



Evelyn Minor-Lawrence
Director

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICES BUILDING
2051 Kaen Road | Oregon City, OR 97045

June 30, 2022

Board of Commissioners
Clackamas County

Members of the Board:

Approval of a Contract with Pacific West Claims, Inc.
for Self-Insured Auto and General Liability Claims Administration

Purpose/Outcomes	Provides liability claims administration services for the county
Dollar Amount and Fiscal Impact	Maximum contract value is \$425,000 through June 30, 2027
Funding Source	Fund 761 – Risk Management Claims Fund. No county General Funds are involved.
Duration	This contract shall be in effect through June 30, 2027
Previous Board Action	The Board of Commissioners previously approved a contract with Sedgwick for these same services in November 2018.
Strategic Plan Alignment	Effectively managing risks to preserve the assets of the organization from predictable and accidental loss – aligning with the strategic goal of building public trust through good government.
Counsel Review	5/24/22 AK
Procurement Review	Was this item reviewed by Procurement? Yes
Contact Person	Eric Machado, Risk Manager – Human Resources – 503-655-8576
Agreement No.	4786

BACKGROUND:

The Risk Management division of Human Resources requests a contract to provide liability adjusting and claims administration services for Clackamas County. Risk/HR has contracted for these services for over 20 years and desires to continue doing so.

PROCUREMENT PROCESS:

This project was advertised in accordance with ORS and LCRB Rules on March 31, 2022, Through RFP 2022-39. Proposals were publicly opened on May 5, 2022. The County received two (2) Proposals in response to the RFP. After review of the Proposals, contracting with Pacific West Claims, Inc. was determined to be in the best interest of the county based upon the scoring criteria outlined in RFP 2022-39.

RECOMMENDATION:

Staff recommends approval of this Contract.

Respectfully submitted,

Evelyn Minor-
Lawrence, IPMA-
CP

Digitally signed by Evelyn
Minor-Lawrence, IPMA-CP
Date: 2022.06.16 15:18:40
-07'00'

Evelyn Minor-Lawrence, IMPA-CS
Human Resource



**CLACKAMAS COUNTY
PERSONAL SERVICES CONTRACT
Contract #6611**

This Personal Services Contract (this “Contract”) is entered into between **Pacific West Claims, Inc.** (“Contractor”), and Clackamas County, a political subdivision of the State of Oregon (“County”) on behalf of its Human Resources Department, Risk Division.

ARTICLE I.

1. **Effective Date and Duration.** This Contract shall become effective upon signature of both parties. Unless earlier terminated or extended, this Contract shall expire on **June 30, 2027.**
2. **Scope of Work.** Contractor shall provide the following personal services: Liability Adjusting and Claims Administration Services (“Work”), further described in County RFP 2022-39 attached and incorporated by reference hereby as **Exhibit A.** The Work will include up to 113 claims annually, as described in Exhibit A.
3. **Consideration.** The County agrees to pay Contractor, from available and authorized funds, as follows:

Fiscal Year 22-23 - **\$75,000.00**
 Fiscal Year 23-24 - **\$77,250.00**
 Fiscal Year 24-25 – **\$79,567.50**
 Fiscal Year 25-26 – **\$81,954.52**
 Fiscal Year 26-27 – **\$84,413.15**

The total annual amount County will pay under this Contract shall not exceed **Eighty-Five Thousand dollars (\$85,000)**, in any fiscal year (July 1 – June 30). The total amount County will pay under this Contract shall not exceed **Four Hundred Twenty-Five Thousand Dollars (\$425,000)**. Consideration rates are on a fixed fee basis in accordance with the rates and costs specified in **Exhibit B.** If any interim payments to Contractor are made, such payments shall be made only in accordance with the schedule and requirements in Exhibit B.

4. **Invoices and Payments.** Unless otherwise specified, Contractor shall submit quarterly invoices for Work performed. Invoices shall describe all Work performed with particularity, by whom it was performed, and shall itemize and explain all expenses for which reimbursement is claimed. The invoices shall include the total amount billed to date by Contractor prior to the current invoice. If Contractor fails to present invoices in proper form within sixty (60) calendar days after the end of the month in which the services were rendered, Contractor waives any rights to present such invoice thereafter and to receive payment therefor. Payments shall be made in accordance with ORS 293.462 to Contractor following the County’s review and approval of invoices submitted by Contractor. Contractor shall not submit invoices for, and the County will not be obligated to pay, any amount in excess of the maximum compensation amount set forth above. If this maximum compensation amount is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

Invoices shall reference the above Contract Number and be submitted to: EMachado@clackamas.us

5. **Travel and Other Expense.** Authorized: Yes No
 If travel expense reimbursement is authorized in this Contract, such expense shall only be reimbursed at the rates in the County Contractor Travel Reimbursement Policy, hereby incorporated by reference

and found at: <https://www.clackamas.us/finance/terms.html>. Travel expense reimbursement is not in excess of the not to exceed consideration.

- 6. Contract Documents.** This Contract consists of the following documents, which are listed in descending order of precedence and are attached and incorporated by reference, this Contract, Exhibit A and Exhibit B.

7. Contractor and County Contacts.

Contractor Administrator: Phone: 503-819-5868 Email: mike@pwclaims.com	County Administrator: Eric Machado Email: EMachado@clackamas.us
---	---

Payment information will be reported to the Internal Revenue Service (“IRS”) under the name and taxpayer ID number submitted. (See I.R.S. 1099 for additional instructions regarding taxpayer ID numbers.) Information not matching IRS records will subject Contractor payments to backup withholding.

ARTICLE II.

- 1. ACCESS TO RECORDS.** Contractor shall maintain books, records, documents, and other evidence, in accordance with generally accepted accounting procedures and practices, sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this Contract. County and their duly authorized representatives shall have access to the books, documents, papers, and records of Contractor, which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcripts. Contractor shall maintain such books and records for a minimum of six (6) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.
- 2. AVAILABILITY OF FUTURE FUNDS.** Any continuation or extension of this Contract after the end of the fiscal period in which it is written is contingent on a new appropriation for each succeeding fiscal period sufficient to continue to make payments under this Contract, as determined by the County in its sole administrative discretion.
- 3. CAPTIONS.** The captions or headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Contract.
- 4. COMPLIANCE WITH APPLICABLE LAW.** Contractor shall comply with all applicable federal, state and local laws, regulations, executive orders, and ordinances, as such may be amended from time to time.
- 5. COUNTERPARTS.** This Contract may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.
- 6. GOVERNING LAW.** This Contract, and all rights, obligations, and disputes arising out of it, shall be governed and construed in accordance with the laws of the State of Oregon and the ordinances of Clackamas County without regard to principles of conflicts of law. Any claim, action, or suit between County and Contractor that arises out of or relates to the performance of this Contract shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a

federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Contractor, by execution of this Contract, hereby consents to the personal jurisdiction of the courts referenced in this section.

- 7. INDEMNITY, RESPONSIBILITY FOR DAMAGES.** Contractor shall be responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, any act, omission, or neglect of Contractor, its subcontractors, agents, or employees. The Contractor agrees to indemnify and defend the County, and its officers, elected officials, agents, and employees, from and against all claims, actions, losses, liabilities, including reasonable attorney and accounting fees, and all expenses incidental to the investigation and defense thereof, arising out of or based upon Contractor’s acts or omissions in performing under this Contract.

However, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of County, purport to act as legal representative of County, or settle any claim on behalf of County, without the approval of the Clackamas County Counsel’s Office. County may assume its own defense and settlement at its election and expense.

- 8. INDEPENDENT CONTRACTOR STATUS.** The service(s) to be rendered under this Contract are those of an independent contractor. Although the County reserves the right to determine (and modify) the delivery schedule for the Work to be performed and to evaluate the quality of the completed performance, County cannot and will not control the means or manner of Contractor’s performance. Contractor is responsible for determining the appropriate means and manner of performing the Work. Contractor is not to be considered an agent or employee of County for any purpose, including, but not limited to: (A) The Contractor will be solely responsible for payment of any Federal or State taxes required as a result of this Contract; and (B) This Contract is not intended to entitle the Contractor to any benefits generally granted to County employees, including, but not limited to, vacation, holiday and sick leave, other leaves with pay, tenure, medical and dental coverage, life and disability insurance, overtime, Social Security, Workers' Compensation, unemployment compensation, or retirement benefits.

- 9. INSURANCE.** Contractor shall secure at its own expense and keep in effect during the term of the performance under this Contract the insurance required and minimum coverage indicated below. The insurance requirement outlined below do not in any way limit the amount of scope of liability of Contractor under this Contract. Contractor shall provide proof of said insurance and name the County as an additional insured on all required liability policies. Proof of insurance and notice of any material change should be submitted to the following address: Clackamas County Procurement Division, 2051 Kaen Road, Oregon City, OR 97045 or procurement@clackamas.us.

Required - Workers Compensation: Contractor shall comply with the statutory workers’ compensation requirements in ORS 656.017, unless exempt under ORS 656.027 or 656.126.
<input checked="" type="checkbox"/> Required – Commercial General Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for Bodily Injury and Property Damage.
<input checked="" type="checkbox"/> Required – Professional Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per claim, with an annual aggregate limit of \$2,000,000 for damages caused by error, omission or negligent acts.
<input type="checkbox"/> Required – Automobile Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per accident for Bodily Injury and Property Damage.

The policy(s) shall be primary insurance as respects to the County. Any insurance or self-insurance maintained by the County shall be excess and shall not contribute to it. Any obligation that County agree to a waiver of subrogation is hereby stricken.

