WASHINGTON COUNTIES RISK POOL
2558 R.W. Johnson Road SW, Suite 106
Olympia, WA 98512-6103
Created *by* Counties *for* Counties

REQUEST FOR PROPOSALS - INDEPENDENT CLAIMS AUDIT

PROPOSAL DEADLINE: December 12, 2025, 5:00 pm PST

Introduction:

The Washington Counties Risk Pool (WCRP) seeks proposals from all interested parties to conduct an independent claims audit, pursuant to Washington Administrative Code (WAC) 200-100-050(7).

The WCRP is a self-insured, self-funded governmental risk management pool formed under RCW 48.62 and RCW 35.34. Twenty-Four of Washington's counties participate in the Pool, which provides risk management, claims handling, and the group purchase of property insurance, cyber insurance, along with excess and reinsurance liability coverage. The Pool utilizes a claims management system, as well as a property inventory database.

WCRP Characteristics:

- Member counties acquire $20 million (with another $5 million option) of joint 3rd-party liability coverage on an occurrence basis.
- Members annually select occurrence deductibles ranging from $10,000-$500,000.
- Reinsurance, subject to retentions, is acquired for the initial $10 million of coverage to protect the Pool directly and the membership.
- For the current year, the Pool's Self-Insured Retention (SIR) is $3 million.
- The remaining coverage (additional $10 million with another $5 million option) is acquired as "following form" excess insurance.
- The previous fiscal year's total reported 3rd-party liability claims totaled 609 annually, with the open pending claims count at 384.
- Pool operations and administration are overseen by a contracted Executive Director.
- The WCRP's 11-member Executive Committee oversees operations, approves disbursements, examines Pool financial health, and approves settlements that exceed member deductibles by $100,000.

Scope of Work:

Evaluation/Audit Areas:

The objective of these audits is to evaluate the Pool's claims handling to determine if the processes are working efficiently and effectively, based upon industry best practices and Washington State law, and/or identify potential areas where improvements are needed. Areas to be reviewed should include, but not be limited to, the following:

Claims administration program, pursuant to WAC 200-100-050(7):

- Claims filing procedures and forms.

- Standards requiring that case reserves for each claim be established in the amount of the jury verdict value.
- Standards requiring case reserves be reviewed every ninety days, or when reasonably practicable, and such review is documented in the claim's diary.
- Standards requiring appropriate adjuster workloads.
- Standards requiring claims payment procedures include sufficient internal controls to ensure adequate review and approval by claims management staff.
- Standards requiring file documentation be complete and up to date.
- Standards requiring timely and appropriate claim resolution practices.
- Standards requiring opportunities for recoveries be reviewed and documented for each claim.
- Standards requiring compliance with Internal Revenue Service (IRS) rules for 1099MISC regulations.
- Standards requiring that claims files be audited in the following categories: Staffing, caseloads, supervision, diary, coverage, reserves, and promptness of contacts, field investigations, file documentation, settlements, litigation management and subrogation.

In addition to the above statutory evaluation requirements, the audit should also include an evaluation of the Pool's compliance with the WCRP Claims Handling Policies & Procedures and with general industry standards, including the following:

- Claims are handled in a timely and efficient manner.
- Evaluation of the Pool's settlement authority structure, internal review, audit procedures, loss reserving, and monitoring.
- Evaluation of the Pool's claims management information system, tracking of claims, and distribution of status reports to members.
- Evaluation of the Pool's litigation management program, list of qualified attorneys, establishment of reporting procedures, ongoing monitoring, case management, and legal expenses.

Documents/Information:

As part of the audit process, the claims auditing firm can expect to receive, at minimum, the following documents and information:

- Current loss runs for all claims in electronic worksheet form.
- A copy of the Pool's Claims Handling Policies and Procedures, along with any additional internal claims handling directives.
- Access to the WCRP's Memorandum of Liability Coverage (MLC) and applicable reinsurance agreements and/or excess insurance policies.
- Access to hard copies of claims files and the electronic claims system.
- Access to management and staff for pre-audit and post-audit discussion and questions, as well as discussions and questions during the audit process.

Written Report:

The audit will be reduced to a written analysis of findings that clearly document compliance in the claims administration process and identifies opportunities for improvement. Review and discussion of the preliminary reports and findings with the Pool's Executive Director, management staff and, when applicable, the member's in-house claims staff shall take place before the final report is completed. A printed and electronic copy of the final report will be provided to the Pool as the final work product.

Consultation:

The independent claims auditor should be available to consult with the Pool's Executive Committee and/or Executive Director about any aspect of the auditing process and otherwise assist in areas where the claims management processes might be improved. The independent claims auditor is an integral part of the professional team assembled on behalf of the membership of the Washington Counties Risk Pool and as such, the auditor's input, recommendations and participation are valued components of the claims auditor's services.

Proposal Content:

The Pool reserves the right to disqualify any and all bids/firms. The WCRP will determine the qualifications of all firms and will select the most responsible firm, taking into consideration the needs of the Pool, the experience, responsiveness, communication and cost of the firms and their proposals.

The following are the qualifications and requests for information that will allow the Pool to learn more about your firm's knowledge and experience:

- Cover letter describing the firm and outlining the company's name, address, designated contact, phone number and e-mail address.
- Electronic or mailed signed proposal.
- Proof of Professional Liability Insurance, evidencing coverage of at least one million dollars per occurrence.
- Names and contact information for references, including public entity pools.
- Samples of similar work performed.
- Description of the proposed services offered.
- Statement declaring independence from the program being audited, its vendors and insurers.
- Name(s) and experience (5-year minimum) of individual(s) who will be conducting the audit.
- Proposed contract for services.
- Description of the work activities to be performed, the number of claims you recommend being reviewed, the amount of time needed for the audit, and a proposed timeline.
- Breakdown of all costs relating to the contract and included services.

Selection Process and Timeline:

Interested parties should submit proposals by the deadline noted in the timeline below. Proposals may be electronically mailed to the Point of Contact identified below, or may be sent via regular US mail, postmarked by 5:00 pm on December 12, 2025. The contract will be awarded to the firm which meets the submission requirements and has been deemed to best fulfill the needs of the WCRP. The following timeline will be followed closely by the WCRP selection committee.

Publish RFP:	**November 19, 2025**
Submission Deadline:	**December 12, 2025, 5:00 pm PST**
Interviews:	**December 15-19, 2025 (as needed)**
Contract Awarded:	**December 22, 2025**
Audit Begins (approx.):	**January 19, 2026**
Point of Contact:	**Chuck Boyd, WCRP Executive Director**
	(360) 292-4495 / chuck@wcrp.wa.gov

Any firm interested in submitting a proposal which finds discrepancies in, or omissions from, this RFP, or if there are any doubts as to the true meaning, the firm should request interpretation, clarification, or correction prior to the submission deadline of December 12, 2025.

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