



TPA & RISK SERVICES PROPOSAL FOR WORKERS' COMPENSATION, AUTO PHYSICAL DAMAGE, AUTO & GENERAL LIABILITY

Presented to:



PMA MANAGEMENT CORP.

Brad Stanley
Senior Account Executive

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RFP # 22-004
Closing Date: August 10, 2022

Cover Letter / Statement of Interest

August 10, 2022

Todd Stoughton
City of Key West
1300 White Street
Key West, FL 33040

Dear Mr. Stoughton-

On behalf of PMA Management Corp. (PMAMC), thank you for the opportunity to submit a proposal for Workers' Compensation, Auto Physical Damage, and Auto and General Liability Third-Party Administrative (TPA) & Risk Services.

We understand that your business and risk management priorities include creating a safer, healthier workplace for your employees and reducing your total cost of risk. Our approach to risk management aligns our priorities with yours, helping to maximize the results we can achieve together.

We are confident that PMAMC, a TPA born from an insurance carrier, is uniquely qualified and is the best choice to help take your program to the next level.

- ❖ An innovative company with a stable leadership and service teams
- ❖ Service-driven culture focused on superior customer service and the unique needs of each client
- ❖ Protection of your corporate assets, reputation and brand
- ❖ Unique holistic approach which provides pre-loss, loss-reduction, and post-loss strategies to reduce your total cost of risk
- ❖ Our extensive account management and claims experience handling over 500 distinct clients with thousands of policy holders
- ❖ Deep expertise in the public entity industry risk services
- ❖ A continuously evolving and fully integrated managed care program driven by strategically sequenced approach and predictive data analytics to assess lost time claims and cost effectively get injured workers the right care at the right time
- ❖ 24/7 Customer Service Center that supports you, your injured workers, and their medical providers, enabling our claims professionals to focus on cost-effective claims resolutions.

At PMAMC, we have created a 100+ year success story one relationship at a time. We are passionate about doing what we promise and delivering exceptional value to our clients. We look forward to the opportunity to partner with you in managing your risk, improving your program results, and exceeding your service expectations.

Sincerely,

Brad Stanley, ARM
Senior Account Executive, Southeast

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Executive Summary / Proposal Narrative



Years TPA & Risk Services
Expertise



National Award-Winning Clients



Average Customer Retention



Average PMA Client Tenure

Old Republic International (ORI) is a Fortune 500 firm, the parent company of PMA Companies, and one of the nation's 50 largest shareholder-owned insurance organizations with consolidated assets of \$24.98 billion (as of December 31, 2021).

PMA Management Corp. (PMAMC) is a leading provider of workers' compensation, property and casualty third-party administration and risk services for self-insureds, unbundled large deductible and self insured retention programs, groups, trusts, captives, pools and programs. PMAMC's client retention averages 98% and client satisfaction averages 95% per independent surveys. PMAMC aims to deliver tangible value every day, striving to exceed our clients' service expectations and improve their financial results.

PMAMC has over 100 years of property, casualty and workers' compensation experience. Our company's performance reflects an innovative spirit, a focus on service and partnership and a corporate structure that promotes accountability and exceeding customer expectations.

Qualification Statement / Team Experience Overview

PMAMC Qualification Statement

PMA Management Corp. is a subsidiary of the PMA Companies and a member of the Old Republic International group celebrating 100 years of claims and risk management services. City governments make up a significant part of our public sector client-base which is nearly 40% of total TPA business. Two of our Public Entity clients are recognized by PRIMA PMA Management Corp. provides a “holistic” approach to help our public sector clients reduce their total cost of risk. Our “holistic” approach to reducing loss costs has been a proven technique for our public sector clients. PMA Management Corp. applies the pre-loss, loss reduction and post-loss programs to help the City of Key West achieve better outcomes on their workers’ compensation and liability claims.

Through decades of experience and research collaboration with the National Public Risk Management Association (PRIMA) organization, PMA has amassed deep insights on your workers’ compensation challenges. Our recent joint PMA/PRIMA workers’ compensation survey of the organization’s members revealed an aging workforce, controlling claim frequency, and returning injured employees to work as most public entity risk managers’ top concerns. We help you manage those issues through our holistic approach to claims management—taking proactive steps for more effective loss prevention, management, and analysis. PMA’s pre-loss services aim to reduce the overall frequency and costs of claims. When claims occur, our experienced adjusters and nurses work to reduce the amount of disability, while our comprehensive managed care services help reduce the overall cost of medical bills and prescription medications. PMA’s online resources enable public sector risk managers to track key results and respond promptly to emerging issues in their programs.

PMAMC’s Leadership Team

PMAMC’s senior leadership team, includes Claims, Operations, and Sales, and are responsible for all aspects of the City of Key West’s program.



MICHAEL MACAULAY

President

Mike has over 30 years of experience providing service-improving, cost-reducing risk management solutions to alternative risk transfer clients and their brokers. He has received his MBA in Finance and his CPCU designation, as well as an AIC. He has been the guest speaker and served as moderator for many professional conferences and seminars, including the National Workers Compensation and Disability Conference and various state Self-Insurance Conferences. He is a Certified Education Instructor in Workers Compensation and Managed Care throughout most of the U.S.



IRINA SIMPSON

Senior Vice President & Chief Claims Officer

Irina is responsible for management of PMA Management Corp.’s national claims organization, oversight of strategic partnerships, leading the business operations, compliance teams, new client implementations, data analytics teams, as well as product development. She has served in positions of increased responsibility in the field of claims, managed care, and operations. She has presented at industry focus groups, broker and customer workshops, and national conferences on topics related to claims, managed care services, and operational efficiencies.

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Key Team Members

Brad Stanley **Senior Account Executive, Southeast**

Brad Stanley is a risk management professional with more than a decade of experience in TPA and insurance sales and account service. In these roles, Brad has been responsible for leading new business prospecting and sales efforts, managing client relationships, and on-boarding new clients throughout the Southeast region. Prior to beginning his career in the risk and insurance industry, Brad gained valuable sales experience for the digital communications field.

Brad earned a Bachelor of Business Administration from the University of Georgia and an MBA from Mercer University in Atlanta. He is licensed as a Property and Casualty and Life and Health producer by the State of Georgia and earned the Associate in Risk Management (ARM) designation.



Liability Claims Team

Chris Hahn

Assistant Claims Supervisor

Chris joined PMAMC in 2010 and has worked on both the carrier and TPA side. Chris has over 17 years of claims handling experience including, auto, general liability and professional lines. His most recent position prior to joining PMAMC was at York Risk Services, where he handled commercial auto and general liability claims and was responsible for the management of high exposure and litigated matters. He also has experience in personal auto claims from Geico.

Training and Education

Chris graduated from Rutgers University with a BA in Sociology and a Criminology certification. Adjuster licensing: CT, DE, FL, ID, IN, KY, LA, ME, MI, MN, MS, NC, NH, NM, NV, NY, OR, TX, UT, WA

Worker's Compensation Claims Team

Rhonda Lucas

Claims Team Supervisor

Rhonda has over 18 years of industry experience as she began her career in 2002 as a workers' compensation adjuster handling lost time and litigation claims. She has extensive experience in claims investigation, reserving and negotiating of Florida Workers' compensation claims. She currently holds the position of Regional Claim Supervisor- Tampa for PMAMC responsible for the management and file quality of the Tampa Claims team. She has earned numerous awards for providing excellent customer service, staff training, and assisting on projects.

Training and Education

University of South Florida, Tampa, FL – B.A. in Finance, Magna Cum Laude

Licenses: Florida, Continuing education with industry and in-house seminars and courses



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Claims Handling

Upon receipt of a claim, **PMAMC will ensure accuracy of all data points** provided on FNOL and follow-up for any missing information or any updates as needed. PMAMC claims system offers our customers the ability to track additional data fields specific to their business need that could be captured at the time of the claim reporting or throughout the life of the claim. These custom codes are viewable to our clients in PMAMC RMIS - Cinch®.

