



Memorandum  
Department of Finance

George Latimer  
County Executive

Department of Finance  
Karin Hablow  
Commissioner

**#109899**

Date: October 29, 2024

To: Honorable Members of the Board of Acquisition and Contract

From: Karin E. Hablow  
Commissioner, Department of Finance

RE: Authority for the County of Westchester to exercise its second and final option to renew an agreement with Triad Group, LLC, for the provision of on-the-job injury/illness claim administration and case management services, for the final option period of November 1, 2024 through October 31, 2025 in an amount not-to-exceed \$645,000, along with reimbursement of allocated loss adjustment expenses (ALAE) in an amount not-to-exceed \$575,000, for a total amount not-to-exceed \$1,220,000 for the final option period.

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The County of Westchester (the “County”) provides Workers’ Compensation/Job Injury benefits through a self-insured job injury program financed under Section 6J of the New York State General Municipal Law. On February 3, 2020, the Department of Finance (the “Department”) issued a Request for Proposals (the “RFP”) for on-the-job injury claim administration and case management services for all County employees. The RFP sought proposals for a three-year contract, with the County having the sole options to renew the contract for two (2) additional one-year terms. A total of three (3) proposals were received. After careful review of each proposal in accordance with the evaluation criteria set forth in the RFP, Triad Group, LLC (“Triad”) was selected.

On June 18, 2020, your Honorable Board authorized the County to enter into an agreement with Triad (the “Agreement”) and the Agreement was executed. Subsequently, on January 5, 2023, your Honorable Board authorized the County to amend the Agreement in order to reduce the not-to-exceed amount of the Agreement by \$5,000 annually (from \$650,000 to \$645,000) for the last year of the base term of the Agreement and for both option years, respectively. The amendment was subsequently executed.

On December 21, 2023, your Honorable Board authorized the County to again amend the agreement in order to exercise its first option with Triad for the period from November 1, 2023 through October 31, 2024, in a total aggregate amount not-to-exceed \$1,220,000. The first option was subsequently exercised by the County.

Authority is now respectfully requested for the County to exercise its second and final option to renew the Agreement and extend the term of the Agreement for one year (the “Final Option Period”). During the Final Option Period, Triad will provide on-the-job injury/illness claim administration and case management services for the period from November 1, 2024 through October 31, 2025, to be paid on a per-claim basis at the rates contained in Schedule “B-1” in an amount not-to-exceed of \$645,000. The loss adjustment expense (ALAE) portion of the Final Option Period, which are expenses for any necessary independent case management and medical examinations, claimant surveillances, rehabilitation or retraining programs, court stenographers, etc., shall be in an amount not-to-exceed \$575,000. The fees for Triad’s services may increase depending on the volume and type of workers’ compensation cases being incurred by the County, and future authority may be requested to increase the not-to-exceed annual amount, if necessary.

An updated list of subcontractors to be utilized by Triad for specified services, for which your Honorable Board’s approval is respectfully requested, is provided in Schedule “A-1”.

The Final Option Period will serve a public purpose by helping enhance the efficiency and effectiveness of the County’s on-the-job injury claim administration and case management services as well as its Workers’ Compensation program.

The goals and objectives of the Final Option Period are to provide cost effective solutions to monitor, track and administer these cases.

The goals and objectives of the Final Option Period are in the best interests of the County in terms of fiscal responsibility, as the County will have more efficient and effective on-the-job injury claim administration and case management services and will ultimately reduce the County’s Workers’ Compensation-related costs.

The goal and objective of the Final Option Period will be tracked and monitored by the Department on a monthly basis through regular consultations with, and briefings by, Triad on various topics covering such issues as (1) their effort in reducing County expenses associated with medical treatment; (2) their successes in controlling costs and exposing fraud and abuse; and (3) their delivery of appropriate benefits fairly, promptly, and accurately. The Final Option Period will also require quarterly meetings to discuss settlements of ongoing cases in an effort to reduce the exposure of the County’s self-insurance program.

I recommend for your favorable consideration the annexed proposed Resolution.