- 10. LIMITATION OF LIABILITIES.** This Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent. Except for liability arising under or related to Article II, Section 13 or Section 20 neither party shall be liable for (i) any indirect, incidental, consequential or special damages under this Contract or (ii) any damages of any sort arising solely from the termination of this Contract in accordance with its terms.
- 11. NOTICES.** Except as otherwise provided in this Contract, any required notices between the parties shall be given in writing by personal delivery, email, or mailing the same, to the Contract Administrators identified in Article 1, Section 6. If notice is sent to County, a copy shall also be sent to: Clackamas County Procurement, 2051 Kaen Road, Oregon City, OR 97045, or procurement@clackamas.us. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing, and immediately upon personal delivery, or within 2 hours after the email is sent during County's normal business hours (Monday – Thursday, 7:00 a.m. to 6:00 p.m.) (as recorded on the device from which the sender sent the email), unless the sender receives an automated message or other indication that the email has not been delivered.
- 12. OWNERSHIP OF WORK PRODUCT.** All work product of Contractor that results from this Contract (the "Work Product") is the exclusive property of County. County and Contractor intend that such Work Product be deemed "work made for hire" of which County shall be deemed the author. If for any reason the Work Product is not deemed "work made for hire," Contractor hereby irrevocably assigns to County all of its right, title, and interest in and to any and all of the Work Product, whether arising from copyright, patent, trademark or trade secret, or any other state or federal intellectual property law or doctrine. Contractor shall execute such further documents and instruments as County may reasonably request in order to fully vest such rights in County. Contractor forever waives any and all rights relating to the Work Product, including without limitation, any and all rights arising under 17 USC § 106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications. Notwithstanding the above, County shall have no rights in any pre-existing Contractor intellectual property provided to County by Contractor in the performance of this Contract except to copy, use and re-use any such Contractor intellectual property for County use only.
- 13. REPRESENTATIONS AND WARRANTIES.** Contractor represents and warrants to County that (A) Contractor has the power and authority to enter into and perform this Contract; (B) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms; (C) Contractor shall at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work; (D) Contractor is an independent contractor as defined in ORS 670.600; and (E) the Work under this Contract shall be performed in the same professional skill, care, diligence and standards as other professionals performing similar services under similar conditions.
- 14. SURVIVAL.** All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Article II, Sections 1, 6, 7, 10, 12, 13, 14, 15, 17, 20, 21, 25, 27, 28, and 29 and all other rights and obligations which by their context are intended to survive. However, such expiration shall not extinguish or prejudice the County's right to enforce this Contract with respect to: (a) any breach of a Contractor warranty; or (b) any default or defect in Contractor performance that has not been cured.

- 15. SEVERABILITY.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.
- 16. SUBCONTRACTS AND ASSIGNMENTS.** Contractor shall not enter into any subcontracts for any of the Work required by this Contract, or assign or transfer any of its interest in this Contract by operation of law or otherwise, without obtaining prior written approval from the County, which shall be granted or denied in the County's sole discretion. In addition to any provisions the County may require, Contractor shall include in any permitted subcontract under this Contract a requirement that the subcontractor be bound by this Article II, Sections 1, 7, 8, 13, 16 and 27 as if the subcontractor were the Contractor. County's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract.
- 17. SUCCESSORS IN INTEREST.** The provisions of this Contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.
- 18. TAX COMPLIANCE CERTIFICATION.** The Contractor shall comply with all federal, state and local laws, regulation, executive orders and ordinances applicable to this Contract. Contractor represents and warrants that it has complied, and will continue to comply throughout the duration of this Contract and any extensions, with all tax laws of this state or any political subdivision of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318. Any violation of this section shall constitute a material breach of this Contract and shall entitle County to terminate this Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Contract, and to pursue any or all of the remedies available under this Contract or applicable law.
- 19. TERMINATIONS.** This Contract may be terminated for the following reasons: (A) by mutual agreement of the parties or by the County (i) for convenience upon thirty (30) days written notice to Contractor, or (ii) at any time the County fails to receive funding, appropriations, or other expenditure authority as solely determined by the County; or (B) if contractor breaches any Contract provision or is declared insolvent, County may terminate after thirty (30) days written notice with an opportunity to cure.
- Upon receipt of written notice of termination from the County, Contractor shall immediately stop performance of the Work. Upon termination of this Contract, Contractor shall deliver to County all documents, Work Product, information, works-in-progress and other property that are or would be deliverables had the Contract Work been completed. Upon County's request, Contractor shall surrender to anyone County designates, all documents, research, objects or other tangible things needed to complete the Work.
- 20. REMEDIES.** If terminated by the County due to a breach by the Contractor, then the County shall have any remedy available to it in law or equity. If this Contract is terminated for any other reason, Contractor's sole remedy is payment for the goods and services delivered and accepted by the County, less any setoff to which the County is entitled.
- 21. NO THIRD PARTY BENEFICIARIES.** County and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.

- 22. TIME IS OF THE ESSENCE.** Contractor agrees that time is of the essence in the performance this Contract.
- 23. FOREIGN CONTRACTOR.** If the Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State, Corporate Division, all information required by those agencies relative to this Contract. The Contractor shall demonstrate its legal capacity to perform these services in the State of Oregon prior to entering into this Contract.
- 24. FORCE MAJEURE.** Neither County nor Contractor shall be held responsible for delay or default caused by events outside the County or Contractor's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, Contractor shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.
- 25. WAIVER.** The failure of County to enforce any provision of this Contract shall not constitute a waiver by County of that or any other provision.
- 26. PUBLIC CONTRACTING REQUIREMENTS.** Pursuant to the public contracting requirements contained in Oregon Revised Statutes ("ORS") Chapter 279B.220 through 279B.235, Contractor shall:
- a. Make payments promptly, as due, to all persons supplying to Contractor labor or materials for the prosecution of the work provided for in the Contract.
 - b. Pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of the Contract.
 - c. Not permit any lien or claim to be filed or prosecuted against County on account of any labor or material furnished.
 - d. Pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.
 - e. As applicable, the Contractor shall pay employees for work in accordance with ORS 279B.235, which is incorporated herein by this reference. The Contractor shall comply with the prohibitions set forth in ORS 652.220, compliance of which is a material element of this Contract, and failure to comply is a breach entitling County to terminate this Contract for cause.
 - f. If the Work involves lawn and landscape maintenance, Contractor shall salvage, recycle, compost, or mulch yard waste material at an approved site, if feasible and cost effective.
- 27. NO ATTORNEY FEES.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Contract, each party shall be responsible for its own attorneys' fees and expenses.
- 28. CONFIDENTIALITY.** Contractor acknowledges that it and its employees and agents may, in the course of performing their obligations under this Contract, be exposed to or acquire information that the County desires or is required to maintain as confidential. Any and all information of any form obtained by Contractor or its employees or agents in the performance of this Contract, including but not limited to Personal Information (as "Personal Information" is defined in ORS 646A.602(11)), shall be deemed to be confidential information of the County ("Confidential Information"). Any reports or other documents or items (including software) which result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information.

Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and

not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever (other than in the performance of this Contract), and to advise each of its employees and agents of their obligations to keep Confidential Information confidential.

Contractor agrees that, except as directed by the County, Contractor will not at any time during or after the term of this Contract, disclose, directly or indirectly, any Confidential Information to any person, and that upon termination or expiration of this Contract or the County's request, Contractor will turn over to the County all documents, papers, records and other materials in Contractor's possession which embody Confidential Information. Contractor acknowledges that breach of this Contract, including disclosure of any Confidential Information, or disclosure of other information that, at law or in good conscience or equity, ought to remain confidential, will give rise to irreparable injury to the County that cannot adequately be compensated in damages. Accordingly, the County may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of the County and are reasonable in scope and content.

Contractor agrees to comply with all reasonable requests by the County to ensure the confidentiality and nondisclosure of the Confidential Information, including if requested and without limitation: (a) obtaining nondisclosure agreements, in a form approved by the County, from each of Contractor's employees and agents who are performing services, and providing copies of such agreements to the County; and (b) performing criminal background checks on each of Contractor's employees and agents who are performing services, and providing a copy of the results to the County.

Contractor shall report, either orally or in writing, to the County any use or disclosure of Confidential Information not authorized by this Contract or in writing by the County, including any reasonable belief that an unauthorized individual has accessed Confidential Information. Contractor shall make the report to the County immediately upon discovery of the unauthorized disclosure, but in no event more than two (2) business days after Contractor reasonably believes there has been such unauthorized use or disclosure. Contractor's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the Confidential Information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. Contractor shall provide such other information, including a written report, as reasonably requested by the County.

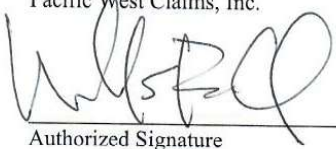
Notwithstanding any other provision in this Contract, Contractor will be responsible for all damages, fines and corrective action (including credit monitoring services) arising from disclosure of such Confidential Information caused by a breach of its data security or the confidentiality provisions hereunder.

The provisions in this Section shall operate in addition to, and not as limitation of, the confidentiality and similar requirements set forth in the rest of the Contract, as it may otherwise be amended. Contractor's obligations under this Contract shall survive the expiration or termination of the Contract, as amended, and shall be perpetual.

29. MERGER. THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER REFERENCED THEREIN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. NO AMENDMENT, CONSENT, OR WAIVER OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY ALL PARTIES. ANY SUCH AMENDMENT,

CONSENT, OR WAIVER SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. CONTRACTOR, BY THE SIGNATURE HERETO OF ITS AUTHORIZED REPRESENTATIVE, IS AN INDEPENDENT CONTRACTOR, ACKNOWLEDGES HAVING READ AND UNDERSTOOD THIS CONTRACT, AND CONTRACTOR AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

By their signatures below, the parties to this Contract agree to the terms, conditions, and content expressed herein.