PMAMC designed our claims service to **reduce our clients' overall exposures and control costs**. Each step of our comprehensive claims program for workers' compensation, property and casualty has been structured to achieve results, including driving claims to resolution in a timely, thorough, and cost-effective manner.

We recruit and retain claims professionals with strong technical knowledge in all lines of business. In fact, our adjusting staff has **an average of 17 years of workers' compensation** claims handling experience and **an average of 20 years of property and liability** claims handling experience. PMAMC supervisors have **over 11 years of experience**. We leverage our roots as an insurance company with liability claims professionals who not only understand these distinct coverages, but also how best to resolve their claims. As part of our holistic approach, we maintain a tight linkage between claims management, PMAcare+, and risk control—enabling us to continually identify and **help you address emerging loss trends** while seeking to reduce your loss costs.

Upon receipt of a claim from **the City of Key West**, a claim is generated in PMAMC claims system and referred to the supervisor for review and assignment. The supervisor utilizes their knowledge and claims facts available to assess claim complexity, provide guidance and determine the level of Claims Professional expertise that will be needed to most appropriately handle the file. The supervisor assigns the claim to the selected individual. The Claims Professional will receive an activity in the claims system notifying them of the claim receipt.

All claims are reviewed by the Claims Professionals within **24 hours of receipt** from the client and 24-hour contacts are completed. The number of contacts made on each claim is defined by Special Handling Instructions and PMAMC Best Practices. The Claims Professional will review the Special Handling Instructions for any guidelines on initial claim handling. During the initial investigation, the Claims Professional obtains all the necessary information that will be required to make a compensability determination for workers' compensation claims or a liability assessment in property and liability claims. **All of the information obtained is documented in the log notes and will be visible to the City of Key West in our PMAMC RMIS system - Cinch®.** Additionally, Claims Professionals are **responsible for updating the data fields** that are mandatory for the state, carrier and client reporting. If the contact attempts are unsuccessful, the Claims Professional will follow-up via a letter or an email (if available) and make additional telephonic attempts to reach all parties.

PMAMC values customer service as a key result area of the Claims Professional staff. Therefore, upon reaching the parties involved in the claim, the Claims Professional will ensure that each contact is provided with all of the information necessary about the claim, next steps, outstanding items, etc. The Claims Professional will request any and all necessary information, including payroll records, police reports, medical records, investigative reports, and other relevant documents and upload them to the claim file.



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For workers' compensation claims, it is the Claims Professional's responsibility to **ensure appropriate EDI filings** are completed timely and accurately. Additionally, workers' compensation lost time claims are evaluated by a PMAMC nurse case manager to **determine the need for clinical intervention** or nurse assignment. If the claim complexity and Special Handling Instructions indicate the need for a telephonic or a field case manager, a nurse is assigned to the file to work in collaboration with the Claims Professional **to help bring the injured worker back to safe and gainful employment**.

PMAMC's Predictive Severity Model

PMA Management Corp. has developed a proprietary algorithm based on the claim information gathered over multiple decades of claim handling experience. The Predictive Analytics tool encompasses multiple models that incorporate 45 different data points and analyzes their influences on claim exposure and likelihood of claim payment as the data points relate to each other. This model identifies combinations of factors that influence ultimate claim exposure and duration and serves as a tool to bring supervisor and claims professional attention to the key components of the claim to ensure the appropriate claim assignment and intervention at the right time.

PMA Management Corp. developed 2 main models to assist with claim exposure and duration analysis. These models are run daily to provide ongoing input and recommendations to the claims team:

1. The Severity Escalation at FNOL Model

This model produces a risk score from a selection of low, moderate, or high. This score serves as guidance to the claims team in determining, upon receipt of the initial claim, the proper trajectory for claim assignment to the correct claims professional. A low-risk score reflects a strong probability of the claim resulting in overall low ultimate probable exposure, where as a high risk score would drive supervisor assessment and assignment to the senior claims professional for complex analysis and handling. This FNOL model serves to ensure that the right claims are assigned to the right skill set level (based on complexity) at the right time within the life of a claim file.

2. The Severity Escalation at 30-day Model

This model builds upon the FNOL model and relies on the additional information that has been gathered by the claims professional since the loss was initially reported and throughout the first 30 days of the claim. This additional data is used to re-score the claim to identify files that may develop significantly, may change severity projections based on new information, or may require additional interventions based on new detail gathered during the investigation.

File Supervision

Unlike many TPAs, **PMAMC Claims Supervisors do not carry claim pendings and are solely responsible for guiding claims staff** on claim file direction, oversight, and compliance with customer's Special Handling Instructions. PMAMC maintains a span of control of 1:6 (or less) for our claims supervisor and claims professional staff.

WC Medical Only claims require supervisor review within 15 days from assignment to verify state and jurisdictional compliance. This review is documented in claim log notes. Subsequently, supervisor review is required within 90 days from assignment to identify closure opportunities or potential for escalation to an indemnity claim, based on claim definitions.



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WC Indemnity claims require an **initial supervisor assignment note within 24 hours** after claim assignment. Supervisor Review on all claims classified as indemnity will be completed within 15 days from file assignment, 60 days thereafter, and every 90 days until resolution. Supervisors are required to comment regarding the accuracy and validity of reserves during each review.

Casualty and Property claims require supervisor review during initial assignment and on an ongoing basis depending on complexity of the file, expertise of the claims professional and client Special Handling Instructions.

Claims Caseloads & Staffing

PMAMC's Claims Professional caseloads and support resources, such as our 24/7 Customer Service Center, are established to allow our claims professionals to give each claim the time and attention it requires. This allows us to complete more thorough investigations, and to exercise greater control over loss development. PMAMC will commit to providing **the City of Key West** with weekly reports outlining claims assigned to each Claims Professional to validate the proper caseload caps enforcement.



145

***Workers' Compensation Caseload Average
for Lost Time Files***

185

***Workers' Compensation Caseload Average
for Medical Only Files***

145

GL/PL,Auto Property Files Caseload Average

**Varies by program, jurisdiction, and line of business*

PMAMC's Adjuster Duties



Investigation

Appropriate, timely and thorough **24-hour contact investigation of claims of all exposures occur within 24 hours of the first notice of claim to PMAMC.**

Contact attempt follow requirements as outlined in Special Handling Instructions. Daily attempts at contact are made to reach the impacted parties and are documented in the claim log notes and visible in PMAMC RMIS Cinch system.



Reserving

Initial reserve is established within 15 business days of receipt of all new claims. Ongoing reserves are established based on most probable outcome based on the most current information available and are updated upon each review of the Action Plan as well as within 24 hours of any major claim event.



Action Planning

An Action Plan is established within 30 days of claim assignment and provides a summary of findings from Claims Professional investigation as well as details the strategies with specific goals and timeframes for executing key objectives to resolve claim. **Ongoing Action Plans** are completed at any major claim event or a minimum of every 90 days and include review of outstanding reserves on file.

Settlement Authority

Authorization will be requested prior to the settlement of any claim for any line of insurance that we would administer. Clear and detailed instructions will be outlined in **Special Handling Guidelines** for reference of all claims professionals.

Our claims professionals will provide written requests for settlement authority in advance of the proposed settlement date. Requests will include a detailed evaluation of the claims exposures, along with input from defense counsel and your risk manager.

