



State of Louisiana

Division of Administration
Office of the Commissioner

FOR IMMEDIATE RELEASE

Contact: Meghan Parrish, 225-342-7178

Office of Risk Management Names New Third-Party Administrator

BATON ROUGE - Today, the Office of Risk Management (ORM) announced the selection of Sedgwick Claims Management Services, Inc. as the third-party administrator responsible for the state's self-insurance program, including property, casualty and workers' compensation claims administration and loss prevention.

Sedgwick was awarded a three year contract with a two year renewal option for \$79.7 million. The new contract will begin July 1 and will provide enhanced programs and improved data services that will allow the state to maximize recovery and better manage specialty claims.

"Since making these reforms in 2010, we've been able to save millions while providing better service and flexibility to the state," said Bud Thompson, Executive Director at ORM. "Sedgwick will help us continue our focus on creating a more efficient, stronger program by leveraging their extensive experience and resources to further reduce costs and improve service."

Sedgwick is the country's largest claims administrator, with experience serving Wal-mart, Coca-Cola, Delta Airlines, AT&T and Bank of America. While three other bids were considered in the RFP process, Sedgwick's award was based on a variety of factors, including their strong public and private sector experience, excellent technology services, and a quality assurance program that emphasizes claims outcomes.

In 2010, the state privatized its risk management division by contracting with F.A. Richard and Associates. Last year, the legislative auditor confirmed that the privatization was on track to meet its goal of saving \$22 million over five years.

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