

Section C

Statement of Work

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C.1 Introduction

a. Purpose of the Hanford Site Workers' Compensation Program:

The purpose of this Workers' Compensation Program at the Hanford Site is to provide workers' compensation coverage and benefits, to specified Contractor employees in accordance with the Revised Code of Washington (RCW) Title 51, the Washington Industrial Insurance Act, and all other applicable laws and regulations. The program is administered on behalf of DOE-RL through a contract with a third party administrator who processes all claims and provides all personnel, equipment, materials, supervision, transportation, training and other items necessary to perform these services.

b. Contract Requirements:

This is a fixed unit price plus award fee services contract for workers' compensation claims services at the Hanford Site. The Contractor will provide services in the processing of workers' compensation claims (investigate, administer, adjust, process, and pay) for certain covered site Contractors (listed in Section J, Attachment J.1), and others as directed by the contracting officer (CO) or Contracting Officer's Representative (COR) in accordance with the Revised Code of Washington (RCW) Title 51, the Washington State Department of Labor and Industries (WSDL&I) Self Insurance Section Claims Administration Policy Manual, WSDL&I Workers' Compensation Manual – A Guide to Claims Adjudication in Washington State, as revised during contract performance, and the Washington State Code (WAC) 296, "Department of Labor and Industries."

The Contractor shall comply with all applicable Federal, State, and local requirements, and where these requirements differ, the Contractor shall comply with the more stringent requirement. Where established requirements do not exist, the Contractor shall provide workers' compensation services using current best practices in workers' compensation claims management and administration.

The Contractor shall furnish all personnel, facilities, equipment, materials and supplies required to accomplish the work under this contract, except for that specifically identified as provided by the Government.

c. Desired Outcomes – It is DOE's expectation that:

1. All claims will be handled in a timely, courteous, and fair manner in accordance with RCW Title 51;
2. The Hanford Site Workers' Compensation Program is efficient and provides good value to DOE and the United States taxpayers; and
3. The Contractor shall provide exceptional customer service in the processing of claims to include providing all claimants' timely information that will help them gain a clear understanding of the workers' compensation adjudication process and the status of their claim(s) within the process.
4. The Contractor shall not only use the methods outlined in the SOW but also shall propose and help implement new and innovative ways of completing this requirement.

C.2 Performance Requirements – The Contractor shall accomplish the following tasks in accordance with all applicable laws and regulations, as well as additional performance requirements specified in C.3:

a. Transition Requirements/Plan, CLIN0001 – The Contractor shall accomplish transition from the existing Contractor (Contract Claims Services, Inc.) between the date of contract award and September 30, 2009. During this transition period, the existing Contractor will be responsible for delivery of workers' compensation claims administrative services. The Contractor shall implement its proposed Transition Plan, as approved by the Contracting Officer. The transition plan will include, as a minimum, all necessary tasks and objectives, including the relocation of all files and records, milestones, planned staffing levels, provisions for written progress reports and in-process reviews. The plan shall display a commitment to a seamless transition of all claim files and historical data. Any claims management systems coding needed to ensure the transfer of the electronic data from DAVID Renaissance will be included in the fixed price for the transition.

b. New Indemnity Claims Administration, CLIN0002 – The Contractor shall administer, process, investigate, adjust, and pay new indemnity claims on behalf of DOE-RL. The Contractor shall provide all personnel, facilities, equipment, materials and supplies necessary to accomplish this work.

c. New Medical Claims Administration, CLIN0003 – The Contractor shall administer, process, investigate, adjust, and pay new medical claims on behalf of DOE-RL. The Contractor shall provide all personnel, facilities, equipment, materials and supplies necessary to accomplish this work.

d. New Hearing Claims Administration, CLIN0004 - The Contractor shall administer, process, investigate, adjust, and pay new hearing claims on behalf of DOE-RL. The Contractor shall provide all personnel, facilities, equipment, materials and supplies necessary to accomplish this work.

e. Transferred Indemnity Claims Administration, CLIN0005 - The Contractor shall administer, process, investigate, adjust, and pay transferred indemnity claims on behalf of DOE-RL. The Contractor shall provide all personnel, facilities, equipment, materials and supplies necessary to accomplish this work.

f. Transferred Medical Claims Administration, CLIN0006 - The Contractor shall administer, process, investigate, adjust, and pay transferred medical claims on behalf of DOE-RL. The Contractor shall provide all personnel, facilities, equipment, materials and supplies necessary to accomplish this work.

g. Transferred Hearing Claims Administration, CLIN0007 - The Contractor shall administer, process, investigate, adjust, and pay transferred hearing claims on behalf of DOE-RL. The Contractor shall provide all personnel, facilities, equipment, materials and supplies necessary to accomplish this work.