Pacific West Claims, Inc. ,

Authorized Signature
6-7-22
Date
MICHAEL S. FARBER DIRECTOR OF CLAIMS
Name / Title (Printed) /
~~1726315-91~~ 180 8875-7
Oregon Business Registry #
DBC, OR
Entity Type / State of Formation

Clackamas County

Chair Date

Recording Secretary

APPROVED AS TO FORM

County Counsel Date

EXHIBIT A
RFP 2022-39



REQUEST FOR PROPOSALS #2022-39

FOR

LIABILITY ADJUSTING AND CLAIMS ADMINISTRATION SERVICES

BOARD OF COUNTY COMMISSIONERS

TOOTIE SMITH, Chair
SONYA FISCHER, Commissioner
PAUL SAVAS, Commissioner
MARK SHULL, Commissioner
MARTHA SCHRADER, Commissioner

Gary Schmidt
County Administrator

Thomas Candelario
Contract Analyst

PROPOSAL CLOSING DATE, TIME AND LOCATION

DATE: **May 5, 2022**

TIME: **2:00 PM, Pacific Time**

PLACE: **Procurement@clackamas.us**

SCHEDULE

Request for Proposals Issued.....	March 31, 2022
Protest of Specifications Deadline.....	April 7, 2022, 5:00 PM, Pacific Time
Deadline to Submit Clarifying Questions.....	April 14, 2022, 5:00 PM, Pacific Time
Request for Proposals Closing Date and Time.....	May 5, 2022, 2:00 PM, Pacific Time
Deadline to Submit Protest of Award.....	Seven (7) days from the Intent to Award
Anticipated Contract Start Date.....	July 2022

TABLE OF CONTENTS

Section 1 – Notice of Request for Proposals
Section 2 – Instructions to Proposers
Section 3 – Scope of Work
Section 4 – Evaluation and Selection Criteria
Section 5 – Proposal Content (Including Proposal Certification)

SECTION 1 NOTICE OF REQUEST FOR PROPOSALS

Notice is hereby given that Clackamas County through its Board of County Commissioners will receive sealed Proposals per specifications until **2:00 PM, May 5, 2022** (“Closing”), to provide Liability Adjusting And Claims Administration Services. No Proposals will be received or considered after that time.

The resulting contract from this RFP require the consultant to begin work in July 2022

RFP Documents can be downloaded from the state of Oregon procurement website (“OregonBuys”) at the following address <https://oregonbuys.gov/bsa/view/login/login.xhtml>, Document No. S-C01010-000002660.

Prospective Proposers will need to sign in to download the information and that information will be accumulated for a Plan Holder's List. Prospective Proposers are responsible for obtaining any Addenda, clarifying questions, and Notices of Award from OregonBuys. Sealed Proposals are to be emailed to Clackamas County Procurement Services at procurement@clackamas.us.

Contact Information

Procurement Process and Technical Questions: Thomas Candelario, tcandelario@clackamas.us

The Board of County Commissioners reserves the right to reject any and all Proposals not in compliance with all prescribed public bidding procedures and requirements, and may reject for good cause any and all Proposals upon the finding that it is in the public interest to do so and to waive any and all informalities in the public interest. In the award of the contract, the Board of County Commissioners will consider the element of time, will accept the Proposal or Proposals which in their estimation will best serve the interests of Clackamas County and will reserve the right to award the contract to the contractor whose Proposal shall be best for the public good.

Clackamas County encourages proposals from Minority, Women, Veteran and Emerging Small Businesses.

SECTION 2 INSTRUCTIONS TO PROPOSERS

Clackamas County (“County”) reserves the right to reject any and all Proposals received as a result of this RFP. County Local Contract Review Board Rules (“LCRB”) govern the procurement process for the County.

2.1 Modification or Withdrawal of Proposal: Any Proposal may be modified or withdrawn at any time prior to the Closing deadline, provided that a written request is received by the County Procurement Division Director, prior to the Closing. The withdrawal of a Proposal will not prejudice the right of a Proposer to submit a new Proposal.

2.2 Requests for Clarification and Requests for Change: Proposers may submit questions regarding the specifications of the RFP. Questions must be received in writing on or before 5:00 p.m. (Pacific Time), on the date indicated in the Schedule, at the Procurement Division address as listed in Section 1 of this RFP. Requests for changes must include the reason for the change and any proposed changes to the requirements. The purpose of this requirement is to permit County to correct, prior to the opening of Proposals, RFP terms or technical requirements that may be unlawful, improvident or which unjustifiably restrict competition. County will consider all requested changes and, if appropriate, amend the RFP. No oral or written instructions or information concerning this RFP from County managers, employees or agents to prospective Proposers shall bind County unless included in an Addendum to the RFP.

2.3 Protests of the RFP/Specifications: Protests must be in accordance with LCRB C-047-0730. Protests of Specifications must be received in writing on or before 5:00 p.m. (Pacific Time), on the date indicated in the Schedule, or within three (3) business days of issuance of any addendum, at the Procurement Division address listed in Section 1 of this RFP. Protests may not be faxed. Protests of the RFP specifications must include the reason for the protest and any proposed changes to the requirements.

2.4 Addenda: If any part of this RFP is changed, an addendum will be provided to Proposers that have provided an address to the Procurement Division for this procurement. It shall be Proposers responsibility to regularly check OregonBuys for any notices, published addenda, or response to clarifying questions.

2.5 Submission of Proposals: Proposals must be submitted in accordance with Section 5. All Proposals shall be legibly written in ink or typed and comply in all regards with the requirements of this RFP. Proposals that include orders or qualifications may be rejected as irregular. All Proposals must include a signature that affirms the Proposer’s intent to be bound by the Proposal (may be on cover letter, on the Proposal, or the Proposal Certification Form) shall be signed. If a Proposal is submitted by a firm or partnership, the name and address of the firm or partnership shall be shown, together with the names and addresses of the members. If the Proposal is submitted by a corporation, it shall be signed in the name of such corporation by an official who is authorized to bind the contractor. The Proposals will be considered by the County to be submitted in confidence and are not subject to public disclosure until the notice of intent to award has been issued.

No late Proposals will be accepted. Proposals submitted after the Closing will be considered late and will be returned unopened. Proposals may not be submitted by telephone or fax.

2.6 Post-Selection Review and Protest of Award: County will name the apparent successful Proposer in a Notice of Intent to Award published on OregonBuys. Identification of the apparent successful Proposer is procedural only and creates no right of the named Proposer to award of the contract. Competing Proposers shall be given seven (7) calendar days from the date on the Notice of Intent to Award to review the file at the Procurement Division office and file a written protest of award, pursuant to LCRB C-047-0740. Any award protest must be in writing and must be delivered by email, hand-delivery or mail to the address for the Procurement Division as listed in Section 1 of this RFP.

Only actual Proposers may protest if they believe they have been adversely affected because the Proposer would be eligible to be awarded the contract in the event the protest is successful. The basis of the written protest must

be in accordance with ORS 279B.410 and shall specify the grounds upon which the protest is based. In order to be an adversely affected Proposer with a right to submit a written protest, a Proposer must be next in line for award, i.e. the protester must claim that all higher rated Proposers are ineligible for award because they are non-responsive or non-responsible.

County will consider any protests received and:

- a. reject all protests and proceed with final evaluation of, and any allowed contract language negotiation with, the apparent successful Proposer and, pending the satisfactory outcome of this final evaluation and negotiation, enter into a contract with the named Proposer; OR
- b. sustain a meritorious protest(s) and reject the apparent successful Proposer as nonresponsive, if such Proposer is unable to demonstrate that its Proposal complied with all material requirements of the solicitation and Oregon public procurement law; thereafter, County may name a new apparent successful Proposer; OR
- c. reject all Proposals and cancel the procurement.

2.7 Acceptance of Contractual Requirements: Failure of the selected Proposer to execute a contract and deliver required insurance certificates within ten (10) calendar days after notification of an award may result in cancellation of the award. This time period may be extended at the option of County.

2.8 Public Records: Proposals are deemed confidential until the “Notice of Intent to Award” letter is issued. This RFP and one copy of each original Proposal received in response to it, together with copies of all documents pertaining to the award of a contract, will be kept and made a part of a file or record which will be open to public inspection. If a Proposal contains any information that is considered a **TRADE SECRET** under ORS 192.345(2), **SUCH INFORMATION MUST BE LISTED ON A SEPARATE SHEET CAPABLE OF SEPARATION FROM THE REMAINING PROPOSAL AND MUST BE CLEARLY MARKED WITH THE FOLLOWING LEGEND:**

“This information constitutes a trade secret under ORS 192.345(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

The Oregon Public Records Law exempts from disclosure only bona fide trade secrets, and the exemption from disclosure applies only “unless the public interest requires disclosure in the particular instance” (ORS 192.345). Therefore, non-disclosure of documents, or any portion of a document submitted as part of a Proposal, may depend upon official or judicial determinations made pursuant to the Public Records Law.

2.9 Investigation of References: County reserves the right to investigate all references in addition to those supplied references and investigate past performance of any Proposer with respect to its successful performance of similar services, its compliance with specifications and contractual obligations, its completion or delivery of a project on schedule, its lawful payment of subcontractors and workers, and any other factor relevant to this RFP. County may postpone the award or the execution of the contract after the announcement of the apparent successful Proposer in order to complete its investigation.

2.10 RFP Proposal Preparation Costs and Other Costs: Proposer costs of developing the Proposal, cost of attendance at an interview (if requested by County), or any other costs are entirely the responsibility of the Proposer, and will not be reimbursed in any manner by County.

2.11 Clarification and Clarity: County reserves the right to seek clarification of each Proposal, or to make an award without further discussion of Proposals received. Therefore, it is important that each Proposal be submitted initially in the most complete, clear, and favorable manner possible.