KH/JPI

**RESOLUTION**

Upon a communication from the Commissioner of Finance, be it hereby

**RESOLVED**, that the County of Westchester (“the County”) is hereby authorized to exercise its second and final option to renew its agreement (the “Agreement”) with Triad Group, LLC (“Triad” or “Contractor”) pursuant to which Triad will provide on-the-job injury/illness claim administration and case management services for the period from November 1, 2024 through October 31, 2025 (the “Final Option Period), to be paid on a per-claim basis at the rates contained in Schedule “B-1”, for an amount not-to-exceed \$645,000, and reimbursement of allocated loss adjustment expenses (ALAE) in an amount not-to-exceed \$575,000, for a total aggregate amount for this Final Option Period not-to-exceed \$1,220,000; and be it further

**RESOLVED**, that the updated list of subcontractors to be utilized by Triad for specified services to be provided in Schedule “A-1” is hereby approved; and be it further

**RESOLVED**, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the “State Budget”) proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

**RESOLVED**, that the County Executive or his duly authorized designee is authorized and empowered to execute all documents and to take all action necessary to accomplish the purposes hereof.

Account to be Charged/credited	Year	Fund	Dept.	Major Program Program & Phase Or Unit	Object/ Sub Object	Trust Account	Activity	Dollars
	2024	613	57	0008	4280	N/A	N/A	\$ 203,333
	2025	613	57	0008	4280	N/A	N/A	\$1,016,667

Budget Funding Year(s): 2023 & 2024 & 2025    Start Date 11/1/24    End Date    10/31/25

Tax Dollars 1,220,000  
 State Aid \_\_\_\_\_  
 Federal Aid \_\_\_\_\_  
 Other- 6 J Fund

\$1,220,000  
 (Must match resolution)

SCHEDULE "A-1"

TRIAD GROUP, LLC  
UPDATED SUBCONTRACTOR LIST FOR WESTCHESTER COUNTY

<u>NAME</u>	<u>ADDRESS</u>	<u>SERVICE</u>
Manes & Manes	P.O. Box 629, Armonk, NY 10504	Legal representation Workers Com Compensation Hearings
Cherry Edson & Kelly	150 White Plains Road Tarrytown, NY	Legal Representation Workers Compensation Hearings
UMC Medical Consultants PC	2975 Westchester Avenue Ste #101, Purchase, NY	Independent Medical Exams
Precision Health Resources, Inc.	6800 Jericho Tpke, Ste 112, Syosset, NY	Independent Medical Exams
Medical Audits Bureau	925 Hempstead Tpke, Franklin Square, NY	Hospital DRG audits
MSA Advocates, Inc.	505 E. Fayette St, Ste 214, Syracuse, NY	Medicare Set Aside Agreements
Martor Case Management LLC	P.O. Box 836, Armonk, NY	Durable Medical Equipment (DME) Discounts
Global Investigative Services Inc.	998 Old County Road, #317 Plainview, NY	Surveillance Investigations
Terrier Claims Services, Inc.	141 Tompkins Avenue Pleasantville, NY	Surveillance Investigations
Advanced Investigations, LLC	P.O. Box 24, Thornwood, NY	Surveillance Investigations
AWP RX	P.O. Box 85001, Orlando, FL	Prescription PPO discount
G4S Compliance & Investigations	910 Paverstone Drive, Raleigh, NC	Surveillance Investigations
EBS Group	1 Freeland Street, Monroe, NY	Investigations
Pagones & O'Neill Investigations	355 Main Street, Beacon, NY	Investigations
Lombardi Associates	277 Fairfield Road, Fairfield, NJ	Earning Capacity/Vocational Evaluations
One Call Care Management	P.O. Box 822534, Philadelphia, PA	Diagnostic testing, PPO discount
I CON Cost Recovery	185 Jordan Road, Troy, New York	207-c payroll tax refund services
Align Networks	P.O.Box 530601, Atlanta, GA	PT & Chiropractic PPO discount

SCHEDULE "A-1" (Continued)

TRIAD GROUP, LLC  
SUBCONTRACTOR LIST FOR WESTCHESTER COUNTY

<u>NAME</u>	<u>ADDRESS</u>	<u>SERVICE</u>
First Choice Evaluations	3343 Harlem Road, Buffalo, N.Y.	Independent Medical Evaluations
Delta Group	1397 Buford Business Blvd., Buford, Ga.30518	Investigations
Utopia IME	58-47 Francis Lewis Blvd, Flushing, N.Y. 11364	Independent Medical Evaluations
DDCUES	P.O. Box 57, West Point, N.Y. 10996	Investigations (Disabled Veteran)
United Behavioral Health (Optum)	425 Market Street, 14 <sup>th</sup> Floor, SF, CA 94105	Employee Assistance Programs (EAP)
AIC	P.O. Box 831, Medford, NJ 08055	Investigations

