

Sedgwick Claims Management Services, Inc.
Workers Compensation Claims Third-Party Administration Services

AGREEMENT FOR SERVICES #7803

THIS AGREEMENT, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Sedgwick Claims Management Services, Inc., an Illinois corporation duly qualified to conduct business in the State of California, whose principal place of business is 8125 Sedgwick Way, Memphis, Tennessee 38125, and whose local address is 10690 White Rock Road, Rancho Cordova, California 95670 (hereinafter referred to as "Consultant").

RECITALS

WHEREAS, County has determined that it is necessary to obtain a consultant to provide workers' compensation claims third-party administration (TPA) services including administration, investigation, adjustment, utilization review, bill review, and case management for tail claims for the Human Resources Department, Risk Management Division;

WHEREAS, Consultant has represented to County that it is specially trained, experienced, is an expert, and competent to perform the special services described in ARTICLE I Scope of Work; that it is an independent and bona fide business operation, advertises and holds itself as such, is in possession of a valid business license, and is customarily engaged in an independently established business that provides similar services to others; and County relies upon those representations;

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable state and local laws;

WHEREAS, County has determined that the provision of such services provided by Consultant are in the public's best interest and that these services are necessary to protect against a conflict of interest and to ensure independent and unbiased findings where there is a need for an outside perspective in accordance with El Dorado County Ordinance Code, Section 3.13.030(f), by El Dorado County Charter, Section 210(b)(6) and/or Government Code Section 31000;

NOW, THEREFORE, County and Consultant mutually agree as follows:

ARTICLE I

Scope of Work: Consultant is engaged in the business of doing the services and tasks required under this Agreement and those services and tasks that are reasonably necessary for the completion of the work identified in the Scope of Work.

Consultant agrees to furnish, at Consultant's own cost and expense, all personnel, tools, materials, services, and equipment necessary to provide workers' compensation claims third-party administration (TPA) services including administration, investigation, adjustment, utilization review, bill review, and case management for tail claims.

Consultant will administer County's workers' compensation tail claims in accordance with Exhibit A, marked "Workers' Compensation Claims Administration Guidelines," incorporated herein and made by reference a part hereof, as they may be updated periodically.

Consultant shall diligently and expeditiously perform all necessary services to fulfill the County's obligations under the workers' compensation laws, policies, regulations, and procedures of the State of California, including but not limited to the services listed below.

A. COMMUNICATIONS

1. Personal contact on non-litigated indemnity cases will be maintained with the injured employee on a periodic, ongoing basis to facilitate progress and timely return to work. Initial contact must be made within two (2) working days of receipt of Employer's First Report and follow-up contact every thirty (30) days thereafter until return to work or the file must clearly reflect the reason contact should not continue at that frequency.
2. Confer on a regular basis with all persons associated with County's organization (such as Risk Management, County Counsel, accountants, consultants) involved in the processing of industrial claims.
3. Promptly return calls to injured employees and County personnel.

B. PROGRAM MANAGEMENT

1. Meet with County personnel on an ongoing basis to develop procedures, forms, instructions, schedules, and protocols to maintain required Consultant services. County will be informed of changes in the workers' compensation laws and procedures pertinent to County's self-insured program.
2. Assist County personnel in the development of directives, notices, and other program communications to employees with an emphasis on procedures utilized for coordination of return-to-work efforts, Qualified Injured Worker determinations, and evaluation of modified/alternate employment.
3. Provide claim forms, employer's report forms and required notices for distribution by County to its employees.
4. Establish and maintain standardized procedures acceptable to the County for the prompt reporting, recording, investigation and treatment of all industrial injuries and diseases. Provide instructional meetings as requested by County to review and explain instructions and procedures.
5. Division of Workers' Compensation (DWC) benefit notices shall be issued timely in compliance with DWC requirements where confusion may exist. Consultant will

telephone or forward a personal letter to injured employee explaining DWC benefit notices or forms.

6. Within ten (10) days of receipt, County shall be notified electronically on the following:
 - a. All correspondence from Consultant to employee.
 - b. All legal correspondence from applicant or defense attorney.
 - c. Reports from rehabilitation counselor.
 - d. Formal investigation reports.
 - e. Med-Legal reports.
 - f. Any medical report containing work status information.
7. Consultant shall meet quarterly with County to review open claims.
8. At all reasonable times during the term of this contract, County, or any designated representative, shall have access to Consultant premises, and records related to work under this contract. Consultant shall make such records available for inspection, audit and copying by County or its designated representative at County's expense. In addition to any other records required by this agreement, Consultant shall maintain all books, papers, records, documents, and other materials related to work performed under this contract confidential; in the same manner as County is required by law to do. Upon termination of contract all such records, books, papers, documents, and other evidence obtained from County or related to work performed under this contract shall be forthwith returned to County.

C. PERSONNEL REQUIREMENT

1. This section is delineated separately to emphasize the importance the County places on the qualifications and experience of the actual personnel who will be working with the County on a daily basis. The County requires participation in the selection of all personnel providing services. County's continuing approval will be required each time a change in personnel is anticipated.
2. The adjuster(s) dedicated to handling County claims will handle a caseload not to exceed one hundred fifty (150) files.
3. The adjuster(s) dedicated to handling County claims will have a minimum of five (5) years workers' compensation experience.

D. CLAIMS HANDLING

1. A diary system will be established in order that each active case is reviewed at least every thirty (30) days. By prior consent of County, inactive cases may be placed on a diary not to exceed ninety (90) days.
2. The diary schedule will be contained in the file.
3. A specific plan of action outlining direction on the investigation and handling of all indemnity cases will be established within ten (10) working days of receipt of the Employer's First Report and clearly evidenced in the file. Each open indemnity claim file shall include a plan for implementation of appropriate case activity and resolution, and such plan shall be revised as appropriate while the claim remains

open. The plan should be accessible on-line bearing the name of the person who established the plan and the date written.

4. All phone conversations, discussions, and meetings held on the case will be clearly documented in each file.
5. Recommend determinations on eligibility for temporary disability compensation, permanent disability compensation, medical benefits, vocational rehabilitation benefits and all other workers' compensation benefits in accordance with the State Workers' Compensation laws and the internal benefit programs of County.
6. All correspondence will be clearly stamped with the date of receipt.
7. Authorize prompt payment of benefits in accordance with medical advice, defense counsel, advisory ratings, awards, or settlement agreements.
8. Negotiate settlements on behalf of County. Consultant has authority for purpose of compromising and/or resolving any claim against the County being handled by Consultant. Approval to settle any claim must be obtained from County Risk Management in writing. Consultant will clearly document the criteria by which a settlement value is based. Settlement proposals directed to County shall be forwarded by Consultant or defense counsel in a concise and clear written form with a reasoned recommendation. Settlement authority shall not exceed twenty five thousand dollars (\$25,000.00).
9. Consultant will make timely identification of all claims involving:
 - a. Subrogation/third party recovery potential
 - b. 2nd injury fund potential
 - c. Apportionment or other offsets
 - d. Reinsurance obligations

E. INVESTIGATION

1. Consultant shall perform investigations, as necessary and appropriate, pertaining to questionable cases and the status of injured employees in order to assist in the adjustment and litigation of cases. Report to County on all investigations and advise County if additional investigation by outside investigators is warranted. Consultant may contract for specialized and professional investigation services of County's choice, including Sedgwick Claims Management Services, Inc.'s internal investigation division and other outside vendors, when such services are needed. All investigations will be coordinated with appropriate County personnel on a case-by-case basis. The County shall be kept informed on the scope and results of investigations.
2. When circumstances warrant, and upon prior approval by County, a field activity check/surveillance will be conducted on the injured employee in order to determine if there is any work capability.
3. Subrogation issues will be promptly identified and investigated. In all cases where a third party (other than a County employee or agent) is responsible for the injury of the employee, the third party shall be contacted within thirty (30) days with notification of County's right to subrogation and the recovery of certain claim

expenses. In all cases, Consultant shall consult with County about the value of the subrogation claim and other considerations.

With County consent, timely initiate litigation to effect collection of such claims on behalf of County and assist counsel to pursue such claims. Upon County authorization, subrogation counsel shall be assigned to file a lien or Complaint in Intervention in the civil action.

F. LITIGATION MANAGEMENT

1. Promptly respond to claims filed with the Workers' Compensation Appeals Board (WCAB) and cooperate with attorneys for County in hearings before the Board. Consultant shall assist and coordinate with legal counsel in preparation of litigated cases and attend WCAB pre-trial conferences and trials whenever appropriate.
2. Consultant may employ legal counsel to advise concerning the legality and advisability of rejecting, settling, compromising, and paying claims against County, or to represent County in litigation arising from said claims. Within three (3) working days of referral of the case to defense counsel, a letter will be directed to the attorney, with a copy to County, outlining the case status, issues, and requested work to be done by outside counsel. Use of outside counsel is subject to general supervision of County Counsel and Risk Management.
3. All bills for legal fees and legally related costs shall be gathered and reviewed by Consultant. Consultant shall pay all appropriate legal bills from the trust fund in accordance with the County standard practices. The retention of outside legal counsel by Consultant shall be subject to approval by County and shall be subject to such practices and policies as may be established by County.
4. For all claims handled by outside counsel involving liability issues (i.e., any claim or potential claim other than for workers' compensation benefits), Consultant will ensure that outside counsel will advise County of potential third-party liability claims.