Litigation Management

PMAMC believes that **litigation management is a team effort** involving the Claims Professional, defense counsel, our client, and the carrier (if/where applicable) to best protect your interests. Upon knowledge of litigation, PMAMC Claims Professional will advise **the City of Key West** contact no later than 48 hours and begin file preparation for assignment to **the City of Key West** preferred defense firms. Our litigation management procedures include collaborative development of defense strategies with counsel selected by **the City of Key West**, preparation and maintenance of files necessary for legal defense of claims or claim-related activity, attendance of hearings, depositions, mediations, where appropriate. PMAMC Claims Professionals are required to document their files timely and accurately with the outcome of each legal proceeding and will provide a summary of such outline to **the City of Key West**. All fees and expenses for legal services are evaluated for adherence to budget, accuracy, and compliance with terms of negotiated fee agreements. **PMAMC will pay all attorney, strategic partner, and other vendor fees within 30 days of receipt.**



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Legal Bill Analyzer

To help **the City of Key West** save money on legal fees, we provide an optional enhanced service called Legal Bill Analyzer. This service utilizes technology and legal professionals to analyze bills against clients' legal guidelines and rate structures. In order to create clear expectations, PMAMC will collaborate with **the City of Key West** to establish Customized Defense Counsel Guidelines and rates. The TPA Compliance Team at PMAMC will make sure **the City of Key West** sees outcomes in the legal expenditure area through client onboarding, program support, and quality assurance. All aspects of invoices received from defense counsel will be reviewed by algorithm intelligence and legal professionals. This enables Claim Professionals to concentrate on strategic litigation management instead of legal invoice management. We can provide **the City of Key West** reports of the findings to observe trends and drive down costs.

Claims Reviews and Status Reports

We are committed to providing **the City of Key West** with all of the tools and information necessary to effectively manage their programs. This is accomplished by providing access to detailed claims information through PMAMC Cinch, by conducting in-person or telephonic claims reviews, and through the presentation of our annual Stewardship Reports.

PMAMC will offer two annual telephonic claim reviews and 1 on site review to the City of Key West and all its employees as requested. These reviews will serve to provide up-to-date loss information and will allow all parties to discuss detailed action plans and resolution strategies on the selected claims files being reviewed.

PMAMC's Claim Reviews are:

- customized for the audience involved in the review e.g. Risk Managers, Human Resource Managers, Financial Executives
- included for claims with incurred over \$25,000
- performed 2 times each year, 2 telephonically, 1 in-person
- delivered by the Client Service Manager and claims representatives(s)

PMAMC's Claims Reviews and the reports are meant to enhance the client experience while creating more operational efficiency.

- Streamlined process for the claims teams to complete the reports
- Automatic email reminders to the staff as the date of the review is approaching
- Q/A reports designed to assist the supervisors in managing the claim review preparation
- Corporate calendars for claim review meetings
- More efficient process for the Account Managers to schedule and prepare for the claim review meeting
- Customization of the report for the client - what is most important to them at the review
- Modernization of the report including key claim indicators

Diary Management

All open claims are maintained on a diary by PMAMC Claims Professionals and PMAMC supervisors. Claims on diary are reviewed at a minimum of every 90 days. PMAMC's supervisors have access to the claims professional's diary. All diary activities will have a corresponding entry or document in the claim file. Each claim has a diary set for a future date to ensure proactive file handling and resolution. PMAMC management teams and Quality Assurance Specialists review diary reports on a regular basis to address any delays in proactive file handling and to offer guidance.



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Subrogation & Recovery

PMAMC Claims Professionals will identify and pursue subrogation potential in order to reduce your exposure. PMAMC will check with you before pursuing subrogation on a potential negligent third party. In addition to the claims staff pursuing subrogation, **we offer optional specialized fee-based services of experienced subrogation and recovery specialists** with expertise throughout the United States. These offerings complement our claims adjusting services and provide an enhanced level of focus, expertise and specialization. Our subrogation specialists are highly trained in jurisdictional nuances and have developed state-specific strategies to maximize recoveries for our customers.

PMAMC also specializes in **maximizing your excess recoveries at no additional cost to the City of Key West**. PMAMC Claims Professional's will identify claims for excess reporting based on the requirements on the specific carrier and send the initial excess notification to the excess carrier in a timely manner as well as provide a copy for your records. Following the carrier notification, **PMAMC Claims Professional will aggressively pursue all possibilities of excess insurance reimbursement** and document their efforts in the claim log notes. This approach will apply for all potential recoveries, including, but not limited to third party liens, contribution, special/second injury fund, and others. PMAMC will prepare quarterly reports reflecting open claims with subrogation potential to include non-excess recovery amounts.

Claim Indexing & Special Investigation Unit

All Workers Compensation indemnity and Liability claims are indexed through the Insurance Services Office system and results documented in the claim log notes. If there are records that are relevant to the claim, the Claims Professional will follow-up to obtain those records. **Claims are automatically alerted to any new index matches within the 12-month period from the original indexing. The Claims Professional re-indexes the claims every 12 months thereafter.** Indexing claimants with the Central Index Bureau and the National Insurance Crime Bureau allows us to determine if the claimant has filed any other claims. This ensures that you are responsible only for the injuries related to your accident. Indexing is a critical tool in our fraud control program. Suspect claims are reviewed with the client and our Special Investigative Unit (SIU) to determine additional action steps.

PMAMC employs a full-time SIU that is made available to the City of Key West at no additional cost. The SIU is staffed with industry fraud professionals with over 25 years of experience who are committed to detecting, deterring, and preventing fraud while protecting the assets of our clients. Our SIU works in conjunction with the PMAMC Claims Professionals. This collaborative approach has resulted in significant savings for our clients and criminal insurance fraud prosecutions in many states. PMAMC's SIU is responsible for fraud investigations, fraud training, regulatory anti-fraud compliance, private investigator vendor management, and maintaining PMA's Anti-Fraud Plan.



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Customer Education, Experience, & Satisfaction

Special Handling Instructions

Understanding and meeting the unique needs of our customers is at the heart of our service model. PMAMC prides itself on being a **high-touch, customer-focused organization** with strong customization capabilities. As a part of onboarding of all PMAMC clients, we spend time to learn your requirements, your internal structure, unique program goals and custom requests. This information is utilized to partner with you to develop a **comprehensive, customized Special Handling Guideline document** that is stored in our claims system for the reference and utilization by PMAMC claims professionals and internal supporting departments. This document includes guidelines for handling your standard as well as catastrophic claims.

We work closely with you to develop and re-evaluate this document on an ongoing basis to ensure the timeliest information is being provided to our staff.

The Special Handling Instructions are developed to memorialize a mutual agreement between our organizations about how we will be servicing your program. It can include reserve notifications, initial contact information, specifics about benefit payments, settlement authority levels, attorney selection, and other areas important to you and your team.



PMA Websource®

PMAMC's clients also have access to PMA Websource®—an on-line portal of safety and risk management resources exclusively for our clients. Our Risk Control Consultants designed PMA Websource® to offer convenient access to practical loss prevention and safety information and solutions, including technical bulletins, safety and compliance training programs, monthly webinars led by PMAMC industry specialists, as well as tools and resources to enhance your safety and health programs.



PMAMC Learning Academy

PMAMC has a comprehensive learning academy accessible to all employees which includes an on-demand Video Reference Library, annual topic-focused workshops, and personalized learning sessions. This provides PMAMC employees the ability to expand upon skills related to our technology, all disciplines of the claims process, including legal management and strategic resolutions, managed care partnerships, and risk control. We also frequently use focused training sessions to concentrate new policies and procedures, case law developments, and changes in rules and regulations.



Satisfaction Surveys

PMAMC offers our customers an opportunity to assess the experience of their employees and injured parties throughout the claims process by providing Satisfaction Surveys that can be delivered at varied frequency and be focused on any specific areas including customer service of the claims handling staff, medical care, claim handling experience, and others. These surveys could also be offered to the City of Key West employees to assess their satisfaction level with this program.

Pricing Proposal

PMA offers a complete and comprehensive claims management and risk services program.

