

**REQUEST FOR PROPOSAL (RFP)**  
**General Liability Third Party Administrator**  
**FOR THE CITY OF STOCKTON, CALIFORNIA**  
**PUR 24-011**

ADDENDUM No. 1

DATE: 11/22/2023

To All Potential Proponents:

**A. This Addendum shall be considered part of the proposal documents for the above-mentioned project as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original proposal documents, this Addendum shall govern and take precedence. PROPONENTS MUST SIGN THE ADDENDUM AND SUBMIT IT WITH THEIR PROPOSALS.**

**B. Proponents are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Addendum. It will be construed that each Proponent's Proposal is submitted with full knowledge of all modifications and supplemental data specified herein.**

**PLEASE NOTE THE FOLLOWING QUESTIONS/ANSWERS/CHANGES TO PUR 24-011. THE CITY'S RESPONSES TO QUESTIONS SUBMITTED ARE IN BLUE**

**Questions & Answers**

**1.Claims Data**

To provide accurate and competitive pricing, we ask for seven years of detailed liability claims data <07/01/2018 thru 07/01/2023>. This MS Excel loss data should include but not be limited to the following:

- a. Annualized Auto Liability broken down by:
  - i. Bodily Injury / Property Damage / Physical Damage / Coll. / Comp. / Other
- b. Annualized General Liability broken down by:
  - i. Bodily Injury / Property Damage / Physical Damage
- c. Annualized Professional Liability broken down by:
  - i. Discrimination, Sex Abuse, Attacks <ex. Shootings>, Unsafe Conditions, Libel-Slander, Negligence, Failure to, other...

[See Attachment A, Claim Data tab.](#)

**2.Data within Categories**

- d. Litigation: Yes or No data plus Legal – Incurred
- e. Locations
  - Location number or code
- f. Dates Columns:
  - i. Occurrence
  - ii. Reported to the City
  - iii. Received by TPA

- iv. Closed
- g. Expenses for liability claims categories:
  - o (a) Reserves, (b) Paid, (c) Total Incurred (d) Recoveries
- h. Subrogation:
  - i. Please provide the number of Subrogation claims
    - o By calendar year 2017 thru 2022
    - o Gross recoveries and net recoveries
    - o Percentage of savings fees charged by the incumbent TPA
    - ❖ Is there a maximum \$\$ recovery capping the percentage fee?

[See Attachment A, Subrogation tab.](#)

3. Please provide the total number of open claims effective 11.01.2023.  
429
4. Please provide the total number of open litigated claims effective 11.01.2023.  
82
5. Please provide the total number of open MMSEA claims effective 11.01.2023.  
12
6. Please provide the annual number of new MMSEA claims 07/01/2016 thru 07/01/2023.  
12
7. Please provide the number of open claims w/ occurrence dates before 07/01/2018  
10
8. Could the City provide the incumbent TPA's most recent contract or contract addendum for claims administration? (Since we will not have time to execute and receive a FOIA request.)  
[See Attachment B](#)
9. Would the City prefer dedicated adjusting staff?  
Yes.
10. What program priority is most important for you over the next 3-years?  
[All of the City's programs are priority.](#)
11. Can you please provide the estimated number of new and currently open claims broken down by claim type (assuming they are coming over too)?
  - A. General Liability – Per Claimant:
    - I. GL Property Damage
    - II. GL Bodily Injury
    - III. Med Pay
    - IV. Completed Operations/Product Liability
  - B. Property

[See Attachment A.](#)

12. Where would data be coming from (Incumbent)?  
Sedgwick.
13. Areas striving to improve in program.  
The area we're striving to improve in is Subrogation.
14. Please confirm the effective date of the contract.  
The effective date is 5/31/2024.
15. In review of the City's claims, it appears that you received 424 claims last year. Can you define the anomaly and do you expect similar claim volume in the coming year?  
The higher volume was due to last winter's storm. We're hoping the claim volume in the coming year will be less.
16. May we receive a 5-year loss run that includes all liability incidents, accidents and claims or cases?  
See Attachment A.
17. If you are unable to send a loss run, please provide counts from the last 5 years denoting how many liability incidents, accidents, claims or cases have been filed each year for the last 5 years by line of coverage and type of loss?  
See Attachment A.
18. What are the current number of open claims broken out by type of claim—GL, AL, EPL, and Vehicle Physical Damage?  
See Attachment A.
19. How many open claims have been rejected and are pending the expiration of the 6-month statute of limitations?  
See Attachment A.
20. As of 6/30/2023, how many active litigated claims were there? How many of these involved police civil claims?  
See Attachment A.
21. Please confirm if your claim counts are by occurrence vs. individual claimants.  
Occurrence.
22. How many 1<sup>st</sup> Party Subrogation claims were reported in the last fiscal year, and how many subrogation claims are currently open?  
Roughly 130.

23. In 2023, what was the frequency of Emergency Field Investigation occurrences conducted by the TPA to date?

There were five (5) field investigations.

24. What are your reasons for issuing an RFP?

Current contract with TPA is expiring.

25. Do you have any unique requirements, beyond what was included in the RFP?

No, the City does not.

26. Do you or your current TPA have paper files that need scanning/destruction?

No

27. On average, how often do you require your TPA to appear in Small Claims Court annually?

Five (5)

28. To what degree will the TPA be responsible for managing and directing outside special counsel?

TPA will not be directing outside special counsel.

29. Is it anticipated that the file reviews will be in person or via video conference, and at what frequency?

File reviews are reviewed via video conference monthly.

**PROPONENT MUST ACKNOWLEDGE THIS ADDENDUM BY SIGNING BELOW AND ATTACHING THE SIGNED ADDENDUM TO THE PROPOSAL:**

Company Name \_\_\_\_\_ Contact Person

\_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

**Proposals Due** – Promptly by 2:00 P.M., Thursday, December 14, 2023 at the City Clerk’s Office.

-----City of Stockton Use Only below this line-----

Addendum acknowledged and signed? \_\_\_\_\_ (Procurement Specialist’s initials)