G. MEDICAL CONTROL

1. The treating physician (facility) will be contacted prior to making the initial indemnity payment to establish the extent of injury, length of disability, and causal relationship of the injury to the job or alleged work-related incident.
2. Maintain close liaison with medical service providers to ensure maximum efficiency in the management of claims and compliance with State law regarding provision of job descriptions to determine return to work possibilities.
3. Provide County with all medical reports containing work restrictions or information regarding the injured employee's anticipated return to work or potential vocational rehabilitation.
4. Where medical issues are questioned, a medical examination will be scheduled with a qualified physician, as allowed under applicable Labor Code. Consultant will send written correspondence summarizing the status of the specific case and outlining issues to be addressed by the evaluating physician. Consultant will

provide to the physician any relevant medical and job information that will assist the physician in making an objective evaluation.

5. Utilize medical service providers as the County may direct from time to time, including any Medical Provider Network (MPN) designated by the County.
6. Review all medical bills for appropriate payment. Any medical bill received will be reviewed with regard to causal relationship to the accident/work-related injury. Medical bill review pricing will be completed by Consultant or agreed upon consultant. Medical billings and expense billings shall be reviewed and processed for payment as appropriate within sixty (60) days of receipt, or written denial or request for further explanation or documentation was sent within sixty (60) days of receipt.
7. Utilization review services will be completed through a consultant agreed upon by County.

H. REHABILITATION

1. Identify and advise County within five (5) days of medical information received involving potential permanent work restrictions.
2. Where needed, rehabilitation and/or retraining will be recommended, and the progress will be closely monitored and controlled. The first evaluation as to the appropriateness of rehabilitation will take place according to workers' compensation state requirements.
3. Within five (5) days of receipt of permanent work restrictions, Consultant will confer with County to discuss potential for modified/alternate employment, appropriate notices to be issued and potential assignment of a rehabilitation counselor.
4. Assist in selection of competent rehabilitation counselor, and in the development of appropriate rehabilitation plan.
5. Keep County advised as to status of any ongoing rehabilitation cases, as well as direct, supervise, and monitor the work and charges related to all rehabilitation cases.
6. Consultant to attend and participate in informal and formal rehabilitation conferences whenever possible.

I. REPORTING & RECORDKEEPING

1. In accordance with law and the requirements of various State agencies, record and file the Employer's Report of Occupational Injury and other detailed statistical records of all claims and disbursements.
2. Assume all responsibility for notification to the excess carrier on behalf of the County in accordance with the specific requirements of the excess carrier. Ongoing reporting of all necessary information on the current status of claims as required by the excess carrier. Consultant shall pay any costs, damages, or penalties incurred for lack of proper reporting.
3. Monthly loss runs shall be provided to County Risk Management within fifteen (15) days after month end.
4. Report to Index Bureau on each claim. Submit updates as necessary.

5. Provision of trust account management, including a reconciliation of bills paid and monthly check registers which include all disbursements made by Consultant on behalf of County.
6. Prepare Self-Insurer's Annual Report (Form A4-40) for County signature and submission to the State.
7. Prepare Federal Information Return (Form 1099-MED) for applicable payments made on behalf of County.
8. Provision of information needed for completion of the OSHA 300 logs.
9. Maintain all records and historical data on losses arising from employee injuries in accordance with the requirements of the State of California, including a file for each disability claim, a record of each denial, delay, litigated claim and make these files and records available for review by County upon request. Maintain closed claim inventory.
10. All original reports, documents and claims data of every kind or description that are prepared in whole or part for Consultant in connection with this agreement shall be County's property. Consultant shall not make available to any individual or organization any report, document or data which was given to, prepared by, or assembled by Consultant pursuant to this agreement unless prior consent is given by County. All such records shall be held in strictest confidence by Consultant. Claim information may be provided to defense counsel retained for the purpose of defending County against claim.
11. Provision of a comprehensive annual management report which:
 - a. Analyzes past and future projected fiscal year costs.
 - b. Interprets data on losses and trends.
 - c. Recommends program improvements to favorably impact costs and procedures.

J. PENALTIES

Under California law, numerous administrative fines and penalties are required for payment of benefits or services that are overdue. The County will be advised within five (5) days of all penalty increases to benefits or bills paid along with an explanation for the cause of the penalty. If the delay is a result of Consultant receiving Employee's Claim Form in excess of ten (10) days from County's receipt, the increased cost will be paid by County. All other fines, penalties, and fees which result from unnecessary delay by the Consultant shall be paid by Consultant. These amounts will be reported to County and deducted from the upcoming monthly administration fee.

K. TRUST FUND

Establish and maintain a trust account for the payment of proper charges against the County arising from industrial injuries, including payments of temporary and permanent disability compensation, medical expenses, allocated expenses, bill review, investigations, and other benefits. The Trust Account shall be maintained and established in compliance with Government Code 31000.8. Funds in the Trust Account shall not exceed the Board of Supervisors approved maximum (as evidenced by a Board Minute

Order) at any one time. This amount will be a sum sufficient to provide for the settlement of claims for a thirty (30) day period.

The Trust Fund shall be maintained as follows:

- County will maintain the Trust Fund at two hundred thousand dollars (\$200,000.00).
- County will prefund payments of seventy-five thousand dollars (\$75,000.00) or greater in addition to the two hundred thousand dollars (\$200,000.00). County may adjust the prefund amount with seven (7) days notice to Consultant.

Consultant shall notify County monthly that the Trust Account needs to be replenished, and the amount necessary to be deposited. Consultant shall provide County with a monthly Check Register which includes all disbursements made by Consultant, and a monthly reconciliation of the trust account, and shall make other reports on the status of the Trust Account and disbursements therefrom as may be required by the County in addition to the foregoing check register. Services provided by Consultant and reimbursed from the Trust Account will be reviewed monthly by Risk Management and the Consultant and authorized by County with email approval.

Consultant shall perform the services and tasks required under this Agreement in a safe, professional, skillful, and workmanlike manner. Consultant is responsible for ensuring that its employees, as well as any subcontractor if applicable, perform the services and tasks required under this Agreement accordingly.

ARTICLE II

Term: This Agreement shall become effective upon final execution by both parties hereto and shall begin November 1, 2023. This Agreement shall automatically renew for successive one (1) year terms unless terminated earlier as set forth herein below in ARTICLE XII, Default, Termination, and Cancellation.

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Consultant \$9,254.17 for 8 months and \$9,254.16 for 4 months, in advance. Monthly cost after year one (1) to be determined in accordance with good faith negotiations described herein below.

In addition, Consultant will provide medical bill review services as Consultant deems appropriate. The cost for these services may be charged to the Trust Account, provided that a copy of the itemized invoice of medical review charges is forwarded monthly to County via email, and provided that the rates charged to County do not exceed amounts specified in Exhibit B, marked "Fee Schedule – 11/01/2023-10/31/2024," incorporated herein and made by reference a part hereof.

In addition, the cost for Optional Services as outlined in Exhibit B, may be charged to the Trust Account.

Total amount for each one (1) year term, inclusive of optional services, shall not exceed \$111,050.00.

The Parties shall negotiate the monthly fee for the following renewal year, in good faith at least sixty (60) days prior to the expiration of the then-current term. The Parties shall negotiate the monthly fee for the following renewal year of the Agreement based on the total number of open tail claims remaining.

ARTICLE IV

Taxes: Consultant certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Consultant to County. Consultant agrees that it shall not default on any obligations to County during the term of this Agreement.

ARTICLE V

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE VI

Consultant to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further understood that this Agreement does not create an exclusive relationship between County and Consultant, and Consultant may perform similar work or services for others. However, Consultant shall not enter into any agreement with any other party, or provide any information in any manner to any other party, that would conflict with Consultant's responsibilities or hinder Consultant's performance of services hereunder, unless County's Contract Administrator, in writing, authorizes that agreement or sharing of information.

ARTICLE VII

Confidentiality: Consultant shall maintain the confidentiality and privileged nature of all records, including billing records, together with any knowledge therein acquired, in accordance with all applicable state and federal laws and regulations, as they may now exist or may hereafter be amended or changed. Consultant, and all Consultant's staff, employees, and representatives, shall not use or disclose, directly or indirectly at any time, any said confidential information, other than to County's Human Resources Department for the purpose of, and in the performance of, this Agreement. This confidentiality provision shall survive after the expiration or earlier termination of this Agreement.

ARTICLE VIII

Assignment and Delegation: Consultant is engaged by County for its unique qualifications and skills as well as those of its personnel. Consultant shall not subcontract, delegate, or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE IX

Independent Contractor: The parties intend that an independent contractor relationship will be created by this contract. Consultant is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by the terms of this Agreement. Consultant exclusively assumes responsibility for acts of its employees, agents, affiliates, and subcontractors, if any are authorized herein, as they relate to the services or work to be performed under this Agreement during the course and scope of their employment by Consultant. Those persons will be entirely and exclusively under the direction, supervision, and control of Consultant.

County may designate the tasks to be performed and the results to be accomplished under this Agreement, provide information concerning the work or services, approve or disapprove the final work product and/or services provided, and set deadlines for the completion of the work or services, but County will not control or direct the manner, means, methods, or sequence in which Consultant performs the work or services for accomplishing the results. Consultant understands and agrees that Consultant lacks the authority to bind County or incur any obligations on behalf of County.