Claims Handling Activities:

- Investigation
- Three-Point Contact
- Action Planning
- Claims Processing
- Compensability Decisions
- SIF Investigation
- Excess Reporting & Recovery
- Fraud Prevention / SIU Capabilities
- Account Management
- Quality Assurance Program Oversight
- Structured Settlements
- Pre-Settlement Advisories
- EDI with State as Required
- 1099 Reports
- Settlement Authority
- Resolution Negotiation
- Litigation Management
- Check Issuance
- Payment Registers
- Claim Review Meetings
- Stewardship Meeting
- Self-Insurance Re-Application Assistance
- First Report of Injury Filed with State Agency
- Customized Claim Handling Instructions
- Reserve Advisories
- Patriot Act Compliance
- Office of Federal Asset Control Compliance
- Claim Acknowledgements
- Direct Deposit of Indemnity Payments

PMACare+ Managed Care:

- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Early Intervention Nurse Assessment on Lost Time Claims
- PPO & Specialty Network Access
- PPO Radius Listing & Mapping to Locations
- Pharmaceutical Benefit Management
- Case Management

Safety/Loss Prevention Services:

- Webservice Access
- PMA Technical Bulletins
- PMA Monthly Web Events Training
- 300+ Safety Videos/DVD Library
- WC/Liability Performance Indicator Report
- Risk Management Assessment
- PMA Insights White Papers
- PMA Engineering & Safety Services

RMIS Services:

- Executive "Dashboard"
- Internet Claim reporting via Cinch
- Claim Number Notification
- Real Time Access to Claim Log Notes
- Client Diary System
- Loss Analysis Reports
- PMACare+ Savings Reports
- Reserve Analysis Reports
- Email Claims Professional Capabilities
- "Schedule My Reports" Feature

Loss Adjustment Expenses:

- Independent Medical Exams
- Medical Bill Review
- Complex Bill Review
- Out-of-Network Bill Review
- Case Management Expenses
- Utilization Review Expenses
- SIF / SITF Recovery
- PPO Network Access Fees
- Private Investigators
- Medicare Section 111 Reporting Fee
- Central Index Bureau /National Insurance Crime Bureau
- Legal Fees / Attorney Fees
- Records Reproduction Fees
- Medicare/Medicaid Conditional Payment Review

Client is responsible for the payment of all Loss Adjustment Expenses including, but not limited to, the above.



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Pricing Option – Life of Contract

PMA Management Corp. will provide comprehensive Life of Contract Per Claim Third Party Administration Services for all new claims as represented in your proposal for the period October 1, 2022 to September 3, 2025 as follows:

| Contract Type | | Year 1 | Year 2 | Year 3 |
|--|-------------------------------|---------------------------|----------------|----------------|
| Life of Contract – Per Claim (Estimated) | | | | |
| PMA Per Claim Information | Estimated New Claim Frequency | Per Claim Fees | Per Claim Fees | Per Claim Fees |
| WC – Lost Time | 21 | \$995 | \$995 | \$995 |
| WC – Med Only | 50 | \$185 | \$185 | \$185 |
| Auto Liability – BI | 5 | \$795 | \$795 | \$795 |
| Auto Liability – PD | 2 | \$625 | \$625 | \$625 |
| Auto Physical Damage | If Any | \$495 | \$495 | \$495 |
| General Liability – BI | 12 | \$795 | \$795 | \$795 |
| General Liability – PD | If Any | \$625 | \$625 | \$625 |
| Professional | 2 | \$1,200 | \$1,200 | \$1,200 |
| Takeover Claim Type | Per claim Fee - Takeover | Estimated Takeover Volume | | |
| WC – Lost Time | \$295 | 35 | | |
| WC – Med Only | \$150 | 33 | | |
| Auto Liability | \$295 | 1 | | |
| General Liability | \$295 | 35 | | |
| Professional | \$795 | 5 | | |
| Bundled Services | | | | |
| Claim Handling | | Included | Included | Included |
| Claim Reviews (2 Telephonic, 1 on site) | | Included | Included | Included |
| Unbundled Services | | | | |
| Annual Admin Fee | | \$4,000 | \$4,000 | \$4,000 |
| CINCH (3 users Included) -\$500 per additional user | | \$5,000 | \$5,000 | \$5,000 |



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| | | | | |
|---|--|----------|---------|---------|
| Data Conversion | | \$13,500 | | |
| Cost Containment Fee (% All Savings) | | 27% | 27% | 27% |
| Per Bill Fee | | \$9.50 | \$9.50 | \$9.50 |
| Optional Unbundled Services | | | | |
| Telephonic Case Management. (per hour) | | \$103 | \$103 | \$103 |
| Field Case Management (per hour) | | \$103 | \$103 | \$103 |
| Data Feed | | \$1,200 | \$1,200 | \$1,200 |
| Custom/IS Reporting (per hour) | | \$155 | \$155 | \$155 |
| Recoveries | | 17% | 17% | 17% |

**This quote is valid for 90 days from the day of presentment. If the quote is accepted after 90 days, we reserve the right to re-price the account.*

** This pricing is for a 3-year contract. Years 4 & 5 are subject to a 3% price increase*

**Claims handling fees are based on estimated claim counts and will be reconciled 60 days after expiration. Final claims handling fees will be determined by the actual number of claims received.*

**Per claim rates for all Auto, General and Professional Liability and Property liens of business are charges for each loss line associated with an occurrence. For example, a single Auto incident that results in a BI and PD claim, would be charged for both a BI and PD loss line*

**Takeover per claim rates are recurring. We will bill a per claim charge for each year that a claim remains open*



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Exhibit A – Other Services Fee Schedule

All fees are billed as incurred unless specifically agreed otherwise.

| <u>Service Type</u> | <u>Amount</u> |
|---|---|
| <u>Managed Care:</u> | |
| Bill review and repricing | \$9.50 per bill, plus 27% of savings over and above fee schedule and/or usual and customary |
| Utilization review | \$125 per review |
| Clinical case management services | \$103.00 per hour |
| Medical consultant review | \$255 per review |
| PMA Care 24 | \$103.00 per call |
| Point of Sale Pharmacy Program | \$75.00 per review |
| Medical Director | \$250 per hour |
| <u>Medicare Solutions</u> | |
| Section 111 Reporting | \$9.00 per claim queried |
| Medicare Set-Aside Allocation | \$2,200 each |
| CMS Submissions | \$630 each |
| Medicare Conditional Payment Research | \$130 each |
| Medicare Conditional Payment Appeal or Dispute | \$260 each |
| Medicare Conditional Payment Research Final Demand | \$55 each |
| Medical Cost Projections | \$1900 each |
| Evidenced Based MSA | \$2,200 each |
| Life Care Plan | \$185 per hour |
| Legal Nurse Review | \$1,900 per review |
| Update (of prior MSA report) | \$785 per report |
| Resolution Services | \$130 per hour |
| Medicare/Social Security Verification | \$205 each |
| Medicaid Conditional Payment Research | \$260 each |
| Medicare Advantage Plan Conditional Payment Negotiation | \$525 each |
| Provider Relations Specialist | \$110 per hour |
| <u>Information Systems:</u> | |
| RMIS fee | \$5,000 per year for up to 3 users |

| | |
|---|--|
| | \$500 per year each additional user |
| Standard Data Conversion | \$7,500 |
| Customized Reporting/Programming | \$155.00 per hour |
| Standard Data Feed Set-Up | \$2,500 per year |
| Weekly Data Feed | \$5,000 per year |
| | |
| Risk Control: | |
| General | \$135 per hour |
| Industrial hygiene services | \$180 per hour |
| Special Projects | To be determined |
| | |
| Claim Adjustment: | |
| Vocational Rehabilitation | \$103.00 per hour |
| Claim Indexing | \$7.90 - \$13.10 per query depending upon search method and services |
| Legal Bill Analyzer | 3% of gross billed charges |
| | |
| Other: | |
| Administrative | \$4,000 |
| Non-standard claim intake | \$18 per claim |
| Subrogation Specialist Services | 17% of gross recovery |
| | |
| Excess & Second Injury Fund Recovery Services | 2% of gross recovery |
| | |
| Recover to At Work | \$110.00 per hour |
| Standard Data Extract (upon termination) | \$5,000 |
| OSHA reporting preparation services | \$18 per incident \$1,500 annual minimum |
| OSHA special projects | To be determined |
| Each Claim Review in excess of two per year | \$1,500 per review, per day plus PMA expenses |
| Onsite claim review | Travel incurred by PMA personnel is reimbursed in full by the client |

PMA Funding Options

PMAMC offers ACH direct deposit and expedited payments **at no additional cost to the City of Key West**. PMAMC claims loss funding options are outlined below.

