

Management Committee

For the Metropolitan Council meeting of August 27, 2014

Subject: Authorization to amend Workers Compensation Legal Defense contract
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Proposed Action

That the Metropolitan Council authorize amending the Workers Compensation Legal Defense contract with the Heacox Hartman law firm in order to add \$450,000.00.

Summary of Committee Discussion/Questions

Staff presented that the Heacox firm was selected, through an RFP process, in 2010 as one of three firms to provide legal defense for workers' compensation claims. However, after the most recent RFP process at the end of last year, they were not selected. The proposed contract amendment allows for the firm to work the current files, keeping the same terms as the 2010 contract. Heacox is not receiving any new claims.

No questions were asked by the committee and the proposed action was approved.

Management Committee

Meeting date: August 13, 2014

For the Metropolitan Council meeting of August 27, 2014

Subject: Authorization to amend Workers Compensation Legal Defense contract

District(s), Member(s): All

Policy/Legal Reference:

Staff Prepared/Presented: Dave Larrabee, Business System Analyst III, 651-602-1773; Phil Walljasper, Director of Risk Management, 651-602-1787

Division/Department: Regional Administration/Risk Management

Proposed Action

That the Metropolitan Council authorize amending the Workers Compensation Legal Defense contract with the Heacox Hartman law firm in order to add \$450,000.00.

Background

A Request For Proposals (RFP) requesting Workers Compensation Legal Defense was conducted in 2010 and Heacox Hartman was one of the firms selected by the evaluation committee. As the contract term was three years, another RFP was issued in 2013 and Heacox was not one of the firms selected.

This amendment request is to provide funds to the 2010 contract so that Heacox can continue to provide workers' compensation defense and work the approximately 113 open claims to a resolution. No new files are being sent to Heacox.

Rationale

It's estimated that moving the files to one of the new firms would result in additional expenses of approximately \$2,000/file. Given the increased expense, it would be more advantageous to leave the files with Heacox. The term of the contract has already been extended with no change in the rates.

Funding

Metro Transit's self insured claims budget will fund this amendment.

Known Support / Opposition

None known.