

Memorandum



DATE November 5, 2010

TO Members of the Budget, Finance & Audit Committee:
Jerry R. Allen, Chair, Ann Margolin, Vice-Chair, Vonciel Jones Hill,
Angela Hunt, Delia D. Jasso, Ron Natinsky, David A. Neumann

SUBJECT Workers' Compensation Certified Network

The November 10, 2010 Council Agenda includes an item to award a sixty-month contract to Injury Management Organization, Inc., (IMO) as the City's Certified Network for workers' compensation for period 12/1/2010-2015, not-to-exceed \$3,170,329.

IMO is the current incumbent for the workers' compensation certified network and is responsible for managing the medical care services of injured employees. Services include but not limited to:

- Medical pre-authorizations
- Early intervention through telephonic case management
- Field case management
- Medical, pharmacy, and hospital bill reviews
- Oversee medical providers
- Providing access to network physicians (with offices within a 30 mile radius of each employee's zip code)

The workers' compensation certified network has been instrumental in controlling claims costs and assisting in returning injured employees to work sooner. Since the inception of the workers' compensation certified network:

- The City has paid \$1,125,873 less in medical claims and \$1,128,400 less for missed work days as compared to the previous year in a non-network environment.
- Due to early intervention of medical case management, the closure rate for claims within the network has doubled from 550 claims to 1063 claims.

Through a Request for Competitive Sealed Proposal (RFCSP) process, IMO was selected as the most responsive vendor to continue providing medical cost containment services through the certified network.

Please let me know if you need additional information.



Mary K. Suhm
City Manager

C: Honorable Mayor & Members of the City Council
Deborah A. Watkins, City Secretary

"Dallas, the City that works: diverse, vibrant, and progressive"

Tom P. Perkins, City Attorney
Craig D. Kinton, City Auditor
Ryan S. Evans, First Assistant City Manager
A. C. Gonzalez, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer