

**RENEWAL OF
WORKERS' COMPENSATION OWN RISK ADMINISTRATION AGREEMENT**

THIS AGREEMENT is made and entered into this 20TH day of JUNE, 2023 by and between The City of Oklahoma City, a municipal corporation, and the Oklahoma City Municipal Facilities Authority, a public trust, hereinafter referred to as "The City" and "OCMFA".

WITNESSETH:

WHEREAS, the Risk Manager filed an application executed by the Mayor for an own risk permit with the Workers' Compensation Court, and said application is to cover a period running July 1, 2023 through June 30, 2024.

WHEREAS, the OCMF A is a public trust, authorized by State law and governed by a Board of Trustees which consists of the duly elected Mayor and City Council members of the Oklahoma City Council; and

WHEREAS, the parties are desirous of entering into a renewal agreement for the administration of The City's workers' compensation program, including the right to utilize the OCMFA's special fund accounts to pay workers' compensation benefits and contract with other parties for implementation of The City's own risk policy.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, it is mutually agreed by and between the parties hereto as follows:

ARTICLE I. COMMENCEMENT AND TERMINATION

This Agreement shall become effective July 1, 2023 and shall remain in full force and effect through June 30, 2024. This Agreement may be terminated by mutual consent or by

either party by giving at least thirty (30) days prior written notice of such termination by certified mail to the other party. This Agreement shall become null and void if The City fails to secure renewal of its own risk policy.

ARTICLE II. ADMINISTRATIVE SERVICES

OCMFA, by and through the Risk Management Division of the Finance Department, shall be responsible for the administration of The City's own risk program pursuant to the terms, provisions, court rules, and administrative regulations as provided and authorized by the Workers' Compensation Act. The OCMFA shall perform the following claim services on behalf of The City, through the Risk Management Division:

- (1) Investigation of all on-the-job injuries reported to The City.
- (2) Administering the approved Certified Workplace Medical Plan(s).
- (3) Supervision over The City's injury leave program as provided in The City's Personnel Policies.
- (4) The maintenance of records of all information incident to payments made to fulfill the obligation of The City under the Workers' Compensation Act.
- (5) Defending any claims, suits, or other workers' compensation related proceeding arising out of, or claimed to arise out of, such obligations of The City and certain public trusts whose sole beneficiary is the City and other entities, including the following public trusts and entities: Oklahoma City Public Property Authority, Oklahoma City Zoological Trust, Oklahoma City Airport Trust, Oklahoma City Water Utilities Trust, Oklahoma City Emergency Management Citizen Emergency Response Team (OKCEM CERT), National Urban Search and Rescue Response System and Central Oklahoma Transportation and Parking Authority. Said defense shall include but not be limited to the following activities:
 - (a) Preparation of all pleadings and forms.
 - (b) Appearing before the Workers' Compensation Court, the Court En Banc, the Workers' Compensation Commission, and the Appellate Courts of the State of Oklahoma.

- (c) Preparation of all trial and appellate briefs.
 - (d) Making such investigations as OCMFA deems necessary to determine such obligations of The City and negotiating the settlement and/or affecting the compromise of any claim or suits arising out of such obligations.
 - (e) Preparing all documents for payments of compromise settlements and orders.
 - (f) Preparation of annual reports reflecting name of injured employees, style of case, whether order or settlement, amount, type of benefits awarded (whether temporary total, permanent partial, or permanent total), a brief summary of the case, including nature of accident, type of injury and any defenses alleged, and whether appealed, and an estimate of all reserves for actual, anticipated or potential benefits or expenses.
- (6) Arranging for rehabilitation services when required and preparing an estimate of all reserves for actual anticipated or potential benefits or expenses.
 - (7) Making an annual payroll audit for purposes of determining payroll by industrial classification for premium computation, if needed.
 - (8) Making all reports and payments necessary on behalf of The City for taxes owed to the Special Indemnity Fund, and the Workers' Compensation Fund, assessments to the State Multiple Injury Trust Fund and any other reports required by the Workers' Compensation Court.
 - (9) To pay workers' compensation benefits to injured employees from OCMFA fund accounts. The City intends to transfer funds to OCMFA as necessary to implement the terms of provisions of this Agreement.
 - (10) Assist in the prosecution of all third-party subrogation claims arising out of any on-the-job injuries.
 - (11) Develop and establish a safety program on behalf of The City and the above-named Trusts as the need arises.