Consultant, including any subcontractor or employees of Consultant, shall not receive, nor be eligible for, any benefits County provides for its employees, including, but not limited to, vacation pay, paid holidays, life insurance, health insurance, social security, disability insurance, pension, or 457 plans. Consultant shall not receive, nor be eligible for, workers' compensation, including medical and indemnity payments. County is not responsible for withholding, and shall not withhold, Federal Income Contribution Act amounts or taxes of any kind from any payments which it owes Consultant. Consultant shall not be subject to the work schedules or vacation periods that apply to County employees.

Consultant shall be solely responsible for paying its employees, and for withholding Federal Income Contribution Act amounts and other taxes, workers' compensation, unemployment compensation, medical insurance, life insurance, or any other benefit that Consultant provides for its employees.

Consultant acknowledges that it has no authority to bind the County or incur any obligations on behalf of the County with regard to any matter, and shall not make any agreements or representations on the County's behalf.

ARTICLE X

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment, or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products, or equipment subject herein. Such notice shall become effective upon the adoption of a final budget, which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce or order a reduction in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE XI

Audit by California State Auditor: Consultant acknowledges that if total compensation under this Agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code § 8546.7. In order to facilitate these potential examinations and audits, Consultant shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the Agreement, all books, records, and documentation necessary to demonstrate performance under the Agreement.

ARTICLE XII

Default, Termination, and Cancellation:

- A. Termination by Default: If either party becomes aware of an event of default, that party shall give written notice of said default to the party in default that shall state the following:
1. The alleged default and the applicable Agreement provision.
 2. That the party in default has ten (10) days upon receiving the notice to cure the default (Time to Cure).

If the party in default does not cure the default within ten (10) days of the Time to Cure, then such party shall be in default and the party giving notice may terminate the Agreement by issuing a Notice of Termination. The party giving notice may extend the Time to Cure at their discretion. Any extension of Time to Cure must be in writing, prepared by the party in default for signature by the party giving notice, and must specify the reason(s) for the extension and the date in which the extension of Time to Cure expires.

If County terminates this Agreement, in whole or in part, for default:

1. County reserves the right to procure the goods or services, or both, similar to

those terminated, from other sources and Consultant shall be liable to County for any excess costs for those goods or services. County may deduct from any payment due, or that may thereafter become due to Consultant, the excess costs to procure from an alternate source.

2. County shall pay Consultant the sum due to Consultant under this Agreement prior to termination, unless the cost of completion to County exceeds the funds remaining in the Agreement. In which case the overage shall be deducted from any sum due Consultant under this Agreement and the balance, if any, shall be paid to Consultant upon demand.
3. County may require Consultant to transfer title and deliver to County any completed work under the Agreement.

The following shall be events of default under this Agreement:

1. Failure by either party to perform in a timely and satisfactory manner any or all of its obligations under this Agreement.
 2. A representation or warranty made by Consultant in this Agreement proves to have been false or misleading in any respect.
 3. Consultant fails to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement, unless County agrees, in writing, to an extension of the time to perform before that time period expires.
 4. A violation of ARTICLE XIX, Conflict of Interest.
- B. Bankruptcy: County may terminate this Agreement immediately in the case of bankruptcy, voluntary or involuntary, or insolvency of Consultant.
- C. Ceasing Performance: County may terminate this Agreement immediately in the event Consultant ceases to operate as a business or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement, in whole or in part, for convenience upon thirty (30) calendar days' written Notice of Termination. If such termination is effected, County will pay for satisfactory services rendered before the effective date of termination, as set forth in the Notice of Termination provided to Consultant, and for any other services that County agrees, in writing, to be necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the Agreement. Upon receipt of a Notice of Termination, Consultant shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the Notice directs otherwise.

ARTICLE XIII

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be in duplicate and addressed as follows:

To County:

County of El Dorado
Human Resources
330 Fair Lane
Placerville, California 95667

Attn.: Joseph Carruesco
Director

With a copy to:

County of El Dorado
Chief Administrative Office
330 Fair Lane
Placerville, California 95667

Attn.: Michele Weimer
Procurement and Contracts Manager

or to such other location as County directs.

Notices to Consultant shall be addressed as follows:

Sedgwick Claims Management Services, Inc.
8125 Sedgwick Way
Memphis, Tennessee 38125

Attn.: General Counsel

or to such other location as Consultant directs.

ARTICLE XIV

Change of Address: In the event of a change in address for Consultant's principal place of business, Consultant's Agent for Service of Process, or Notices to Consultant, Consultant shall notify County in writing as provided in ARTICLE XIII, Notice to Parties. Said notice shall become part of this Agreement upon acknowledgment in writing by County's Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

ARTICLE XV

Indemnity: To the fullest extent permitted by law, Consultant shall defend at its own expense, indemnify, and hold the County harmless, its officers, employees, agents, and volunteers, against and from any and all liability, claims, suits, losses, damages, or expenses of every name, kind and description, including attorney's fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the acts or omissions of Consultant or its officers, agents, or employees in rendering the services, operations, or performance hereunder, except for liability, claims, suits, losses, damages or expenses arising from the sole negligence or willful acts of the County, its officers and employees, or as expressly prescribed by statute. This

duty of Consultant to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

The insurance obligations of Consultant are separate, independent obligations under the Agreement, and the provisions of this defense and indemnity are not intended to modify nor should they be construed as modifying or in any way limiting the insurance obligations set forth in the Agreement.

Nothing herein shall be construed to seek indemnity in excess of that permitted by Civil Code section 2782, et seq. In the event any portion of this Article is found invalid, the Parties agree that this Article shall survive and be interpreted consistent with the provisions of Civil Code section 2782, et seq.

ARTICLE XVI

Insurance: Consultant shall provide proof of a policy of insurance satisfactory to County's Risk Management Division and documentation evidencing that Consultant maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Consultant as required by law in the State of California.
- B. Commercial General Liability Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01) of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000 aggregate limit. County, including, without limitation, its officers, officials, employees, and volunteers shall be named as an additional insured on ISO form CG 2010 1185, or its equivalent.
- C. Automobile Liability Insurance of not less than \$1,000,000 is required in the event motor vehicles are used by Consultant in performance of the Agreement.
- D. In the event Consultant is a licensed professional or professional consultant and is performing professional services under this Agreement, Professional Liability Insurance is required with a limit of liability of not less than \$1,000,000.
- E. Consultant shall furnish a certificate of insurance satisfactory to County's Risk Management Division as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to County's Risk Management Division or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- G. Consultant agrees that the insurance required herein shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Consultant agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing

insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Consultant agrees that no work or services shall be performed prior to the giving of such approval. In the event Consultant fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

- H. The certificate of insurance must include the following provisions stating that:
1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County; and
 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. Consultant's insurance coverage shall be primary insurance in respect to County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, or volunteers shall be in excess of Consultant's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by County. At the option of County, either: The insurer shall reduce or eliminate such deductibles or self-insured retentions in respect to County, its officers, officials, employees, and volunteers; or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to County, its officers, officials, employees, or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers, and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Consultant's obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.
- N. In the event Consultant cannot provide an occurrence policy, Consultant shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. The certificate of insurance shall meet such additional standards as may be determined by the contracting County department, either independently or in

consultation with County's Risk Management Division as essential for protection of County.

ARTICLE XVII

Force Majeure: Neither party will be liable for any delay, failure to perform, or omission under this Agreement that is due to any cause that it is beyond its control, not due to its own negligence, and cannot be overcome by the exercise of due diligence. In that event, the affected party will:

1. Promptly give written notice to the other of the fact that it is unable to so perform and the cause(s) that is beyond its control.
2. Once the cause(s) has ceased, provide written notice to the other party and immediately resume its performance under this Agreement.

For purposes of this Article, "cause that is beyond its control" includes labor disturbances, riots, fires, earthquakes, floods, storms, lightning, epidemics, war, disorders, hostilities, expropriation or confiscation of properties, failure of and delays by carriers, interference by civil or military authorities, whether legal or de facto, and whether purporting to act under some constitution, decree, or law, or otherwise, or acts of God.

ARTICLE XVIII

Waiver: No failure on the part of the parties to exercise any rights under this Agreement, and no course of dealing with respect to any right hereunder, shall operate as a waiver of that right, nor shall any single or partial exercise of any right preclude the exercise of any other right. The remedies herein provided are cumulative and are not exclusive of any other remedies provided by law.

ARTICLE XIX

Conflict of Interest: The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and the Political Reform Act of 1974 (Section 87100 et seq.), relating to conflict of interest of public officers and employees. Individuals who are working for Consultant and performing work for County and who are considered to be consultant within the meaning of Title 2, California Code of Regulations, Section 18700.3, as it now reads or may thereafter be amended, are required to file a statement of economic interest in accordance with County's Conflict of Interest Code. County's Contract Administrator shall at the time this Agreement is executed make an initial determination whether or not the individuals who will provide services or perform work pursuant to this Agreement are consultants within the meaning of the Political Reform Act and County's Conflict of Interest Code. Statements of economic interests are public records subject to disclosure under the California Public Records Act.

Consultant covenants that during the term of this Agreement neither it, or any officer or employee of Consultant, has or shall acquire any interest, directly or indirectly, in any of the following:

1. Any other contract connected with, or directly affected by, the services to be

performed by this Agreement.

2. Any other entities connected with, or directly affected by, the services to be performed by this Agreement.
3. Any officer or employee of County that are involved in this Agreement.

If Consultant becomes aware of a conflict of interest related to this Agreement, Consultant shall promptly notify County of the existence of that conflict, and County may, in its sole discretion, immediately terminate this Agreement by giving written notice of termination specified in ARTICLE XII, Default, Termination, or Cancellation.

