

Management Committee

Meeting date: 4/12/2017

For the Metropolitan Council meeting of 4/26/2017

Subject: Legal Contracts for Risk Management Workers' Compensation

District(s), Member(s): All

Policy/Legal Reference: Minn. Stat. § 473.129 subd. 3

Staff Prepared/Presented: Debra Driver, Supervisor of Workers' Compensation Department, Risk Management, (651) 602-1784.

Division/Department: Risk Management

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to negotiate and execute two contracts for legal defense related to workers' compensation claims, in an aggregate amount not to exceed \$900,000.00 over a two-year term of the contracts.

Background

One of the primary functions of the Risk Management Department is to administer the Metropolitan Council's self-insured claims. With this claim administration, there are times when defense council is needed for legal proceedings or other legal work. There are currently three law firms that are under contact with the Council to provide service. To gain better efficiency, consistency, and more cost-effective pricing, Risk Management and the Office of the General Counsel decided to issue a Request for Proposal (RFP) to better align the required services with the Council's needs.

Rationale

The RFP evaluation panel which was comprised of Risk Management and Office of General Council staff, reviewed a total of six proposals. The panel not only looked at pricing, but also experience and the ability to meet the Council's needs in claim defense. We determined that one firm had more extensive knowledge in a specific medical area we are currently defending on a more frequent basis, therefore we are awarding them a higher percentage in the contract to accommodate for the anticipated need in the near future. Based upon this evaluation, the panel recommends the two firms, as it was felt they were most advantageous to the Council:

<u>Law Firm</u>	<u>Requested Contract Amount</u>
Cousineau, Waldhauser & Kieselbach P.A.	\$500,000.
McCollum, Crowley, Moschet, Miller & Laak	\$400,000.

Thrive Lens Analysis

Authorization to enter into these contracts for Workers' Compensation claims supports the Thrive outcome of Stewardship by providing outside legal services at the lowest cost available over the next two years.

Funding

Included in the Unified Operating Budget.

Known Support / Opposition

None



*5 year average = \$417,305 per year

\$900k contract / 2 firms / 2 years