

**CITY OF CARSON  
CONTRACT SERVICES AGREEMENT FOR  
WORKERS' COMPENSATION MEDICAL  
PROVIDER NETWORK SERVICES**

THIS PROFESSIONAL SERVICES AGREEMENT (herein "Agreement") is made and entered into this 15th day of August, 2015, by and between the CITY OF CARSON, a California municipal corporation ("City") and MEDEX Healthcare, Inc. a California for profit corporation, and also doing business as MEDEX II (herein "Consultant").

NOW, THEREFORE, the parties hereto agree as follows:

**1. SERVICES OF CONSULTANT**

1.1 Scope of Services. In compliance with all of the terms and conditions of this Agreement, the Consultant shall perform the work or services set forth in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by reference. Consultant warrants that it has the experience and ability to perform all work and services required hereunder and that it shall diligently perform such work and services in a professional and satisfactory manner.

1.2 Compliance With Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency of competent jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by the Agreement.

1.4 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

**2. COMPENSATION**

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference, but not exceeding the maximum contract amount of Twenty Four Thousand Dollars (\$24,000.00) ("Contract Sum").

2.2 Invoices. Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts.

**EXHIBIT NO. - 2**

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Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, City will use its best efforts to cause Consultant to be paid within forty five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by the City of any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.3 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual cost of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum but not exceeding a total contract amount of Five Thousand Dollars (\$5,000) or in the time to perform of up to ninety (90) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. No claim for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

### 3. PERFORMANCE SCHEDULE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance. Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding thirty (30) days cumulatively.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is

justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term. Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) year from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

#### 4. COORDINATION OF WORK

4.1 Representative of Consultant. David Kim, Consultant's Chief Operating Officer, is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work and services specified herein and make all decisions in connection therewith. All personnel of Consultant and any authorized agents shall be under the exclusive direction of the representative of Consultant. Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, and shall keep City informed of any changes.

4.2 Contract Officer. Gail McMahon, Director of Human Resources and Risk Management, or her designee, is hereby designated as being the representative the City authorized to act in its behalf with respect to the work and services specified herein and to make all decisions in connection therewith ("Contract Officer").

4.3 Prohibition Against Subcontracting or Assignment. Consultant shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the City. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of City. Any such prohibited assignment or transfer shall be void.

4.4 Independent Consultant. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth. Consultant shall perform all services required herein as an independent contractor of City with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City, or that it is a member of a joint enterprise with City.

#### 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages. The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence

basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Consultant against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than either (i) bodily injury liability limits of \$100,000 per person and \$300,000 per occurrence and property damage liability limits of \$150,000 per occurrence or (ii) combined single limit liability of \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars, and any other automobile.

(d) Professional Liability. Professional liability insurance appropriate to the Consultant's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Consultant's services or the termination of this Agreement. During this additional 5-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

(f) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

## 5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. The insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of

insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of and endorsement to all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the City's Risk Manager or other designee of the City due to unique circumstances.

5.3 Indemnification. To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), or arising from Consultant's or indemnitors' reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, except claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

## **6. RECORDS, REPORTS, AND RELEASE OF INFORMATION**

6.1 Records. Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services and shall keep such records for a period of three years following completion of the services hereunder. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records.

6.2 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement or as the Contract Officer shall require.

6.3 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than the City without prior written authorization from the Contract Officer.

(b) Consultant shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.

(c) If Consultant provides any information or work product in violation of this Agreement, then the City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify the City should Consultant be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. The City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with the City and to provide the City with the opportunity to review any response to discovery requests provided by Consultant.

6.4 Ownership of Documents. All studies, surveys, data, notes, computer files, reports, records, drawings, specifications, maps, designs, photographs, documents and other materials (the "documents and materials") prepared by Consultant in the performance of this Agreement shall be the property of the City and shall be delivered to the City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by the City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City.

## **7. ENFORCEMENT OF AGREEMENT AND TERMINATION**

7.1 California Law. This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes; Default. In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to

Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article.