Pursuant to Government Code section 84308 (SB 1439, the Levine Act), Consultant shall complete and sign the attached Exhibit C, marked "California Levine Act Statement," incorporated herein and made by reference a part hereof, regarding campaign contributions by Consultant, if any, to any officer of County.

ARTICLE XX

Nondiscrimination:

- A. County may require Consultant's services on projects involving funding from various state and/or federal agencies, and as a consequence, Consultant shall comply with all applicable nondiscrimination statutes and regulations during the performance of this Agreement including but not limited to the following: Consultant and its employees and representatives shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, genetic information, military or veteran status, marital status, age, gender, gender identity, gender expression, sexual orientation, or sex; Consultant shall, unless exempt, comply with the applicable provisions of the Fair Employment and Housing Act (Government Code, Sections 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 11000 et seq.); the applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Subchapter 5 of Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations incorporated into this Agreement by reference and made a part hereof as if set forth in full; and Title VI of the Civil Rights Act of 1964, as amended. Consultant and its employees and representatives shall give written notice of their obligations under this clause as required by law.
- B. Where applicable, Consultant shall include these nondiscrimination and compliance provisions in any of its agreements that affect or are related to the services performed herein.
- C. Consultant's signature executing this Agreement shall provide any certifications necessary under the federal laws, the laws of the State of California, including but not limited to Government Code Sections 12990 and Title 2, California Code of Regulations, Section 11102.

ARTICLE XXI

Nonresident Withholding: If Consultant is not a California resident, Consultant shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Consultant during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding \$1,500.00. Consultant shall indemnify and hold County harmless for any action taken by the California Franchise Tax Board.

ARTICLE XXII

County Payee Data Record Form: All independent contractors or corporations providing services to County who do not have a Department of the Treasury Internal Revenue Service Form W-9 (Form W-9) on file with County must file a County Payee Data Record Form with County.

ARTICLE XXIII

Business License: County's Business License Ordinance provides that it is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Ordinance Code Section 5.08.070. Consultant warrants and represents that it shall comply with all of the requirements of County's Business License Ordinance, where applicable, prior to beginning work under this Agreement and at all times during the term of this Agreement.

ARTICLE XXIV

Licenses: Consultant hereby represents and warrants that Consultant and any of its subconsultants employed under this Agreement has all the applicable licenses, permits, and certifications that are legally required for Consultant and its subconsultants to practice its profession or provide the services or work contemplated under this Agreement in the State of California. Consultant and its subconsultants shall obtain or maintain said applicable licenses, permits, or certificates in good standing throughout the term of this Agreement.

ARTICLE XXV

California Forum and Law: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

ARTICLE XXVI

Contract Administrator: The County Officer or employee with responsibility for administering this Agreement is Joseph Carruesco, Director, Human Resources Department, or successor.

ARTICLE XXVII

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties the obligations set forth herein.

ARTICLE XXVIII

Electronic Signatures: Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Agreement, are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic Signature means any electronic visual symbol or signature attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures, pursuant to the California Uniform Electronic Transactions Act (Cal. Civ. Code §§ 1633.1 to 1633.17) as amended from time to time.

ARTICLE XXIX

Partial Invalidity: If any provision, sentence, or phrase of the Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions, sentences, and phrases will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XXX

No Third Party Beneficiaries: Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Agreement.

ARTICLE XXXI

Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

ARTICLE XXXII

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties, and they incorporate or supersede all prior written or oral agreements or understandings.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below.

--COUNTY OF EL DORADO--

By: Wendy Thomas

Dated: 10-10-23

Board of Supervisors
"County"

Attest:
Kim Dawson
Clerk of the Board of Supervisors

By: Kyle Hyman
Deputy Clerk

Dated: 10-10-23

--SEDGWICK CLAIMS MANAGEMENT
SERVICES, INC.--

By: J. Edward Peel
J. Edward Peel
Vice President, Senior Corporate Counsel
"Consultant"

Dated: August 8, 2023

Sedgwick Claims Management Services, Inc.

Exhibit A

WORKERS' COMPENSATION CLAIMS ADMINISTRATION GUIDELINES

The following Guidelines have been adopted by the CSAC Excess Insurance Authority (hereinafter The Authority or the EIA) in accordance with Article 18(b) of the CSAC Excess Insurance Authority Joint Powers Agreement. It is the intent of these Guidelines to comply with all applicable Labor Code and California Code of Regulations Sections. In the event that there exists a conflict between the Guidelines, the Labor Code or the Code of Regulations, the most stringent requirement shall apply.

I. CLAIM HANDLING - ADMINISTRATIVE

A. Case Load

1. The claims examiner assigned to the Member shall handle a targeted caseload of one hundred fifty (150) but not to exceed one hundred seventy-five (175) indemnity claims. This caseload shall include future medical cases with every two (2) future medical cases counted as one (1) indemnity case.
2. Supervisory personnel should not handle a caseload, although they may handle specific issues.

B. Case Review and Documentation

1. Documentation should reflect any significant developments in the file and include a plan of action. The examiner should review the file at intervals not to exceed forty-five (45) calendar days. Future medical files should be reviewed at intervals not to exceed ninety (90) calendar days. The supervisor shall monitor activity on indemnity files at intervals not to exceed one hundred twenty (120) calendar days. Future medical files shall be reviewed by the supervisor at intervals not to exceed one hundred eighty (180) calendar days. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
2. File contents shall comply with Code of Regulations Sections 10101, 10101.1 and 15400, and be kept in a neat and orderly fashion. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
3. All medical-only cases shall be reviewed for potential closure or transfer to an indemnity examiner within ninety (90) calendar days

following claim file creation. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

C. Communication

1. Telephone Inquiries

Return calls shall be made within one (1) working day of the original telephone inquiry. All documentation shall reflect these efforts. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

2. Incoming Correspondence

All correspondence received shall be clearly stamped with the date of receipt. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

3. Return Correspondence

All correspondence requiring a written response shall have such response completed and transmitted within five (5) working days of receipt. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

D. Fiscal Handling

1. Fiscal handling for indemnity benefits on active cases shall be balanced with appropriate file documentation on a semi-annual basis to verify that statutory benefits are paid appropriately. Balancing is defined as, "an accounting of the periods and amounts due in comparison with what was actually paid". An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

2. In cases of multiple losses with the same person, payments shall be made on the appropriate claim file. An accomplishment of ninety-five percent (95%) shall be considered acceptable.

E. Medicare Reporting

Proper verification of a claimant's status as to Medicare eligibility shall be completed and documented in the claim file. In those cases where the claimant does meet the eligibility requirements, mandatory reporting to the Center for Medicaid Services (CMS) must be completed directly or through a reporting agent in compliance with Section 111 of the Medicare Medicaid and SCHIP Extension Act of 2007 ("MMSEA"). An

accomplishment of one hundred percent (100%) shall be considered acceptable.

II. CLAIM CREATION

A. Three Point Contact

Three-point contact shall be conducted with the injured worker, employer representative and treating physician within three (3) working days of receipt of the claim by the third-party administrator or self-administered entity. If a nurse case manager is assigned to the claim, initial physician contact may be conducted by either the claims examiner or the nurse case manager. In the event a party is non-responsive, there should be evidence of at least three documented attempts to reach the individual. Medical-only claims shall have this three-point contact requirement as well. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

B. Compensability

1. The initial compensability determination (accept claim, deny claim or delay acceptance pending the results of additional investigation) and the reasons for such a determination shall be made and documented in the file within fourteen (14) calendar days of the filing of the claim with the employer. In the event the claim is not received by the third-party administrator or self-administered entity within fourteen (14) calendar days of the filing of the claim with the employer, the third-party administrator or self-administered entity shall make the initial compensability determination within seven (7) calendar days of receipt of the claim. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
2. Delay of benefit letters shall be mailed in compliance with the Division of Workers' Compensation (DWC) guidelines. In the event the employer does not provide notice of lost time to the third-party administrator or self-administered entity timely to comply with DWC guidelines, the third-party administrator or self-administered entity shall mail the benefit letters within seven (7) calendar days of notification. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
3. The final compensability determination shall be made by the claims examiner or supervisor within ninety (90) calendar days of employer receipt of the claim form. An accomplishment level of one hundred percent (100%) shall be considered acceptable.

C. Arising Out of Employment (AOE)/Course of Employment (COE) Investigation

If a decision is made to delay benefits on a claim, an AOE/COE investigation shall be initiated within three (3) working days of the decision to delay. This may include, but is not limited to, assigning out for witness/injured worker statements, initiating the qualified medical evaluation (QME)/agreed medical evaluation (AME) process, requesting medical records, etc. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

D. Reserves

1. Using the information available at claim file set up, an initial reserve shall be established for the most probable case value. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
2. The initial reserve shall be electronically posted to the claim within fourteen (14) calendar days of receipt of the claim. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

E. Indexing

All claims shall be reported to the Index Bureau at time of initial set up and re-indexed on an as needed basis thereafter. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

The Excess Insurance Authority (EIA) maintains membership with the Index Bureau that members can access.

III. CLAIM HANDLING – TECHNICAL

A. Payments

1. Initial Temporary and Permanent Disability Indemnity Payment
 - a. The initial indemnity payment shall be issued to the injured worker within fourteen (14) calendar days of knowledge of the injury and disability. In the event the third-party administrator or self-administered entity is not notified of the injury and disability within fourteen (14) calendar days of the employer's knowledge, the third-party administrator or self-

administered entity shall make payment within seven (7) calendar days of notification. Initial permanent disability payments shall be issued within fourteen (14) calendar days after the date of last payment of temporary disability. This shall not apply with salary continuation. An accomplishment level of one hundred percent (100%) shall be considered acceptable.

