989) 895-4049

Frances Moore, Purchasing Agent
Finance Department, Purchasing Division
Bay County Building
515 Center Ave
8th Floor
Bay City, MI 48708-5128
Telephone: (989) 895-4037
FAX Number: (989) 895-2076
Email: Mooref@baycounty.net

THIS QUALIFICATION PROCESS WILL BE CONDUCTED IN CONFORMITY WITH THE BAY COUNTY PURCHASING POLICY.

SELF-INSURED EMPLOYER CERTIFICATION

**WORKERS' DISABILITY COMPENSATION
APPLICATION TO RENEW SELF-INSURED AUTHORITY
& AFFIRMATION OF AGENCY RECORDS**

Michigan Department of Licensing and Regulatory Affairs
Workers' Compensation Agency
Self-Insured Programs
7150 Harris Drive 48913
P.O. Box 30016
Lansing, MI 48909
www.michigan.gov/wca

Authority: Workers' Disability Compensation Act of 1969, as amended
Completion: Mandatory
Penalty: Denial/Termination of Self-Insured Authority

Annual approval of self-insured authority requires the applicant to verify the Agency's data printed below. Clearly print any corrections or provide missing data to the right of the item being corrected. Secure appropriate signatures and return this original form and all required attachments to the Agency at the above address by December 2, 2012.

Agency records reflect that the following employers have been approved as self-insurers pursuant to Section 418.611 of the Workers' Disability Compensation Act and have provided the information printed below as required in Administrative Rules 408.43a, b & c.

PLEASE VERIFY THE FOLLOWING EMPLOYER INFORMATION:

EMPLOYER (legal name) Bay County
LEGAL NAME (continued)
RENEWAL DATE: 01/01/2013
FEIN: 38-6004837
OF MI EMPLOYEES: 650
LEGAL STATUS: County
STATE OF FORMATION: Michigan
SERVICE COMPANY: Citizens Management Inc.

EMPLOYER REPRESENTATIVE RESPONSIBLE FOR THE SELF-INSURED PROGRAM:

NAME: Mr. Tim Quinn
MAIL ADDRESS (line 1): 515 Center Avenue
MAIL ADDRESS (line 2):
CITY, STATE, ZIP: Bay City, MI 48708
PHONE: (989) 895-4096 EXT:
FAX: (989) 895-2076

EMPLOYERS SELF-INSURED UNDER THE AUTHORITY ISSUED TO: Bay County

1 NAME: Bay County Dept. of Water & Sewer
ADDRESS (line 1): 3933 Patterson Road
ADDRESS (line 2):
CITY, STATE, ZIP: Bay City, MI 48706
FEIN: 38-2315337
OF MI EMPLOYEES: ~~41~~ 39
LEGAL STATUS: County
STATE OF FORMATION: Michigan

1. If the applicant and other employers operate at more than one location, all complete addresses (including zip codes) must be furnished on the attached form. This form must be signed and dated.
2. Requests to add and delete employers may be filed throughout the year as changes occur. Attach form WC-402A for each additional employer not already approved that you wish to include as a self-insurer with the applicant. You must also complete form WC-402A for each approved employer in the self-insured program you want removed as a self-insurer under the applicant's self-insured program.
3. Explain, by attachment, any change in employer's ownership or legal structure occurring since the last application.
4. Attach a loss summary detailing Michigan only experience by excess contract period that includes paid, reserve and total incurred amounts. The loss summary must include values for each period with open claims from the inception date of your self-insured program in this state.
5. Attach a quotation for the required excess insurance if the current excess policy is expiring.
6. Attach applicant's most recent annual financial statements. If statements are more than six months old, include an interim statement, if available.
7. Applicant may attach any information in addition to the above requested documents that explains or supports the financial position demonstrated, the ability to pay claims as a self-insurer, the loss experience or the relationship of the applicants.
8. Applicants not previously approved to self-administer claims must continue to contract with an Agency-approved service company. Applicants must advise the Agency when a change in service company has occurred and what arrangements have been made for the handling of claims incurred during the contract of the old service company.

All employers granted self-insured authority as a result of this application hereby agree:

- (a) To pay all benefits incurred as a self-insurer to employees or their dependents in accordance with the Michigan Workers' Disability Compensation Act of 1969, as amended.
- (b) In case of insolvency, as defined in 418.502, the undersigned employer/applicant agrees to make all personnel, wage and hour, medical records and employment contract records available to an agent of the Michigan Self-Insurers' Security Fund. A copy of this provision will be provided to the person in charge of the above records and counsel for applicant/employer for future reference and implementation.
- (c) In the event of a sale of all assets and cessation of all operations, self-insurer authority will be surrendered coinciding with such action. If operations of the self-insured are continued by a successor employer who hires any or all of the self-insurer's employees, the sale agreement will include a provision that gives access to personnel, wage and hour, medical records and employment contract records to the SISF if and when the SISF becomes liable for payment of benefits of the self-insured employer.
- (d) To promptly notify the Workers' Compensation Agency of any unfavorable change in financial position that may impair the self-insurer's ability to meet all obligations incurred as a self-insurer under the Michigan Workers' Disability Compensation Act of 1969, as amended.
- (e) That this approval is granted to the applicant and combinable entities identified in this application and further acknowledge changes in the legal status (merger, spin-off, consolidation, sale, etc.) of any approved entity may terminate the self-insured authority effective on the date of change in status.

I affirm that Agency records are correct as printed on this application or as corrected by applicant and noted on this form. Applicant acknowledges employers' agreements (a) thru (e).

