



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: July 10, 2007
Author: Catherine Deslauriers
Co-author: Inspector Ted Schinbein
Phone No.: 604.873.7580
604.717.3175
RTS No.: 06868
VanRIMS No.: 03-1200-30
Meeting Date: July 24, 2007

TO: Vancouver City Council

FROM: General Manager, Human Resource Services
Manager of Material Management
Inspector Ted Schinbein Vancouver Police Department

SUBJECT: Award of Contract on Request for Proposal PS07004 - Occupational and Disability Management Services

RECOMMENDATION

- A. THAT, Council (subject to the conditions set out in Recommendations D, E, and F) authorize a contract with Medisys Health Group Inc. for the provision of occupational health services for the City and the Vancouver Police Department at an estimated yearly cost of \$141,717 per year plus GST for three (3) years with a subsequent renewal option of two (2) one-year extensions. The source of the funding will be the existing occupational health budget in Human Resource Services budget, and \$29,900 from the Vancouver Police department budget.
- B. THAT, Council (subject to the conditions set out in Recommendations D, E and F) authorize a contract with Medisys Health Group Inc. for the provision of Disability Management Services for the Vancouver Police Department at an estimated cost of \$89,250 per year plus GST for three (3) years with a subsequent renewal option of two (2) one-year extensions. The source of the funding will be the existing disability management budget in Human Resource Services.
- C. THAT Council (subject to the conditions set out in Recommendations D, E, and F) authorize a contract with Organizational Health Inc., for the provision of disability management services for the City at an estimated cost of \$311,900

per year plus GST for three (3) years with a subsequent renewal option of two (2) one-year extensions. The source of the funding will be the existing disability management budget in Human Resources Services.

- D. THAT all legal documentation is to be in a form which is satisfactory to the Director of Legal Services and General Manager of Human Resource Services.
- E. THAT the Director of Legal Services be authorized to execute and deliver the necessary agreement on behalf of City Council.
- F. THAT no legal rights or obligations shall arise hereby and none shall arise or be granted hereafter unless and until all legal documentation has been executed and delivered by the Director of legal services on behalf of the City Council.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

COUNCIL POLICY

The policy of Council is to award contracts for the purchase of equipment, supplies and services that will give the highest value based on quality, service and price. Contracts with a value over \$300,000 are referred to Council.

PURPOSE

The purpose of this report is to obtain Council approval to award the contract for the supply of occupational health services for the City and the Vancouver Police Department (VPD) to Medisys Health Group Inc. and for the supply of disability management services for the City and the Vancouver Police Department to Organizational Health Incorporated and to Medisys Health Group Inc. respectively.

BACKGROUND

In May 1995, Council authorized the General Manager of Human Resource Services to seek proposals from private sector firms to provide occupational health and disability management services.

The City conducted the request for proposal and evaluation process in accordance with City policy. As a result Medisys Corporate Health Services Inc. (now known as Medisys Health Group Inc.) was awarded the contract to provide occupational health services effective October 1, 1995 for a fifteen (15) month period at a cost of \$307,000 inclusive of all taxes including GST.

The City subsequently extended the contract several times over the years. In July 2003 the Human Resource Services department determined that it would be prudent to go to market through the Request for Proposal process in order to ensure that the City was getting the best quality occupational health and disability management services for staff at a competitive price. As a result Medisys Corporate Health Services Inc. (now known as Medisys Health Group Inc.) was awarded the contract for the provision of occupational health services and disability management services for the period November 1, 2003 to October 31, 2006 with two additional periods of one-year renewal by mutual written agreement. The contract was for approximately \$300,000 based on the occupational health and disability management program in effect in 2003.

The current contract provides occupational and disability management services such as pre-employment medicals, periodic medicals for police officers, special medicals for hazmat officers, a Hepatitis B and influenza immunization program, medical monitoring for employees exposed to chemicals and metals, a blood and body fluid exposure program in accordance with WCB regulation, consultative medical advice on applications for sick leave, return to work and accommodation due to disability.

In September 2004, City Council approved an expansion of our disability management program through the creation of a Disability Management division within Human Resource Services. The division works with employees and supervisors and the disability management provider to confirm medical evidence of illness, and to structure safe and supportive return to work with all stakeholders following illness or injury. The staff also work to accommodate injured workers who are no longer able to perform their pre-injury duties due to permanent restrictions.

In 2006 the occupational health services budget was reduced due to budget cutbacks. The funding for periodic medicals for police officers was removed from the Human Resource Services occupational health services budget. The Vancouver Police Department decided that they would continue to fund periodic medicals for police officers from their own budget.

DISCUSSION

The Human Resource Services department determined that it would be prudent to go to market through the Request for Proposal process in order to ensure that the City was getting the best quality occupational health services and disability management services for staff at a competitive price. On March 28, 2007 Materials Management issued an RFP which closed on May 1, 2007.