7.3 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et. seq. and 910 et. seq., in order to pursue any legal action under this Agreement.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.4 Termination Prior to Expiration of Term. This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder, but not exceeding the compensation provided therefore in the Schedule of Compensation Exhibit "C". In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.5 Termination for Default of Consultant. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City

may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

## 8. MISCELLANEOUS

8.1 Covenant Against Discrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class in the performance of this Agreement. Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class

8.2 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount, which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.3 Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Carson, 701 East Carson, Carson, California 90745 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

8.4 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

8.5 Severability. In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

8.6 Waiver. No delay or omission in the exercise of any right or remedy by non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.



8.7 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which any be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees, whether or not the matter proceeds to judgment.

8.8 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

8.9 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

8.10 Warranty & Representation of Non-Collusion. No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials 

8.11 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[Signatures on the following page.]


IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF CARSON, a municipal corporation

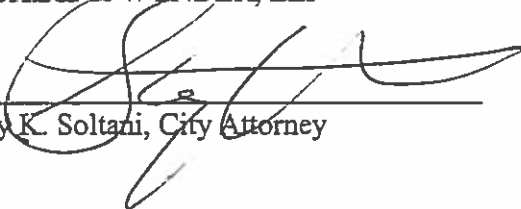
  
Ken Farfing, City Manager

ATTEST:

  
Jim Dear, City Clerk


APPROVED AS TO FORM:

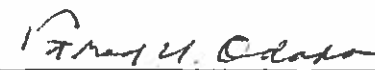
ALESHIRE & WYNBER, LLP

  
Sunny K. Soltani, City Attorney

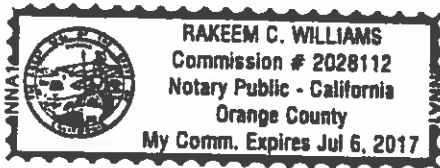
CONSULTANT:

MEDEX Healthcare, Inc., a California for profit corporation, and also doing business as MEDEX II

By:   
Name: David Kim  
Title: Chief Operating Officer

By:   
Name: FRED U. ODAKA  
Title: CFO

Address: 1201 Dove Street Suite 300  
Newport Beach, CA 92660



Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

# CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Orange }

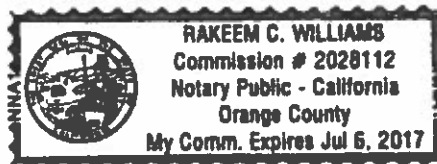
On 12/10/2015 before me, RAKEEM C. WILLIAMS, Notary Public  
(Here insert name and title of the officer)

personally appeared Fred ODAKA and DAVID Kim,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Rakeem C. Williams  
Notary Public Signature (Notary Public Seal)



## ADDITIONAL OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED DOCUMENT

City of Carson Contract Services Agreement for Workers Compensation Medical Provider Network Services  
(Title or description of attached document)  
Workers Compensation Medical Provider Network Services  
(Title or description of attached document continued)

Number of Pages \_\_\_\_\_ Document Date 12/10/15

### CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)  
☒ Corporate Officer  
COO, CFO  
(Title)  
☐ Partner(s)  
☐ Attorney-in-Fact  
☐ Trustee(s)  
☐ Other \_\_\_\_\_

## INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

## **EXHIBIT "A"**

### **SCOPE OF SERVICES**

#### **I. Consultant will perform the following services:**

A. Administration of MPN Network. Consultant shall complete, as necessary, on behalf of Employer, and maintain, pursuant to the directives of the Division, an application for a Medical Provider Network as described in Code Section 9767.3, to include at least the following items of information:

- (1) Type of MPN Applicant: Employer or City.
- (2) Name of MPN Applicant.
- (3) MPN Applicant's Taxpayer Identification Number.
- (4) Name of Medical Provider Network, if applicable.
- (5) Division Liaison: Provide the name, title, address, e-mail address, and telephone number of the person designated as the liaison for the Division, who is responsible for receiving compliance and informational communications from the Division and for disseminating the same within the MPN.
- (6) The application must be verified by an officer or employee of the MPN applicant authorized to sign on behalf of the MPN applicant. The verification shall state: "I, the undersigned officer or employee of the MPN applicant, have read and signed this application and know the contents thereof, and verify that, to the best of my knowledge and belief, the information included in this application is true and correct".
- (7) Nothing in this section precludes a network, entity, administrator, or other third-party, upon agreement with an MPN applicant, from preparing an MPN application on behalf of an Employer or City.
- (8) Describe how the MPN complies with the second and third opinion process set forth in Code section 9767.7.
- (9) Describe the geographic service area or areas to be served, including the geographic service location for each provider rendering professional services on behalf of the Employer or City and affirm that this access plan complies with the access standards set forth in section Code 9767.5.
- (10) Describe the employee notification process, and attach a sample of the employee notification material.

(11) Attach a copy of the written continuity of care policy as described in Labor Code section 4616.2.

(12) Attach a copy of the written transfer of care policy that complies with Code section 9767.9 with regard to the transfer of on-going cases from the HCO to the MPN.

(13) Attach a copy of the policy or procedure that is used by the MPN applicant, if any, to conduct "economic profiling of MPN providers" pursuant to Labor Code section 4616.1 and affirm that a copy of the policy or procedure has been provided to the MPN providers.

(14) Confirm that the number of employees expected to be covered by the MPN plan is within the approved capacity of the HCO.

**II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:**

A. Data Reporting. Consultant shall report to the Department in a timely and accurate method, in a standardized format, all the statistical data required to be reported with respect to Eligible Employees pursuant to Rule 9778 of Title 8 of the California Code of Regulations.

B. Reporting of Events. Consultant or its designee shall promptly report to City/Contract Officer specified occupational injuries and illnesses with respect to Eligible Employees as required by Rule 9776(c) of Title 8 of the California Code of Regulations, and shall annually report to City/Contract Officer and Employer aggregate data on illnesses and injuries with respect to Eligible Employees for purposes of identifying trends and potentially preventable problems.

C. Utilization Review and Quality Assurance. Consultant shall provide City/Contract Officer with copies of Consultant's relevant utilization review, quality assurance, peer review, or other such programs within ninety (90) days of the execution of this Agreement, and with any changes to such programs within ninety (90) days of such changes. City/Contract Officer shall have thirty (30) calendar days following its receipt of notice of any such programs or changes from Consultant to review such programs or changes. If City/Contract Officer reasonably objects to any such programs or changes within such thirty (30) day period, then City/Contract Officer shall have the right to terminate this Agreement by delivering not less than ninety (90) days written notice of termination to Consultant. City/Contract Officer shall have no right to modify such programs or changes.

**III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City updated of the status of performance by delivering the following status reports:**

A. Data Reporting. Consultant shall report to the Department in a timely and accurate method, in a standardized format, all the statistical data required to be reported with respect to Eligible Employees pursuant to Rule 9778 of Title 8 of the California Code of Regulations.

B. Reporting of Events. Consultant or its designee shall promptly report to City/Contract Officer specified occupational injuries and illnesses with respect to Eligible Employees as required by Rule 9776(c) of Title 8 of the California Code of Regulations, and shall annually report to City/Contract Officer and Employer aggregate data on illnesses and injuries with respect to Eligible Employees for purposes of identifying trends and potentially preventable problems.

C. Utilization Review and Quality Assurance. Consultant shall provide City/Contract Officer with copies of Consultant's relevant utilization review, quality assurance, peer review, or other such programs within ninety (90) days of the execution of this Agreement, and with any changes to such programs within ninety (90) days of such changes. City/Contract Officer shall have thirty (30) calendar days following its receipt of notice of any such programs or changes from Consultant to review such programs or changes. If City/Contract Officer reasonably objects to any such programs or changes within such thirty (30) day period, then City/Contract Officer shall have the right to terminate this Agreement by delivering not less than ninety (90) days written notice of termination to Consultant. City/Contract Officer shall have no right to modify such programs or changes.