- b. The properly completed Division of Workers' Compensation (DWC) Benefit Notice shall be mailed to the employee within fourteen (14) calendar days of the first day of disability. In the event the third-party administrator or self-administered entity is not notified of the first day of disability until after fourteen (14) calendar days, the DWC Benefit Notice shall be mailed within seven (7) calendar days of notification. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
- c. Self-imposed penalty shall be paid on late payments in accordance with Section III. A.7 of this document. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
- d. Overpayments shall be identified and reimbursed timely where appropriate. The third-party administrator or self-administered entity shall request reimbursement of overpaid funds from the party that received the funds. If necessary, a credit shall be sought as part of any resolution of the claim. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

2. Subsequent Temporary and Permanent Disability Payments

- a. Eligibility for indemnity payments subsequent to the first payment shall be verified, except for established long-term disability. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
- b. Self-imposed penalty shall be paid on late payments in accordance with Section III. A.7 of this document. An accomplishment level of one hundred percent (100%) shall be considered acceptable.

3. Final Temporary and Permanent Disability Payments

- a. All final indemnity payments shall be issued timely and the appropriate DWC benefit notices sent. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
 - b. Self-imposed penalty shall be paid on late payments in accordance with Section III. A.7. of this document. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
4. Award Payments
- a. Payments on undisputed Awards, Commutations, or Compromise and Releases shall be issued within ten (10) calendar days following receipt of the appropriate document. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
 - b. For all excess reportable claims, copies of all Awards shall be provided to the Authority at time of payment. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
5. Medical Payments
- a. Medical treatment billings (physician, pharmacy, hospital, physiotherapist, etc.) shall be reviewed for correctness, approved for payment and paid within sixty (60) working days of receipt. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
 - b. The medical provider must be notified in writing within thirty (30) working days of receipt of an itemized bill if a medical bill is contested, denied or incomplete. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
 - c. A bill review process should be utilized whenever possible. There should be participation in a Preferred Provider Organization (PPO) and/or MPN whenever possible.
6. Injured Worker Reimbursement Expense
- a. Reimbursements to injured workers shall be issued within fifteen (15) working days of the receipt of the claim for

reimbursement. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

- b. Advance travel expense payments shall be issued to the injured worker ten (10) working days prior to the anticipated date of travel. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

7. Penalties

- a. Penalties shall be coded so as to be identified as a penalty payment. An accomplishment level of one hundred percent (100%) shall be considered acceptable
- b. If the Member utilizes a third-party administrator, the Member shall be advised of the assessment of any penalty for delayed payment and the reason thereof, and the administrator's plans for payment of such penalty, on a monthly basis. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
- c. If the Member utilizes a third-party administrator, the Member, in their contract with the administrator, shall specify who is responsible for specific penalties.

B. Medical Treatment

- 1. Each Member shall have in place a Utilization Review process. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
- 2. Disputes regarding spine surgery shall be resolved using the process set forth in Labor Code Section 4062(b). An accomplishment level of one hundred percent (100%) shall be considered acceptable.
- 3. Nurse case managers shall be utilized where appropriate. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
- 4. If enrolled in a MPN, the network shall be utilized whenever appropriate.

C. Apportionment

1. Investigation into the existence of apportionment shall be documented. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
2. If potential apportionment is identified, all efforts to reduce exposure shall be pursued. An accomplishment level of one hundred percent (100%) shall be considered acceptable.

D. Disability Management

1. The third-party administrator or self-administered entity shall work proactively to obtain work restrictions and/or a release to full duty on all cases. The TPA or self-administered entity shall notify a designated Member representative immediately upon receipt of temporary work restrictions or a release to full duty and work closely with the Member to establish a return to work as soon as possible. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
2. The third-party administrator or self-administered entity shall notify a designated Member representative immediately upon receipt of an employee's permanent work restrictions so that the Member can determine the availability of alternative, modified or regular work. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
3. If there is no response within twenty (20) calendar days, the third-party administrator or self-administered entity shall follow up with the designated Member representative. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
4. Members shall have in place a process for complying with laws preventing disability discrimination, including Government Code Section 12926.1 which requires an interactive process with the injured worker when addressing a return to work particularly with permanent work restrictions.
5. Third-party administrators or self-administered claims professional shall cooperate with members to the fullest extent, in providing medical and other information the member deems necessary for the member to meet its obligations under federal and state disability laws.

E. Supplemental Job Displacement Benefits

1. Supplemental Job Displacement Benefits - Dates of injury 1/1/04 and after: Benefits pursuant to Labor Code Section 4658.5 shall be timely provided. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
2. The third-party administrator or self-administered entity shall secure the prompt conclusion of vocational rehabilitation/supplemental job displacement benefit (SJDB) and settle where appropriate. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

F. Reserving

1. Reserves shall be reviewed at regular diary and at time of any significant event, e.g., surgery, permanent and stationary (P&S)/maximum medical improvement (MMI), return to work, etc., and adjusted accordingly. This review shall be documented in the file regardless of whether a reserve change was made. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
2. Indemnity reserves shall reflect actual temporary disability indemnity exposure with 4850 differential listed separately. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
3. Permanent disability indemnity exposure shall include life pension reserve if appropriate. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
4. Future medical claims shall be reserved in compliance with State Implementation Plan (SIP) regulation 15300 allowing adjustment for reductions in the approved medical fee schedule, undisputed utilization review, medically documented non-recurring treatment costs and medically documented reductions in life expectancy. An accomplishment level of one hundred percent (100%) shall be considered acceptable.

G. Resolution of Claim

1. Within ten (10) working days of receiving medical information indicating that a claim can be finalized, the claims examiner shall take appropriate action to finalize the claim. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

2. Settlement value shall be documented appropriately utilizing all relevant information. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

H. Settlement Authority

1. No agreement shall be authorized involving liability, or potential liability, of the Authority without the advance written consent of the Authority. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
2. The third-party administrator shall obtain the Member's authorization on all settlements or stipulations in excess of the settlement authority provided in any provision of the individual contract between the Member and the claims administrator. An accomplishment level of one hundred percent (100%) shall be considered acceptable.

IV. LITIGATED CASES

The third-party administrator or self-administered entity shall establish written guidelines for the handling of litigated cases. The guidelines should, at a minimum, include the points below, which may be adopted and incorporated by reference as "the guidelines".

A. Defense of Litigated Claims

- A. The third-party administrator or self-administered entity shall promptly initiate investigation of issues identified as material to potential litigation. The Member shall be alerted to the need for in-house investigation, or the need for a contract investigator who is acceptable to the Member. The Member shall be kept informed on the scope and results of investigations. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
- B. The third-party administrator or self-administered entity shall, in consultation with the Member, assign defense counsel from a list approved by the Member. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
- C. Settlement proposals directed to the Member shall be forwarded by the third-party administrator, self-administered entity or defense counsel in a concise and clear written form with a reasoned recommendation. Settlement proposals shall be presented to the Member as directed so as to insure receipt in sufficient time to process

the proposal. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

D. Knowledgeable Member personnel shall be involved in the preparation for medical examinations and trial, when appropriate or deemed necessary by the Member so that all material evidence and witnesses are utilized to obtain a favorable result for the defense. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

E. The third-party administrator or self-administered entity shall comply with any reporting requirement of the Member. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

B. Subrogation

1. In all cases where a third party (other than a Member employee or agent) is responsible for the injury to the employee, attempts to obtain information regarding the identity of the responsible party shall be made within fourteen (14) calendar days of recognition of subrogation potential. Once identified, the third party shall be contacted within fourteen (14) calendar days with notification of the Member's right to subrogation and the recovery of certain claim expenses. If the third party is a governmental entity, a claim shall be filed with the governing board (or State Board of Control as to State entities) within six (6) months of the injury or notice of the injury. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
2. Periodic contact shall be made with the responsible party and/or insurer to provide notification of the amount of the estimated recovery to which the Member shall be entitled. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
3. The file shall be monitored to determine the need to file a complaint in civil court in order to preserve the statute of limitations. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
4. If the injured worker brings a civil action against the party responsible for the injury, the claims administrator shall consult with the Member about the value of the subrogation claim and other considerations. Upon Member authorization, subrogation counsel shall be assigned to file a Lien or a Complaint in Intervention in the

civil action. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

5. Whenever practical, the claims administrator shall aggressively pursue recovery in any subrogation claim. They should attempt to maximize the recovery for benefits paid and assert a credit against the injured worker's net recovery for future benefit payments. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

V. EXCESS COVERAGE

- A. Claims meeting the definition of reportable excess workers' compensation claims as defined by the Memorandum of Coverage Conditions Section shall be reported to the Authority within five (5) working days of the day on which it is known the criterion is met. Utilize the Excess Workers' Compensation First Report Form available through the EIA website. An accomplishment level of one hundred percent (100%) shall be considered acceptable.
- B. Subsequent reports shall be transmitted to the Authority on a quarterly basis on indemnity claims and on a semi-annual basis on future medical claims sooner if claim activity warrants, or at such other intervals as requested by the Authority, in accordance with Underwriting and Claims Administration Standards. Utilize the Excess Workers' Compensation Status Report Form available through the EIA website, or a comparable form to be approved by the Authority. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
- C. Reimbursement requests should be submitted in accordance with the Authority's reporting and reimbursement procedures on a quarterly or semi-annual basis depending on claims payment activity. Utilize the Excess Workers' Compensation Claim Reporting and Reimbursement Procedures available through the EIA website. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.
- D. A closing report with a copy of any settlement documents not previously sent shall be sent to the Authority. An accomplishment level of ninety-five percent (95%) shall be considered acceptable.