BY: Tim Quinn Print Name of Person Signing Tim Quinn
 TITLE: Personnel Director Title of Person Signing Personnel Director
 SIGNATURE: [Signature]

NOTARY SIGNATURE: [Signature]
 COUNTY OF: Bay

MY COMMISSION EXPIRES: 7/7/2014
 DATE: 11/20/12

AFFIX STAMP:
DANEAN WRIGHT
 Notary Public, State of Michigan
 County of Bay
 My Commission Expires 07-07-2014
 Acting in the County of Bay

EMPLOYERS SELF-INSURED UNDER THE AUTHORITY ISSUED TO: Bay County

2 NAME: Bay Medical Care Facility
ADDRESS (line 1): 564 West Hampton Road
ADDRESS (line 2):
CITY, STATE, ZIP: Essexville, MI 48732
FEIN: 38-2562624
OF MI EMPLOYEES: 300 330
LEGAL STATUS: Governmental Entity
STATE OF FORMATION: Michigan

CURRENT EXCESS LIABILITY INSURANCE BINDER

CITIZENS INSURANCE COMPANY OF AMERICA
 645 WEST GRAND RIVER
 HOWELL, MICHIGAN 48843
 (A Stock Company)

DECLARATIONS

**WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY
 EXCESS INSURANCE POLICY FOR SELF-INSURER
 COMBINED SPECIFIC AND AGGREGATE AGREEMENT**

Policy Number: WCX002868

Item I. Name of Insured: Bay County, Bay County Department of Water & Sewer and Bay Medical Care Facility
 Post Office Address: Bay County Financial Dept., Suite 701, 515 Center Avenue, Bay City, MI 49708

Item II. Location of the operations covered by this policy: State of Michigan

Item III. Description of operations: See Schedule A

Item IV. Policy Period: From 12:01 A.M. Standard Time on July 1, 2011
 to 12:01 A.M. Standard Time on July 1, 2013

Item V. The premium to be paid for this policy shall be a percentage of standard premium.

Estimated Policy Payroll	Rate Per \$100 of Payroll	Estimated Policy Period Excess Premium
\$62,355,550		

Estimated Premium Payable: Semi-Annually

Item VI. Retention Factor
(Percent of Estimated/Earned Standard Premium)

- | | | |
|---|----|---------|
| (a) Self-Insured Retention - each occurrence | \$ | 400,000 |
| (b) Minimum Aggregate Self-Insured Retention | \$ | N/A |
| (c) Aggregate Self-Insured Retention: N/A% of the policy period standard premium. | | |

Item VII. Limits of Payment

- | | | |
|--|----|-----------|
| (a) Limit of Payment for each occurrence arising out of Occupational Disease: Coverage A | \$ | Statutory |
| (b) Limit of Payment for each occurrence not arising out of Occupational Disease: Coverage A | \$ | Statutory |
| (c) Limit of Payment for each occurrence: Coverage B | \$ | 1,000,000 |
| (d) Aggregate Limit of Payment of this policy: Coverage A | \$ | N/A |
| (e) Aggregate Limit of Payment of this policy: Coverage B | \$ | N/A |

Item VIII. The minimum premium for this insurance shall be \$

Item IX. Percentage of aggregate retention to determine Item VI (b): N/A%, subject to the amount stated in Item VI (b).

Item X. Endorsements: WCX-002 and WCX-003

COUNTERSIGNED BY: _____

AUTHORIZED REPRESENTATIVE

WCX-001 (6/93)
4/93/BO

AGENT: Emil Rummel Agency

AUDITED ANNUAL PAYROLL BY CLASSIFICATION

**CITIZENS MANAGEMENT INC.
WORKERS' COMPENSATION AUDIT**

ACCOUNT: Bay County, Bay County Department of Water & Sewer and
Bay Medical Care Facility

SERVICE CONTRACT TERM: 08-01-11 to 08-01-13 **EXCESS POLICY TERM:** 07-01-11 to 07-01-13

AUDIT TERM: 07-01-11 to 07-01-12 **AUDIT TERM:** 07-01-11 to 07-01-12

POLICY #: WCX 002868

SELF-INSURED RETENTION: \$400,000

MINIMUM AGGREGATE RETENTION: N/A

STANDARD PREMIUM AUDIT

<u>LOCATION</u>	<u>CODE</u>	<u>CLASSIFICATION</u>	<u>AUDITED PAYROLL</u>	<u>RATE PER \$100 P/R</u>
General	4511	Analytical Chemists	\$98,842	0.067801
Government	7720	Police	\$5,117,762	0.067801
	8810	Clerical	\$9,265,922	0.067801
	8820	Attorneys	\$1,092,909	0.067801
	8831	Animal Control	\$155,183	0.067801
	8835	Public Nursing	\$1,058,502	0.067801
	9015	Buildings	\$1,357,602	0.067801
	9058	Food Service	\$299,434	0.067801
	9060	Golf Club	\$202,068	0.067801
	9410	Municipal-All Other	\$1,057,588	0.067801
			<u>\$19,705,812</u>	
Dept of Water and Sewer	6319	Watermain Work	\$244,268	0.067801
	7520	Water Works	\$337,434	0.067801
	7580	Sewage Plant	\$927,026	0.067801
	8810	Clerical	\$574,488	0.067801
	9015	Buildings	\$15,869	0.067801
			<u>\$2,099,085</u>	
Bay Medical Care Facility	8810	Clerical	\$724,426	0.067801
	8833	Hospital: Professional	\$6,876,016	0.067801
	9040	Hospital: All Others	\$1,849,217	0.067801
		<i>CASUAL LABOR</i>		
	8833	Hospital: All Others	\$12,407	0.067801
			<u>\$9,462,066</u>	
		TOTAL:	\$31,266,963	