Traditional Escrow



With this option, the client will provide PMA with an escrow of three months of estimated paid losses and loss adjustment expenses. PMA will pay for the claims throughout the month with this account. At the end of the month, PMA will bill the client for losses and loss adjustment expenses paid along with the appropriate claims handling fees (if applicable). The client will also receive detailed loss reports showing all claims activity for the month and a cumulative claims summary report by policy/contract.

Direct Funding

With this option, the client will receive a daily, weekly, or monthly electronic communication from Wells Fargo Bank with the total claim checks issued that day, week, or month. On the next business day, Wells Fargo will initiate an ACH transfer to deduct the previous days' (weeks'/months') claims from the client's bank account. Payment is deposited directly into a sub-account, which is unique to the client. At month-end, the client will receive an AMPS billing statement for the loss-handling fees. The client will also receive detailed claims reports showing all activity for the month and a cumulative claims summary report by policy/contract. Reimbursement by check or client-initiated wire transfer/ACH transfer is required for payment of all fees.



PMAMC eBilling Solution



eBilling* is available to PMAMC clients for loss funding and service fees bills. With eBilling you can easily access and view your bills electronically through our secure internet site instead of receiving paper copies through the mail

Response to Questionnaire

Please provide narrative answers in your overview section.

- 1) Information presented in this Request for Proposal and all statements contained in the written proposals received are intended to be relied upon by the City. All coverages and services must be issued as proposed unless the City authorizes individual changes. Any changes authorized by the City will not alter any other items contained in this Request for Proposal.

PMA Management Corp. acknowledges this stipulation.

- 2) All proposers must be currently licensed in Florida as a Third-Party Administrator in accordance with Chapter 626, Florida Statutes.

PMA Management Corp. is licensed and admitted in Florida.

- 3) Proposals should be signed by an authorized representative of the Third-Party Administrator providing the service.

PMA Management Corp. acknowledges this stipulation.

- 4) All proposals must contain a sample contract for review.

Please see attached Sample Service Agreement.

- 5) All proposers must ensure that the rates proposed will apply for a minimum of 1 year. Proposers will be required to provide Ninety (90) days written notice of the rates that will be charged for subsequent contract years.

PMA Management Corp. acknowledges this stipulation.

- 6) Proposer will be required to provide a ninety (90) days written notice prior to the termination or non-renewal of the agreement.

PMA Management Corp. acknowledges this stipulation.

- 7) Claim reports shall be furnished monthly. Reports should be completed in plain English and received by the City within twenty (20) days following the end of each month. The reports should include a detailed description of individual claims and the amount paid for each claim and any open reserves that are assigned. Individual allocations by operating location may be necessary. Claim reports must continue to be furnished without charge until the last open claim is closed, or until the proposer is no longer providing a service to the City.

PMA Management Corp. acknowledges this stipulation.

- 8) The proposer will adhere to any and all reporting requirements of the City's Insurers and to coordinate all specific and aggregate recoveries.

PMA Management Corp. acknowledges this stipulation.

- 9) The proposer will coordinate all subrogation and second disability fund recoveries for all claims being administered by the Administrator even if such claims are no longer active.

PMA Management Corp. acknowledges this stipulation.

- 10) Proposers must submit their proposals on the forms included in this Request. Additional information regarding the Proposers organization may be submitted in addition to the Proposal Forms. In addition, if an addendum to this request is issued, the Proposer must acknowledge receipt of such addendum by completing and returning



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with their proposals the acknowledge forms, which will accompany the addendum.

PMA Management Corp. acknowledges this stipulation.

- 11) Every attempt has been made to furnish complete and accurate information to the best of City's knowledge. Proposers are encouraged to determine, at their sole expense, additional information required to develop their proposals including any inspections and loss control surveys.

After reviewing these specifications, PMA Management is very confident that we can meet or exceed these requirements.



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Required Forms & Affidavits

The City of Key West, Florida Request for Proposals For Third Party Claims Administration

Proposal Forms

General Information

Use of the proposal forms will enable a faster more complete analysis of the Proposal(s) submitted. Please complete this general proposal form. Additional information can be attached to the forms.

Name of Third-Party Administrator PMA Management Corp.

380 Sentry Parkway

Address: PO BOX 3031

Blue Bell, PA 19422

Telephone Number: 678-492-2109

Are the following services included within the Price? Quoted?

| | | |
|--|--------------|------------------|
| Initial contact with claimant within 24 hours? | Yes <u>X</u> | No <u> </u> |
| Recorded Statements of the claimants? | Yes <u>X</u> | No <u> </u> |
| Contact with the treating physician? | Yes <u>X</u> | No <u> </u> |
| Narrative summaries on major claims? | Yes <u>X</u> | No <u> </u> |
| Medical bills reviewed for accuracy and reduced to State Fee Schedule? | Yes <u>X</u> | No <u> </u> |
| Legal bills reviewed for accuracy and reduced? | Yes <u>X</u> | No <u> </u> |
| Pharmacy bills reviewed for accuracy and reduced? | Yes <u>X</u> | No <u> </u> |
| Subrogation and Second Injury Fund activities? | Yes <u>X</u> | No <u> </u> |
| Preparation of all State Mandated Reports? | Yes <u>X</u> | No <u> </u> |

Notification of all potential excess claims? Yes X No

Quarterly meetings with the City? Yes No X

Provide monthly loss reports to the City? Yes X No

If any of the above responses are no, please explain 3 file reviews instead of quarterly as requested

Are Curriculum Vitae's of Adjusters attached? Yes No X

What is the current caseload for the adjusters who Will be assigned to the City's account? 145 for Lost Time Adjusters
185 for Medical Only Adjusters
145 for GL/PL/AUTO/Property

Are services being proposed on:
a Life of Contract Basis? Yes X No

Cradle to Grave Basis? Yes No X

Other Basis? Yes No X

If services being proposed is not on
Either a Life of Contract Basis or Cradle
to Grave Basis provide full explanation
on how the fee will be applied.

Will the proposer change any initial or
maintenance fees? Yes No X

If so, please explain:

Please explain required banking arrangements There are 3 options available for the City of Key West

-Traditional Escrow
-Direct Funding
-eBilling

Does the proposer have an approved safety program
Filed with the State of Florida? Yes No X

Quoted Price:

| | Cost Per Claim | Cost Per Run-Off Claim |
|--------------------------------------|----------------|------------------------|
| General Liability | | |
| Bodily Injury | \$875 | \$295 |
| Property Damage | \$650 | \$295 |
| Automobile Liability | | |
| Bodily Injury | \$875 | \$295 |
| Property Damage | \$650 | \$295 |
| Public Officials Liability | \$1,250 | \$795 |
| Police Professional Liability | \$1,250 | \$795 |
| Workers Compensation | | |
| Medical Only Claims | \$185 | \$150 |
| Indemnity Claims | \$995 | \$295 |

Is an alternative pricing structure proposed?

Yes _____ No ☒ _____

If so, please specify

Will a minimum fee apply to the contract?

Yes _____ No ☒ _____

If so, please specify

Are there any expectations to the specifications?