ARTICLE III. LIABILITY

The City acknowledges that it has the liability for payment of workers' compensation benefits, including rehabilitation services, and this Agreement in no way obligates OCMFA for payment of said benefits over and above the transferred funds. Furthermore, this Agreement

does not obligate The City to transfer any additional funds to OCMFA for payment of said benefits but merely is a statement of intent of The City to transfer said funds in order to expedite the administration of The City's own risk program.

ARTICLE IV. FUND ACCOUNTS

OCMFA agrees that it will continue to utilize the following special fund accounts previously established for payment of workers' compensation benefits while The City is self-insured pursuant to the Workers' Compensation Code and The Administrative Workers' Compensation Act.

- (1) Administrative fee account: This account provides for payment of administration fees to any party OCMFA contracts with for administration of The City's own risk program and for administration of a Certified Workplace Medical Plan.
- (2) Claim liability account: This account provides for payment of all workers' compensation benefits and all costs incidental to defendant's said claims, including but not limited to the following:
 - (a) Temporary total disability compensation.
 - (b) Permanent partial disability compensation.
 - (c) Medical bills for treatment and disability and/or rehabilitation evaluations and medical order equipment.
 - (d) Court costs.
 - (e) Depositions.
 - (f) Transcripts.
 - (g) Filing fees.
 - (h) Safety and Occupational and Safety Fund Tax.
 - (i) Workers' Compensation Administration Fund.

- (j) Any other taxes assessed and costs reasonable and necessary for preparation of workers' compensation claims.
 - (k) Costs for defense of claims under 85 Okla. Stat. § 1 et seq.
 - (l) Costs for payment of workers' compensation claims.
 - (m) Costs for payment of presumptive illness medical bills.
 - (n) Excess Insurance coverage for Workers' Compensation coverage.
- (3) Reserve fund account: OCMFA shall maintain this account as a reserve and may be transferred to the claim liability account and/or administrative fee account. Provided, however, this account shall maintain a minimum balance of \$25,000.

All the above-enumerated accounts are unrestricted.

ARTICLE V. CONSIDERATION

In consideration of the services to be rendered by OCMFA, The City pays the amount of Ten Dollars (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged of OCMFA.

ARTICLE VI. DISCRETIONARY SETTLEMENT LIMIT

The City hereby authorizes OCMFA and its agent and assigns approved by the Council a discretionary settlement limit of \$20,000 for a qualified claim or loss for payment of temporary total, permanent partial, disfigurement, permanent total benefits, any bonus, agreed orders, agreed denials and unlimited discretion for the remaining allocated loss expenses, including but not limited to medical treatment, equipment, supplies, ancillary medical expenses, and temporary total disability benefits, disfigurement, wages in lieu of compensation, any accrued award and interest of the Workers' Compensation Court. Provided, however, it is the desire of the parties that any lump sum Joint Petition, Agreed Orders, or fully accrued or commuted orders of \$10,000.00 and over, exclusive of the awards to employees of the covered public trust and

entities, shall be submitted to The City and the OCMFA for joint approval and rendition of judgment, as authorized by Art. 10, § 28 of the Oklahoma Constitution, 85 O.S. § 42, and 62 O.S. §§ 365.1 *et seq.*

Additionally, The City hereby authorizes the Municipal Counselor or his designee to settle for a sum that appears to be reasonable any claim of The City or the OCMFA with the third party tortfeasor, if any, or their insurance company any subrogation claims in which The City or OCMFA paid The City, Trust or other approved entity employee pursuant to 85 O.S. §§1 *et seq* and in accordance with 85 O.S. §44 a sum up to and including \$40,000.00 that are or could be pursued as the result of any payment made to any City, Trust or other approved entity employee.

ARTICLE VII. CONTRACTS

The OCMFA shall have the authority to enter into contracts for necessary assistance in carrying out the workers' compensation self-insurance program and Certified Workplace Medical Plan in an efficient and timely manner in accordance with the provisions of the Workers' Compensation Code and The Workers' Compensation Act.

[Remainder of page is blank. Signature page follows.]

APPROVED by the Trustees and **SIGNED** by the Chairman of The Oklahoma City Municipal

Facilities Authority this 20th day of June 2023.

ATTEST:

Amy K. Simpson
Secretary



Daid Holt

Chairman

APPROVED by the Council and **SIGNED** by the Mayor of The City of Oklahoma City this

20th day of June 2023.

ATTEST:

Amy K. Simpson
City Clerk



Daid Holt

Mayor

REVIEWED for form and legality

Richard E. Mahoney
Assistant Municipal Counselor