Sedgwick Claims Management Services, Inc.

Exhibit B

Fee Schedule - 11/01/2023 - 10/31/2024

Coverage Line	Year 23/24
Workers Compensation Tail Claims Administration Annual Flat Fee	\$111,050.00
Items included: <ul style="list-style-type: none"> • Services of Client Services Manager • Telephonic/Virtual claim reviews (semi-annual) • Claim Reporting • viaOne access: up to four (4) users. This web-based tool provides a platform-independent, for viewing and analyzing claims data. Access provides secure, near real-time information from Consultant's proprietary claims information system. 	
Service	Rate
Medical bill review	
State fee scheduling/usual, customary and reasonable; state reporting	\$9.00 per bill
Provider networks	
Enhanced savings	25% of savings
Preferred provider organization (PPO) networks/out of network services	25% of savings
Telephonic Clinical Services	
Telephonic case management:	
<ul style="list-style-type: none"> • Telephonic Nurse Case Manager • Surgery Nurse Case Manager; Behavioral Health 	\$99 per hour
Customized Nurse Services	\$105 per hour (1)
Utilization Review & Peer Review	
Utilization review	\$145 per review
Physician advisor/peer review	\$250 per review
Physician review of records	\$275 per hour
Physician advisor appeal	\$350 per review
Complex pharmacy management	Pharmacy nurse management/pain coaching: \$115 per hour Physician and PharmD management (as needed): \$275 per hour

Field Case Management	
Medical field case management: Full field	\$99 per hour, plus direct expenses ⁽¹⁾
	Urgent/Catastrophic case management: \$165 per hour ⁽¹⁾
Crisis Care RN	\$165 per hour ⁽¹⁾
<i>Field Case Management Tasks:</i>	
One visit clinical assessment	\$720 flat fee
Limited Assignment Task	\$105 per hour ⁽¹⁾
Specialty task services: Life Care Plan, Expert testimony, customized services	\$165 per hour
Clinical Consultation Services	
Clinical consultation	\$110 per incident
Managed Care Administrative Services	
Lien resolution	28% of the below fee schedule savings subject to minimum fee of \$125 and cap of \$7,500 per lien Expert witness testimony or hearing representation charged at \$125 per hour plus direct expenses
Sedgwick standard medical card	No charge; customization starts at \$3,500
Standard provider panel postings	Included in bill review program fees
PPO Network Panels (Non-Required States)	\$9.00 per panel

⁽¹⁾ CAT @ \$185 per hour

Definitions

Life of contract: Consultant will administer all claims received during the contract for the quoted fee. Claims open at contract termination will either be transferred to the new administrator or handled by Consultant for an additional annual fee.

Allocated expenses: The claim fees agreed to shall include all costs incurred by Consultant in handling claims submitted, except those costs normally referred to as "allocated expenses." These expenses will be billed to the individual claim file when incurred.

In some cases, Consultant engages subcontractors to assist us in providing services. In order to hold down the cost to our clients, Consultant may have arrangements with these subcontractors to cover expense for certain activities, including but not limited to, development of integrated data systems, account management, quality oversight and ongoing projects that improve penetration and efficiency for our examiners. These cooperative service agreements are not transactional-based and are not dependent on any activity generated by the City. In fact, the flat cooperative service fees remain the same regardless of whether the City uses these vendors on their program or not.

Allocated expenses include but are not limited to:

- Attorney fees and costs
- Hearing representation in lieu of attorney fees including preparation, travel expenses, attendance, and system notations
- Court costs and appeal bonds
- Cost of providing rehabilitation services
- Cost of surveillance activities and other outside investigations
- Cost of expert witnesses, accident reconstruction specialists, or any other specialist necessary for the investigation and/or defense of a claim
- Cost incurred to obtain statements, photographs, records, transcripts, depositions, digital call recording, etc.
- Cost of inspections, appraisals, repair management, rental/replacement, etc. Cost of independent medical exam
- Cost of medical bill review, PPO, managed care, and other similar programs
- Cost of medical experts, peer review, utilization review, case management, pre- certifications, and medical necessity evaluations
- Cost of translation services
- Medicare reporting and compliance services fees and costs Index filings
- Cost of vocational evaluations, vocational services, training, or other vocational activities
- Cost of outside assistance necessary to prepare or protect a client's subrogation right or Special Disability Trust Fund claim
- Expenses for travel to depositions, mediations, arbitrations, hearings, or other legal proceedings at the client's request or as required by law or rule of a federal, state, or local agency

Sedgwick Claims Management Services, Inc.

Exhibit C

California Levine Act Statement

California Levine Act Statement

California Government Code section 84308, commonly referred to as the "Levine Act," prohibits any officer of El Dorado County from participating in any action related to a contract if he or she receives any political contributions totaling more than two hundred and fifty dollars (\$250) within the previous twelve (12) months, and for twelve (12) months following the date a final decision concerning the contract has been made, from the person or company awarded the contract. The Levine Act also requires disclosure of such contribution by a party to be awarded a specific contract. An officer of El Dorado County includes the Board of Supervisors, and any elected official (collectively "Officer"). It is the Consultant's responsibility to confirm the appropriate "officer" and name the individual(s) in their disclosure.

Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to an Officer of the County of El Dorado in the twelve months preceding the date of the submission of your proposals or the anticipated date of any Officer action related to this contract?

_____ YES _____ NO

If yes, please identify the person(s) by name:

Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contribution of more than \$250 to an Officer of the County of El Dorado in the twelve months following any Officer action related to this contract?

_____ YES _____ NO

If yes, please identify the person(s) by name:

Answering YES to either of the two questions above does not preclude the County of El Dorado from awarding a contract to your firm or any taking any subsequent action related to the contract. It does, however, preclude the identified Officer(s) from participating in any actions related to this contract.

August 8, 2023
Date

J. Edward Peel
Signature of authorized individual

Sedgwick Claims Management Services, Inc.
Type or write name of company

J. Edward Peel
Type or write name of authorized individual

Sedgwick Claims Management Services, Inc.

FOURTH AMENDMENT TO AGREEMENT FOR SERVICES #3360

THIS FOURTH AMENDMENT, ("Fourth Amendment"), effective November 1, 2022, to that Agreement for Services #3360 made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Sedgwick Claims Management Services, Inc., an Illinois corporation duly qualified to conduct business in the State of California, whose principal place of business is 8125 Sedgwick Way, Memphis, Tennessee 38125 (hereinafter referred to as "Consultant");

RECITALS

WHEREAS, Consultant has been engaged by County to provide workers' compensation claims third-party administration (TPA) services including administration, investigation, adjustment, utilization review, bill review, and case management for tail claims for the County's Human Resources Department, Risk Management Division, pursuant to Agreement for Services #3360, dated November 1, 2018, First Amendment to Agreement for Services #3360, dated February 11, 2020, Second Amendment to Agreement for Services #3360, dated October 20, 2020, and Third Amendment to Agreement for Services #3360, dated October 26, 2021, incorporated herein and made by reference a part hereof (hereinafter referred to as "Agreement");

WHEREAS, the parties hereto desire to amend the Agreement to update the period for the services provided, amending **ARTICLE II, TERM, ARTICLE III, Compensation for Services**, and adding the renewal fee proposal for the extended period as **Addendum IV to Exhibit B**;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter contained, County and Consultant mutually agree to amend the terms of the Agreement in this Fourth Amendment to Agreement for Services #3360 on the following terms and conditions:

I. **ARTICLE II, TERM**, of the Agreement is replaced with the following language:

ARTICLE II

Term: This Agreement, as amended, shall become effective when fully executed by both parties hereto and shall begin on November 1, 2018 and end on October 31, 2023."

II. **ARTICLE III, Compensation for Services**, the first and fourth paragraphs of the Article are amended to add the following language:

For the period of November 1, 2022 through October 31, 2023, for the services provided herein, County agrees to pay Consultant \$10,169.42 for 11 months and \$10,169.38 for 1 month, in advance.

Total amount of this Agreement, as amended, for each one (1) year term, inclusive of optional services, shall not exceed \$122,033.

III. Exhibit B to the Agreement is amended, adding Addendum IV to Exhibit B, which is attached to this Fourth Amendment, which provides the summary of fees and terms for the extended service period defined in this Fourth Amendment.

Except as herein amended, all other parts and sections of Agreement for Services #3360, as amended, shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment to Agreement for Services #3360 on the dates indicated below.

--COUNTY OF EL DORADO--

By: 

Dated: 10/25/22

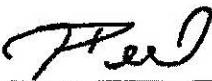
Board of Supervisors
"County"

Attest:
Kim Dawson
Clerk of the Board of Supervisors

By: 
Deputy Clerk

Dated: 10/25/22

--SEDGWICK CLAIMS MANAGEMENT SERVICES, INC.--

By: 
J. Edward Peel
Senior Vice President

Dated: September 26, 2022

Addendum IV to Exhibit B

Contract Term: 11/01/2022 – 10/31/2023

Summary of fees

Annual flat fee pricing

Sedgwick's annual flat fee pricing is based on the annual estimated claim volumes and the estimated required staffing to service those claims. If acquisitions, divestitures, changes in program requirements, or an increase in claim volume impacts the staffing requirements of the unit, Sedgwick reserves the right to modify the annual flat fee.