C.3 Additional Performance Requirements for Claims Management

a. Integrated Claims Management Services

The Contractor shall:

1. Open and establish a claim file upon notice of an industrial injury or occupational disease, which meets the definition of a compensable injury or occupational disease, as those terms are defined in the Revised Code of Washington (RCW) Title 51.08, and provide notification to the cognizant Hanford Site Contractor and Hanford Occupational Health Services provider within one (1) business day;
2. Be the designated keeper of the master claims log as required by WSDL&I;
3. Provide requested information to the Hanford Occupational Health Services provider to support facilitation of the claimant's timely return to work. Such information includes, information regarding claimant's work restrictions, disability status, and other information relating to the claimant's ability to perform Hanford Site jobs;
4. Notify the Contracting Officer or COR within one (1) business day upon receipt of a request for claims or contract related information by any person or entity other than the Contracting Officer or COR. The Contractor is prohibited from disclosing any information prior to Contracting Officer or COR written approval;
5. Notify the COR within three (3) business days of chemical or radiation exposure related claims and WSDL&I denial orders on those claims;
6. Obtain all required forms from the WSDL&I and distribute all required forms to the covered Hanford Site Contractors. (e.g., Self Insurer Accident Report);
7. Ensure diary reviews by claims adjusters; a minimum of every 30 days;
8. Provide authorization and payment for medical services for open/active claims in accordance with contract clause H.4, Claim Administration Payments;
9. Establish a method to capture any offsite medical treatment costs the Hanford Site Occupational Medical Provider has incurred that are associated with an accepted workers' compensation claim. These costs, if any, must be reported on the WSDL&I quarterly reports;
10. Claimant travel shall be reimbursed pursuant to applicable L&I regulations or pursuant to the current rates and amounts set for Government employees in the Federal Travel Regulations, whichever provides greater benefit to the claimants. Any exceptions must be approved by the COR in advance of payment. Claimants shall be reimbursed at the applicable per diem rate, and not be required to provide receipts for food. If medically necessary for a claimant to be accompanied by another person during the claimant's travel, the companion's travel and per diem shall also be reimbursed pursuant to the applicable rates, as specified in the above paragraph. The companion, if he/she is an employee of a DOE Hanford prime contractor or teaming partner, shall also be reimbursed for wages lost during travel. Lost wages for a companion who is not employed by a DOE Hanford prime contractor or teaming partner shall not be reimbursed.
11. When requested, provide covered Hanford Site Contractors with payment summaries on individual claims within twenty-four (24) hours of request;

12. Provide legal support, including reviewing claim files and initiating or defending litigation, pursuant to Section H.3 and the Legal Management Plan, when necessary;
13. Provide written recommendations to the COR requesting approval for independent medical examinations, physician(s) reviews, investigations, surveillances, and/or vocational rehabilitation services for all claims. Schedule services within fifteen (15) days of receipt of required COR approval;
14. Provide the option of cost containment programs, a medical preferred provider organization, and a prescription drug cost containment network;
15. Evaluate future liability for claims to establish reserves; review reserves on a monthly basis providing notification of substantial reserve changes to the COR;
16. Prepare and/or assist DOE staff with all appropriate responses to audits and inquiries of all regulatory agencies, reviews or other investigations as designated by the Contracting Officer or COR;
17. Have the ability to offer Electronic banking/direct deposit;
18. Use the claimant's assigned covered Hanford Site Contractor at the time of injury as the employer identifier code. The Contractor will be notified by the covered Hanford Site Contractor's workers' compensation representative of the identifier code;
19. Post the Contractor's Claims Administration Manual on its website within 60 days after contract award. The manual shall detail specific policies and procedures the Contractor will follow in the administration of Hanford Site workers' compensation claims. The Contractor shall update the manual throughout the contract period to reflect procedural or legal changes and provide notice to the COR of such updates or changes within 10 business days;
20. Shall provide queries and trend analysis from the electronic file system, as requested by the Contracting Officer or COR;
21. When a claim file is closed, maintain both the digital and hardcopy claims files according to WSDL&I and DOE disposition schedules (there is a moratorium on the destruction of all record material regardless of media type). All electronic and hardcopy claims files shall remain the property of DOE. Disposition of the claims materials will be at the direction and discretion of DOE; and
22. Upon termination of the contract between DOE RL and the Contractor, the Contractor shall continue to administer all claims until they can be transferred to a subsequent Contractor. The Contractor shall support DOL-RL through the transition process. Claims will be transferred in digital format and hard copy.

b. Customer Service Orientation

The Contractor shall:

1. Conduct periodic meetings as requested by DOE;

2. Provide a toll free telephone line accessible by DOE, all eligible Contractor employees (current and former), WSDL&I, covered Hanford Site Contractors, and providers of services. The telephone shall be answered by Contractor personnel during business hours (Monday through Friday, 0800 – 1700 (8:00 a.m. – 5:00 p.m.) Pacific Standard Time);
3. Ensure voice mail is available during non-business hours. The Contractor must provide a response to claims requests and voice mail messages within twenty four (24) hours of receipt, or the next business day, whichever is sooner;
4. Ensure at least eight (8) hours of service daily, Monday through Friday, 0800 – 1700 (8:00 a.m. – 5:00 p.m.) Pacific Time, at a fully staffed central processing office within the United States;
5. Ensure that all benefit payments are accompanied with a explanation of benefits to the injured worker or payee; and
6. Provide accurate and factual communication to, and coordination among, the COR, the claimant, the attending physician, the covered Hanford Site Contractor, the Hanford Occupational Medical Services provider, and any other entity involved in the management of a claim.