THREE (3) YEARS EXPERIENCE ANALYSIS BY DIVISION

Carrier Code: Bay County General

Risk Name: Bay County General

Risk Number: 1355

Policy Number: 0356-12-03998

City: Bay County

Rating Date: 8/1/2013
Expiration: 8/1/2014

Part II Exhibit of Expected Losses

Claims between the experience period August 01, 2009 to August 01, 2012

Claim Number	Inj Code	O/F	Loss Ind	Policy Mo.	Yr.	Actual Incurred Losses	Capped Incurred Losses	Primary Actual Losses	Class Code	Payroll	ELR	D-Ratio	Expected Losses	Primary Losses
Under \$2,000	6	f	1	7	2009	5,369	1,611	1,611	1) 4511	129,921	0.34	0.20	442	88
Under \$2,000	6	f	1	7	2009	7,768	2,330	2,330	2) 7720	5,076,141	0.88	0.23	44,670	10,274
Under \$2,000	5	f	1	7	2010	595	595	595	3) 8810	9,596,774	0.08	0.22	7,677	1,689
Under \$2,000	6	f	1	8	2011	11,715	3,515	3,515	4) 8820	1,169,088	0.07	0.19	818	155
Under \$2,000	5	f	1	8	2011	2,779	2,779	2,779	5) 8831	158,181	0.54	0.23	354	196
0356-09-03976	5	f	1	7	2009	6,459	4,508	4,508	6) 8835	1,155,391	1.04	0.23	12,016	2,764
0356-09-06906	5	f	1	7	2009	4,508	4,508	4,508	7) 9015	1,400,520	1.82	0.21	25,489	5,353
0356-10-00601	5	f	1	7	2009	60,511	60,511	60,511	8) 9058	307,582	0.70	0.25	2,153	536
0356-10-03035	5	f	1	7	2009	10,455	10,455	10,455	9) 9060	205,967	1.03	0.21	2,121	445
0356-10-01337	6	f	1	7	2009	4,090	1,227	1,227	10) 9410	990,025	0.61	0.19	6,039	1,147
0356-10-03996	5	f	1	7	2010	85,742	85,742	85,742	11) 4511	134,957	0.34	0.20	459	92
0356-11-04234	6	f	1	7	2010	5,323	1,597	1,597	12) 7720	5,026,258	0.88	0.23	44,231	10,173
0356-12-01650	5	f	1	8	2011	4,488	4,488	4,488	13) 8810	9,524,891	0.07	0.22	7,620	1,676
0356-12-04400	5	f	1	8	2011	9,087	9,087	9,087	14) 8820	1,112,443	0.07	0.19	719	148
0356-12-05642	5	f	1	8	2011	3,420	3,420	3,420	15) 8831	160,959	0.54	0.23	369	200
0356-11-09464	6	f	1	8	2011	2,909	873	873	16) 8835	1,100,727	1.04	0.23	11,448	2,633
0356-12-03998	6	f	1	8	2011	2,767	830	830	17) 9015	1,365,064	1.92	0.21	24,844	5,217
									18) 9058	282,471	0.70	0.25	1,977	494
									19) 9060	207,321	1.03	0.21	2,135	446
									20) 9410	1,020,450	0.61	0.19	5,225	1,183
									21) 4511	98,842	0.34	0.20	336	67
									22) 7720	5,117,762	0.88	0.23	45,036	10,358
									23) 8810	9,265,922	0.08	0.22	7,413	1,631
									24) 8820	1,092,909	0.07	0.19	765	145
									25) 8831	155,183	0.54	0.23	838	193
									26) 8835	1,058,502	1.04	0.23	11,008	2,532
									27) 9015	1,357,602	1.82	0.21	24,708	5,189
									28) 9058	299,434	0.70	0.25	2,096	524
									29) 9060	202,068	1.03	0.21	2,061	437
									30) 9410	1,057,588	0.61	0.19	6,451	1,226
									31)					
									32)					
									33)					
									34)					
									35)					

Carrier Code: Bay County General

Risk Name: Bay County General Risk Number: 67215

Carrier/Zip: Bay County General Policy Number: 67215 City: Bay County

Rating:	Date:
Effective	Expiration
8/1/2013	8/1/2014

Claims between the experience period August 01, 2009 to August 01, 2012 Part II Exhibit of Expected Losses

Claim Number	Inj Code	Loss Ind	Mo	Yr	Policy	Actual Incurred Losses	Capped Incurred Losses	Primary Actual Losses	Class Code	Payroll	ELR	D-Ratio	Expected Losses	Primary Losses	
136)															
137)															
138)															
139)															
140)															
141)															
142)															
143)															
144)															
145)															
146)															
147)															
148)															
149)															
150)															
Total										59,830,943				303,598	67,215

Total 227,985 200,026 52,675

Ballast (B) = 47,250
 Weight (W) = 0.28
 Experience Mod (M) = 0.89
 Conversion Factor (C) =
 Final Mod (M') = 0.89

Company
 CCA/COM
 CCO
 No Co. Mod

Business Type
 New
 Renewal

Carrier Code

Bay County DWS

Risk Name

Risk Number

Carrier Zip

Policy Number

City

Rating Date	
Effective	8/1/2013
Expiration	8/1/2014

Claims between the experience period August 01, 2009 to August 01, 2012

Claim Number	Inj Code	Loss O/F	Loss Ind	Policy Mo.	Policy Yr.	Actual Incurred Losses	Capped Incurred Losses	Primary Actual Losses	Class Code	Payroll	ELR	D-Ratio	Expected Losses	Primary Losses
Under \$2,000				7	2009				1) 6319	240,411	2.23	0.15	5,361	804
Under \$2,000				7	2009				2) 7520	363,181	1.41	0.20	5,121	1,024
Under \$2,000	6	f	1	7	2010	3,001	900	900	3) 7580	831,410	1.15	0.17	9,561	1,625
Under \$2,000	6	f	1	7	2010	1,840	552	552	4) 8810	581,029	0.08	0.22	465	102
Under \$2,000	6	f	1	8	2011	1,840	552	552	5) 9015	25,772	1.62	0.21	469	98
Under \$2,000	6	f	1	8	2011	5,244	5,000	5,000	6) 6319	249,804	2.23	0.15	5,571	836
0356-10-01232	5	f	1	7	2009	5,244	5,000	5,000	7) 7520	361,682	1.41	0.20	5,100	1,020
0356-12-01510	5	f	1	8	2011	8,087	5,087	5,087	8) 7580	1,002,401	1.15	0.17	11,528	1,960
									9) 8810	579,758	0.08	0.22	464	102
									10) 9015	7,492	1.82	0.21	136	29
									11) 6319	244,268	2.23	0.15	5,447	817
									12) 7520	337,434	1.41	0.20	4,758	957
									13) 7580	927,026	1.15	0.17	10,661	1,812
									14) 8810	574,488	0.08	0.22	460	101
									15) 9015	15,869	1.82	0.21	289	61
									16)					
									17)					
									Total	6,342,025			65,391	11,343