Coverage Line	Year 22/23
WC Annual Flat Fee	\$122,033.00

Items included in the quoted fees include:

- Services of Client Services Manager
- Telephonic/Virtual claim reviews (semi-annual)
- Claim Reporting
- viaOne access: for up to four users. This web-based tool provides a platform-independent solution for viewing and analyzing claims data. Access provides secure, near real-time information from Sedgwick's proprietary claims information system.

Sedgwick managed care

All claim administration fees and services contemplate the deployment of Sedgwick's managed care services for all medical bill review and clinical case management services.

Service	Rate
Medical bill review	
State fee scheduling/usual, customary and reasonable; state reporting	\$9.00 per bill
Provider networks	
Enhanced savings	25% of savings
Preferred provider organization (PPO) networks/out of network services	25% of savings

Service	Rate
Telephonic Clinical Services	
Telephonic case management: · Telephonic Nurse Case Manager · Surgery Nurse Case Manager · Behavioral Health Specialist	\$99 per hour
Customized Nurse Services	\$105 per hour ⁽¹⁾
Utilization Review & Peer Review	
Utilization review	\$145 per review
Physician advisor/peer review	\$250 per review
Physician review of records	\$275 per hour
Physician advisor appeal	\$350 per review
Complex pharmacy management	Pharmacy nurse management/pain coaching: \$115 per hour Physician and PharmD management (as needed): \$275 per hour
Field Case Management	
Medical field case management: Full field	\$99 per hour, plus direct expenses ⁽¹⁾ Urgent/Catastrophic case management: \$165 per hour ⁽¹⁾
Crisis Care RN	\$165 per hour ⁽¹⁾
<i>Field Case Management Tasks:</i>	
One visit clinical assessment	\$720 flat fee
Limited Assignment Task	\$105 per hour ⁽¹⁾
Specialty task services: Life Care Plan, Expert testimony, customized services	\$165 per hour

Service	Rate
Clinical Consultation Services	
Clinical consultation	\$110 per incident
Sedgwick managed care administrative services	
Lien resolution	28% of the below fee schedule savings subject to minimum fee of \$125 and cap of \$7,500 per lien Expert witness testimony or hearing representation charged at \$125 per hour plus direct expenses
Sedgwick standard medical card	No charge; customization starts at \$3,500
Standard provider panel postings	Included in Sedgwick bill review program fees
PPO Network Panels (Non-Required States)	\$9.00 per panel (1) CAT @ \$185 per hour

Definitions, terms, and conditions

Definitions

Life of contract: Sedgwick will administer all claims received during the contract for the quoted fee. Claims open at contract termination will either be transferred to the new administrator or handled by Sedgwick for an additional annual fee.

Allocated expenses: The claim fees agreed to shall include all costs incurred by Sedgwick in handling claims submitted, except those costs normally referred to as "allocated expenses." These expenses will be billed to the individual claim file when incurred.

In some cases, Sedgwick engages subcontractors to assist us in providing services. In order to hold down the cost to our clients, Sedgwick may have arrangements with these subcontractors to cover expense for certain activities, including but not limited to, development of integrated data systems, account management, quality oversight and ongoing projects that improve penetration and efficiency for our examiners. These cooperative service agreements are not transactional-based and are not dependent on any activity generated by the City. In fact, the flat cooperative service fees remain the same regardless of whether the City uses these vendors on their program or not.

Allocated expenses include but are not limited to:

- Attorney fees and costs
- Hearing representation in lieu of attorney fees including preparation, travel expenses, attendance, and system notations
- Court costs and appeal bonds
- Cost of providing rehabilitation services
- Cost of surveillance activities and other outside investigations
- Cost of expert witnesses, accident reconstruction specialists, or any other specialist necessary for the investigation and/or defense of a claim
- Cost incurred to obtain statements, photographs, records, transcripts, depositions, digital call recording, etc.
- Cost of inspections, appraisals, repair management, rental/replacement, etc.
- Cost of independent medical exam
- Cost of medical bill review, PPO, managed care, and other similar programs
- Cost of medical experts, peer review, utilization review, case management, pre-certifications, and medical necessity evaluations
- Cost of translation services
- Medicare reporting and compliance services fees and costs
- Index filings
- Cost of vocational evaluations, vocational services, training, or other vocational activities
- Cost of outside assistance necessary to prepare or protect a client's subrogation right or Special Disability Trust Fund claim
- Expenses for travel to depositions, mediations, arbitrations, hearings, or other legal proceedings at the client's request or as required by law or rule of a federal, state, or local agency

Terms and conditions

Payment terms: All recurring fees such as claims service, program management and information technology fees are billed on actuals on a monthly basis in arrears. If a flat fee pricing option is selected, all recurring fees are billed on a quarterly basis in advance based on annual estimates. The estimates are subject to audit 30 days after the conclusion of each contract year. All invoices are payable upon receipt.

ORIGINAL

York Risk Services Group, Inc.

SECOND AMENDMENT TO AGREEMENT FOR SERVICES #3360

THIS SECOND AMENDMENT to that Agreement for Services #3360 made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and York Risk Services Group, Inc., a New York corporation duly qualified to conduct business in the State of California, whose principal place of business is One Upper Pond Road, Building F, Fourth Floor, Parsippany, New Jersey 07054 and whose mailing address is 8125 Sedgwick Way, Memphis, Tennessee 38125 (hereinafter referred to as "Consultant");

RECITALS

WHEREAS, Consultant has been engaged by County to provide workers' compensation claims third-party administration (TPA) services including administration, investigation, adjustment, utilization review, bill review, and case management for tail claims for the Human Resources, Risk Management Division pursuant to Agreement for Services #3360, dated November 1, 2018 and First Amendment to Agreement for Services #3360, dated February 11, 2020, incorporated herein and made by reference a part hereof (hereinafter referred to as "Agreement");

WHEREAS, the parties hereto desire to amend the Agreement to decrease the not-to-exceed compensation amount of the Agreement to \$140,264.04, to update the monthly payment to \$11,688.67 based on the decrease, and to include a new annual fee, amending **ARTICLE III, Compensation for Services**, and adding **Addendum II to Exhibit B**;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter contained, County and Consultant mutually agree to amend the terms of the Agreement in this Second Amendment to Agreement on the following terms and conditions:

- I. **ARTICLE III, Compensation for Services**, the first and fourth paragraphs of the Article are amended in their entirety to read as follows:

For the period of November 1, 2020 through October 31, 2021, for the services provided herein, County agrees to pay Consultant \$11,688.67 per month, in advance. Monthly cost after year one (1) to be determined in accordance with good faith negotiations described herein below.

Total amount of this Agreement, as amended, for each one (1) year term, inclusive of optional services, shall not exceed \$140,264.04.

Except as herein amended, all other parts and sections of Agreement for Services #3360, as amended, shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Agreement for Services #3360 on the dates indicated below.

--COUNTY OF EL DORADO--

By: *Birk Veerup*

Dated: 10/20/2020

Board of Supervisors
"County"

Attest:
Kim Dawson
Clerk of the Board of Supervisors

By: *Janatha Sull*
Deputy Clerk

Dated: 10/20/2020

--YORK RISK SERVICES GROUP, INC.--

By: ^{DocuSigned by:} *J. Edward Peel*
33135998A0CF474
J. Edward Peel
Vice President
"Consultant"

Dated: 9/22/2020

York Risk Services Group, Inc.

FIRST AMENDMENT TO AGREEMENT FOR SERVICES #3360

THIS FIRST AMENDMENT to that Agreement for Services #3360 made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and York Risk Services Group, Inc., a New York corporation duly qualified to conduct business in the State of California, whose principal place of business is One Upper Pond Road, Building F, Fourth Floor, Parsippany, New Jersey 07054 and whose mailing address is 8125 Sedgwick Way, Memphis, Tennessee 38125 (hereinafter referred to as "Consultant");

RECITALS

WHEREAS, Consultant has been engaged by County to provide workers' compensation claims third-party administration (TPA) services including administration, investigation, adjustment, utilization review, bill review, and case management for tail claims for the Human Resources, Risk Management Division pursuant to Agreement for Services #3360, dated November 1, 2018, incorporated herein and made by reference a part hereof (hereinafter referred to as "Agreement");

WHEREAS, the parties hereto desire to amend the Agreement to extend the expiration date for one (1) additional year, amending **ARTICLE II, Term**;

WHEREAS, the parties hereto desire to amend the Agreement to decrease the not-to-exceed compensation amount of the Agreement to \$165,017.00, to update the monthly payment to \$13,751.42 based on the decrease, and to include a new annual fee for the extended term of the Agreement, amending **ARTICLE III, Compensation for Services**, and adding **Addendum I to Exhibit B**;

WHEREAS, the parties hereto desire to amend the Agreement to update County's notice recipient, amending **ARTICLE XII, Notice to Parties**;

WHEREAS, the parties hereto desire to amend the Agreement to update the County Agreement Administrator, amending **ARTICLE XXIII, Administrator**;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter contained, County and Consultant mutually agree to amend the terms of the Agreement in this First Amendment to Agreement on the following terms and conditions:

- I. **ARTICLE II, Term**, of the Agreement is amended in its entirety to read as follows:

ARTICLE II

Term: This Agreement, as amended, shall become effective when fully executed by both parties hereto and shall begin on November 1, 2018. This Agreement shall automatically renew for successive one (1) year terms unless terminated earlier as set forth herein below in **ARTICLE XI, Default, Termination, and Cancellation**.