2.12 Right to Reject Proposals: County reserves the right to reject any or all Proposals or to withdraw any item from the award, if such rejection or withdrawal would be in the public interest, as determined by County.

2.13 Cancellation: County reserves the right to cancel or postpone this RFP at any time or to award no contract.

2.14 Proposal Terms: All Proposals, including any price quotations, will be valid and firm through a period of one hundred and eighty (180) calendar days following the Closing date. County may require an extension of this firm offer period. Proposers will be required to agree to the longer time frame in order to be further considered in the procurement process.

2.15 Oral Presentations: At County's sole option, Proposers may be required to give an oral presentation of their Proposals to County, a process which would provide an opportunity for the Proposer to clarify or elaborate on the Proposal but will in no material way change Proposer's original Proposal. If the evaluating committee requests presentations, the Procurement Division will schedule the time and location for said presentation. Any costs of participating in such presentations will be borne solely by Proposer and will not be reimbursed by County. **Note:** Oral presentations are at the discretion of the evaluating committee and may not be conducted; therefore, **written Proposals should be complete.**

2.16 Usage: It is the intention of County to utilize the services of the successful Proposer(s) to provide services as outlined in the below Scope of Work.

2.17 Review for Responsiveness: Upon receipt of all Proposals, the Procurement Division or designee will determine the responsiveness of all Proposals before submitting them to the evaluation committee. If a Proposal is incomplete or non-responsive in significant part or in whole, it will be rejected and will not be submitted to the evaluation committee. County reserves the right to determine if an inadvertent error is solely clerical or is a minor informality which may be waived, and then to determine if an error is grounds for disqualifying a Proposal. The Proposer's contact person identified on the Proposal will be notified, identifying the reason(s) the Proposal is non-responsive. One copy of the Proposal will be archived and all others discarded.

2.18 RFP Incorporated into Contract: This RFP will become part of the Contract between County and the selected contractor(s). The contractor(s) will be bound to perform according to the terms of this RFP, their Proposal(s), and the terms of the Sample Contract.

2.19 Communication Blackout Period: Except as called for in this RFP, Proposers may not communicate with members of the Evaluation Committee or other County employees or representatives about the RFP during the procurement process until the apparent successful Proposer is selected, and all protests, if any, have been resolved. Communication in violation of this restriction may result in rejection of a Proposer.

2.20 Prohibition on Commissions and Subcontractors: County will contract directly with persons/entities capable of performing the requirements of this RFP. Contractors must be represented directly. Participation by brokers or commissioned agents will not be allowed during the Proposal process. Contractor shall not use subcontractors to perform the Work unless specifically pre-authorized in writing to do so by the County. Contractor represents that any employees assigned to perform the Work, and any authorized subcontractors performing the Work, are fully qualified to perform the tasks assigned to them, and shall perform the Work in a competent and professional manner. Contractor shall not be permitted to add on any fee or charge for subcontractor Work. Contractor shall provide, if requested, any documents relating to subcontractor's qualifications to perform required Work.

2.21 Ownership of Proposals: All Proposals in response to this RFP are the sole property of County, and subject to the provisions of ORS 192.410-192.505 (Public Records Act).

2.22 Clerical Errors in Awards: County reserves the right to correct inaccurate awards resulting from its clerical errors.

2.23 Rejection of Qualified Proposals: Proposals may be rejected in whole or in part if they attempt to limit or modify any of the terms, conditions, or specifications of the RFP or the Sample Contract.

2.24 Collusion: By responding, the Proposer states that the Proposal is not made in connection with any competing Proposer submitting a separate response to the RFP, and is in all aspects fair and without collusion or fraud. Proposer also certifies that no officer, agent, elected official, or employee of County has a pecuniary interest in this Proposal.

2.25 Evaluation Committee: Proposals will be evaluated by a committee consisting of representatives from County and potentially external representatives. County reserves the right to modify the Evaluation Committee make-up in its sole discretion.

2.26 Commencement of Work: The contractor shall commence no work until all insurance requirements have been met, the Protest of Awards deadline has been passed, any protest have been decided, a contract has been fully executed, and a Notice to Proceed has been issued by County.

2.27 Nondiscrimination: The successful Proposer agrees that, in performing the work called for by this RFP and in securing and supplying materials, contractor will not discriminate against any person on the basis of race, color, religious creed, political ideas, sex, age, marital status, sexual orientation, gender identity, veteran status, physical or mental handicap, national origin or ancestry, or any other class protected by applicable law.

SECTION 3 SCOPE OF WORK

3.1. INTRODUCTION

Clackamas County, on behalf of its Department of Human Resources and Division of Risk and Safety, is seeking Proposals from vendors to provide liability adjusting and claims administration services (“Services”). The objectives of the administrative claims handling process are to establish a cost effective method of adjusting claims and to pay claims as appropriate. The aggressive defense of the claim is balanced with the recognition of the need to identify problems early and to develop solutions that are reasonable, innovative and financially prudent.

Please direct all Technical/Specifications or Procurement Process Questions to the indicated representative referenced in the Notice of Request for Proposals and note the communication restriction outlined in Section 2.19.

3.2 BACKGROUND

Clackamas County self-insures its general liability programs, retaining the first \$1 million in exposure per claim. The County is insured through the Oregon Public Entity Excess Pool (“OPEEP”) above that amount. The County is requesting proposals to provide liability adjusting and claims administration services for its general liability claims. The County provides its own in-house legal counsel for all litigated liability claims, and County Counsel and County Risk staff actively manage all significant cases.

Clackamas County (population 421,000) employs approximately 2,400 people (both temporary and regular) who work in the following general program areas: health services (public health and mental health), social services (including services for seniors, juveniles, families, and other populations with special needs), justice and court services (including juvenile and adult correctional facilities, community corrections, District Attorney and law enforcement), library services, transportation and development (including public works, planning, environmental) and administrative support services.

The County has averaged 113 claims over the past five years. Approximately 10%-15% of all claims received are involved in litigation.

Accident Year	Number of Claims	Total Incurred	Open Claims as of 3/16/22
2017	122	877,520	2
2018	130	\$432,340	4
2019	120	\$1,170,000	10
2020	85	\$811,360	9
2021	79	\$358,650	24

3.3. SCOPE OF WORK

The contractor selected to administer the County's liability program will be expected to work at the close direction of and with the County's Risk Management staff and the County Counsel's Office to manage claims and meet the requirements of the liability program. The contractor will be responsible for investigation of claims, consultation with Risk Management and County Counsel, and when appropriate, determination of whether acceptance or denial is advisable, adjustment of claims within settlement authority, further development of case material in anticipation of or response to litigation or the threat of litigation, and maintenance of data and reporting systems on all claims.

The contractor will be expected to work directly in the County's risk management information system (RMIS). The County utilizes the Origami RMIS system for its claims management. A login and any needed system training will be provided by the County.

The firm selected pursuant to the Request for Proposal will be required to perform the Services as outlined below:

3.3.1. Claims Administrations

Provide high quality liability claims adjusting with qualified adjusters experienced in public entity claims adjusting.

Receive notice of and create files on each claim assigned and maintain these files for Clackamas County on a current basis. At a minimum, the file content should reflect liabilities, value, reserves, claimant contact, notes, regular follow-up, investigatory steps, plan of action and recommended disposition. Create files within two (2) working days from receipt of the initial report; input initial reserves within 15 days.

Establish diaries so all claims are reviewed at least every thirty (30) days or more frequently where needed. Document confirmation of review.

Pay bills for non-contested cases and service providers promptly.

Audit bills for causal relationship and reasonableness of charges.

Provide copies of all written records from the administrator to the attorney(s) assigned to cases in litigation.

Clearly document all file activity, including telephone conversations or personal meetings, and diary reviews to reflect the date, individuals involved, content of discussion, and plan of action.

Establish specific direction on the investigation and handling of all cases within five (5) working days from receipt of the initial report, and clearly evidenced in the file.

Maintain current knowledge of all County liability coverage in effect. Notify County and appropriate excess insurer(s) of all claims or losses meeting the reporting requirements of the insurer and provide such insurer with all required information and updates. Send updated reports to excess carriers no less frequently than semi-annually or when requested.

Contact the County to review and approve all claims payments in excess of \$2,500 including payment of legal fees.

Provide a written analysis of any proposed settlement over \$2,500 and other selected settlements as requested by Risk Manager or County Counsel.

Establish claim reserves at their most probable outcome and provide a continual review and updating of reserves to reflect changes. Contact County Risk Manager immediately when a case reserve will exceed \$25,000.

Maintain a file for each claim submitted with the file available for review, electronically, by the County at any reasonable time. Respond courteously and promptly to inquiries from claimant or claimants' representatives, and County staff.

Consult and cooperate with the County and its employees as may be necessary to achieve a successful program including full cooperation with claims audits.

3.3.2. Claims Investigation and Management:

Aggressively, promptly, and fully conduct the investigation of each claim using competent and qualified personnel. Assess whether there are related claims whose outcome may be affected by this claim and take appropriate action. The County reserves the right to require additional investigation. With the approval of the County, engage the services of persons or firms outside its organization for special work in connection with investigations.

Contact or attempt to contact all witnesses promptly after receipt of claim. Upon initial contact, document the description of injury/accident. Document attempts to contact witnesses. Ensure that personal contact (face to face) is made with all critical witnesses in any case expected to incur costs/claim or costs/occurrence of \$5,000 or more.

Contact the department and designated employees for the County's statement before determining liability and obtain reports and records as appropriate.

Contact the County promptly to confirm whether liability is acknowledged or should be questioned.

Promptly identify claims where exposure is in excess of \$100,000 and notify the County promptly.