**IV. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.**

**V. Consultant will utilize the following personnel to accomplish the Services: Not Applicable.**

**EXHIBIT "B"**

**SPECIAL REQUIREMENTS**  
(Superseding Contract Boilerplate)

**I. Section 1.5 "Definitions" is hereby added to read as follows:**

- (A) "Advertisement" means any written or printed communication or any communication by means of recorded telephone messages or telephone marketing or by radio, television, internet or similar communications media, affected or made in connection with the offer or sale of Health Care contracts.
- (B) "Authorize" means, and "Authorized" refers to, an authorization as a workers' compensation health care provider organization. "Authorize" shall have no legal meaning outside of health care for occupational injuries or illnesses.
- (C) "Case Manager" means a Person who is employed by or who is contracted with the Consultant who is responsible for overseeing and managing the implementation and effectuation of the Treatment Plan prepared by an Eligible Employee's Primary Provider.
- (D) "Contract" means a contract, plan or policy of workers' compensation Health Care coverage issued by City (if City is a workers' compensation insurer) or sponsored by City (if City is a third party administrator providing workers' compensation claim management services for self-insured Employer or group of self-insured Employers.
- (E) "Covered Employee" means an employee whose employer or employer's City has established a Medical Provider Network for the provision of medical treatment to injured employees unless:
- (1) the injured employee has properly designated a personal physician pursuant to Labor Code section 4600(d) by notice to the employer prior to the date of injury, or;
  - (2) the injured employee's employment with the employer is covered by an agreement providing medical treatment for the injured employee and the agreement is validly established under Labor Code section 3201.5, 3201.7 and/or 3201.81.
- (F) "Code" means the California Labor Code and regulations promulgated pursuant thereto.
- (G) "Commissioner" means the California Commissioner of Corporations.

- (H) "Contracted Provider" means a Provider that has entered into a written contract with Consultant to provide Health Care to Eligible Employees.
- (I) "Department" means the California Department of Industrial Relations, including its Division of Workers' Compensation.
- (J) "Disclosure Form" means any certificate, agreement, contract, brochure, or other materials issued or otherwise disseminated to an Eligible Employee and Employer describing Health Care, and terms of Health Care, as required to be provided by Code Section 4600.3 and 4600.5, to which the Eligible Employee and Employer is entitled.
- (K) "Emergency Health Care" means those Health Care services provided to evaluate and treat medical conditions of recent onset and severity which would lead a prudent layperson, possessing an average knowledge of medicine and health, to believe that urgent and/or unscheduled medical care is required for such conditions.
- (L) "Eligible Employee" means an individual who is enrolled under a Contract to receive Health Care from Consultant.
- (M) "Employer" means an entity or individual who employs an Eligible Employee within the meaning of the Code.
- (N) "Health Care" means those services, treatment, and care for work-related injuries required to be provided under the WCL.
- (O) "Medical Director" means Consultant's Medical Director.
- (P) "Medical Provider Network" ("MPN") means any entity or group of providers approved as a Medical Provider Network by the Administrative Director pursuant to Labor Code sections 4616 to 4616.7 and this article.
- (Q) "Medical Provider Network Plan" means an employer's or Employer's detailed description for a medical provider network contained in an application submitted to the Administrative Director by a MPN applicant.
- (R) "MPN Applicant" means an Employer or City as defined in subdivisions (F) and (M) of this section.
- (S) "Non-occupational Medicine" means the diagnosis or treatment of any injury or disease not arising out of and in the course of employment.
- (T) "Consultant" means MEDEX, a California for-profit corporation, which provides Health Care and is an authorized workers' compensation health care provider organization.