Ballast (B) = 22.050

Weight (M) = 0.12

Experience Mod (M) = 0.93

Conversion Factor (C) =

Final Mod (M) = 0.93

Total 14,783

11,452

Company CICA/CICM

CICO

No Co. Mod

Business Type

New

Renewal

Carrier Code: Bay County MCF Risk Name: Risk Number:

Carrier Zip: Policy Number: City:

Rating Date: Effective: 8/1/2013 Expiration: 8/1/2014

Claims between the experience period August 01, 2009 to August 01, 2012 Part II Exhibit of Expected Losses

Claim Number	Inj Code	O/F	Loss Ind	Mo.	Yr.	Policy	Actual Incurred Losses	Capped Incurred Losses	Primary Actual Losses	Class Code	Payroll	ELR	D-Ratio	Expected Losses	Primary Losses
Under \$2,000	6	f	1	7	2009		10,665	3,199	3,199	1) 8810	872,507	0.08	0.22	1,698	154
Under \$2,000	5	f	1	7	2009		2,497	2,497	2,497	2) 8833	3,399,619	0.61	0.21	20,738	4,355
Under \$2,000	6	f	1	7	2010		21,872	6,562	6,562	3) 9040	4,636,880	1.48	0.23	68,626	15,794
Under \$2,000	5	f	1	7	2010		14,892	4,468	4,468	4) 8833	37,376	0.61	0.21	228	48
Under \$2,000	6	f	1	8	2011		250	250	250	5) 8810	689,382	0.08	0.22	552	121
0356-09-05412	5	f	1	8	2011		8,453	8,453	5,000	6) 8833	6,509,445	0.61	0.21	39,708	8,339
0356-10-06666	5	f	1	7	2009		11,175	11,175	5,000	7) 9040	1,670,155	1.48	0.23	24,718	5,665
0356-09-07638	5	f	1	7	2009		3,802	1,140	1,140	8) 8833	15,993	0.61	0.21	98	21
0356-10-04081	6	f	1	7	2010		4,641	4,641	4,641	9) 8810	724,426	0.08	0.22	580	128
0356-10-12441	5	f	1	7	2010		65,000	65,000	5,000	10) 8833	6,876,016	0.61	0.21	41,944	8,808
0356-11-00250	5	O	1	7	2010		8,818	8,818	5,000	11) 9040	1,849,217	1.48	0.23	27,368	6,285
0356-11-01762	5	f	1	7	2010		20,038	20,038	5,000	12) 8833	12,407	0.61	0.21	76	16
0356-11-04270	5	f	1	7	2010		28,527	28,527	5,000	13)					
0356-11-04355	6	f	1	8	2011		7,434	2,230	5,000	14)					
0356-11-05769	5	f	1	8	2011		6,988	6,988	5,000	15)					
0356-11-06213	5	f	1	8	2011		2,328	2,328	2,328	16)					
0356-11-07042	5	f	1	8	2011		2,044	2,044	2,044	17)					
0356-11-08423	5	f	1	8	2011		7,183	7,183	5,000	18)					
0356-12-01592	5	f	1	8	2011		3,751	3,751	3,751	19)					
140)										20)					
141)										21)					
142)															
143)															
144)															
145)															
146)															
147)															
148)															
149)															
150)															
Total							230,359	189,293	72,381		27,293,423			225,334	49,754

Ballast (B) = 37,800
 Weight (W) = 30,231
 Experience Mod (M) = 1.03
 Conversion Factor (C) =
 Final Mod (M') = 1.03

Total 27,293,423

Company
 CICA/CICM
 CICO
 No Co. Mod

Business Type
 New
 Renewal

Carrier Code: Bay County General, DWS, MCF Risk Name: Risk Number:

Policy Number: City:

Rating Date: Effective: 8/1/2013 Expiration: 8/1/2014

Claims between the experience period August 01, 2009 to August 01, 2012 Part II Exhibit of Expected Losses