Investigate possible subrogation/third party liability situations in all cases which involve third parties; with approval of County, pursue recovery from third parties when appropriate.

Assist in the preparation of litigated cases and participate as needed in hearings and settlement actions.

Prepare and provide legal counsel with complete file copy within five (5) working days of notice of litigation.

3.3.3. Claims Analysis and Reports:

Provide the County with continuing information on the progress of individual claims and the effectiveness of the claim administrators cost control program relating to claims.

Be available for semi-annual claims reviews..

Assist the County in the analysis of claims in an effort to prevent future occurrences of a similar nature.

Maintain a documented, electronic claim file for each assigned claim in the County's Origami claim system . Such file shall contain all data pertinent to the claim to support its disposition and shall remain the exclusive property of the County.

Retain and store records on all claims in an electronic format on the County's claim's system.

3.3.4. Financial, Data Processing and Reporting Services

Set up a dedicated bank account specifically dedicated to paying County claims and expenses.

Provide electronic check processing with report and audit capability.

Process and pay claims directly from dedicated bank account.

3.3.5 Completion of Claim Processing

In the event the Agreement resulting from this solicitation is terminated, the CONTRACTOR will continue, at Clackamas County's option, to handle all claims which have occurred during any preceding calendar year including the calendar year leading up to the effective date of termination, for one additional year from the date of termination, for no additional charge, other than the specified flat fee occurring in that calendar year.

3.3.6. Term of Contract:

The term of the contract shall be from the effective date through **June 30, 2027**.

3.3.4 Sample Contract: Submission of a Proposal in response to this RFP indicates Proposer's willingness to enter into a contract containing substantially the same terms (including insurance requirements) of the sample contract identified below. No action or response to the sample contract is required under this RFP. Any objections to the sample contract terms should be raised in accordance with Paragraphs 2.2 or 2.3 of this RFP, pertaining to requests for clarification or change or protest of the RFP/specifications, and as otherwise provided for in this RFP. This RFP and all supplemental information in response to this RFP will be a binding part of the final contract.

The applicable Sample Personal Services Contract, for this RFP can be found at <https://www.clackamas.us/finance/terms.html>.

Personal Services Contract (unless checked, item does not apply)

The following paragraphs of the Professional Services Contract will be applicable:

- Article I, Paragraph 5 – Travel and Other Expense is Authorized
- Article II, Paragraph 28 – Confidentiality
- Article II, Paragraph 29 – Criminal Background Check Requirements
- Article II, Paragraph 30 – Key Persons

The following insurance requirements will be applicable:

- Commercial General Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for Bodily Injury and Property Damage.
- Professional Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for damages caused by error, omission or negligent acts.

Automobile Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage.

**SECTION 4
EVALUATION PROCEDURE**

4.1 An evaluation committee will review all Proposals that are initially deemed responsive and they shall rank the Proposals in accordance with the below criteria. The evaluation committee may recommend an award based solely on the written responses or may request Proposal interviews/presentations. Interviews/presentations, if deemed beneficial by the evaluation committee, will consist of the highest scoring Proposers. The invited Proposers will be notified of the time, place, and format of the interview/presentation. Based on the interview/presentation, the evaluation committee may revise their scoring.

Written Proposals must be complete and no additions, deletions, or substitutions will be permitted during the interview/presentation (if any). The evaluation committee will recommend award of a contract to the final County decision maker based on the highest scoring Proposal. The County decision maker reserves the right to accept the recommendation, award to a different Proposer, or reject all Proposals and cancel the RFP.

Proposers are not permitted to directly communicate with any member of the evaluation committee during the evaluation process. All communication will be facilitated through the Procurement representative.

4.2 Minimum Qualifications (please indicate yes or no)*:

5+ years Oregon Public Entity Adjusting Experience Yes No

Ability to work directly and adjust all claims in County’s RMIS database. Yes No

*County may reject proposals not meeting the stated Minimum Qualifications.

4.3 Evaluation Criteria

Category	Points available:
Qualifications and Staffing	0-30
Claims Implementation, Processing, and Termination	0-25
Financial, Data, Processing, and Reporting	0-15
Pricing and Fees	0-30
Available points	0-100

4.3 Once a selection has been made, the County will enter into contract negotiations. During negotiation, the County may require any additional information it deems necessary to clarify the approach and understanding of the requested services. Any changes agreed upon during contract negotiations will become part of the final contract. The negotiations will identify a level of work and associated fee that best represents the efforts required. If the County is unable to come to terms with the highest scoring Proposer, discussions shall be terminated and negotiations will begin with the next highest scoring Proposer. If the resulting contract contemplates multiple phases and the County deems it is in its interest to not authorize any particular phase, it reserves the right to return to this solicitation and commence negotiations with the next highest ranked Proposer to complete the remaining phases.

**SECTION 5
PROPOSAL CONTENTS**

5.1. Vendors must observe submission instructions and be advised as follows:

5.1.1. Complete Proposals must be mailed to the below address or emailed to Procurement@clackamas.us. The subject line of the email must identify the RFP title. Proposers are encouraged to contact Procurement to confirm receipt of the Proposal.

5.1.3. County reserves the right to solicit additional information or Proposal clarification from the vendors, or any one vendor, should the County deem such information necessary.

5.1.4. Proposal may not exceed a total of **20 pages** (single-sided), inclusive of all exhibits, attachments or other information.

Provide the following information in the order in which it appears below:

5.2. Qualifications and Staffing (0-30 Points):

5.2.1. Provide a description (two page limit) of your firm including the following elements:

- Name(s) of principle owners, partners, or officers.
- Length of time the firm has been in business.
- Number of offices and locations.
- Office that would provide Services in this RFP.
- Toll-free number and/or other access methods for claimants.

5.2.2. Indicate the proposed number of personnel (including supervisory and management) who would be assigned to administer the County's program and give details regarding:

- Each staff person's position title.
- Experience (including with general liability, and auto claims in Oregon) and education.
- Experience with public entities and typical claim types (e.g., excessive use of force, public employee rights, false arrest under defective warrants, etc.).
- Length of time with your firm.

5.2.3. Would claims personnel assigned to the County also be assigned to other accounts? If so, how many? What is the anticipated case load of open files that would be managed by examiners assigned to the County?

5.2.4. Would an Account Executive be assigned to the County as the primary contact on items not directly relating to specific claims?

- 5.2.5. Describe your procedures for attracting and retaining qualified claims personnel.
- 5.2.6. Describe training programs offered to claims personnel and incentives for employees to further their training and education.
- 5.2.8. Describe your Company's mechanism(s) for keeping current with changes in laws and regulations.
- 5.2.9. Provide names, addresses, telephone numbers, and length of service with at least three Oregon references of a similar scope (i.e., similar size and exposure) for whom you have provided liability claims administration services including public agencies, if possible.
- 5.2.10 Provide a copy of your latest audited financial report (not included in page limit).
- 5.2.11 Describe any additional special programs or areas of emphasis that you think would be beneficial to the County.
- 5.2.12 Provide a list outlining the services available.
- 5.2.13 Provide a statement that adequate resources will be available to service the Clackamas County account (availability, accessibility and quantity of time allotted for key personnel).

5.3. Claims implementation, processing, and termination (0-25 Points)

- 5.3.1. General timelines and established standards for claims investigation, processing and management in order to meet County requirements.
- 5.3.2. Describe your procedures for making initial and follow-up contact with claimant or representative and witnesses, and performing tasks requested by County Counsel.
- 5.3.3. Describe your company philosophy and procedures for the establishment of case reserves. What are the procedures for revising reserves?
- 5.3.4. Provide a description of how your firm will operate the claims payment process.

5.3.4. If you possess in-house, structured settlement expertise, please describe.

5.3.6. Describe in detail the claims administrator's various investigative techniques and general claim handling philosophies, addressing the following:

- Method and timing of first contact with claimant or claimant's representative.
- Procedures for determining when in-person investigations would be used and the scope of those investigations, including taking recorded statements, identifying and interviewing witnesses, obtaining relevant documents and reports.
- How you document the results of an investigation.
- Procedures and criteria for determining when a claim is appropriate for settlement consideration or litigation and what investigative activities you would conduct in each of these instances.
- Procedures for ensuring that claims are investigated and resolved with consideration of their relationship to other claims or potential claims.
- Method for identifying claims that are likely to incur substantial liability.
- Method of keeping the County up-to-date on progress of investigations and claims.

5.3.7. Provide a description of the quality standards and controls currently in place with respect to claims investigation.

5.3.8. What procedures would you utilize to determine where potential conflicts of interest may exist between the County and other persons or entities served by the county? How would you address such conflicts?

5.3.9. Describe option(s) for the handling of open claims at the termination or regular expiration of the claims administrator contract.

5.3.10. Describe any other activities or services you provide which would be beneficial to the County. Include any other information that you feel would contribute to a positive and successful program if your firm were selected.

5.4. Financial, Data Processing, and Reporting Services (0-15)

5.4.1. Is your check processing computerized? If so, what type of hardware and software do you use?

5.4.2. Are you able to set up a dedicated bank account to pay County claims and expenses?

5.4.3. What safeguards do you have to protect any blank check stock?

5.4.5. How would you handle the payment of claims? Would you require a deposit and if so, how would the amount of deposit be determined? How often would this amount be reviewed/changed? Would this amount be impacted by the fee arrangement basis (i.e. hourly, per claim, etc.)? After any initial deposit what process would you use to bill the County on an ongoing basis? (e.g., monthly billings, etc).

5.5. Fees (0-30)

Fees should be sufficiently descriptive to facilitate acceptance of a Proposal. Include the not-to-exceed amount you propose for the Services, any ongoing costs, and other pricing features your firm would like to include.

