



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 6

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council

FROM: Drew Corbett, City Manager

PREPARED BY: Human Resources Department

MEETING DATE: April 05, 2021

SUBJECT:

Workers' Compensation Program Third Party Administration – Contract

RECOMMENDATION:

Approve Amendment No. 1 to the contract with LWP Claims Solutions for the purpose of the City's self-insured workers' compensation program for an additional two-year term in the amount of \$530,613 for a new contract total of \$748,367.

BACKGROUND:

The City has been self-insured for workers' compensation since 1975. The City entered in the contract with LWP in June of 2018, and LWP started providing services to the City effective July 1, 2018. Our experience with LWP's services has been excellent. They focus on customer service and responsiveness, recognizing the value in getting medical treatment authorized quickly and keeping in close contact with injured employees and City staff. We have received great feedback from many employees of the City who have had interactions with LWP's staff. Their original staffing model included a dedicated Senior Claims Examiner that works on City of San Mateo claims. Approximately a year and a half ago, LWP added an additional Claims Examiner that assists with minor claims. This allows Senior Claims Examiner to dedicate their time and attention to more serious cases.

BUDGET IMPACT:

The annual administrative cost for the first three years of the contract was \$243,322, \$249,405, and \$255,640, respectively. Years four and five, which this extension will cover, would be \$262,031 and \$268,582. Sufficient funds are available in the 2021-22 and 2022-23 workers' compensation budget.

ENVIRONMENTAL DETERMINATION:

This project is not subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5).)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - Amendment

Att 2 - Original Contract

STAFF CONTACT

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