Claim Number	Inj Code	O/F	Loss Ind	Policy Mo.	Yr.	Actual Incurred Losses	Capped Incurred Losses	Primary Actual Losses	Class Code	Payroll	ELR	D-Ratio	Expected Losses	Primary Losses
1) Under \$2,000	6	f	1	7	2009	16,035	4,811	4,811	1) 4511	129,921	0.34	0.20	442	58
2) Under \$2,000	5	f	1	7	2009	2,498	2,498	2,498	2) 7720	5,076,141	0.88	0.23	44,670	10,274
3) Under \$2,000	6	f	1	7	2010	32,642	9,792	9,792	3) 8810	9,596,774	0.22	0.22	7,677	1,689
4) Under \$2,000	5	f	1	7	2010	595	595	595	4) 8820	1,169,088	0.07	0.19	818	155
5) Under \$2,000	6	f	1	8	2011	28,448	8,534	8,534	5) 8831	158,181	0.54	0.23	854	196
6) Under \$2,000	5	f	1	8	2011	3,029	3,029	3,029	6) 8835	1,155,391	1.04	0.23	12,016	2,764
7) 0356-09-09376	5	f	1	7	2009	6,459	6,459	6,459	7) 9015	1,400,520	1.82	0.21	25,489	5,353
8) 0356-09-06906	5	f	1	7	2009	4,508	4,508	4,508	8) 9058	307,582	0.70	0.25	2,153	538
9) 0356-10-00601	5	f	1	7	2009	60,511	60,511	60,511	9) 9060	205,967	1.03	0.21	2,121	445
10) 0356-10-03035	5	f	1	7	2009	10,455	10,455	10,455	10) 9410	990,025	0.61	0.19	6,039	1,147
11) 0356-10-01337	6	f	1	7	2009	4,090	1,227	1,227	11) 4511	134,957	0.34	0.20	459	92
12) 0356-10-03996	5	f	1	7	2010	85,742	85,742	85,742	12) 7720	5,026,258	0.88	0.23	44,231	10,173
13) 0356-11-04234	6	f	1	7	2010	5,323	1,597	1,597	13) 8810	9,524,891	0.08	0.22	7,920	1,676
14) 0356-12-01650	5	f	1	8	2011	4,488	4,488	4,488	14) 8820	1,112,443	0.07	0.19	779	148
15) 0356-12-04400	5	f	1	8	2011	9,087	9,087	9,087	15) 8831	160,959	0.54	0.23	369	200
16) 0356-12-05642	5	f	1	8	2011	3,420	3,420	3,420	16) 8835	1,100,727	1.04	0.23	11,448	2,653
17) 0356-11-09464	6	f	1	8	2011	2,909	873	873	17) 9015	1,365,064	1.82	0.21	24,844	5,217
18) 0356-12-03999	6	f	1	8	2011	2,767	830	830	18) 9058	282,471	0.70	0.25	1,977	494
19) 0356-10-01232	5	f	1	7	2009	5,244	5,244	5,244	19) 9060	207,321	1.03	0.21	2,135	448
20) 0356-12-01510	5	f	1	8	2011	8,087	8,087	8,087	20) 9410	1,020,450	0.61	0.19	6,225	1,183
21) 0356-09-05412	5	f	1	7	2009	8,453	8,453	8,453	21) 4511	98,842	0.34	0.20	335	67
22) 0356-10-06666	5	f	1	7	2009	11,175	11,175	11,175	22) 7720	5,117,762	0.88	0.23	45,036	10,356
23) 0356-09-07638	6	f	1	7	2009	3,802	1,140	1,140	23) 8810	9,265,922	0.08	0.22	7,413	1,631
24) 0356-10-04081	5	f	1	7	2010	4,641	4,641	4,641	24) 8820	1,092,909	0.07	0.19	765	145
25) 0356-10-12441	5	f	1	7	2010	65,000	65,000	65,000	25) 8831	155,183	0.54	0.23	838	193
26) 0356-11-00250	5	f	1	7	2010	8,818	8,818	8,818	26) 8835	1,058,502	1.04	0.23	11,008	2,532
27) 0356-11-01762	5	f	1	7	2010	20,038	20,038	20,038	27) 9015	1,357,602	1.82	0.21	24,708	5,186
28) 0356-11-04270	5	f	1	7	2010	28,527	28,527	28,527	28) 9058	299,434	0.70	0.25	2,096	524
29) 0356-11-04355	6	f	1	8	2011	7,434	2,230	2,230	29) 9060	202,068	1.03	0.21	2,081	437
30) 0356-11-05769	5	f	1	8	2011	6,988	6,988	6,988	30) 9410	1,057,588	0.61	0.19	6,451	1,226
31) 0356-11-06213	5	f	1	8	2011	2,328	2,328	2,328	31) 6319	240,411	2.23	0.16	5,361	804
32) 0356-11-07042	5	f	1	8	2011	2,044	2,044	2,044	32) 7520	363,181	1.41	0.20	5,121	1,024
33) 0356-11-08423	5	f	1	8	2011	7,183	7,183	7,183	33) 7580	831,410	1.15	0.17	9,561	1,625
34) 0356-12-01592	5	f	1	8	2011	3,751	3,751	3,751	34) 8810	581,029	0.08	0.22	465	102
35) 9015									35) 9015	25,772	1.82	0.21	469	98
36) 6319									36) 6319	249,804	2.23	0.15	557	836

Carrier Code: Bay County General, DWS, MCF

Rating Date: 8/1/2013

Effective	8/1/2013
Expiration	8/1/2014

Policy Number: City

Part II Exhibit of Expected Losses

Claims between the experience period August 01, 2009 to August 01, 2012

Claim Number	Inj Code	Loss Code	Q/E	Policy Mo.	Yr.	Actual Incurred Losses	Capped Incurred Losses	Primary Actual Losses	Class Code	Payroll	ELR	D-Ratio	Expected Losses	Primary Losses
31)									37) 7520	361,682	1.41	0.20	5,100	1,020
32)									38) 7580	1,002,401	1.15	0.17	11,523	1,960
33)									39) 8810	579,758	0.06	0.22	464	102
34)									40) 9015	7,492	1.82	0.21	136	29
35)									41) 6319	244,268	2.23	0.15	5,447	817
36)									42) 7520	337,434	1.41	0.20	4,758	962
37)									43) 7580	927,026	1.15	0.17	10,661	1,812
38)									44) 8810	574,488	0.08	0.22	460	101
39)									45) 9015	15,869	1.82	0.21	289	61
40)									46) 8810	872,507	0.08	0.22	698	154
41)									47) 8833	3,399,619	0.61	0.21	20,738	4,355
42)									48) 9040	4,636,880	1.48	0.23	68,626	15,784
43)									49) 8833	37,376	0.61	0.21	228	48
44)									50) 8810	689,382	0.08	0.22	552	121
45)									51) 8833	6,509,445	0.61	0.21	39,708	8,339
46)									52) 9040	1,670,155	1.48	0.23	24,778	5,685
47)									53) 8833	15,993	0.61	0.21	98	21
48)									54) 8810	724,426	0.08	0.22	580	128
49)									55) 8833	6,876,016	0.61	0.21	41,944	8,808
50)									56) 9040	1,849,217	1.48	0.23	27,368	6,296
51)									57) 8833	12,407	0.61	0.21	76	16
140)														
141)														
142)														
143)														
144)														
145)														
146)														
147)														
148)														
149)														
150)														
Total						476,518	404,103	136,510		93,466,394			594,323	128,312