c. Resolving Issues and Process Improvement

The Contractor shall:

1. Provide a corrective action plan when issues and/or non-compliances in its internal procedures and/or industry standards are identified. The corrective action plan shall include all claims involved, the issues in question and written recommendations with schedule concerning resolution and/or appropriate action in accordance with the statutory provisions of the WSDL&I;
2. Provided a corrective action plan to the CO or COR within thirty (30) business days of knowledge of problem and/or non-compliance;
3. Assign one or more specific account executives as points of contact;
4. Establish a chain of command for resolution of problems and/or non-compliance. Any potential conflicts of interest, perceived or real, that arise with regard to the handling of any claim(s), the Contractor will immediately notify the CO or COR;
5. Provide proactive monitoring of all cases for the purpose of identifying, at the earliest possible opportunity, fraudulent conduct by claimants, providers, or others. The Contractor shall be responsible for investigating all such cases. The Contractor shall notify the COR of all possible fraud; and
6. The Contractor is responsible for reviewing policies and procedures as needed to develop new and innovative ways of enhancing the process, increasing efficiency and making these recommendations to DOE.

d. Minimum Personnel Qualifications and Staffing Requirements

1. The Contractor will provide exclusively dedicated case management personnel to this contract. The Contractor will not assign any other account nor assign any work to those dedicated personnel other than work pertaining to the DOE account. It is allowable to share the administrative staff, such as transcriptionists, receptionists, computer specialists, accounting personnel, medical bill review personnel, medical supervisor (RN), medical doctor, and mailroom personnel (support and administrative staff) with other units;
2. Limit the maximum case load to 125 per adjuster;
3. The Contractor will have a minimum of two adjudicators certified by the WSDL&I dedicated to this contract;
4. Ensure all chemical or radiation exposure related claims are adjudicated by an adjuster certified by the WSDL&I;
5. Ensure that a medical doctor is available to review and consult on medical documentation such as authorized treating and/or retained independent medical examinations and resolve complex medical questions, as necessary; and
6. Provide an in-house Registered Nurse (RN) case manager.

C.4 Management and Oversight of Insurance Claim Number 8600434

The Contractor shall provide case management services to include the coordination of medical care and processing of expense payments for Industrial Insurance Claim number 8600434. Claimant 8600434 was injured at Hanford in 1979 and sustained C5 tetraplegia (spinal cord injury). The claim has been closed and costs associated with the claim are not reportable to WSDL&I. The Contractor shall continue to manage the claim using WSDL&I "Medical Aid Rules and Fee Schedules". Exceptions to the Medical Aid Rules that are required for good medical practice in this case are in a 2004 Arbitration Award, which will be provided to the Contractor by DOE-RL after contract award.

C.5 Processing of Energy Employees Occupational Illness Compensation Program Act (EEOICPA) CLAIMS, CLIN0008:

a. The Contractor shall provide all required labor and materials necessary to compile and forward an electronic copy of individual Worker's Compensation records case files which have been requested by DOE-RL, pursuant to EEOICPA. Additional details for processing EEOICPA claims are as follows:

1. DOE-RL will periodically forward a list to the Contractor, via Email, of EEOICPA claimants. The Contractor shall search all files and databases for records pertaining to the listed claimants and notify DOE-RL within five days if the records exist.
2. The Contractor will compile copies of all individual case files, excluding information being withheld for legal reasons. If information is withheld, the Contractor shall indicate this in their transmittal.
3. The Contractor shall forward the case files to DOE-RL in a PDF/A electronic format within 30 days from the date of the original request. The Contractor shall provide documentation that a search was conducted for each individual using established criterion

along with a written description of the relevant record systems searched and the search criteria used (e.g., name, social security number, etc.).

b. DOE-RL will occasionally request that the Contractor provide information related to benefits paid for a specific illness related to an individual. This information shall include the final determination and an itemized account of the benefits paid to each benefit category (i.e. medical benefits, disability benefits, death benefits, settlement amount, attorney fees, vocational rehabilitation, and the amount of any disability payment issued during vocational rehabilitation training). The Contractor shall forward this information to DOE-RL in a PDF/A electronic format within five working days of the date of the request.

C.6 Processing Section 111 of the Medicare, CLIN0010

The Contractor shall ensure compliance with the mandatory reporting requirements for group health plan arrangements and for Liability Insurance (including Self-Insurance), No-Fault Insurance, and Workers' Compensation under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) (P.L.110-173), 42 U.S.C. 1395y(b)(7) & (8).

Under federal law, Medicare is designated as the secondary payer of claims made by people eligible for coverage under other insurance. On behalf of DOE-RL, the Contractor shall reimburse Medicare for any payments for which Hanford Site Workers' Compensation self-insurance is determined to be responsible.