

## Indian River County, Florida Memorandum

**TO:** Board of County Commissioners  
**THRU:** John A. Titkanich, Jr., County Administrator  
**FROM:** Cynthia Stanton, Risk Manager  
**DATE:** September 24, 2024  
**SUBJECT:** Third Party Claims Administration Agreement

---

### **Description and Conditions**

The County's self-insurance program relies upon the services of a third-party claims administrator to analyze and process workers' compensation and third-party liability claims made against the County in accordance with State and Federal guidelines. Since February 2005 Davies Claims North America, Inc. (Davies), formerly known as Johns Eastern Company, Inc. (JEC), a leading firm in their industry, has consistently provided outstanding services and their longevity with the County brings both stability and historic knowledge to the County's self-insurance program.

The current agreement includes a three (3) year term and began on October 1, 2019, and continued through September 30, 2022, with two (2) optional additional single year terms expiring on September 30, 2023, and September 30, 2024, respectively. The expiring annual cost of services is \$250,752.

The proposed renewal agreement will continue with prior terms and conditions of a flat rate increase of four (4) percent from the expiring agreement. This annual increase is consistent with earlier agreements. The proposed agreement includes a three (3) year term from October 1, 2024, through September 30, 2027, with an annual price of \$260,907 for the first three years. The agreement also provides two (2) optional additional single year terms with a 3.5% increase each term. Annual fees are outlined below.

**Year 1-3:** \$260,907  
**Year 4:** \$270,039  
**Year 5:** \$279,491

**Note:** In September 2022, Johns Eastern Company was acquired by Davies. The JEC team now operates as Davies' and offers the same full range of TPA and loss adjusting services.

**Funding**

Funding for claims administration services, in the amount of \$260,907 for Fiscal Year 2024/2025, is provided by the Self Insurance Fund/Risk Management/Other Professional Services account, number 50224613-033190.

<b>Account Description</b>	<b>Account No.</b>	<b>Amount</b>
Self-Insurance/Risk Mngt/Other Professional Services	50224613-033190	\$260,907

**Recommendation**

Staff recommends the Board authorize the Chair to execute the extension agreement after review and approval by the County Attorney's Office with an annual renewal cost of \$260,907

**Attachment**

Davies Renewal Agreement October1, 2024