

# INTERISK CORPORATION

Consultants

Risk Management  
Employee Benefits

1111 North Westshore Boulevard  
Suite 208  
Tampa, FL 33607-4711  
Phone (813) 287-1040  
Facsimile (813) 287-1041

July 29, 2019

Todd Stoughton Risk Manager/Safety Officer  
City of Key West  
1300 White Street  
Key West, FL 33040 Desk: (305) 809-3811

Subject: Relations Insurance Services

Todd:

Per your request I have reviewed Relations Insurance Services (Relations) proposal for Third Party Administration (TPA) services. The following comments are offered.

1. It is believed that Relations has provided the City with quality TPA services for the past several years.
2. Based on past experience with other Interisk's clients Relations provides quality TPA services.
3. Having a per-claim fee allows the City to better control the costs for their TPA services.
4. The fees being proposed by Relations are consistent, and in most cases, lower than fees currently being offered by other TPAs.
5. Changing TPAs is a difficult task. If a new TPA is selected, a decision will have to be made on existing claims. It may be in the City's best interests to transfer the handling the administration of existing claims to the new TPA. In all probability the new TPA will charge a fee for this transfer and continued handling of existing claims. In addition, it is highly likely that the claim system of the new TPA will not be compatible with Relation's claim system. This could result in the new TPA charging a fee to convert historical data to their system and could result in loss of some of the data.
6. Even if the new TPA does not charge any additional fees for the assumption of existing claims or the conversion of the data, it will take the new TPA to familiarize themselves with the City's existing claims. This could result in delays that could result in higher claim costs.

For the above reasons it is recommended that the City Commission declare Third Party Claims Administration Services as an Exempt Contractual Service under the City of Key West Ordinance Section 2-797 (4) b and the City renew its TPA services with Relations Insurance Services as being proposed.

Please do not hesitate to call if you have any questions or concerns.

Cordially,

INTERISK CORPORATION

A handwritten signature in dark ink, appearing to read "S G Webber". The signature is fluid and cursive, with the first two letters of each name being capitalized and prominent.

Sidney G. Webber  
CPCU, ARM