

CITY COUNCIL MEETING

AGENDA ITEM IV



From: Judie Milner, Finance Director
Subject: Primex Loss Mitigation Agreement

Recommendation:

I recommend the Council approve resolution 13-14 loss mitigation agreement with Primex for worker's compensation insurance.

Suggested Motion:

June 2, 2014

Councilor moves, "I move the City of Franklin City Council adopt Resolution 13-14 Loss Mitigation Agreement with Primex, insurance carrier for the City's worker's compensation program."

Discussion:

AS discussed in Manager Dragon's FY15 Budget Proposal member, the City sent out a request for proposal (RFP) for insurances this year. Primex was awarded the worker's compensation insurance program saving the City approximately \$28,000 overall (general, water and sewer funds) over the current carrier (PLT).

As part of Primex's program, they require a vote by the Council to show support for (2) worker's compensation programs that have proven results in lower the costs claims and getting employees back to work faster: 1) network of approved worker's compensation doctors and 2) the temporary alternative duty (TAD) program. The City currently participates in both of these programs with the current vendor.

The network of approved worker's compensation doctors specialize in the worker's compensation claims that typically occur and can "fast track" the care of those employees where utilizing a primary care physician can often slow down the process of getting to a specialist by weeks. The temporary alternative duty program helps to get employees back to work in a light duty or revised duty capacity to gradually work them back to their position.

This vote will reaffirm our commitment to keeping worker's compensation claims down while providing the best care for our employees injured on the job.

Concurrences:

The City currently participates in both of these programs with the current vendor. The Joint Loss Safety Committee's safety manual contains the current TAD policy. In addition, moving worker's compensation insurance program to Primex will allow City employees to access Primex's free training programs which are very well respected. Since the property liability insurance will remain at PLT, the City will continue to have access to PLT's extensive free training programs as well.

Fiscal Impact:

Primex saves the City approximately \$28,000 overall (general, water and sewer funds) over the current carrier (PLT).

Alternatives:

City Council could remain with the current vendor. The programs discussed here are in place with the current vendor as well. This vote reaffirms the City's commitment to these programs and allows the City to utilize another carrier, Primex, for worker's compensation program significantly saving over the current vendor.

Attachments/Exhibits:

Resolution 13-14

Primex Membership Agreement (reviewed by Paul Fitzgerald)

Key Advantages to Best Doctors Program

City's Joint Loss Management Safety Manual's current TAD policy



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RESOLUTION #13-14

City of Franklin Loss Mitigation Agreement

1. The City of Franklin will participate in the Best Doctors partnership by meeting with representatives and utilize occupational health when needed; and
2. The City of Franklin will participate and utilize Temporary Alternate Duty (TAD).

To accept the Loss Mitigation Agreement, please adopt the following resolution and sign below.

Loss Mitigation Agreement Resolution

BE IT RESOLVED: The City of Franklin, City Council hereby accepts the offer of the New Hampshire Public Risk Management Exchange (Primex³) in the Workers' Compensation Program as outlined in this letter as part of a Loss Mitigation Agreement, and to be contractually bound to all of the terms and conditions of Primex³ risk management pool membership during the term of this Program.

The City of Franklin agrees to the conditions of the Workers' Compensation Loss Mitigation Agreement as outlined above and was voted on by its City Council on the 2nd day of June, 2014.

Approved: _____
Mayor

Passed: _____

I certify that said vote has not been amended or repealed and remains in full force and effect as of the date of this Certification and that Holly Burbank is the City Clerk for the City of Franklin, Franklin, New Hampshire.

A true copy, attested: _____
Holly Burbank, City Clerk

Date

SECTION 8

**CITY OF FRANKLIN
TEMPORARY ALTERNATE DUTY PROGRAM**

In accordance with the provisions of RSA 281-A: 23-b, the City will provide temporary alternative work opportunities for employees who suffer a work-related injury or illness.

When practicable, employees will be returned to their regular duties with modifications consistent with a physician's stipulated work restrictions. In the event that such restrictions make it impractical for an employee to perform their normal job, even with modification, the employee may be reassigned to different duties or a different work schedule and may include assignment to a different department with the City.

The specific assignment of duties shall be determined on a case-by-case basis pursuant to the physician's restrictions and the work available at the time of the injury or illness.

The City has no obligation to provide temporary alternative work opportunities to employees who suffer a non-work related injury or illness.

I HEREBY ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THE TEMPORARY ALTERNATE DUTY PROGRAM AND THAT MY RESPONSIBILITIES WERE EXPLAINED TO ME.

EMPLOYEE SIGNATURE _____ DATE _____

MEMBERSHIP AGREEMENT

City of Franklin

Agreement dated this 1st day of July, 2014 by and between the City of Franklin, hereinafter referred to as "Applicant" and the Trustees of the New Hampshire Public Risk Management Exchange, hereinafter referred to as "Trustees".

