

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

September 26, 2023

FROM

VICTOR TORDESILLAS, Director, Department of Risk Management

SUBJECT

Contract with Origami Risk LLC for an Automated Claims System

RECOMMENDATION(S)

1. Approve **Contract No. 23-1026** with Origami Risk LLC, including a non-standard term, to provide software license, installation, and maintenance of an updated Automated Claims System, in an amount not-to-exceed \$1,665,375, for the period September 27, 2023 through September 26, 2028.
2. Authorize the Director of Risk Management to execute change orders to the Contract, as needed, in a total amount not-to-exceed \$50,000 annually, provided that the change orders do not amend the terms of the Contract, and subject to review by County Counsel.
3. Direct the Director of Risk Management to transmit copies of all change orders to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Victor Tordesillas, Director, 386-8623)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The estimated combined five-year cost of this contract will not exceed \$1,665,375 and will be paid from various Department of Risk Management (DRM) funds. The annual cost of \$305,000, and first-year implementation costs of \$140,375 (which includes database production, screen design of incidents, data mapping and interface development), have been included in DRM's 2023-24 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The DRM has managed the County's self-insured and self-administered public liability and workers' compensation programs since 1978. DRM uses an integrated Automated Claims System (ACS) for the administration of claims in both programs. The current vendor, Insurity, LLC, has provided the County's ACS (SIMS/ClaimsXpress) since 2015. The current system has become obsolete and no longer meets the needs of the DRM.

To improve technological efficiencies and maintain compliance with state requirements, DRM seeks to replace its current system with an updated claims management system that will

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provide the latest technology in administering all types of claims, loss control programs, and cost allocations effectively and efficiently.

Origami Risk LLC (Origami) has been selected to provide the DRM with an ACS that utilizes state-of-the-art technology designed to streamline the documentation and administration of all types of workers' compensation and liability incidents, insurance claims, loss control programs, and cost allocations. Origami will be responsible for the implementation, configuration, enhancement, and ongoing maintenance of all components of the ACS.

The Contract is the County standard contract, which has been negotiated to include terms that differ from the standard County contract. The non-standard terms include the following:

1. Origami limits its liability arising under the Contract and for costs associated with a Health Insurance Portability and Accountability Act claims of breach of Patient Health Information to a maximum of \$500,000, excluding Origami's indemnification obligations, claims arising from Origami's gross negligence and willful misconduct, but not excluding violations of law.
 - The County standard contract does not include a limitation of liability.
 - Potential Impact: Claims could exceed the liability cap and the Contract amount leaving the County financially liable for the excess.

Origami is a leading provider of integrated software solutions for the risk, safety, and insurance industry. They have extensive experience in data conversion and integration, system configuration, and user training, which will ensure that the DRM will not experience any business disruptions during the implementation of the new system. The DRM recommends approval of the contract with Origami, including the non-standard term, to provide an updated ACS for the administration of the County's risk, safety, and insurance programs.

PROCUREMENT

On July 14, 2022, the DRM released Request for Proposal (RFP) No. RMG122-RMADM-4531 through the County's electronic Procurement Network (ePro) to solicit proposals from interested and qualified vendors for the provision of an updated ACS for DRM. Eight vendors submitted proposals in response to the RFP, and all eight proposals were all found to be responsive.

Agency Name	ACS Name	Location
American Technical Services, Inc	ATS	Palm Harbor, FL
Insurity, LLC	ClaimsXpress	Hartford, CT
4aiSoft, LLC dba Klear.ai	KlearClaims	Cypress, CA
OneShield, Inc	OneShield Market Solutions	Marlborough, MA
Origami Risk LLC	Origami Risk	Chicago, IL
Spear Technologies, Inc	SpearClaims	Corte Madera, CA
Ventiv Technology, Inc	Ventiv Claims Enterprise	Atlanta, GA
WRA Risk, Inc	myRMIS	Frisco, TX

An evaluation committee consisting of nine individuals with varying areas of expertise within DRM, as well as the County Innovation and Technology Department (ITD) and County Counsel, reviewed and scored all of the submitted written proposals. The evaluation was based upon the proposers' experience, staff qualifications, project team organization, implementation plan, and training and support services, as well as the technical requirements of the system including features, functions, modifications, enhancements, data conversion and system maintenance.

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Reference checks were conducted on all vendors by DRM staff per the RFP requirements. Although cost was a consideration in the evaluation process, it was not a primary consideration.

Vendor presentations took place over two days. All eight vendors were provided the same instructions, requirements, and time frames to demonstrate their products to the evaluation committee at the DRM. Based on the combined scoring of the written proposals and the presentations, the three highest-scoring proposals were Spear Technologies, Inc, Origami, and Ventiv Technologies.

Prior to making a final recommendation, the committee submitted additional questions to the three finalists regarding pricing, fee proposals, software requirements, fees, and update timelines. Based on the finalists' responses to the additional questions, and the extensive evaluation process detailed above, the evaluation committee recommended awarding the ACS contract to Origami, as it was determined that their product was best suited to meet the department's needs. The remaining vendors were notified of the proposed award. No protests were received.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Laura Crane, Principal Assistant County Counsel, and Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on August 28, 2023; Innovation and Technology (Jake Cordova, Assistant Chief Information Officer, 388-0503) on September 14, 2023; Purchasing (Leo Gomez, Purchasing Manager, 387-2063) on August 31, 2023; Human Resources (Diane Rundles, Assistant Executive Officer, 387-5570) on September 8, 2023; Finance (Ivan Ramirez, Administrative Analyst, 387-4020) on September 8, 2023; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on September 11, 2023.

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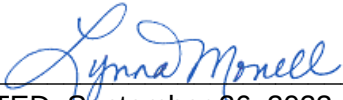
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Jesse Armendarez

Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: September 26, 2023



cc: Risk - Tordesillas w/agree
Contractor - c/o Risk w/agree
File - w/agree

CCM 09/29/2023