Company
 CCA/CCM
 CICO
 No Co. Mod

Business Type
 New
 Renewal

Ballast (B) = 75,600
 Weight (W) = 0.39

Experience Mod (M) = 0.90

Conversion Factor (C) =

Final Mod (M') = 0.90

THREE (3) YEARS CLAIMS SUMMARY BY DIVISION

Bay County, Bay County Department of Water & Sewer and Bay Medical Care Facility

Summary

04/01/2013 - 04/30/2013

Citizens Management Inc

0356

As of: 04/30/2013

Contract Period	Open Med / Ind	Closed Med / Ind	Report Only	Total Claims	Indemnity	Medical	Expense	Paid	Reserves	Gross Incurred	Recovery	** Net Incurred
Org2 Desc: Bay County Department of Water and Sewer												
01/01/2005	0/0	2/0	0	2	\$0.00	\$1,769.99	\$0.00	\$1,769.99	\$0.00	\$1,769.99	\$0.00	\$1,769.99
07/01/2006	0/0	5/0	0	5	\$0.00	\$1,729.05	\$0.00	\$1,729.05	\$0.00	\$1,729.05	\$0.00	\$1,729.05
07/01/2007	0/0	7/1	0	8	\$4,758.35	\$11,046.79	\$1,625.48	\$17,430.62	\$0.00	\$17,430.62	\$0.00	\$17,430.62
07/01/2008	0/0	3/0	0	3	\$0.00	\$776.38	\$6.02	\$782.40	\$0.00	\$782.40	\$0.00	\$782.40
07/01/2009	0/0	0/1	0	1	\$2,857.72	\$2,343.18	\$42.96	\$5,243.86	\$0.00	\$5,243.86	\$0.00	\$5,243.86
07/01/2010	0/0	4/0	0	4	\$0.00	\$2,916.19	\$84.95	\$3,001.14	\$0.00	\$3,001.14	\$0.00	\$3,001.14
08/01/2011	0/0	8/1	0	9	\$7,119.84	\$2,779.65	\$27.37	\$9,926.86	\$0.00	\$9,926.86	\$0.00	\$9,926.86
08/01/2012	0/0	4/0	0	4	\$0.00	\$815.93	\$10.73	\$826.66	\$0.00	\$826.66	\$0.00	\$826.66
Org2 Desc Total:	0/0	33/3	0	36	\$14,735.91	\$24,177.16	\$1,797.51	\$40,710.58	\$0.00	\$40,710.58	\$0.00	\$40,710.58
Org2 Desc: Bay County General												
01/01/1999	0/0	1/0	0	1	\$0.00	\$1,814.64	\$0.00	\$1,814.64	\$0.00	\$1,814.64	\$0.00	\$1,814.64
01/01/2002	0/0	1/2	0	3	\$131,762.29	\$178,475.27	\$7,750.97	\$317,988.53	\$0.00	\$317,988.53	\$0.00	\$317,988.53
01/01/2003	0/0	0/2	0	2	\$159,672.82	\$305,581.34	\$51,460.74	\$516,714.90	\$0.00	\$516,714.90	\$146,052.43	\$370,662.47
01/01/2004	0/0	0/2	0	2	\$149,462.09	\$32,610.68	\$14,770.66	\$196,843.43	\$0.00	\$196,843.43	\$0.00	\$196,843.43
01/01/2005	0/0	6/4	0	10	\$37,849.52	\$64,655.35	\$65,386.48	\$167,891.35	\$0.00	\$167,891.35	\$0.00	\$167,891.35

** Net Incurred = Gross Incurred (-) Recovery

Contract Period	Open Med / Ind	Closed Med / Ind	Report Only	Total Claims	Indemnity	Medical	Expense	Paid	Reserves	Gross Incurred	Recovery	** Net Incurred
07/01/2006 06/30/2007	0 / 0	36 / 4	0	40	\$22,187.23	\$28,292.95	\$1,119.19	\$51,599.37	\$0.00	\$51,599.37	\$0.00	\$51,599.37
07/01/2007 06/30/2008	0 / 0	25 / 10	0	35	\$214,104.75	\$99,330.07	\$16,415.37	\$329,850.19	\$0.00	\$329,850.19	\$0.00	\$329,850.19
07/01/2008 06/30/2009	0 / 0	20 / 5	0	25	\$50,721.63	\$26,921.92	\$13,901.54	\$91,545.09	\$0.00	\$91,545.09	\$0.00	\$91,545.09
07/01/2009 06/30/2010	0 / 0	23 / 5	0	28	\$44,257.53	\$41,804.80	\$5,330.21	\$91,392.54	\$0.00	\$91,392.54	\$0.00	\$91,392.54
07/01/2010 07/31/2011	0 / 0	27 / 3	0	30	\$56,819.40	\$27,570.14	\$15,039.25	\$99,428.79	\$0.00	\$99,428.79	\$0.00	\$99,428.79
08/01/2011 07/31/2012	0 / 0	30 / 7	0	37	\$11,375.54	\$25,364.20	\$424.11	\$37,163.85	\$0.00	\$37,163.85	\$0.00	\$37,163.85
08/01/2012 07/31/2013	4 / 2	10 / 2	0	18	\$6,519.65	\$16,119.51	\$381.77	\$23,020.93	\$53,708.75	\$76,729.68	\$0.00	\$76,729.68