- (U) "City" means the City of Carson.
- (V) "Person" means any person, individual, firm, association, organization, partnership, limited liability company, business trust, foundation, labor organization, corporation, public agency or political subdivision of the state.
- (W) "Primary Provider" means a Provider chosen by an Eligible Employee or assigned by Consultant to an Eligible Employee (whether before or after such Eligible Employee requires Health Care) or to whom an Eligible Employee is referred by Consultant for Health Care who is responsible for coordinating the provision of Health Care to such Eligible Employee and who qualifies as a "primary treating physician".
- (X) "Provider" means any professional Person or other Person licensed by the state of California to deliver, provide or furnish Health Care and includes practitioners of the healing arts as well as licensed health care facilities and those exempt from licensure for delivering, providing or furnishing Health Care.
- (Y) "Service Area" means the geographical area designated by Consultant within which Consultant provides Health Care.
- (Z) "Treating Provider(s)" means the Provider(s) who is (are) providing and/or overseeing (or who have provided and/or overseen) the Health Care provided to an Eligible Employee pursuant to such Eligible Employee's Plan of Treatment. Treating Providers may be individual physicians, other licensed Persons who are practitioners of the healing arts or other Persons that are licensed health facilities.
- (AA) "Treatment Plan" means a written plan of treatment for an Eligible Employee requiring Health Care. The Primary Provider will be responsible for developing and modifying the Treatment Plan.
- (BB) "WCL" means the Workers' Compensation Laws of the State of California concerning the treatment of work-related injuries, whether contained in the Code, the regulations of the commissioner or the Department or other provisions of California law.

## **EXHIBIT "C"**

### **SCHEDULE OF COMPENSATION**

**I. Consultant shall perform the following Services at the following rates:**

**PAYMENT FOR ADMINISTRATIVE SERVICES**

Employer will compensate Consultant for the provision of MPN services rendered by Consultant in the amount as described in this Agreement. The total payments for Administrative Fees under this Agreement shall not exceed an amount of \$24,000 for the first contract year.

**II. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:**

- A. Line items for all the work performed, the number of hours worked, and the hourly rate.
- B. Line items for all materials and equipment properly charged to the Services.
- C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

**III. The total compensation for the Administrative Services, described herein, shall not exceed \$24,000, as provided in Section 2.1 of this Agreement.**

**IV. Consultant's billing rates for all personnel perform Administrative Services are attached as Exhibit C-1.**

EXHIBIT "C-1"

FEE SCHEDULE FOR ADMINISTRATIVE SERVICES



**Medex-City of Carson**  
**Medical Provider Network Fee Schedule**

**\*\*\* CONFIDENTIAL \*\*\***

(August 24, 2015)

MEDEX is offering the following program services to City of Carson for their Workers' Compensation Managed Care program; claims administered by AdminSure.

- Employees = 300
- Claims = 99

**Charged to Customer:**

PROGRAM COMPONENT	PROGRAM FEE SCHEDULE
<b>MEDEX APPLICATIONS</b>	
Program Set-Up / Implementation	\$4,000 flat rate (Paid by AdminSure)
Managed Care Data Integration	Included
MPN Program Management	\$1,355 per month
Initial Program Training	Included
Customized Network, Development, Maintenance, & Provider Search Portal	Included
Employer Notification to Employees (includes all printing, postage, supplies, materials & <u>proof of service</u> costs)	\$2.50 per EE notice (Optional)

**Charged to Claim file:**

PROGRAM COMPONENT	PROGRAM FEE SCHEDULE
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MPN	
Claims Network Administration (One-time fee to claim file)	\$85 per claim
MPN Application and Filing for DWC Approval	Included
Medical Access Assistance	Included
MPN Transfer of Care	Included
Provider Search Tool	Included
Standard Medex Network, Development, Maintenance, and Oversight	Included
Provider Credentialing / Management	Included
Associate Management Tracking	Included
Program Technical Support (Telephonic)	Included
Claims & Legal Technical Support (Telephonic) <ul style="list-style-type: none"> <li>Includes basic claims training on Medex program at Claims administrators office</li> <li>Additional services may result in extra fees</li> </ul>	Included
Legal Counsel Expert Witness (Expert Witness fee in coordination with Defense Counsel appearance)	\$180 per hour (Appearance + Travel, Mileage & Expense billed separately)
MEDICAL MANAGEMENT	
Telephonic Nurse Case Management	Available Upon Request
Field Nurse Case Management	
LIEN DEFENSE	
Lien Resolution (Telephonic)	
Hearing Representative Appearance (Per Appearance)	

MEDICARE SET-ASIDE	
Medicare Cost Projection	Available Upon Request
Medicare Set-Aside	

**EXHIBIT "D"**

**SCHEDULE OF PERFORMANCE**

- I. Consultant shall commence services on August 15, 2015 ("Effective Date") and perform all services in a timely manner.**
- II. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.**