PROPOSAL CERTIFICATION
RFP #2022-39

Submitted by: _____
(Must be entity's full legal name, and State of Formation)

Each Proposer must read, complete and submit a copy of this Proposal Certification with their Proposal. Failure to do so may result in rejection of the Proposal. By signature on this Proposal Certification, the undersigned certifies that they are authorized to act on behalf of the Proposer and that under penalty of perjury, the undersigned will comply with the following:

SECTION I. OREGON TAX LAWS: As required in ORS 279B.110(2)(e), the undersigned hereby certifies that, to the best of the undersigned's knowledge, the Proposer is not in violation of any Oregon Tax Laws. For purposes of this certification, "Oregon Tax Laws" means the tax laws of the state or a political subdivision of the state, including ORS 305.620 and ORS chapters 316, 317 and 318. If a contract is executed, this information will be reported to the Internal Revenue Service. Information not matching IRS records could subject Proposer to 24% backup withholding.

SECTION II. NON-DISCRIMINATION: That the Proposer has not and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation, gender identity, national origin, or any other protected class. Nor has Proposer or will Proposer discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.

SECTION III. CONFLICT OF INTEREST: The undersigned hereby certifies that no elected official, officer, agent or employee of Clackamas County is personally interested, directly or indirectly, in any resulting contract from this RFP, or the compensation to be paid under such contract, and that no representation, statements (oral or in writing), of the County, its elected officials, officers, agents, or employees had induced Proposer to submit this Proposal. In addition, the undersigned hereby certifies that this proposal is made without connection with any person, firm, or corporation submitting a proposal for the same material, and is in all respects fair and without collusion or fraud.

SECTION IV. COMPLIANCE WITH SOLICITATION: The undersigned further agrees and certifies that they:

1. Have read, understand and agree to be bound by and comply with all requirements, instructions, specifications, terms and conditions of the RFP (including any attachments); and
2. Are an authorized representative of the Proposer, that the information provided is true and accurate, and that providing incorrect or incomplete information may be cause for rejection of the Proposal or contract termination; and
3. Will furnish the designated item(s) and/or service(s) in accordance with the RFP and Proposal; and
4. Will use recyclable products to the maximum extend economically feasible in the performance of the contract work set forth in this RFP.

Name: _____ Date: _____
Signature: _____ Title: _____
Email: _____ Telephone: _____
Oregon Business Registry Number: _____ OR CCB # (if applicable): _____

Business Designation (check one):

Corporation Partnership Sole Proprietorship Non-Profit Limited Liability Company

Resident Quoter, as defined in ORS 279A.120

Non-Resident Quote. Resident State: _____

**EXHIBIT B
CONTRACTORS PROPOSAL**



PROPOSAL TO PROVIDE SELF-INSURED AUTO AND GENERAL LIABILITY CLAIMS ADMINISTRATION FOR CLACKAMAS COUNTY

5.2. QUALIFICATIONS AND STAFFING

5.2.1 Provide a brief (two-page limit) description of your firm including the following elements:

- **Name(s) of principal owners, partners, or officers**

Pacific West Claims, Inc. is jointly owned by Mike Farrell and Lara Mac Connell.

- **Length of time the firm has been in business.**

Farrell & Associates Insurance Claims Services, Inc. was formed in Oregon in 1995 to service the claims management and investigative needs of the insurance industry, self-insured companies, and Oregon public entities. By providing a technically superior and customer-focused work product at a competitive price, Farrell & Associates grew slowly and steadily from 1995 until we were acquired by Sedgwick/Vericlaim on April 22, 2016.

After experiencing life as part of a large corporation, Mike Farrell and Lara Mac Connell formed Pacific West Claims, Inc. in June 2021 with the goal of returning to our roots – providing responsive, customer-focused claims service, with an emphasis on providing tort claims administration for self-insured Oregon public entities and corporations. It is what we enjoy and what we do well.

Mike feels fortunate to have been the tort and subrogation claims administrator for Clackamas County since 1998 and looks forward to continuing Clackamas County's relationship as a principal of Pacific West Claims, Inc. The County is an extremely treasured client of our firm, and we hope that we have become a valued business partner for the County. We do not take our role lightly. We continually strive to improve our responsiveness, technical knowledge, and ability to adapt to the County's specific and unique claims-handling requirements.



- **Number of offices and locations.**

We realize that we thrive in a work-from-home environment. It makes us more agile because we aren't in one office location, and employees are happier and more efficient working from home. As such, we made the conscious decision to not open a formal office, avoiding the associated overhead costs. This allows us to provide top-notch service for reasonable prices. Because we live in a technological world, we stay connected via phone, email and Zoom; and have meetings in- person when it makes best sense. Mike Farrell is based in Wilsonville, Lara Mac Connell is based in Eugene, and our Administrative Assistant Nadine Sumner is based in Beaverton. We also have two other staff members, Cynthia Conover and Blaine Roberts, who are based in the Portland-Metro area. Our Central Oregon claims professional, Jim Prestwood, is based in Bend.

- **Office that would provide Services in this RFP**

Clackamas County's claims will be administered by Mike Farrell in Wilsonville, with administrative support from Nadine Sumner.

- **Toll-free number and/or other access methods for claimants**

We may be reached through our main office telephone number of (503) 468-5651 or email pwclaims@pwclaims.com. Mike Farrell is available directly via cell phone at (503) 819-5868 or via email at mike@pwclaims.com

5.2.2. Indicate the proposed number of personnel (including supervisory and management) who would be assigned to administer the County's program and give details regarding:

- **Each staff person's position title.**

Director of Claims Mike Farrell will be responsible for the investigation, evaluation, and negotiation of the County's claims. He has been involved in administering and supervising the County's claims since 1998.

Director of Operations Lara Mac Connell will provide back-up claims handling support when Mike Farrell is out of the office.



Senior Claims Specialist Cynthia Conover will provide back-up field investigation support if Mike Farrell is unavailable.

Our administrative assistant, Nadine Sumner, will provide overall administrative support including entering data, setting up files and documenting payments in Origami. She will also issue checks, request risk fund bank account reimbursement requests, prepare reports, and answer telephones.

- **Experience (including experience with general and auto claims in Oregon) and education.**

- Mike Farrell has nearly 40 years of experience handling and managing automobile and general liability claims. Prior to forming Farrell & Associates in 1995, Mr. Farrell was a Casualty Claims Manager for AIG Claim Services in Portland, a Casualty Unit Manager & Claims Supervisor for Transamerica Insurance Company in Seattle, Arizona and Michigan, and a Litigation Specialist for CIGNA Companies in Seattle. At Sedgwick, he was a Regional Claims Manager in Portland, where he managed 47 employees in Oregon, Washington, Alaska and Hawaii.

Mike is a graduate of the University of Oregon. He holds his Chartered Property Casualty Underwriter, Associate in Claims, Associate in Reinsurance, and Program in General Insurance designations. He is a licensed adjuster in Oregon, Washington, and California.

He enjoys the energy, challenge and mental stimulation of handling claims for Clackamas County, has a rewarding work-life balance and has no intention of retiring from the claims profession any time soon. His CV is attached to this proposal.

Lara Mac Connell has been a claims professional for over 30 years. Her experiences include tort claims administration for public entities, senior leadership over high risk litigated claims territories, communications management, and team management.



She previously worked for State Farm Insurance, Mutual of Enumclaw Insurance Company and most recently Sedgwick Claims Management. She also owned and operated Risk Reduction Specialists, an organization that reviewed individual and organizational risk and created strategies and plans to reduce risk. Lara has also been a university instructor.

Lara was awarded a Master's degree in Forensic Linguistic following her work and research in the language of the insurance contract and how it influences politics and the courts. She received her Property Claims Law Associate certification her EMT-B certification. Lara also completed the paramedics coursework. Lara is licensed in Oregon and Washington. Her CV is attached to this proposal.

Cynthia Conover has over 35 years of experience handling and managing automobile and general liability claims. Cynthia was a Branch Manager for Ward North America and a Senior Claims Representative for California Casualty and Allstate.

Cynthia received her Senior Claim Law Associate and Property Claims Law Associate designations. She is the former President of the Oregon Casualty Adjusters Association. She is a licensed adjuster in Oregon and Washington. Her CV is attached to this proposal.

Nadine Sumner is our Administrative Assistant. She has been with our company since July 2021. Prior to joining Pacific West, Nadine was the administrative assistant for Pacific Office Automation where she invoiced customers, used multiple programs to meet company reporting and audited commission statements from sales personnel. Similarly to us, she managed highly sensitive information including customers' finances. She was responsible for ensuring information was relevant, accurate and remained confidential.



- **Experience with public entities and claims against them: e.g. excessive force, public employee rights, false arrest under defective warrants, etc.**

Our casualty staff is well-versed in the specifics of the Oregon Tort Claims Act as well as state and federal case law affecting government entities. We are thoroughly familiar with the time reporting requirements, cap limitations, discretionary immunity, and other defenses available to public entities under the Oregon Tort Claims Act.

Our firm has developed a specialization in administering claims for Oregon self-insured public entities. In addition to Clackamas County, our firm is the tort claims administrator for Jackson County, the city of Medford, Metro, and Salem-Keizer School District, as well as several other self-insured entities including MetroWest Ambulance, Broadway Cab, Radio Cab, and Reno-Sparks Cab Company. We also provide regular casualty claims consulting services for the University of Oregon, and for several insurance carrier clients. We are staffed with an experienced, professional, and educated work force.

Mike Farrell has handled a variety of claims unique to public entities, and specific to Clackamas County, including claims alleging excessive force by corrections employees, failure to provide any or adequate medical treatment or mental health counseling, officer-involved shootings, use-of-force issues, fatal pursuits, false arrest related to warrant issues, as well as more general issues such as land use, zoning issues and failure to maintain roads or other government facilities.

