



**Request for City Council Committee Action  
From the Finance Department**

Date: March 8, 2004  
To: Ways and Means Committee  
Referral to: None

**Subject: Extension of the Certified Managed Care and Employment Services  
Contract with CorVel**

**Recommendation:** Authorize an extension of Contract #C98-13050 with CorVel Corporation to continue in the provision of Certified Managed Care and Employment Services to May 15, 2004 at the same administrative fee arrangement. The total sum estimated to be expended in administrative fees is estimated at \$66,000, which is payable from Fund 6900, Agency 820, Org 8290, Object 5070, Sub-Object 19.

Prepared or Submitted by: Ellen Velasco-Thompson, Director, 612 673-3994

Approved by: Patrick Born, City Finance Officer \_\_\_\_\_

John Moir, City Coordinator \_\_\_\_\_

Presenters in Committee: Ellen Velasco-Thompson, Director, Risk Mgmt. & Claims

<p><b>Financial Impact</b> (Check those that apply)</p> <p><input checked="" type="checkbox"/> No financial impact - or - Action is within current department budget. (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain):</p> <p><input type="checkbox"/> Request provided to the Budget Office when provided to the Committee Coordinator</p>
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<p><b>Community Impact</b> (use any categories that apply)</p> <p><input type="checkbox"/> Neighborhood Notification</p> <p><input type="checkbox"/> City Goals</p> <p><input type="checkbox"/> Comprehensive Plan</p> <p><input type="checkbox"/> Zoning Code</p> <p><input type="checkbox"/> Other</p> <p><input checked="" type="checkbox"/> Not applicable</p>
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**Background/Supporting Information Attached:**

The present contract for Workers' Compensation (WC) Managed Care Services and Employment Medical Services will expire on March 31, 2004.

Our present provider has agreed to the extension of our current contract for Workers' Compensation Certified Managed Care and Employment Services with the City an additional few months to May 15, 2004, at the same contract rates as stated in Contract C98-03050. The administrative services fees for all of 2004 will not exceed \$ 66,000.

The Finance Department is awaiting responses to an RFP that was reviewed by the PRC and was released in February 2004. Additional time is needed to allow for potential providers to respond to our WC Managed Care Program and unique Employment Services needs, bring back a recommendation for Council, negotiate a contract, and dovetail staff actions to the Council's schedule and approvals.

It is our recommendation that the City Finance Officer be authorized to extend the CorVel Corporation contract until May 15, 2004 to fit the Council's schedule for review and authorization.