Yes _____ No ☒ _____

If so, please specify

The Proposer stated below is the authorized agent of the company or companies proposed and is authorized to commit the proposing company to the terms and conditions stated above.

Michael MacAulay

Signature of Authorized Representative

8/8/22

Date

Addendum Acknowledgement

PROPOSER'S QUALIFICATION STATEMENT

The undersigned certifies under oath that the information provided herein is true and sufficiently complete so as not to be misleading.

SUBJECT: Third Party Claims Administration

SUBMITTED TO: The City of Key West
1300 White Street
Key West, FL 33040

SUBMITTED BY:
Company Name: PMA Management Corp. Corporation ☒ X

Company Website: www.pmacompanies.com Partnership ☐

Principle's Name: Michael MacAulay Individual ☐

Principle's Title: President Joint Vent ☐

Address 1: 380 Sentry Parkway Other ☐
PO BOX 3031

Address 2: Blue Bell, PA 19422

Contact Email: michael_macaulay@pmagroup.com

LICENSING:

State of Florida License No. W830795 Expires 2/28/2023

PROPOSER REFERENCES: List references, including contact name of whom we may call.

| Reference List | | | |
|-----------------------------------|--|--------------|-----------------------------|
| Reference | Contact Name | Phone | Email |
| Lee County BOCC | Mike Figueroa, Risk Program Manager | 239-533-0833 | mfigueroa@leegov.com |
| City of Ocala | Richard Dennis, Risk Manager | 352-401-3989 | rdennis@ocalafl.org |
| Guilford County, North Carolina | Yvonne Moebis, Director of Risk Management | 336-641-4766 | ymoebs@guilfordcountync.gov |
| City of Asheville, North Carolina | Brad Stein, Risk Manager | 828-259-5687 | bstein@asheville.nc.gov |
| | | | |
| | | | |

I certify under oath that all the information herein is true.

Michael MacAulay
Signature

Pennsylvania
State of ~~Florida~~
County of Montgomery

Sworn to (or affirmed) and subscribed before me this 2nd day of August, 2022

By Michael MacAulay

(Seal)

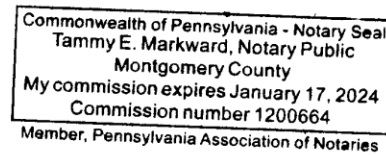
Personally Known 1

Produced Identification _____

Type Produced _____

Tammy E. Markward
Signature of Notary

Tammy E. Markward
Printed Name



CITY STAFF SELECTION CRITERIA MATRIX

REQUEST FOR PROPOSALS:

RFP # 22-004

Firm PMA Managment Corp.

Date 8/2/22

| SELECTION/RANKING CRITERIA | POINTS ALLOWED | POINTS EARNED |
|--|----------------|---------------|
| Rate Schedule | 25 | |
| Evidence of Professional Experience and Skill | 35 | |
| Evidence of Ability to Deliver in Specific Timeframe | 25 | |
| Client Reference | 10 | |
| Proper Licensure and Other Related Certifications or Professional Designations | 5 | |
| Total Points | 0-100 | |

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ANTI-KICKBACK AFFIDAVIT

STATE OF ~~FLORIDA~~ ^{Pennsylvania})
 : SS
COUNTY OF ^{Montgomery}

I, the undersigned hereby duly sworn, depose and say that no portion of the sum herein bid will be paid to any employees of the City of Key West as a commission, kickback, reward or gift, directly or indirectly by me or any member of my firm or by an officer of the corporation.

By: Michael McAlay

Sworn and subscribed before me this

2nd day of August, 2022.

NOTARY PUBLIC, State of ~~Florida at Large~~ ^{Pennsylvania}

My Commission Expires: 1-17-2024

Commonwealth of Pennsylvania - Notary Seal
Tammy E. Markward, Notary Public
Montgomery County
My commission expires January 17, 2024
Commission number 1200664
Member, Pennsylvania Association of Notaries

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NON-COLLUSION AFFIDAVIT

STATE OF ^{Pennsylvania}~~FLORIDA~~)
 : SS
COUNTY OF ^{Montgomery}~~Montgomery~~)

I, the undersigned hereby declares that the only persons or parties interested in this Proposal are those named herein, that this Proposal is, in all respects, fair and without fraud, that it is made without collusion with any official of the Owner, and that the Proposal is made without any connection or collusion with any person submitting another Proposal on this Contract.

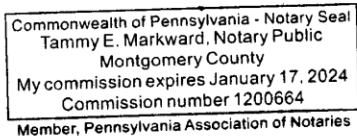
By: Michael MacAulay

Sworn and subscribed before me this

2nd day of August, 2022.

Tammy E. Markward
NOTARY PUBLIC, ^{State of Florida at Large}~~State of Florida at Large~~
^{Pennsylvania}~~Pennsylvania~~

My Commission Expires: 1-17-2024



**SWORN STATEMENT UNDER SECTION 287.133(3)(a)
FLORIDA STATUTES ON PUBLIC ENTITY CRIMES**

**THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICE
AUTHORIZED TO ADMINISTER OATHS.**

1. This sworn statement is submitted with Bid, Bid or Contract No. RFP# 22-004 for
City of Key West
2. This sworn statement is submitted by PMA Managment Corp.
(Name of entity submitting sworn statement)
whose business address is 380 Sentry Parkway, P.O. Box 3031, Blue Bell, PA 19422
and (if applicable) its Federal
Employer Identification Number (FEIN) is 23-2652239 (If the entity has no FEIN,
include the Social Security Number of the individual signing this sworn statement.)
3. My name is Michael MacAulay and my relationship to
(Please print name of individual signing)
the entity named above is President.
4. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including but not limited to, any Bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, material misrepresentation.
5. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication guilt, in any federal or state trial court of record relating to charges brought by indictment information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
6. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means
 1. A predecessor or successor of a person convicted of a public entity crime; or
 2. An entity under the control of any natural person who is active in the management of t entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.
7. I understand that a "person" as defined in Paragraph 287.133(1)(8), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter

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into a binding contract and which Bids or applies to Bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement, which I have marked below, is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies.)

- ☐ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor any affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
- ☐ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989, AND (Please indicate which additional statement applies.)
- ☐ There has been a proceeding concerning the conviction before a hearing of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer did not place the person or affiliate on the convicted vendor list. (Please attach a copy of the final order.)
- ☐ The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in the public interest to remove the person or affiliate from the convicted vendor list. (Please attach a copy of the final order.)
- ☐ The person or affiliate has not been put on the convicted vendor list. (Please describe any action taken by or pending with the Department of General Services.)

Michael MacAulay
(Signature)

STATE OF Pennsylvania (Date) 8/2/2022

COUNTY OF Montgomery

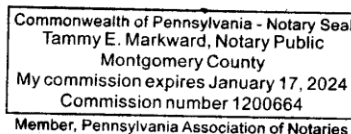
Tammy E. Markward
PERSONALLY APPEARED BEFORE ME, the undersigned authority.

Michael MacAulay
(Name of individual signing)

who, after first being sworn by me, affixed his/her signature in the

space provided above on this 2nd day of August, 2022.

My commission expires: 1-17-2024
NOTARY PUBLIC



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INDEMNIFICATION

To the fullest extent permitted by law, the PROPOSER expressly agrees to indemnify and hold harmless the City of Key West, their officers, directors, agents, and employees (herein called the "indemnitees") from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees and court costs, such legal expenses to include costs incurred in establishing the indemnification and other rights agreed to in this Paragraph, to persons or property, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the PROPOSER, its Sub-consultants or persons employed or utilized by them in the performance of the Contract. Claims by indemnitees for indemnification shall be limited to the amount of PROPOSER's insurance or \$1 million per occurrence, whichever is greater. The parties acknowledge that the amount of the indemnity required hereunder bears a reasonable commercial relationship to the Contract and it is part of the project specifications or the bid documents, if any.

