



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HUMAN RESOURCES

**File #:** 22-429

Board Meeting Date: 6/14/2022

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Rocio Kiryczun, Human Resources Director  
Tracy Ford, Interim Risk Manager, Human Resources

**Subject:** Agreement with Athens Administrators, Inc. for Third Party Workers' Compensation Claims Administration Services

**RECOMMENDATION:**

Adopt a resolution waiving the request for proposal process and authorizing an agreement with Athens Administrators, Inc. to provide Third Party Workers' Compensation Claims Administration Services for the County for a 3-year term from July 1, 2022 through June 30, 2025 in an amount not to exceed \$3,043,217.00 with two one-year options to extend the agreement, in an amount not to exceed \$1,085,191.00 in year 4 and \$1,122,630.00 in year 5.

**BACKGROUND:**

Risk Management has partnered with Athens Administrators, Inc. for administration of workers' compensation claims. The current term with Athens expires June 30, 2022. Athens has delivered consistent levels of services which aligns with one of Risk Management's goals in the Fiscal Year 2020-2024 Strategic Plan; Goal 3: Ensure fair and equitable handling of all claims through administrative, legal, and medical services. Athens will continue to allow the County's workers' compensation managers to better focus on their regular duties as the efficiency of Athens' claims handling has been substantial to the County.

**DISCUSSION:**

Athens has consistently provided effective third-party workers' compensation claims administration services. These services include: creating claim files, determining compensation by investigation, providing payment of all benefits required under law, coordinating litigation, effective return to work, claims resolution/settlement and rehabilitation. Athens continues to oversee bill review, litigation review, medical case management review and required reporting. Athens timely communication with the employee's supervisor, employees and medical providers ensures successful treatment of industrial-related injuries.

Risk Management and Athens are currently collaborating on a voucher disability benefit project

targeted for implementation January 1, 2023. The voucher system is widely utilized across public agencies. The voucher system will significantly reduce potential overpayments made to employees, will streamline payroll's integration process as well as alleviate the need of the Controller's Office to conduct extensive workers' compensation payment audits.

Therefore, Risk Management believes that it is in the County's best interest to enter into a contract with Athens.

This resolution contains the County's standard provision allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The resolution and agreement have been reviewed and approved by County Attorney as to form.

**PERFORMANCE MEASURES:**

<b>Measure</b>	<b>FY 2022-23 Projected</b>	<b>FY 2023-24 Projected</b>	<b>FY 2024-25 Projected</b>
Target Audit Score of Workers' Compensation Claims Handling	85%	85%	85%
Workers' Compensation Claims per 100 Employees	12	11	11

**FISCAL IMPACT:**

There is no impact to Net County Cost. All costs associated with this contract are offset by the Risk Management Workers' Compensation Trust Fund.