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Long Beach, California

C-5

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December 4, 2018

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HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Agreement No. 33242 with Excel Managed Care & Disability Services, Inc. (EXCEL) to provide Utilization Review services and Agreement No. 33243 with Rehab West, Inc. (RWI) to provide Medical Case Management services for the City of Long Beach Workers' Compensation Program, and extend the contract terms until September 30, 2019, in a total amount not to exceed \$212,000. This approval will allow for continuation of Workers' Compensation Utilization Review services and Medical Case Management services pending a Request for Proposal process anticipated to be released approximately in the month of February 2019.

DISCUSSION

On August 13, 2013, the City Council awarded Agreement No. 33242 with Excel Managed Care and Disability Services, Inc. (EXCEL) to provide Utilization Review services and Agreement No. 33243 with Rehab West, Inc. (RWI) to provide Medical Case Management services for the City of Long Beach Workers' Compensation Program (Program). In September 2012, through the City's Risk Management Division, the professional services of Maureen Kohl Bennington & Associates were enlisted to initiate a Request for Proposal (RFP) process to select a managed care vendor. The scope of work in the RFP was to provide select managed care services, to include utilization review (UR) and medical case management (MCM) through the City's Workers' Compensation Program.

Utilization Review services are provided by EXCEL to the City's Workers' Compensation Program upon direct referral, for the review of medical treatment recommended by physicians. These services are designed to provide the injured

worker with reasonable and necessary medical care to treat Workers' Compensation injuries.

Medical Case Management services are provided by RWI to the City's Workers' Compensation Program upon direct referral, in the form of telephonic, field, or task-based case management. These services assist the Workers' Compensation Office with direct nursing services for the management of treatment for injured workers, including but not limited to, long-term disability, severe or catastrophic injuries, or intervention to assist in return to work.

All eligible City employees are provided the best medical care available at the earliest time indicated, in addition to all appropriate worker's compensation indemnity benefits. In tandem, the City has a fiduciary responsibility to its citizens to minimize medical and indemnity expenditures. Partnering with established managed care service providers is critical to achieving cost containment goals.

City Council approval is requested to amend contracts with Excel Managed Care and Disability Services, Inc. (EXCEL) to provide Utilization Review services, and with Rehab West, Inc. (RWI) to provide Medical Case Management services for the City of Long Beach Workers Compensation program, to extend the contract terms until September 30, 2019.

It is anticipated that a RFP will be released approximately in February of 2019 for Utilization Review Services and Medical Case Management services.

This matter was reviewed by Principal Deputy City Attorney Anne Lattime on November 26, 2018, and Budget Management Officer Rhutu Amin Gharib on November 21, 2018.

TIMING CONSIDERATIONS

City Council action is requested on December 4, 2018 to ensure the contracts are in place expeditiously.

FISCAL IMPACT

The total contracts with EXCEL and RWI are not expected to exceed \$212,000 in total until the end of the contract in September 30, 2019. Actual costs are expected to be similar to FY 18 actuals, which was approximately \$105,000 for Utilization Review services and \$65,000 for Medical Case Management services. The contract cost is budgeted in the Insurance Fund (IS 390) in the Citywide Activities Department (XC).

Honorable Mayor and City Council
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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

CHARLES PARKIN, City Attorney

By 

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Principal Deputy City Attorney

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