

# **Attachment E**

**Contract Year 5 Schedule 8 Revised Based on 7 1 07 Program changes including FY07 COLA Increase**  
**100% of the Year Remaining**  
**(Revised on 6-28-07)**

**MCI TEAM PRICING**

Year 3	General Contractor	Loss Control Services	Claim Service Provider	Clinical Case Review	Medical and Vocational Services	PPO	MBA	Total
Personnel	\$204,963.20	\$268,171.90	\$1,661,468.19	\$474,231.00	\$598,822.98			\$3,207,657.27
Benefits	\$68,088.78	\$88,496.73	\$481,825.77	\$113,816.00	\$98,310.85			\$850,538.13
Medical Director			\$0.00	\$0.00				\$0.00
Recruiting / Advertising	\$780.00	\$811.20	\$2,821.81	\$4,444.00	\$475.62			\$9,132.63
Parking	\$1,635.38	\$2,336.26	incl in Benefits	\$3,840.00				\$7,811.64
Travel	\$1,427.71	\$636.54	\$8,900.00	\$19,096.00	\$81,984.18			\$112,044.43
Education and Training	\$2,652.25	\$7,354.88	\$18,564.00	\$4,444.00				\$33,015.13
Telephone	\$973.44	\$2,608.82	\$70,501.67					\$104,896.65
Rent			\$76,733.16					\$67,869.82
Postage			\$53,878.15					\$57,785.98
Printing			\$4,792.95					\$4,792.95
Bank fees			\$31,736.36					\$31,736.36
FGSC Chargeback	\$23,400.00	\$0.00	\$0.00	\$93,600.00	\$11,700.00			\$128,700.00
Computer Equip, software, install, camera		\$576.85	\$0.00		\$26,159.31			\$26,736.16
Furniture	\$1,000.00		\$7,236.00					\$8,236.00
Depreciation			\$8,528.88		\$13,974.00			\$22,502.88
General Maintenance			\$1,500.00					\$1,500.00
Dues and Subscriptions		\$232.54	\$2,097.45					\$2,329.99
Copy/Supplies		\$540.80	\$76,250.92		\$26,718.49			\$103,510.21
DP			\$3,749.60					\$3,749.60
Outside Services			\$10,037.78					\$10,037.78
G2 Weblink			\$180,000.00					\$180,000.00
Medical Bill Adjudication			\$159,180.75					\$159,180.75
Claim Reporting			\$5,202.90					\$5,202.90
Other (meetings, web site)	\$10,545.60		\$24,969.60					\$35,515.20
G2000 User License Allocation			\$86,184.00					\$86,184.00
Total Expense	\$143,801.95	\$114,514.91	\$553,426.54	\$115,731.20	\$71,054.35			\$998,528.95
less chargebacks	\$459,268.31	\$486,281.43	\$3,529,366.48	\$829,202.20	\$975,056.79			\$6,279,175.21
Margin Before Tax	\$97,420.55	\$103,150.61	\$420,433.52	\$102,485.67	\$172,068.85			\$128,700.00
Gross Receipts Tax	\$8,479.00	\$8,978.00						\$885,559.19
Federal & State Tax	\$41,043.28	\$43,457.35	\$193,819.86	\$46,118.55	\$79,461.39			\$17,457.00
Margin After Tax	\$47,898.27	\$50,715.26	\$226,613.66	\$56,367.12	\$92,607.45			\$403,900.43
Total Revenue	\$565,167.66	\$598,410.04	\$3,821,100.00	\$931,687.68	\$1,147,125.75	\$241,025.00		\$474,201.76
After Tax Margin	6.48%	8.48%	5.93%	6.05%	8.07%			\$7,304,516.62 8.49%

**MBA Related Adjustments**

Adjustments (annual cost)