Org2 Desc: Bay County Road Commission

01/01/2005 12/31/2005	0 / 0	2 / 0	0	2	\$0.00	\$10,767.69	\$0.00	\$10,767.69	\$0.00	\$10,767.69	\$0.00	\$10,767.69
Org2 Desc Total:	0 / 0	2 / 0	0	2	\$0.00	\$10,767.69	\$0.00	\$10,767.69	\$0.00	\$10,767.69	\$0.00	\$10,767.69

Org2 Desc: Bay Medical Care Facility

01/01/2004 12/31/2004	0 / 0	0 / 3	0	3	\$109,282.82	\$20,248.22	\$31,323.01	\$160,854.05	\$0.00	\$160,854.05	\$0.00	\$160,854.05
01/01/2005 06/30/2006	0 / 0	15 / 4	0	19	\$14,181.43	\$52,039.67	\$3,962.27	\$70,183.37	\$0.00	\$70,183.37	\$0.00	\$70,183.37
07/01/2006 06/30/2007	0 / 1	27 / 9	0	37	\$44,957.43	\$13,421.26	\$28,490.77	\$86,869.46	\$16,597.95	\$103,467.41	\$0.00	\$103,467.41
07/01/2007 06/30/2008	0 / 0	46 / 9	0	55	\$119,358.52	\$47,389.91	\$29,544.06	\$196,292.49	\$0.00	\$196,292.49	\$0.00	\$196,292.49
07/01/2008 06/30/2009	0 / 0	32 / 7	0	39	\$3,363.94	\$33,801.86	\$7,698.01	\$44,863.81	\$0.00	\$44,863.81	\$0.00	\$44,863.81
07/01/2009 06/30/2010	0 / 0	34 / 4	0	38	\$5,650.08	\$23,727.21	\$7,213.94	\$36,591.23	\$0.00	\$36,591.23	\$0.00	\$36,591.23
07/01/2010 07/31/2011	0 / 1	43 / 4	0	48	\$17,252.20	\$54,792.16	\$31,004.64	\$103,049.00	\$53,281.89	\$156,330.89	\$0.00	\$156,330.89
08/01/2011 07/31/2012	0 / 0	36 / 7	0	43	\$8,093.33	\$25,954.27	\$3,388.98	\$37,436.58	\$0.00	\$37,436.58	\$0.00	\$37,436.58

** Net Incurred = Gross Incurred (-) Recovery

0356

As of: 04/30/2013

Contract Period	Open Med / Ind	Closed Med / Ind	Report Only	Total Claims	Indemnity	Medical	Expense	Paid	Reserves	Gross Incurred	Recovery	** Net Incurred
08/01/2012 07/31/2013	5 / 3	15 / 1	0	24	\$311.55	\$4,329.88	\$3,924.23	\$8,565.66	\$74,951.13	\$83,516.79	\$0.00	\$83,516.79
Org2 Desc Total:	5 / 5	248 / 48	0	306	\$322,451.30	\$275,704.44	\$146,549.91	\$744,705.65	\$144,830.97	\$889,536.62	\$0.00	\$889,536.62
Grand Total:	9 / 7	462 / 97	0	575	\$1,221,919.66	\$1,159,190.16	\$340,327.71	\$2,721,437.53	\$198,539.72	\$2,919,977.25	\$146,052.43	\$2,773,924.82

** Net Incurred = Gross Incurred (-) Recovery

FEE PROPOSAL

The undersigned having become thoroughly familiar with and understanding all of the proposal/specifications and requirements herein, proposes to provide Third Party Workers' Compensation Claims Administration and Loss Control Service as specified as following:

Time Period	Annual Fee
August 1, 2013 through December 31, 2013	\$
January 1, 2014 through December 31, 2014	\$
January 1, 2015 through December 31, 2015	\$
January 1, 2016 through December 31, 2016	\$
January 1, 2017 through December 31, 2017	\$
January 1, 2018 through December 31, 2018	\$
TOTAL FOR FIVE (5) YEAR FIVE (5) MONTH PERIOD	\$

Hourly fee for additional loss control visits (cost of 40 hours of loss control visits is included in annual fee above):
 \$ _____ Per Hour

Case Take Over Fee

State whether the terms of this fee are one time, annual or other \$ _____ Per File

If "other" explain:

Identify all additional fees not included above. Specify in detail the amount of the additional fee and the service provided (attach additional sheet if necessary).

Service: _____ \$ _____ per _____

Service: _____ \$ _____ per _____

LIST OF EXCESS INSURANCE CARRIERS

STAFF RESUMES/CREDENTIALS

CLAIMS OFFICE LOCATIONS AND STAFFING LEVELS

MAINTAINING LEVEL OF SERVICE

**METHODOLOGY
MEDICAL AND LOST TIME CLAIMS**

REPORT SAMPLES

**METHODOLOGY
ESTABLISHING RESERVES**

CLAIM RESOLUTION

UNIQUE SERVICES OR METHODS

TRUST ACCOUNT ESTABLISHMENT AND MANAGEMENT

REFERENCES
GOVERNMENT/MUNICIPAL

1	Customer Name:	Contact Name:	Contact Title:
Address: _____ _____ _____			Phone Number:
			How long have they been a client?

2	Customer Name:	Contact Name:	Contact Title:
Address: _____ _____ _____			Phone Number:
			How long have they been a client?

3	Customer Name:	Contact Name:	Contact Title:
Address: _____ _____ _____			Phone Number:
			How long have they been a client?

PAST REFERENCES
GOVERNMENT/MUNICIPAL

1	Customer Name:	Contact Name:	Contact Title:
Address:			Phone Number:
Reason for termination:			

2	Customer Name:	Contact Name:	Contact Title:
Address:			Phone Number:
Reason for termination:			

3	Customer Name:	Contact Name:	Contact Title:
Address: <hr/> <hr/> <hr/>		Phone Number:	
Reason for termination: <hr/> <hr/> <hr/>		How long were they been a client?	

