

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL WORKSHOP
FEBRUARY 10, 2009 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Contract extension with Claims Management Consultants	✓ Resolution Ordinance Motion Discussion Only	Wesley Morgan Director of Human Resources

SYNOPSIS

A resolution has been prepared authorizing a two-year contract extension with Claims Management Consultants to provide claim management services for workers compensation and general & auto liability claims against the Village.

STRATEGIC PLAN ALIGNMENT

The Village's Strategic Plan goals for 2008-2013 include *Exceptional Municipal Organization*. A supporting objective is *Financially Sound and Sustainable Village government*.

FISCAL IMPACT

The FY09 budget includes \$40,000 in the Risk Management Fund for this contract. Approval of the proposed contract would fix the cost of third party claims administration services at the 2006 price of \$38,200 annually for the next two years through April 30, 2011.

RECOMMENDATION

Approval on the February 17, 2009 consent agenda

BACKGROUND

Since 2006, Claims Management Consultants has been the third party claims administrator for the Village. The services which Claims Management Consultants has provided to the Village include the following:

- Claims monitoring for workers compensation and general / auto liability claims
- Independent medical examinations for employees
- Facilitation of claims reviews
- Maintenance of claims files

The proposed resolution would authorize a two-year extension of the current contract with Claims Management Consultants. Approval of the contract would allow the Village to fix the cost of third party claims administration at the 2006 rate for the next two years. Staff has been satisfied with the level of service provided by Claims Management Consultants in the past. The proposed contract extension would have a duration lasting until April 30, 2011.

ATTACHMENTS

Resolution
 Addendum
 Letter

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING EXECUTION OF AN ADDENDUM EXTENDING AN AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE AND CLAIM MANAGEMENT CONSULTANTS, LLC

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Addendum to an Agreement (the “Addendum”), between the Village of Downers Grove (the “Village”) and Claim Management Consultants, LLC (the “Consultant”, formerly known as Custard Claims Management Services, Inc.), for third party claims administration services, as set forth in the form of the addendum submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Mayor and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Addendum, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Addendum.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:
Attest: _____
Village Clerk

ADDENDUM

This Addendum extends the service period of this contract, between, Claim Management Consultants, LLC, (formerly known as Custard Claims Management Services, Inc.), and The Village of Downers Grove, and guarantees all existing rates/fees through April 30, 2011. All other terms, conditions, services, etc. will remain the same.

Village of Downers Grove

Claim Management Consultants, LLC

Accepted by: _____

Accepted by: Diane M. Huggins

Title: _____

Title: Vice President

Date: _____

Date: 1-22-09

Claim Management Consultants, LLC

3325 N. Arlington Hts. Rd
Suite 500-A
Arlington Heights, IL 60004

(847) 342-9748
Fax (847) 342-9996

January 22, 2009

Dennis Burke
Village of Downers Grove
801 Burlington Avenue
Downers Grove, IL 60515

Dear Dennis:

Based on the current economic environment, several of our clients have inquired about an extension of their present service contracts, subject to existing terms and conditions. After a review of our basic service programs and fee structures, and in consideration of our long term client relationships, we have decided to guarantee all existing fees for the next two years. If your organization would like to implement this guarantee, please sign and return a copy of the attached Addendum.

Thank you very much for your consideration in this matter.

Sincerely,



D.H.
Dan Huggins
President

DH/sb