An evaluation team was created with staff from the Human Resources Section of the Vancouver Police department, Materials Management, and Employee Health and Safety and Disability Management divisions of Human Resource Services. The Fire Department were invited to sit on the evaluation team but indicated they were unable to participate. The evaluation team reviewed all proposals that met the mandatory requirements and assessed the proposals against the following criteria:

- An understanding of the service requirements
- Proponent qualifications

- Quality and experience of the organization and the proposed services
- Price

Proponents were invited to bid on occupational health services and/or disability management services for the City and/or the Vancouver Police Department. The Vancouver Police Department indicated that due to the number of occupational health services extended to their police officers, and their unique needs due to their occupational requirements, their preference was for an Occupational Health Physician model with one provider who could provide both occupational health and disability management services for continuity of care.

The City received six (6) proposals. These were received from Ultima Medical Services, Organization Health Inc., Organizational Solutions, HealthServ Professionals Inc., OccMed Health Inc. and Medisys Group Health Inc.

Proponent Bid	Occupational Health COV	Occupational Health VPD	Disability Mgt. COV	Disability Mgt. VPD
Ultima Medical Services	X	X	X	X
Organizational Health Inc.			X	X
Organizational Solutions Inc.			X	X
HealthServ Professionals Inc.	X	X	X	X
OccMed Health Inc.	X	X	X	X
Medisys Health Group Inc.	X	X	X	X

Of the six (6) proposals, Ultima Medical Services did not meet the mandatory requirements and was given no further consideration after the initial review. The remaining five proposals were evaluated by the team. Four proponents were interviewed based on the team's evaluation. Organizational Health Inc., HealthServ Professionals Inc., OccMed Health Inc. and Medisys Health Group Inc. The purpose of the interviews was to determine the suitability of fit and to obtain more detailed information on the evaluation criteria and model of care. Reference checks were conducted on the final short-listed proponents.

Of the six proposals received and through a comparative evaluation process, it was determined that Medisys Health Group Inc., represented best value to the City and the Vancouver Police Department for occupational health services given their understanding and knowledge of the City's and the Vancouver Police Department's work and occupational health protocols and for the consistency that continuation with this proponent would provide.

It was the Vancouver Police Department's preference to have Medisys Health Group Inc., continue to provide disability management services given their understanding and knowledge of their unique requirements, and their Occupational Health Physician model of care.

The City determined that Organizational Health Inc., represented the best value to the City by providing added value services at no additional cost to the City, their commitment to work

with the Disability Management Division staff and their desire to follow City protocols, as well as a management team committed to upholding service levels and contract management.

FINANCIAL IMPLICATIONS

The proposal from Medisys Health Group Inc., for occupational health services offered the second lowest total cost at \$141,717 and provides continuity of occupational health programs by remaining with the same provider. The proposal for disability management from Medisys Health Group Inc. for the Vancouver Police Department provides care for the police officers largely through their Occupational Health physician and is therefore second highest in total cost at \$89,250, however it is deemed by the Vancouver Police Department to be the best value for them given their experience with the organization. The proposal from Organizational Health Inc., for disability management services for the City is second lowest in total cost at \$311,900.

These costs were estimated based on current and possible future occupational and disability management services usage.

Proponent	Occupational Health COV Cost per Year	Occupational Health VPD Cost per Year	Disability Mgt. COV Cost per Year	Disability Mgt. VPD Cost per Year
Organizational Health Inc.	Not Applicable	Not Applicable	\$311,900	\$73,600
Organizational Solutions Inc.	Not Applicable	Not Applicable	\$265,500	\$67,000
HealthServ Professionals Inc.	\$71,284	\$43,866	\$356,080	\$90,950
OccMed Health Inc.	\$117,954	\$85,402	\$368,560	\$89,090
Medisys Health Group Inc.	\$82,492	\$59,225	\$354,650	\$89,250

The funds for the City's portion of the contract will be provided through the Human Resource Services budget. The Vancouver Police Department will fund the periodic medicals for police officers through their budget.

CONCLUSION

In consideration of the advantage of remaining with the current provider for occupational health services, the recommendation is to contract with Medisys Health Group Inc. for occupational health services as it is deemed best value for the City and the Vancouver Police department. In consideration of the desire for the Vancouver Police department to have an occupational health physician model and continuity of care through an experienced provider, the recommendation is to also contract with Medisys Health Group Inc. for disability management services for the Vancouver Police Department.

In consideration of the added value services at no additional cost to the City, their commitment to work with the Disability Management Division staff and their desire to follow City protocols, as well as a management team committed to upholding service levels and

contract management the recommendation is to contract with Organizational Health Inc. for disability management services for the City.