Posting Adjudicator, eliminated 1-06			-\$61,982.54					-\$61,982.54
Clerical Assistant, eliminated 1-06			-\$46,180.83					-\$46,180.83
Clerical Assistant, eliminated 1-06			-\$48,180.83					-\$48,180.83
Keying Adjudicator, eliminated 1-06			-\$55,456.20					-\$55,456.20
Keying Adjudicator, eliminated 1-06			-\$55,456.20					-\$55,456.20
Fair Isaac line fee, eliminated 1-06			-\$159,190.00					-\$159,190.00
CSP Bridge Operation Cost			\$3,500.00					\$3,500.00
Nurse auditor, eliminated 1-06				-\$116,540.00				-\$116,540.00
PPO, eliminated 1-06						-\$241,025.00		-\$241,025.00
MBA Adjustments prorated at							\$850,000.00	\$850,000.00
MBA KSA Adj. per 3-15-06 Agreement							\$5,400.00	\$5,400.00
MBA Related Adjusted			-\$424,946.80	-116540		-241025	\$844,600.00	\$82,086.40
<b>PROGRAM COST WITH MBA SERVICE</b>	<b>\$565,167.66</b>	<b>\$598,410.04</b>	<b>\$3,396,153.40</b>	<b>\$815,147.98</b>	<b>\$1,147,125.75</b>	<b>\$0.00</b>	<b>\$844,600.00</b>	<b>\$7,386,605.02</b>
Pre 1-1-06 Staffing Adjustments								
Nurse case reviewer, eliminated 5-05				-\$116,540.00				-\$116,540.00
Clinical Case Review Consultant, added 12-03					\$101,766.37			\$101,766.37
Total Pre 1-1-05 Staffing Adjustments				-\$116,540.00	\$101,766.37			-\$14,773.63
<b>TOTAL PROGRAM COST 1-1-06</b>	<b>\$565,167.66</b>	<b>\$598,410.04</b>	<b>\$3,396,153.40</b>	<b>\$698,607.98</b>	<b>\$1,248,892.12</b>	<b>\$0.00</b>	<b>\$844,600.00</b>	<b>\$7,351,831.39</b>
Decrease CCR 1-06 year 3				\$233,080.00				
Program Cost Year 3				\$465,527.98				
Elimination of CCR				\$465,527.98				
Addition of one position GC	\$75,000.00							
Addition of MOC			\$69,693.56					
Addition to MVS								
MVS Nurse Consultant					\$116,540.00			
MVS Field case managers (3.4)@ \$101,766.37					\$346,005.65			
Program Cost before COLA	\$640,167.66	\$598,410.04	\$3,465,846.96	\$0.00	\$1,711,437.77		\$844,600.00	\$7,260,462.62
Cola for year 4:								
	4.40%	\$28,167.39	\$26,330.04	\$152,497.27	\$0.00	\$75,303.26	\$0.00	\$37,162.40
Program Cost Year 4 with Year 5 services	\$668,335.25	\$624,740.08	\$3,618,344.23	\$0.00	\$1,786,741.03	\$0.00	\$881,762.40	\$7,579,922.98
Year 5 Costs including Year 5 COLA 3.5%	\$692,395.31	\$647,230.72	\$3,748,504.62		\$1,851,063.70		\$913,505.85	\$7,852,800.20

- Commonwealth agrees to pay for MCI and LCI rent, postage, printing, supplies, travel related costs, computers, office furniture, mileage for trips in excess of 25 miles.
- Telephonic claim reporting is a file charge @ \$18.50, \$19.15, \$19.82 for years 1 - 3 per call, see Start Up Cost
- Web reporting is a file charge @ \$6.00, \$6.25 and 6.45 for year 1 - 3 per claim
- Pure Safety is available to the Commonwealth at the pricing proposed with modifications for variance in service and number required.
- National Safety Resource Center services are available for \$952.50 monthly, depending upon the volume required.
- Commonwealth will reimburse LCI should an area of expertise be required that is not provided by the existing LCI staff.
- See Pricing Proposal for First Notice Start Up Cost
- Job Club \$175 per participant per day (minimum of 3 days, charges apply for non attendance)
- Purchasing Agency is responsible for paying for workstations, chairs, claim file shelving, and computers.
- MBA is paid 23% of savings resulting from line item review and negotiations with hospitals not in the MBA Network
- MBA start up cost are \$9,500 and will be invoiced to the Purchasing Agency after January 1, 2006.
- CSP start up cost are \$5,550 and will be invoiced to the Purchasing Agency after January 1, 2006.
- Guardi expenses are paid directly by Purchasing Agent