He is familiar with County personnel, departments, policies, and procedures. He has developed a positive working relationship with several members of the Sheriff's Office, the Road Department, the North Clackamas Park and Recreation District, and other County personnel. In the 24 years he has been a business partner with the County, he has developed specialized knowledge and insight into how best to respond on behalf of and protect the financial interests of the County.

Mike has handled claims for various school districts, and municipalities such as the city of Gresham, the city of Lake Oswego, the city of Albany, and the city of Gearhart. Mike has also been retained to handle several high-profile losses, including the Oso, Washington landslide, the Portland Airport structural collapse, the Canby balloon crash fatality, the Albany Airport windstorm claim, and Chevron/Dwight Estby trucking explosion.



Lara Mac Connell is currently the tort claims administrator for Jackson County and the city of Medford. She also provides claims investigation, consulting and recommendations to the Salem Keizer School District and the University of Oregon. Lara has city and county experience investigating and handling claims related to law enforcement pursuits, use of force, Civil Rights violations, officer-involved shootings; and claims related to the Rogue Valley Airport, mental health facility and her clients' vast rural area in southern Oregon. She has also been involved with claims involving students, parents, and neighbors of the schools and claims against the University of Oregon's department of law enforcement. Lara is also the claims administrator for transportation services Broadway Cab and Around the Sound LLC (in Washington).

Cynthia Conover formerly handled tort claims for Multnomah County. She is well versed in the specifics of the Oregon Tort Claims Act as well as state and federal case law affecting government entities. She is currently the tort and subrogation claims administrator for Radio Cab, MetroWest Ambulance, and Reno-Sparks Cab Company.

- **Length of time with your firm.**

As noted, Pacific West Claims, Inc. was formed in June of 2021 when Mike Farrell and Lara Mac Connell left Sedgwick to continue their work as Pacific West Claims in June 2021. Cynthia Conover was with Farrell & Associates starting in 2000. She moved to Sedgwick when Farrell & Associates was acquired by Sedgwick. She joined Pacific West Claims in June 2021. Nadine Sumner joined Pacific West Claims in July 2021.

5.2.3. Would claims personnel assigned to the County also be assigned to other accounts? If so, how many? What is the anticipated caseload of open files that would be managed by examiners assigned to the County?

We are committed to keeping our staff pending levels low. In addition to his current pending of approximately 49 open Clackamas County claims, Mike Farrell has a pending of approximately 8 open claims for a variety of other select clients, including Metro, which is his only other self-insured client. He is periodically asked to handle higher exposure serious injury and medical malpractice claims for several insurance carriers. Mike is fortunate to be able to devote the vast majority of his time to handling tort and subrogation claims for Clackamas County.



5.2.4. Would an Account Executive be assigned to the County as the primary contact on items not directly relating to specific claims?

Mike Farrell will be the primary contact person for the County for claims and non-claims related issues.

5.2.5. Describe your procedures for attracting and retaining qualified claims personnel.

We have been fortunate to attract an experienced and professional claims staff. Our staff has an average of 36 years of claims experience. Everyone joined our staff as a result of our Oregon claims industry contacts. We successfully hired claims professionals with at least 20 years of claims experience, well above-average technical skills, exemplary interpersonal and writing skills, and a strong commitment to customer service.

Our philosophy for retaining staff is very simple. We attempt to treat our people with respect and provide them with flexibility and autonomy, while maintaining high quality expectations. Our goal is to keep staff pending levels to a minimum, pay a competitive wage, and provide challenging and rewarding job duties. Although the claims business can be stressful and confrontational, we attempt to keep a smile on our faces and our work in perspective.

5.2.6. Describe training programs offered to claims personnel and incentives for employees to further their training and education.

Throughout the year, our staff attends regular training seminars and classes put on by law firms and outside training groups. We encourage ongoing continuing professional education through the Insurance Institute of America and American Institute. The company provides payment for the cost of such education. We are all compliant with Oregon's Continuing Education requirements.

5.2.8. Describe your Company's mechanism(s) for keeping current with changes in laws and regulations.

We receive regular newsletters from defense law firms and the Oregon Association of Defense Counsel. Our staff attends seminars put on by various law firms, RIMS, PRIMA and Oregon Association of Defense Counsel.



Additionally, we communicate frequently with several defense attorneys with experience in handling municipal torts or civil rights litigation, who keep our staff current with case law as well as changes in statutes and regulations.

We are also familiar with professional organizations, such as Americans for Effective Law Enforcement (AELE) who provide training seminars as well as litigation support, including information on experts, case law and national policies and procedures for law enforcement and corrections.

5.2.9. Provide names, addresses, telephone numbers and length of service with at least three Oregon references of a similar scope (i.e. similar size and exposure) for whom you have provided liability claims administration services including public agencies, if possible.

Ms. Jillian Cornejo Service since 2000
Current Risk Manager (started January 2022)
Metro Regional Services
600 NE Grand Avenue
Portland, Oregon 97232-2736
(503) 930-9309
Jillian.Cornejo@oregonmetro.gov

Mr. William G. Jemison, CPCU, ARM
Prior Risk Manager (retired January 2022)
(503) 998-5793
w.g.j@outlook.com

Ms. Traci Carrier Service since 2002
Jackson County
10 S. Oakdale, Room 208
Medford, Oregon 97501
(541) 774-6025
CarrieCD@jacksoncounty.org

Ms. Bonnie Huard, PA, ARM Service since 2002
Risk Management Department
City of Medford
411 West 8th Street
Medford, Oregon 97501
(541) 774-2039
riskmanagement@cityofmedford.org



5.2.10. Provide a copy of your latest audited financial report.

As a privately held company, we do not have an audited financial report to furnish.

5.2.11 Describe any additional special programs or areas of emphasis that you think would be beneficial to the County.

We subscribe to Jury Verdicts Northwest to keep current on recent litigation results and trends.

Blaine Roberts, who is based in Tualatin, has special expertise in handling property damage related claims and in preparing estimates utilizing Xactimate software. Blaine has over 20 years of Oregon claims experience.

We are the County's registered agent for reporting settlements involving Medicare-eligible claimants to the Centers for Medicare and Medicaid Services. We have agreed to indemnify and hold the County harmless from claims reported to us, potentially insulating the County from possible \$1,000 per day penalties for failing to report eligible claims.

5.2.12 Provide a list outlining the services available.

We provide complete tort and subrogation claims investigation, evaluation, negotiation, consultation, communication, and general administration services as requested in this RFP.

5.2.13 Provide a statement that adequate resources will be available to service the Clackamas County account (availability, accessibility and quantity of time allotted for key personnel).

We guarantee that Clackamas County will continue to receive prompt, responsive and thorough claims administration services. Mike Farrell remains committed to placing Clackamas County's claims at the absolute top of his priority list. In times of vacation or unexpected heavy claim volume, Lara Mac Connell and Cynthia Conover are available to provide back-up claims support. Nadine Sumner remains available to provide immediate clerical and administrative support.

In the unlikely event of personnel changes that affect the County, we will promise to consult with the Clackamas County Risk Manager before retaining new personnel to service the County's needs.



5.3. CLAIMS IMPLEMENTATION, PROCESSING AND TERMINATION

5.3.1 General timelines and established standards for claims investigation, processing, and management in order to meet County requirements.

Our claims handling standards:

- Same day contact should be made on each claim; 24 hours is our minimum standard.
- Whenever possible, our investigation is completed within 10 days of loss receipt.
- Our claim evaluation is fair and based upon objective evidence.
- Our evaluation decisions should be orally communicated to each claimant, followed by a courteous letter of explanation.
- Meritorious claims should be promptly and fairly resolved.
- Payment should be made within 7 days of receipt of a signed Release of All Claims.
- Telephone calls and emails should be returned within 24 hours of the date received.
- System data entry is to be made on the date of receipt.
- Claims without merit should be cost-effectively and vigorously defended.

5.3.2 Describe your procedures for making initial and follow-up contact with claimant or representative and witnesses, and performing tasks requested by County Counsel.

Initial contact is made with the claimant, pertinent County personnel and important witnesses on the same date the tort notice is received. Depending on the nature and exposure of the claim, an in-person visit may be scheduled. Regular follow up reviews take place at least every 30 days based upon Origami's automated task system. We will perform tasks as soon as possible when requested by County Risk Management and County Counsel's Office.



5.3.3 Describe your company philosophy and procedures for the establishment of case reserves. What are the procedures for revising reserves?

Individual reserves should be established at *ultimate probable exposure*. The facts of the case as developed through investigation and the severity of the injury or damages will determine the realistic exposure of the case.

Initial reserves will be set and closely reviewed at each 30-day diary or when new documentation is received. Our goal is to avoid stair-stepping reserves so prompt identification of the exposure of the case is critical. When we recognize the need to substantially adjust reserves, we will first consult with the County Risk Manager.

5.3.4 Provide a description of how your firm will operate the claims payment process.

We have established a separate bank account as agent for Clackamas County. An initial deposit from Clackamas County funded the account. We make necessary claim payments directly to claimants and vendors. A regular accounting (depending on the volume of payments) is submitted to the County for reimbursement to replenish the account.

Payments of claims settlements are not made until a signed Release of All Claims and/or Stipulation and Order of Dismissal with prejudice has been received.

5.3.5 If you possess in-house, structured settlement expertise, please describe.

All of our casualty adjusters have expertise in resolving claims by use of structured settlements. The use of such annuities can offer favorable benefits for both the claimant and the County, particularly in cases involving minors. We do not have an in-house structured settlement broker, but we regularly use an outside structured settlement broker to facilitate annuity settlements.