**SCHEDULE "B1"**  
**REVISED RATES**

**SERVICE FEES**

**BASE- THREE YEAR PERIOD**

	Estimated	11/1/2020-		11/1/2021-		11/1/2022-	
		10/31/2021		10/31/2022		10/31/2023	
		Quantity	price	total	price	total	price
Medical Only	160	\$ 150.00	\$ 24,000.00	\$ 150.00	\$ 24,000.00	\$ 150.00	\$ 24,000.00
Lost Time	220	\$ 675.00	148,500.00	\$ 675.00	148,500.00	\$ 695.00	152,900.00
Incident Only	155	\$ 35.00	5,425.00	\$ 35.00	5,425.00	\$ 35.00	5,425.00
			<u>177,925.00</u>		<u>177,925.00</u>		<u>182,325.00</u>
Medical Bill Review	10,000	\$ 10.00	100,000.00	\$ 10.00	100,000.00	\$ 10.00	100,000.00
MG-2s	145	\$ 118.50	17,182.50	\$ 118.50	17,182.50	\$ 125.00	18,125.00
Nurse Care Management- Initial	175	\$ 285.00	49,875.00	\$ 285.00	49,875.00	\$ 285.00	49,875.00
Nurse Care Management- Follow Up	1,860	\$ 150.00	279,000.00	\$ 150.00	279,000.00	\$ 150.00	279,000.00
Total NCM			<u>328,875.00</u>		<u>328,875.00</u>		<u>328,875.00</u>
Corrections Department Data			<u>15,000.00</u>		<u>15,000.00</u>		<u>10,000.00</u>
Bank Fee			<u>10,000.00</u>		<u>10,000.00</u>		<u>12,500.00</u>
Total			<u>\$ 648,982.50</u>		<u>\$ 648,982.50</u>		<u>\$ 651,825.00</u>
		NOT TO EXCEED	USE	<u>\$ 640,000.00</u>		<u>\$ 640,000.00</u>	<u>\$ 635,000.00</u>

**OPTION PERIODS**

	Estimated	11/1/2023-		11/1/2024-	
		10/31/2024		10/31/2025	
		Quantity	price	total	price
Medical Only	160	\$ 150.00	\$ 24,000.00	\$ 150.00	\$ 24,000.00
Lost Time	220	\$ 695.00	152,900.00	\$ 695.00	152,900.00
Incident Only	155	\$ 35.00	5,425.00	\$ 35.00	5,425.00
			<u>182,325.00</u>		<u>182,325.00</u>
Medical Bill Review	10,000	\$ 10.00	100,000.00	\$ 10.00	100,000.00
MG-2s	145	\$ 125.00	18,125.00	\$ 125.00	18,125.00
Nurse Care Management- Initial	175	\$ 285.00	49,875.00	\$ 285.00	49,875.00
Nurse Care Management- Follow Up	1,860	\$ 150.00	279,000.00	\$ 150.00	279,000.00
Total NCM			<u>328,875.00</u>		<u>328,875.00</u>
Corrections Department Data			<u>10,000.00</u>		<u>10,000.00</u>
Bank Fee			<u>12,500.00</u>		<u>12,500.00</u>
Total			<u>\$ 651,825.00</u>		<u>\$ 651,825.00</u>
		NOT TO EXCEED	USE	<u>\$ 645,000.00</u>	<u>\$ 645,000.00</u>

## **ALAE CLAIM EXPENDITURES DEFINED BELOW INCLUDE CASE MANAGEMENT**

### **Allocated Loss Adjustment Expense:**

**Allocated loss adjustment expense shall mean all Court costs and expenses including, but not limited to (i) service of process; (ii) fees to attorneys for the institution or prosecution of any subrogation recovery or contribution action; (iii) fees to attorneys and licensed representatives for services in connection with any Workers' Compensation proceedings or Workers' Compensation Appeal Board actions or as awarded by the Workers' Compensation Board; (iv) fees to physicians and surgeons, laboratories, clinics and hospitals for examination or treatment of employees; (v) the cost of surveillance; (vi) the cost of employing experts for the purpose of appraisals, survey, map preparation, diagrams, chemical or physical analysis or the solicitation of expert advice or opinions in involved chemical, physical or legal questions; (vii) the cost of copies of transcripts or proceedings; (viii) the cost of depositions and court reporter or recorded statements and other similar costs and expenses which are properly chargeable to a recorded claim file; (viii) the cost of copying of hospital and medical records (ix) the cost of nurse case management; (x) the cost of Independent Medical Exams; (xi) the cost of other audit and review services;(xii) the cost of DRG audits; (xiii) the cost of Medicare Set Aside agreements on Section 32 settlements. With respect to (iii), (iv), (v) and (vii), and (xi) all appointments shall be made by TRIAD from a list of individuals and firms submitted to our client for comment and/or approval.**