COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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September 11, 2008

TO: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Acting Auditor-Controller

SUBJECT: **PROPOSITION A CONTRACT – CHIEF EXECUTIVE OFFICE WORKERS' COMPENSATION CLAIMS THIRD-PARTY ADMINISTRATOR (Board Agenda September 16, 2008, Item 17)**

Item 17 on your Board's Agenda for Tuesday, September 16, 2008, is a request from the Chief Executive Office (CEO) to approve a Proposition A contract with Intercare Insurance Services to perform workers' compensation third-party claims administration services.

We have reviewed and approved the Proposition A cost analysis prepared by the CEO indicating the contract is cost-effective. The hourly wages to be paid by the contractor meet the County's Living Wage Ordinance requirements. The contract also includes Cost of Living Adjustment provisions that are consistent with Board policy.

Please call me if you have any questions, or your staff may contact Jim Schneiderman at (626) 293-1101.

WLW:MMO:JLS:MP

c: William T Fujioka, Chief Executive Officer
Sachi A. Hamai, Executive Officer
Public Information Office
Audit Committee