

COUNCIL COMMUNICATION

From: The City Manager

Subject: Cambridge Integrated Services Group Inc. Agreement.

Manager's Recommendation:

I recommend approval of a one-year agreement between the City of Saginaw ("City") and Cambridge Integrated Services Group, Inc. ("Cambridge"). This company provides for third-party administration of the City's self-insured workers' compensation program. The Agreement has been approved by the City Manager as to substance and the City Attorney as to form. The annual flat service fee is \$28,900.00.

Funds for this service are budgeted in the Workers' Compensation Fund – Professional Services Account No. 678-1750-701-8001.

Justification:

The purpose of the Agreement is to renew an ongoing successful working relationship between Cambridge and the City. This third party administrator has provided service since September 1989. The previous agreement expired on June 30, 2009. The renewal of the agreement for a one-year term will provide a continued proactive approach to reducing our workers' compensation payroll and medical costs.

The City has been very satisfied with their performance. They provide claims administration through a Mt. Clemens, Michigan branch office with services to include data processing and telephone reporting of injuries, cost containment services and utilization of Michigan Workers' Health Care Service Rules. It includes investigation of all claims by establishing files, providing to State of Michigan all necessary State forms and reports including our self-insured status, providing monthly loss run, monthly deposit account activity and periodic injury summary reports.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.