RETURN TO WORK PROGRAM

STATE OF MICHIGAN RECOGNITION

CERTIFICATION

The individual signing below certifies:

1. They are fully authorized to submit this bid, including all assurances, understanding and representations contained within it which shall be enforceable as specified.
2. The individual has been duly authorized to act as the official representative of the proposer, to provide additional information as required and, if selected, to consummate the transaction subject to additional, reasonable standard terms and conditions presented by County.
3. This proposal was solely developed and prepared without any collusion with any competing Proposer and/or Bay County employee.
4. The content of this proposal has not and will not knowingly be disclosed to any competing or potentially competing proposer prior to the proposal opening date, time, and location indicated.
5. That the signer took no action to persuade any person, partnership, or corporation to submit or withhold a bid.

Signature: _____

Print Name: _____

Title: _____

Company Name: _____

Company Address: _____

Phone: _____

Fax: _____

Email: _____

Date: _____

BUSINESS INFORMATION

BAY COUNTY VENDOR SET UP REQUEST

Return completed form to: Bay County Purchasing
515 Center Avenue, Suite 701, Bay City MI 48708

Bay County Use Only	Vendor No.: _____
Review Date: _____	Reviewer's Initials: _____
1099: Yes <input type="checkbox"/> No <input type="checkbox"/>	
1099: <input type="checkbox"/> 3-Per Diem <input type="checkbox"/> 6-Medical <input type="checkbox"/> 7-Atty/Non-Employee Comp	

INSTRUCTIONS: Bay County Vendor Set Up Request form is in three (3) parts.
 Page 1 of 3: MANDATORY - Includes vendor identification, W-9, and contact information.
 Page 2 of 3: OPTIONAL - Electronic Payment Set Up Request. Not available to one-time vendors.
 Page 3 of 3: MANDATORY - W-9 form. Only exception, one-time vendors.
An incomplete form will NOT be processed.

Requesting Department or Contact Name: _____

Authorized Department Signature: _____ Date: _____

New vendor? Yes No Unsure If no, vendor number: _____

One-time vendor? Yes No Unsure

If one time vendor, SKIP SECTION I and Contact Person fields below.

If restitution or refund payment, select one box only and SKIP SECTION I.

Refund payment? Yes Restitution? Yes

Bay County employee? Yes No

Information change only? Yes If yes, fill out information change(s) only. Check next to change, below.

SECTION I

Please provide one: SSN _____ Federal ID: _____

Incorporated? Yes No

What goods or services will you provide to Bay County?

Service: _____

Product/Supply: _____

Attorney/Medical: _____

Vendor Name: _____

DBA: _____ Not applicable.

Contact Person Phone: _____ Fax: _____

Contact Person Email: _____ ***

Vendor Address: _____

Vendor Payment Address, if different from above: _____

***Optional - Email to receive purchase orders electronically: _____

BAY COUNTY VENDOR ELECTRONIC PAYMENT SET UP REQUEST

Return completed form to: Bay County Purchasing, 515 Center Avenue, Suite 301, Bay City MI 48708

INSTRUCTIONS: Bay County Vendor Set Up Request form is in three (3) parts.
Page 1 of 3: **MANDATORY** – Includes vendor identification, W-9, and contact information.
Page 2 of 3: **OPTIONAL** - Electronic Payment Set Up Request. Not available to one-time vendors.
Page 3 of 3: **MANDATORY** - W-9 form. Only exception, one-time vendors.

An incomplete form will NOT be processed.

Vendor /Company Name: _____

Date: _____ Vendor number, if known.: _____ Bay County Employee Skip Vendor Contact below

Financial Institution Name: _____

Financial Institution Address: _____

Account Type: Checking Savings

Bank Routing Number: _____

Your bank will have this information.

Account No.: _____

Email Address to Receive Deposit Advice: _____

Vendor /Company Contact Name: _____

Vendor /Company Contact Phone: _____ Fax: _____

The above listed company (Company) sells goods and/or services to Bay County located in Bay City, Michigan. Bay County desires to make payments for such goods and/or services electronically through the ACH Network. COMPANY agrees to grant such flexibility.

Therefore, COMPANY hereby (1) authorizes Bay County to make payments for goods and/or services by ACH, (2) certifies that it has selected the stated depository financial institution, and (3) directs that all such payments be made as provided above.

COMPANY understands that you (Bay County) will verify the information provided above and, in the absence of a discrepancy or other unusual circumstances will begin the direct deposit of payments for goods and/or services within 15 days of your receipt of this form. In the event of a discrepancy, COMPANY understands that COMPANY will be required to provide corrected information by completing a new form. COMPANY acknowledges and agrees that the terms and conditions of all agreements with Bay County concerning the method and timing of payments for goods and/or services shall be amended as provided herein.

COMPANY will give thirty (30) days advanced written notice to Bay County of any changes in depository financial institution or other payment instructions.

Authorized Signature: _____

Print Name and Title: _____ Date: _____

The authority granted by me on this form is to remain in full force and effect until you have received written notification of its termination in such a time and in such a manner as to afford you and my financial institution a reasonable opportunity to act on it. COMPANY hereby discharges Bay County from all liability whatsoever for any actions taken by Bay County in accordance with the above.

Request for Taxpayer Identification Number and Certification

Give form to the
requester. Do not
send to the IRS.

Print or type.
See Specific Instructions on page 2.

Name (as shown on your income tax return)	
Business name, if different from above	
<input type="checkbox"/> Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see Instructions) ▶	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional) Bay County Finance Department 515 Center Ave., Suite 701 Bay City, MI 48708
City, state, and ZIP code	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, Item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the Instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

INSURANCE CERTIFICATE

COPY OF PREFERRED CONTRACT