

AMENDMENT NO. 1

TO CONTRACT SERVICES AGREEMENT FOR THIRD PARTY CLAIMS ADMINISTRATION

THIS FIRST AMENDMENT TO CONTRACT SERVICES AGREEMENT FOR THIRD PARTY CLAIMS ADMINISTRATION ("Amendment") by and between the **CITY OF CARSON**, a California municipal corporation ("City") and **ADMINSURE, INC.**, a California Corporation ("Consultant") is effective as of the 15th day of August, 2018.

RECITALS

A. City and Consultant entered into that certain Agreement for Contractual Services dated August 15, 2015 ("Agreement") whereby Consultant agreed to provide administration services for a term of three years for the City's self-insured workers' compensation program for the total contract sum of Four Hundred Seventy Thousand Six Hundred and Eighty-Two Dollars (\$470,682).

D. City and Consultant now desire to amend the Agreement by exercising the two-year extension option provided for in Section I(A)(4) of Exhibit C in the Agreement, to extend the term of the Agreement by two years from August 15, 2018 through August 14, 2020, thereby increasing the total term of the agreement to five years; and, to increase the total compensation of the Agreement by Three Hundred Twenty-Two Thousand Nine Hundred and Ninety-Two Dollars (\$322,992), for a total contract sum of Seven Hundred Ninety-Three Thousand and Six Hundred Seventy-Four Dollars (\$793,674); and, to ratify the continued provision of services pursuant to the terms of this Agreement from August 15, 2018 through August 14, 2020.

TERMS

1. **Contract Changes.** The Agreement is amended as provided herein (new text is identified in *bold italics*, deleted text in ~~strike-through~~).

1.1 **Section 2.1 of the Agreement, entitled "Contract Sum," shall be amended to read as follows:**

"Subject to any limitations set forth in this Agreement, City agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed ~~Four Hundred Seventy Thousand Six Hundred and Eighty Two Dollars (\$470,682.00)~~ *Seven Hundred Ninety-Three Thousand and Six Hundred Seventy-Four Dollars (\$793,674)* (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.8."

1.2 **Section 3.4 of the Agreement, entitled "Term," shall be amended to read as follows:**

"Unless earlier terminated in accordance with Section 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not

exceeding *the date of August 14, 2020* ~~one (1) year from the date hereof~~, except as otherwise provided in the Schedule of Performance (Exhibit "D").

1.3 Section 4.3 of the Agreement, entitled "Contract Officer," shall be amended to read as follows:

"The Contract Officer shall be ~~Gail Dixon-McMahon~~, *Faye Moseley*, City of Carson Director of Human Resources and Risk Management. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement."

1.4 Exhibit B Section 4(h) shall be amended to read as follows:

"Case Nurse Management. The City will provide its own vendor for case nurse management services. The vendor will bill the claims file through Contractor in an amount not to exceed \$20,000 annually and not to exceed ~~\$60,000~~ *\$100,000* for the ~~three~~ *five* year term of the Agreement. Any additional amount must be agreed to by the vendor for case nurse management services and the City."

1.5 Exhibit C Section I(B) shall be amended to read as follows:

"Medical Bill Review Flat Fees. Medical bill review includes review of Official Medical Fee Schedules (OMFS), Inpatient Hospital Fee Schedules (IHFS) and Preferred Provider Organizations (PPO). The City reserves the right to approve, disapprove or select any and all service providers including bill review companies. The total amount of medical bill review fees for the ~~three~~ *five* year term of the Agreement shall not exceed ~~\$69,000.00~~ *\$115,000.00.*"

1.6 Exhibit C Section I(C) shall be amended to read as follows:

"Utilization Review Flat Fees. The City reserves the right to approve, disapprove or select any and all service providers including bill review companies. The total amount of utilization review fees for the ~~three~~ *five* year term of the Agreement shall not exceed ~~\$69,000.00~~ *\$115,000.00.*"

1.7 Exhibit C Section I(D) shall be amended to read as follows:

"Case Nurse Management Fees. The total amount of Case Nurse Management fees shall not exceed \$20,000 annually and shall not exceed ~~\$60,000~~ *\$100,000* for the ~~three~~ *five* year term of the Agreement."

1.8 Exhibit C Section V shall be amended to read as follows:

"The total compensation for the Services shall not exceed ~~Four Hundred Seventy Thousand Six Hundred and Eighty Two Dollars (\$470,682.00)~~ *Seven Hundred Ninety-Three Thousand and Six Hundred Seventy-Four Dollars (\$793,674)* as provided in Section 2.1 of this Agreement."

2. **Continuing Effect of Agreement.** Except as amended by this Agreement, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

3. **Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. **Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

5. **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.

[SIGNATURES ON FOLLOWING PAGE]

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

CITY:

CITY OF CARSON, a municipal corporation

Albert Robles, Mayor

ATTEST:

Donesia Gause-Aldana, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Sunny K. Soltani, City Attorney
[cfn]

CONSULTANT:

ADMINSURE, INC., a California Corporation

By: _____

Name:

Title:

By: _____

Name:

Title:

Address: 1470 South Valley Vista Drive, Suite
230 Diamond Bar, CA 91765

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 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 LOS ANGELES

On _____, 20____ before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

- CAPACITY CLAIMED BY SIGNER**
- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

- TITLE(S)**
- ☐ PARTNER(S) ☐ LIMITED
☐ ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER _____

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE 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 LOS ANGELES

On _____, 20____ before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/>	INDIVIDUAL	
<input type="checkbox"/>	CORPORATE OFFICER	
<hr/>		<hr/>
<input type="checkbox"/>	PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/>	ATTORNEY-IN-FACT	
<input type="checkbox"/>	TRUSTEE(S)	
<input type="checkbox"/>	GUARDIAN/CONSERVATOR	NUMBER OF PAGES
<input type="checkbox"/>	OTHER _____	
<hr/>		<hr/>
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES))		DATE OF DOCUMENT
_____ _____		
		<hr/>
		SIGNER(S) OTHER THAN NAMED ABOVE