WITNESSETH:

WHEREAS, pursuant to the authority of RSA 5-B, RSA 281-A:11, and RSA 282-A:69, the New Hampshire Public Risk Management Exchange engages in the pooling of liabilities of certain political subdivisions of the State of New Hampshire pursuant to a certain Amendment to and Restatement of Trust Agreement with an effective date of February 10, 2006, hereinafter referred to as the "Trust" and the "Trust Agreement", respectively; and

WHEREAS, the Applicant wishes to become a Member of the Trust and participate in certain programs of the Trust;

NOW THEREFORE, the Applicant and the Trustees hereby mutually agree as follows:

1. This Membership Agreement is made by the Applicant for membership in the Trust and participation in the following program(s) of the Trust:

<u>Program</u>	<u>Membership Term</u>
(X) Workers' Compensation Program	Effective July 1, 2014
(X) Unemployment Compensation Program	Effective July 1, 2014
() Property & Liability Program	Effective

2. The Applicant agrees to be bound by the provisions of the Membership Agreement, General Conditions-All Coverage Documents, Public Entity Coverage Documents, any Primex program participation agreements, Trust Agreement, and all Trust by-laws, policies, procedures and coverage documents, as amended, revised or adopted from time to time.
3. The Applicant further agrees to pay all member contributions and assessments called pursuant to the terms of the Trust Agreement.
4. The Applicant acknowledges receipt of the Trust Agreement and coverage documents relative to the programs of the Trust in which the Applicant seeks participation.
5. The Applicant designates and appoints the Trust or its representatives as its Attorney-in-Fact to represent it as a Member in all activities related to the program(s) in which the Member

participates including, but not limited to, activities related to the New Hampshire Workers' Compensation Law and to the New Hampshire Employment Security Law and to use its discretion before the New Hampshire Department of Labor, the New Hampshire Department of Employment Security, or courts or other agencies of the State of New Hampshire or the United States of America, on claims regarding workers' compensation or unemployment compensation, liability, property, health benefits, and short/long term disability depending upon the program(s) in which the Member participates, as further provided in the Trust Agreement.

The power shall not be revocable during the period of this Membership Agreement.

6. In addition to the other financial responsibilities of the Members, the Trust and the Members participating in the Trust program(s) jointly and severally covenant to assume and discharge, by payment, any lawful awards against any Member participating in such program(s) which awards shall have been sustained by the courts where an appeal by either party has been taken.
7. If participating in the Unemployment Compensation program, then the Applicant shall contribute to the Trust for the initial period of the Applicant's participation in such program at the payroll rate determined appropriate for the Applicant based upon loss experience.
8. The Applicant's membership term in the Trust begins on July 1, 2014 for the Workers' Compensation Program and July 1, 2014 for the Unemployment Compensation Program. The Applicant may not terminate its membership in the Trust at its own option. Membership shall renew automatically and continue unless or until it is terminated or cancelled in strict accordance with the terms and General Conditions of the Public Entity Coverage Documents, Trust Agreement, and any applicable Trust by-laws, policies and procedures.
9. The Applicant hereby represents and warrants to the Trustees that the Applicant is a political subdivision within the meaning set forth in Article 2.1 of the Trust Agreement. This representation and warranty shall survive the expiration or termination of this Membership Agreement. The Applicant represents and warrants that the official who signs this Agreement is a duly authorized member of the municipality's governing body and empowered to legally bind the Applicant to all terms of this Agreement.

IN WITNESS WHEREOF, the Applicant and the Trustees have caused this Membership Agreement to be executed by their duly authorized officials as of the date above first written.

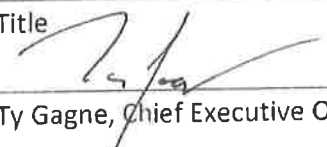
For the Applicant:

Authorized Official Signature

Print Name

Title

For the Trustees:



Ty Gagne, Chief Executive Officer

KEY ADVANTAGES TO THE BEST DOCTORS / PRIMEX PROGRAM

This program is offered exclusively to Members of Primex WC Program and is designed to assure that your injured employees receive the best medical care possible while focusing on expeditious return to work. Significant cost savings are a byproduct of this superb program.

Primary Occupational Health Centers, Statewide: Affiliated Occupational Health Facilities specialize in the treatment of work-related injuries. The Providers understand and are committed to working with Primex Members, the injured worker and Primex Claims to assure a safe and timely return to TAD or full duty work. Communication occurs immediately following each and every initial treatment to ensure successful outcomes on all cases.

Best Doctors Affiliated Physician Specialists: All doctors are not the same! When your employees are injured and need specialty care beyond occupational health care, you want and they deserve the very best medical care possible. Physicians affiliated with the Occupational Health Institute have been selected by their peers as being the "best" in their clinical specialties for maintaining and improving medical outcomes and patient productivity both in the work place and in their personal lives.

Nurse Advocacy: Jane Kilgallen, RN, CCM, BDOHI Patient Advocate works with moderately to severely injured employees helping them find the right care quickly, answering clinical questions they or their family may have and seamlessly coordinating efforts with the Primex Claims Team and Primex Member for safe and expeditious return to work.

Medical Director Leadership: Three nationally renowned board certified physicians lead the Occupational Health Institute. These Physicians are considered experts in their fields of medicine and offer medical consultation to Best Doctors Nurse Advocates, Primex Claims and treating physicians throughout NH working with your injured employee. The goal is to get the diagnosis accurate the first time and to then create a treatment plan that will achieve the best possible outcome, medically and vocationally.

Communication Plus: From the initial onset of injury in the work place, all the parties above begin and continue to communicate closely. Medical Providers provide written communication immediately following every medical appointment as well as personal phone calls to the Primex Member and Adjuster. This ensures clear understanding of the diagnosis, treatment plan, work capabilities to ensure TAD is pursued and the focus remains on a safe and full recovery and successful return to gainful employment.