The indemnification obligations under the Contract shall not be restricted in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the PROPOSER under workers' compensation acts, disability benefits acts, or other employee benefits acts, and shall extend to and include any actions brought by or in the name of any employee of the PROPOSER or of any third party to whom PROPOSER may subcontract a part or all the Work. This indemnification shall continue beyond the date of completion of the work.

PROPOSER: PMA Managment Corp.

SEAL:

380 Sentry Parkway, P.O. Box 3031, Blue Bell, PA 19422

Address

Michael MacAulay

Signature

Michael MacAulay

Print Name

President

Title

5/2/2022

Date

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EQUAL BENEFITS FOR DOMESTIC PARTNERS AFFIDAVIT

STATE OF Pennsylvania)
 : SS
COUNTY OF Montgomery)

I, the undersigned hereby duly sworn, depose and say that the firm of
PMA Management Corp provides benefits to domestic partners of its employees on the same
basis as it provides benefits to employees' spouses per City of Key West Ordinance Sec. 2-799.

By: Michael MacAulay

Sworn and subscribed before me this

2nd day of August, 2022.

Tammy E. Markward
NOTARY PUBLIC, State of Pennsylvania at Large

My Commission Expires: 1-17-2024

Commonwealth of Pennsylvania - Notary Seal
Tammy E. Markward, Notary Public
Montgomery County
commission expires January 17, 2024
Commission number 1200664
Pennsylvania Association of Notaries

City Ordinance Sec. 2-799
Requirements for City Contractors to Provide Equal Benefits for Domestic Partners

(a) Definitions. For purposes of this section only, the following definitions shall apply:

- (1) **Benefits** means the following plan, program or policy provided or offered by a contractor to its employees as part of the employer's total compensation package: sick leave, bereavement leave, family medical leave, and health benefits.
- (2) **Bid** shall mean a competitive bid procedure established by the city through the issuance of an invitation to bid, request for proposals, request for qualifications, or request for letters of interest.
- (3) **Cash equivalent** means the amount of money paid to an employee with a domestic partner in lieu of providing benefits to the employee's domestic partner. The cash equivalent is equal to the employer's direct expense of providing benefits to an employee for his or her spouse.

The cash equivalents of the following benefits apply:

- a. For bereavement leave, cash payment for the number of days that would be allowed as paid time off for the death of a spouse. Cash payment would be in the form of the wages of the domestic partner employee for the number of days allowed.
 - b. For health benefits, the cost to the contractor of the contractor's share of the single monthly premiums that are being paid for the domestic partner employee, to be paid on a regular basis while the domestic partner employee maintains such insurance in force for himself or herself.
 - c. For family medical leave, cash payment for the number of days that would be allowed as time off for an employee to care for a spouse who has a serious health condition. Cash payment would be in the form of the wages of the domestic partner employee for the number of days allowed.
- (4) **Contract** means any written agreement, purchase order, standing order or similar instrument entered into pursuant to the award of a bid whereby the city is committed to expend or does expend funds in return for work, labor, professional services, consulting services, supplies, equipment, materials, construction, construction related services or any combination of the foregoing.
 - (5) **Contractor** means any person or persons, sole proprietorship, partnership, joint venture, corporation, or other form of doing business, that is awarded a bid and enters into a covered contract with the city, and which maintains five (5) or more full-time employees.
 - (6) **Covered contract** means a contract between the city and a contractor awarded subsequent to the date when this section becomes effective valued at over twenty thousand dollars (\$20,000).
 - (7) **Domestic partner** shall mean any two adults of the same or different sex, who have registered as domestic partners with a governmental body pursuant to state or local law authorizing such registration, or with an internal registry maintained by the employer of at least one of the domestic partners. A contractor may institute an internal registry to allow for the provision of equal benefits to employees with domestic partner who do not register their partnerships pursuant to a governmental body authorizing such registration, or who are located in a jurisdiction where no such governmental domestic partnership registry exists. A contractor that institutes such registry shall not impose criteria for registration that are more stringent than those required for domestic partnership registration by the City of Key West pursuant to Chapter 38, Article V of the Key West Code of Ordinances.
 - (8) **Equal benefits** mean the equality of benefits between employees with spouses and employees with domestic partners, and/or between spouses of employees and domestic partners of employees.
- (b) Equal benefits requirements.
- (1) Except where otherwise exempt or prohibited by law, a Contractor awarded a covered contract pursuant to a bid process shall provide benefits to domestic partners of its employees on the same basis as it provides benefits to employees' spouses.

- (2) All bid requests for covered contracts which are issued on or after the effective date of this section shall include the requirement to provide equal benefits in the procurement specifications in accordance with this section.
 - (3) The city shall not enter into any covered contract unless the contractor certifies that such contractor does not discriminate in the provision of benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees.
 - (4) Such certification shall be in writing and shall be signed by an authorized officer of the contractor and delivered, along with a description of the contractor's employee benefits plan, to the city's procurement director prior to entering into such covered contract.
 - (5) The city manager or his/her designee shall reject a contractor's certification of compliance if he/she determines that such contractor discriminates in the provision of benefits or if the city manager or designee determines that the certification was created or is being used for evading the requirements of this section.
 - (6) The contractor shall provide the city manager or his/her designee, access to its records for the purpose of audits and/or investigations to ascertain compliance with the provisions of this section, and upon request shall provide evidence that the contractor is in compliance with the provisions of this section upon each new bid, contract renewal, or when the city manager has received a complaint or has reason to believe the contractor may not be in compliance with the provisions of this section. This shall include but not be limited to providing the city manager or his/her designee with certified copies of all of the contractor's records pertaining to its benefits policies and its employment policies and practices.
 - (7) The contractor may not set up or use its contracting entity for the purpose of evading the requirements imposed by this section.
- (c) Mandatory contract provisions pertaining to equal benefits. Unless otherwise exempt, every covered contract shall contain language that obligates the contractor to comply with the applicable provisions of this section. The language shall include provisions for the following:
- (1) During the performance of the covered contract, the contractor certifies and represents that it will comply with this section.
 - (2) The failure of the contractor to comply with this section will be deemed to be a material breach of the covered contract.
 - (3) If the contractor fails to comply with this section, the city may terminate the covered contract and all monies due or to become due under the covered contract may be retained by the city. The city may also pursue any and all other remedies at law or in equity for any breach.
 - (4) If the city manager or his designee determines that a contractor has set up or used its contracting entity for the purpose of evading the requirements of this section, the city may terminate the covered contract.
- (d) Enforcement. If the contractor fails to comply with the provisions of this section:
- (1) The failure to comply may be deemed to be a material breach of the covered contract; or
 - (2) The city may terminate the covered contract; or
 - (3) Monies due or to become due under the covered contract may be retained by the city until compliance is achieved; or
 - (4) The city may also pursue any and all other remedies at law or in equity for any breach;
 - (5) Failure to comply with this section may also subject contractor to the procedures set forth in Division 5 of this article, entitled "Debarment of contractors from city work."
- (e) Exceptions and waivers.
- The provisions of this section shall not apply where:
- (1) The contractor does not provide benefits to employees' spouses.

- (2) The contractor is a religious organization, association, society or any non- profit charitable or educational institution or organization operated, supervised or controlled by or in conjunction with a religious organization, association or society.
- (3) The contractor is a governmental entity.
- (4) The sale or lease of city property.
- (5) The provision of this section would violate grant requirement, the laws, rules or regulations of federal or state law (for example, the acquisition services procured pursuant to Chapter 287.055, Florida Statutes known as the "Consultants' Competitive Negotiation Act").
- (6) Provided that the contractor does not discriminate in the provision of benefits, a contractor may also comply with this section by providing an employee with the cash equivalent of such benefits, if the city manager or his/her designee determines that either:
 - a. The contractor has made a reasonable yet unsuccessful effort to provide equal benefits. The contractor shall provide the city manager or his/her designee with sufficient proof of such inability to provide such benefit or benefits which shall include the measures taken to provide such benefits or benefits and the cash equivalent proposed, along with its certificate of compliance, as is required under this section.
- (7) The city commission waives compliance of this section in the best interest of the city, including but not limited to the following circumstances:
 - a. The covered contract is necessary to respond to an emergency.
 - b. Where only one bid response is received.
 - c. Where more than one bid response is received, but the bids demonstrate that none of the bidders can comply with the requirements of this section.
- (f) City's authority to cancel contract. Nothing in this section shall be construed to limit the city's authority to cancel or terminate a contract, deny or withdraw approval to perform a subcontract or provide supplies, issue a non-responsibility finding, issue a non-responsiveness finding, deny a person or entity prequalification, or otherwise deny a person or entity city business.
- (g) Timing of application. This section shall be applicable only to covered contracts awarded pursuant to bids which are after the date when this section becomes effective.

CONE OF SILENCE AFFIDAVIT

STATE OF Pennsylvania)
 : SS
COUNTY OF Montgomery)

I the undersigned hereby duly sworn depose and say that all owner(s), partners, officers, directors, employees and agents representing the firm of PMA Managment Corp. have read and understand the limitations and procedures regarding communications concerning City of Key West issued competitive solicitations pursuant to City of Key West Ordinance Section 2-773 Cone of Silence (attached).

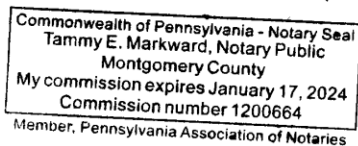
Michael McAulay
(signature)
8/2/2022
(date)

Sworn and subscribed before me this

2nd Day of August, 2022.

Tammy E. Markward
NOTARY PUBLIC, State of Pennsylvania at Large

My Commission Expires: 1-17-2024



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City Ordinance Sec. 2-773. - Cone of silence.

- (a) *Definitions.* For purposes of this section, reference to one gender shall include the other, use of the plural shall include the singular, and use of the singular shall include the plural. The following definitions apply unless the context in which the word or phrase is used requires a different definition:
- (1) *Competitive solicitation* means a formal process by the City of Key West relating to the acquisition of goods or services, which process is intended to provide an equal and open opportunity to qualified persons and entities to be selected to provide the goods or services. Competitive solicitation shall include request for proposals ("RFP"), request for qualifications ("RFQ"), request for letters of interest ("RFLI"), invitation to bid ("ITB") or any other advertised solicitation.
 - (2) *Cone of silence* means a period of time during which there is a prohibition on communication regarding a particular competitive solicitation.
 - (3) *Evaluation or selection committee* means a group of persons appointed or designated by the city to evaluate, rank, select, or make a recommendation regarding a vendor or the vendor's response to the competitive solicitation. A member of such a committee shall be deemed a city official for the purposes of subsection (c) below.
 - (4) *Vendor* means a person or entity that has entered into or that desires to enter into a contract with the City of Key West or that seeks an award from the city to provide goods, perform a service, render an opinion or advice, or make a recommendation related to a competitive solicitation for compensation or other consideration.
 - (5) *Vendor's representative* means an owner, individual, employee, partner, officer, or member of the board of directors of a vendor, or a consultant, lobbyist, or actual or potential subcontractor or sub-consultant who acts at the behest of a vendor in communicating regarding a competitive solicitation.
- (b) *Prohibited communications.* A cone of silence shall be in effect during the course of a competitive solicitation and prohibit:
- (1) Any communication regarding a particular competitive solicitation between a potential vendor or vendor's representative and the city's administrative staff including, but not limited to, the city manager and his or her staff;
 - (2) Any communication regarding a particular competitive solicitation between a potential vendor or vendor's representative and the mayor, city commissioners, or their respective staff;
 - (3) Any communication regarding a particular competitive solicitation between a potential vendor or vendor's representative and any member of a city evaluation and/or selection committee therefore; and
 - (4) Any communication regarding a particular competitive solicitation between the mayor, city commissioners, or their respective staff, and a member of a city evaluation and/or selection committee, therefore.
- (c) *Permitted communications.* Notwithstanding the foregoing, nothing contained herein shall prohibit:
- (1) Communication between members of the public who are not vendors or a vendor's representative and any city employee, official or member of the city commission;
 - (2) Communications in writing at any time with any city employee, official or member of the city commission, unless specifically prohibited by the applicable competitive solicitation.
 - (A) However, any written communication must be filed with the city clerk. Any city employee, official or member of the city commission receiving or making any written communication must immediately file it with the city clerk.
 - (B) The city clerk shall include all written communication as part of the agenda item when publishing information related to a particular competitive solicitation;

- (3) Oral communications at duly noticed pre-bid conferences;
- (4) Oral presentations before publicly noticed evaluation and/or selection committees;
- (5) Contract discussions during any duly noticed public meeting;
- (6) Public presentations made to the city commission or advisory body thereof during any duly noticed public meeting;
- (7) Contract negotiations with city staff following the award of a competitive solicitation by the city commission; or
- (8) Purchases exempt from the competitive process pursuant to section 2-797 of these Code of

Ordinances; (d) *Procedure.*

- (1) The cone of silence shall be imposed upon each competitive solicitation at the time of public notice of such solicitation as provided by section 2-826 of this Code. Public notice of the cone of silence shall be included in the notice of the competitive solicitation. The city manager shall issue a written notice of the release of each competitive solicitation to the affected departments, with a copy thereof to each commission member, and shall include in any public solicitation for goods and services a statement disclosing the requirements of this ordinance.
- (2) The cone of silence shall terminate at the time the city commission or other authorized body makes final award or gives final approval of a contract, rejects all bids or responses to the competitive solicitation, or takes other action which ends the competitive solicitation.
- (3) Any city employee, official or member of the city commission that is approached concerning a competitive solicitation while the cone of silence is in effect shall notify such individual of the prohibitions contained in this section. While the cone of silence is in effect, any city employee, official or member of the city commission who is the recipient of any oral communication by a potential vendor or vendor's representative in violation of this section shall create a written record of the event. The record shall indicate the date of such communication, the persons with whom such communication occurred, and a general summation of the communication.

(e) *Violations penalties and procedures.*

- (1) A sworn complaint alleging a violation of this ordinance may be filed with the city attorney's office. In each such instance, an initial investigation shall be performed to determine the existence of a violation. If a violation is found to exist, the penalties and process shall be as provided in section 1-15 of this Code.
- (2) In addition to the penalties described herein and otherwise provided by law, a violation of this ordinance shall render the competitive solicitation void at the discretion of the city commission.
- (3) Any person who violates a provision of this section shall be prohibited from serving on a City of Key West advisory board, evaluation and/or selection committee.
- (4) In addition to any other penalty provided by law, violation of any provision of this ordinance by a City of Key West employee shall subject said employee to disciplinary action up to and including dismissal.
- (5) If a vendor is determined to have violated the provisions of this section on two more occasions it shall constitute evidence under City Code section 2-834 that the vendor is not properly qualified to carry out the obligations or to complete the work contemplated by any new competitive solicitation. The city's purchasing agent shall also commence any available debarment from city work proceeding that may be available upon a finding of two or more violations by a vendor of this section.

(Ord. No. 13-11, § 1, 6-18-2013)

A background image showing a man and a woman in business attire high-fiving in an office setting. The man is on the left, smiling broadly, and the woman is on the right, also smiling. They are in front of a brick wall and a computer monitor displaying charts.

THANK YOU

WE WOULD BE HONORED TO BE SELECTED AS
YOUR TPA AND RISK SERVICES PARTNER

PMA MANAGEMENT CORP.