5.3.6 Describe in detail the claims administrator’s various investigative techniques and general claim handling philosophies, addressing the following:

- **Method and timing of first contact with claimant or claimant’s representative.**

Our goal is to make same day contact with claimants, witnesses, and most knowledgeable County personnel. 24-hour contact is our minimum standard. We will make initial telephone contact. Depending on the circumstances and severity of the claim, an in-person meeting may then be scheduled. Follow up contact will be made in accordance with the requirements of the claim, usually no later than 30 days after initial contact, and will be monitored via our automated diary system.

We will respond promptly when requested by County personnel and will complete directed tasks within requested time frames. Our goal is to complete all necessary file activity within 10 working days of receipt of a new claim.

- **Procedures for determining when in-person investigations would be used and the scope of those investigations, including taking recorded statements, identifying and interviewing witnesses, obtaining relevant documents and reports.**

Our claims handling philosophy is to provide proactive, thorough and customer sensitive attention to each file. The scope of the investigation will be determined by the exposure of the claim. Low exposure claims will be investigated by interviewing or obtaining telephone-recorded statements from claimants and witnesses.

In cases involving serious injuries, complex medical issues, complex policy issues, potential subrogation, potential exposure in excess of \$5,000, potential fraud, or when otherwise specifically requested by the County, we will strive to conduct in-person visits with claimants, witnesses and knowledgeable County personnel. Recorded statements will be obtained to preserve evidence before time erodes, memories fade and legal counsel becomes involved. Pertinent contracts, reports and other documentation will be obtained as required by the specifics of the claim.



Our goal is to treat claimants with compassion and respect, without compromising the interests of the County. By making immediate contact with claimants and allowing them to tell their stories, we have been very successful in maintaining rapport with claimants, keeping them out of the arms of plaintiffs' counsel. The County's claims costs will be significantly controlled by working fairly and reasonably with unrepresented claimants and keeping them away from attorneys who generally do little other than increase the cost of the claim for all parties.

- **How you document the results of an investigation.**

File activity is documented in the Origami "Notes" section in which all investigations, evaluations and negotiations are documented. These notes can be reviewed remotely via Internet access, transmitted digitally, or printed for review.

- **Procedures and criteria for determining when a claim is appropriate for settlement consideration or litigation and what investigative activities you would conduct in each of these instances.**

We believe that meritorious claims should be promptly and fairly resolved. Depending on the specifics of the claim, we will tailor our investigation towards obtaining information that is critical to the evaluation of the claim. For example, if our investigation reveals that liability is clearly adverse, we will focus our efforts on obtaining the necessary documentation of specific damages that have been incurred such as medical bills and wage loss to enable an early settlement offer.

Conversely, we believe that clearly meritless claims should be vigorously, but cost effectively, resisted. In cases of potential fraud, a detailed investigation to include possible subrosa investigation and background checks may be warranted.

Of course, we are willing to tailor our claims handling approach to the philosophies of the County. The costs of litigation, publicity and the long-term reputation of the County need to be addressed; the "big picture" may necessitate a revision of our standard approach on a given claim.



- **Procedures for ensuring that claims are investigated and resolved with consideration of their relationship to other claims and potential claims.**

We recognize that the handling of one claim may have a substantial effect on the potential for other claims. Paying one meritless claim may trigger a flow of similar claims. Conversely, resisting a meritless claim may send a message that may deter future such claims. However, we also recognize that some claims may involve politically-sensitive issues that must be taken into consideration.

We hope to continue our close working relationship with County Counsel, Risk Management staff and other County personnel whose experience and expertise has been instrumental in identifying potential problems or defenses in the claims we handle for the County.

- **Method for identifying claims that are likely to incur substantial liability.**

By completing a detailed initial investigation, we will develop an early evaluation of a claim's exposure. Claims involving serious injuries or potentially politically explosive issues will be closely supervised and proactively managed. We will keep County Counsel and/or Risk Management staff closely involved in the status of such claims. We strive for a team approach in the handling of these claims.

- **Method of keeping the County up-to-date on progress of investigations and claims.**

We will report as often the County requires and in any manner the County requests, communicating via email, telephone or in writing. Our claims activity is documented in Origami for immediate review by County personnel.

We anticipate reporting to the County on all claims within 30 days of file receipt. A detailed narrative report will be prepared on cases with potential exposure in excess of \$2,500. Additionally, we will keep the County closely informed by telephone of pertinent case developments or significant changes in status.



We will report claims which meet certain injury criteria (fatalities, multiple fractures, serious spinal injuries, serious burns, amputations, etc.) and/or have exposure approaching 50% of the County's Self-Insured Retention to the Oregon Public Entity Excess Pool.

Finally, we are willing to conduct in-person file reviews with the County on a monthly, quarterly, or semi-annual basis should the County desire.

5.3.7 Provide a description of the quality standards and controls currently in place with respect to claims investigation.

The County's specific claims handling standards have been communicated to our staff. Regular file reviews of all open files are completed to ensure that all County claims are properly and proactively being handled.

5.3.8 What procedures would you utilize to determine where potential conflicts of interest may exist between the County and other persons or entities served by the county? How would you address such conflicts?

We are not aware of any potential conflicts that may currently exist between any Pacific West employees and Clackamas County. Potential conflicts will be identified by the claims handler or County personnel as individual claims are received. Should a conflict develop, the conflict will be immediately brought to the attention of the County. Should the conflict involve a Pacific West employee or another of our clients, the file will be reassigned to another claim technician. We hope that close and open communication will resolve any conflicts that may develop.

5.3.9 Describe option(s) for the handling of open claims at the termination or regular expiration of the claims administrator contract.

We will continue to handle open claims at the termination of the contract on either a time and expense basis, billing at a rate of \$150 per hour, or on a flat rate charge basis of \$800 per open file.



5.3.10 Describe any other activities or services you provide which would be beneficial to the County. Include any other information that you feel would contribute to a positive and successful program if your firm were selected.

We are committed to providing closer attention to Clackamas County's claim files than our competition. By keeping pending levels low and assigning one claims professional with extensive public entity experience to service the needs of Clackamas County, we believe that our proactive and creative claims handling will result in indemnity and expense savings for the County. We will not assign inexperienced claims people to "cut their teeth" on Clackamas County's claims.

We aim to provide the services of an in-house claims department while offering the advantages of being an independent contractor. Contrary to some of our larger and more regimented competitors, our philosophy is to determine the County's needs/requirements and tailor our services accordingly. Clackamas County will not be competing with numerous other accounts for the service you expect and deserve.

Over the past 24 years, we have developed relationships with various Clackamas County department contacts that have allowed us to complete thorough investigations and will serve as a foundation for a continued mutually beneficial relationship.

5.4 FINANCIAL DATA PROCESSING AND REPORTING SERVICES

5.4.1 Is your check processing computerized? If so, what type of hardware and software do you use?

Yes. Checks are issued locally using Quicken software, which allows for immediate turnaround and remote audit/oversight capability. Payments are immediately documented in Origami.

5.4.2 Are you able to set up a dedicated bank account to pay County claims and expenses?

Yes. A separate bank account is currently in place through which payments are processed. We submit a regularly itemization of incurred costs to the County Risk Manager for the risk fund account replenishment.



5.4.3 What safeguards do you have to protect the blank check stock?

All of our blank check stock is stored in a locked file cabinet. Only Mike Farrell and Nadine Sumner have keys to the cabinet. A duplicate key is stored in a separate locked location with our Director of Operations. Nadine Sumner does not have check-signing authority. Monthly audits and reconciliations are performed.

5.4.5. How would you handle the payment of claims? Would you require a deposit and if so, how would the amount of deposit be determined? How often would this amount be reviewed/changed? Would this amount be impacted by the fee arrangement basis (i.e. hourly, per claim, etc.)? After any initial deposit what process would you use to bill the County on an ongoing basis? (e.g. monthly billings, etc.)

We will continue the current system we use with the County: We have a trust account that the County funds. This account is used to pay for settlements and claim-related expenses. The amount of the deposit has been determined by calculating average monthly payments. We do not anticipate the need to change the amount of the deposit, but this is open to review. We submit reimbursement requests to the County on a regular basis depending on the amount of payment activity and the volume of checks that are issued. This trust account payment arrangement will not be impacted by our fee arrangement.

5.5 Fees

Flat fee/maximum cost for contract.

We will charge a flat annual fee of \$75,000, based upon an average of 113 claims per year. For claims incurred in excess of 113 claims, we will charge \$800.00 per claim at the end of the contract year. Invoices will be submitted quarterly in advance. The maximum annual cost of the contract will be \$85,000.00.

Our rates include all overhead charges, local travel time and mileage, telephone charges, postage, fax charges, secretarial charges, and cellular phone costs. Our rates also include Section III Medicare reporting and hold harmless agreement protecting the County from potential \$1,000/day penalties.



There will be no additional charges for subrogation activities; third party recovery is included in our fee structure. There will be no additional charge for preparing reports.

Charges for specialized services like surveillance, criminal/civil background checks, automobile appraisals, litigation filing fees, independent audits, defense costs, independent medical examinations, litigation experts, police reports, and medical records will be billed in addition to the proposed fee structure and passed on at cost.

Automobile appraisals will be provided by an outsourced vendor as needed on a flat rate basis of \$117.50 and total loss appraisals at a flat rate of \$198.00. The vendor's charges are passed on at cost.

If property claims adjusting services are required on a given claim, we propose utilizing Blaine Roberts to prepare Xactimate estimates and reach agreed cost of repairs with claimant's contractors at a rate of \$125/hour plus mileage at the IRS rate. We will secure approval from the County Risk Manager prior to retaining Blaine on any claims.

Assuming the County is pleased with the services we are providing, and we are successful in controlling the County's claims costs and expenses, we believe that an annual 3% cost of living increase in our rate structure will be reasonable.