

CITY OF LOS ANGELES

CALIFORNIA

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer



ANTONIO R. VILLARAIGOSA
MAYOR

Office of the
CITY CLERK

Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
General Information - (213) 978-1133
Fax: (213) 978-1040

www.cityclerk.lacity.org

June 24, 2010

To All Interested Parties:

The City Council adopted the action(s), as attached, under

Council file No. 09-0600-S203, at its meeting held June 16, 2010.


City Clerk
io

OFFICE OF THE MAYOR
RECEIVED
Mayor's Time Stamp
2010 JUN 18 PM 3:59
CITY OF LOS ANGELES

CITY CLERK'S TIME STAMP
CITY CLERK'S OFFICE
2010 JUN 18 PM 3:54
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 09-0600-S203

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE JUNE 16, 2010

RE: EXPANDED USE OF THIRD PARTY ADMINISTRATOR (TPA) FOR CIVILIAN WORKERS' COMPENSATION PROGRAM

LAST DAY FOR MAYOR TO ACT JUN 28 2010
(10 Day Charter requirement as per LAAC Section 4.133)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

✓

*DISAPPROVED

*Transmit objections in writing
pursuant to LAAC Section 4.133

DATE OF MAYOR APPROVAL OR DISAPPROVAL

JUN 23 2010



MAYOR

BY _____ DEPUTY

CITY CLERK

2010 JUN 23 PM 2:40

RECEIVED
CITY CLERK'S OFFICE

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your

**BUDGET AND FINANCE
and
PERSONNEL Committees**

report as follows:

BUDGET AND FINANCE and PERSONNEL COMMITTEES' REPORT relative to expanded use of Third Party Administrator (TPA) for Civilian Workers' Compensation Program.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager of the Personnel Department or designee to negotiate and execute a contract with a TPA for the civilian workers compensation caseload created as a result of the Early Retirement Incentive Program (ERIP) and attrition.
2. INSTRUCT the Personnel Department to report back to the Budget and Finance and Personnel Committees with quarterly status reports relative to the performance of the TPA and Workers Compensation Division.
3. RESOLVE that resolution authority for the following positions within the Personnel Department for the period July 1, 2010 through June 30, 2011 is APPROVED, with the understanding that these positions will not be filled until the Citywide review of all Resolution Authority positions is completed:

<u>Class Code</u>	<u>Class Title</u>	<u>Number</u>
1769	Senior Workers Compensation Analyst	3
1774	Workers Compensation Analyst	3

4. AUTHORIZE the General Manager of the Personnel Department or designee to develop and issue a Request for Proposal for TPA services, in addition to the existing contracted services, for all sworn claims and civilian claims administration for caseloads created as a result of ERIP and attrition.
5. INSTRUCT the City Administrative Officer (CAO) to report back on the feasibility of adopting a Citywide Alternative Dispute Resolution Program and the process required to conduct all services related to Workers Compensation in-house.

Fiscal Impact Statement: The CAO reports that there will be no additional impact on the General Fund at this time. Funding in the amount of \$5,173,915 is provided in the 2010-2011 budget for 80 positions in the Workers Compensation Division and for a contract with a TPA for the management of the claims workload created as a result of ERIP and further attrition. Funding for the additional positions will require \$438,399 in direct costs. Funding will be provided from savings generated within the Human Resources Benefits Fund from case management and utilization review for civilian claims. The savings will be monitored through the Financial Status Report with transfers recommended as necessary.

Community Impact Statement: None submitted

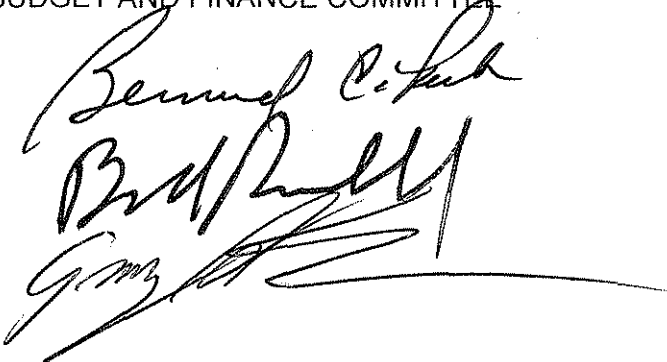
SUMMARY

At a joint meeting of the Budget and Finance and Personnel Committees on May 24, 2010, the Committees considered CAO reports relative to the expanded use of a Third Party Administrator (TPA) for the civilian Workers' Compensation Program. Representatives of the CAO, Personnel Department, and City Attorney provided a summary and updated status of this matter and responded to related questions from Committee members. The CAO report, attached to the Council file, provides additional details on the City's Workers Compensation Program.

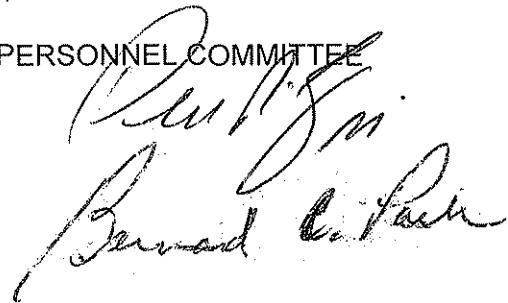
During the Committees' discussion, several amendments were recommended. Councilmember Dennis Zine, Personnel Committee Chair, recommended that a Request for Proposal be issued for TPA services, in addition to the existing contracted services, for all sworn claims and civilian claims administration for caseloads created as a result of ERIP and attrition. Councilmember Paul Koretz recommended that the CAO report back on the feasibility of adopting a Citywide Alternative Dispute Resolution Program and the process required to conduct all services related to Workers Compensation in-house. Councilmember Bernard Parks, Budget and Finance Committee Chair, recommended to approve the six Resolution Authority positions requested by the Personnel Department but stated that these positions should not be filled until the Citywide review of all Resolution Authority positions is completed. After further consideration and an opportunity for public comment, the Budget and Finance and Personnel Committees recommended approval of the recommendations contained in the CAO report dated May 24, 2010 and the amendments as reflected in the recommendations above. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE



PERSONNEL COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	YES
ROSENDAHL:	YES
HUIZAR:	ABSENT
KORETZ:	YES

<u>MEMBER</u>	<u>VOTE</u>
ZINE:	YES
KORETZ:	YES
PARKS:	YES

ep
09-0600-S203_rpt_bfc_05-27-10

-NOT OFFICIAL UNTIL COUNCIL ACTS-

ADOPTED

JUN 16 2010

LOS ANGELES CITY COUNCIL

MAYOR WITH FILE