- II. **ARTICLE III, Compensation for Services**, the first and fourth paragraphs of the Article are amended in their entirety to read as follows:

For the services provided herein, County agrees to pay Consultant \$13,751.42 per month, in advance. Monthly cost after year one (1) to be determined in accordance with good faith negotiations described herein below.

Total amount of this Agreement, as amended, for each one (1) year term, inclusive of optional services, shall not exceed \$165,017.00.

- III. **ARTICLE XII, Notice to Parties**, is amended in its entirety to read as follows:

ARTICLE XII

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

To County

With a copy to:

County of El Dorado
Risk Management
330 Fair Lane
Placerville, California 95667

County of El Dorado
Chief Administrative Office
2850 Fairlane Court
Placerville, California 95667

Attn.: Tameka Usher
Director of Human Resources

Attn.: Michele Weimer
Procurement and Contracts
Manager

or to such other location as the County directs.

Notices to Consultant shall be addressed as follows:

York Risk Services Group, Inc.
8125 Sedgwick Way
Memphis, Tennessee 38125

Attn.: General Counsel Americas

- IV. **ARTICLE XXIII, Administrator**, is amended in its entirety to read as follows:

ARTICLE XXIII

Administrator: The County Officer or employee with responsibility for administering this Agreement is Tameka Usher, Human Resources Director, or successor.

Except as herein amended, all other parts and sections of Agreement for Services #3360 shall remain unchanged and in full force and effect.

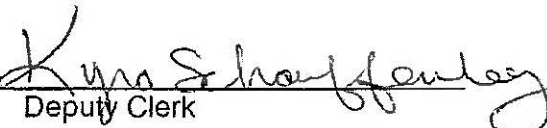
IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement for Services #3360 on the dates indicated below.

--COUNTY OF EL DORADO--

By:  Dated: 2-11-20

Board of Supervisors
"County"

Attest:
Kim Dawson
Clerk of the Board of Supervisors

By:  Dated: 2-11-20
Deputy Clerk

--YORK RISK SERVICES GROUP, INC.--

By:  Dated: 2/11/2020
J. Edward Peel
Vice President
"Consultant"

ORIGINAL

AGREEMENT FOR SERVICES #3360

THIS AGREEMENT made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and York Risk Services Group, Inc., a New York Corporation, duly qualified to conduct business in the State of California, whose principal place of business is One Upper Pond Road, Building F, Fourth Floor, Parsippany, NJ 07054, and whose Agent for Service of Process is *CSC – Lawyers Incorporating Service, 2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833*, (hereinafter referred to as "Consultant");

RECITALS

WHEREAS, effective September 1, 2018, County has entered into a Primary Workers' Compensation (PWC) program wherein no new claims will be submitted to York Risk Services Group, Inc. for claims management.

WHEREAS, County has determined that it is necessary to obtain a Consultant to provide workers' compensation claims third-party administration (TPA) services including administration, investigation, adjustment, utilization review, bill review, and case management for tail claims; and

WHEREAS, Consultant has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

WHEREAS, County has determined that the provision of these services provided by Consultant is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Consultants as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

NOW, THEREFORE, County and Consultant mutually agree as follows:

ARTICLE I

Scope of Services: Consultant agrees to furnish the personnel and equipment necessary to provide workers' compensation claims third-party administration (TPA) services including administration, investigation, adjustment, utilization review, bill review, and case management for tail claims.

Consultant will administer County's workers' compensation tail claims in accordance with Exhibit "A," marked "Workers' Compensation Claims Administration Guidelines," incorporated herein and made by reference a part hereof, as they may be updated periodically.

Consultant shall diligently and expeditiously perform all necessary services to fulfill the County's obligations under the workers' compensation laws, policies, regulations, and procedures of the State of California, including but not limited to the services listed below.

COMMUNICATIONS

1. Personal contact on non-litigated indemnity cases will be maintained with the injured employee on a periodic, ongoing basis to facilitate progress and timely return to work. Initial contact must be made within two (2) working days of receipt of Employer's First Report and follow-up contact every thirty (30) days thereafter until return to work or the file must clearly reflect the reason contact should not continue at that frequency.
2. Confer on a regular basis with all persons associated with County's organization (such as Risk Management, County Counsel, accountants, consultants) involved in the processing of industrial claims.
3. Promptly return calls to injured employees and County personnel.

PROGRAM MANAGEMENT

1. Meet with County personnel on an ongoing basis to develop procedures, forms, instructions, schedules, and protocols to maintain required Consultant services. County will be informed of changes in the workers' compensation laws and procedures pertinent to County's self-insured program.
2. Assist County personnel in the development of directives, notices and other program communications to employees with an emphasis on procedures utilized for coordination of return to work efforts, Qualified Injured Worker determinations, and evaluation of modified/alternate employment.
3. Provide claim forms, employer's report forms and required notices for distribution by County to its employees.
4. Establish and maintain standardized procedures acceptable to the County for the prompt reporting, recording, investigation and treatment of all industrial injuries and diseases. Provide instructional meetings as requested by County to review and explain instructions and procedures.
5. Division of Workers' Compensation (DWC) benefit notices shall be issued timely in compliance with DWC requirements where confusion may exist. Consultant will telephone or forward a personal letter to injured employee explaining DWC benefit notices or forms.

6. Within ten (10) days of receipt, County to be notified electronically on the following:
 - a. All correspondence from Consultant to employee.
 - b. All legal correspondence from applicant or defense attorney.
 - c. Reports from rehabilitation counselor.
 - d. Formal investigation reports.
 - e. Med-Legal reports.
 - f. Any medical report containing work status information.
7. Consultant shall meet quarterly with County to review open claims.
8. At all reasonable times during the term of this contract, County, or any designated representative, shall have access to Consultant premises, and records related to work under this contract. Consultant shall make such records available for inspection, audit and copying by County or its designated representative at County's expense. In addition to any other records required by this agreement, Consultant shall maintain all books, papers, records, documents, and other materials related to work performed under this contract confidential; in the same manner as County is required by law to do. Upon termination of contract all such records, books, papers, documents and other evidence obtained from County or related to work performed under this contract shall be forthwith returned to County.

PERSONNEL REQUIREMENT

1. This section is delineated separately to emphasize the importance the County places on the qualifications and experience of the actual personnel who will be working with the County on a daily basis. The County requires participation in the selection of all personnel providing services. County's continuing approval will be required each time a change in personnel is anticipated.
2. The adjuster(s) dedicated to handling County claims will handle a caseload not to exceed 150 files.
3. The adjuster(s) dedicated to handling County claims will have a minimum of five (5) years workers' compensation experience.

CLAIMS HANDLING

1. A diary system will be established in order that each active case is reviewed at least every thirty (30) days. By prior consent of County, inactive cases may be placed on a diary not to exceed ninety (90) days.
2. The diary schedule will be contained in the file.
3. A specific plan of action outlining direction on the investigation and handling of all indemnity cases will be established within ten (10) working days of receipt of the Employer's First Report and clearly evidenced in the file. Each open indemnity claim file shall include a plan for implementation of appropriate case activity and resolution, and such plan shall be revised as appropriate while the claim remains open. The plan should be

accessible on-line bearing the name of the person who established the plan and the date written.

4. All phone conversations, discussions, and meetings held on the case will be clearly documented in each file.
5. Recommend determinations on eligibility for temporary disability compensation, permanent disability compensation, medical benefits, vocational rehabilitation benefits and all other workers' compensation benefits in accordance with the State Workers' Compensation laws and the internal benefit programs of County.
6. All correspondence will be clearly stamped with the date of receipt.
7. Authorize prompt payment of benefits in accordance with medical advice, defense counsel, advisory ratings, awards, or settlement agreements.
8. Negotiate settlements on behalf of County. Consultant has authority for purpose of compromising and/or resolving any claim against the County being handled by Consultant. Approval to settle any claim must be obtained from County Risk Management in writing. The Consultant will clearly document the criteria by which a settlement value is based. Settlement proposals directed to County shall be forwarded by Consultant or defense counsel in a concise and clear written form with a reasoned recommendation. Settlement authority shall not exceed \$25,000.00.
9. Consultant will make timely identification of all claims involving:
 - a. Subrogation/third party recovery potential
 - b. 2nd injury fund potential
 - c. Apportionment or other offsets
 - d. Reinsurance obligations

INVESTIGATION

1. Consultant shall perform investigations, as necessary and appropriate, pertaining to questionable cases and the status of injured employees in order to assist in the adjustment and litigation of cases. Report to County on all investigations, and advise County if additional investigation by outside investigators is warranted. Consultant may contract for specialized and professional investigation services of County's choice, including York Risk Services Group's internal investigation division and other outside vendors, when such services are needed. All investigations will be coordinated with appropriate County personnel on a case-by-case basis. The County shall be kept informed on the scope and results of investigations.
2. When circumstances warrant, and upon prior approval by County, a field activity check/surveillance will be conducted on the injured employee in order to determine if there is any work capability.
3. Subrogation issues will be promptly identified and investigated. In all cases where a third party (other than a County employee or agent) is responsible for the injury of the employee, the third party shall be contacted within 30 days with notification of County's right to subrogation and the recovery of certain claim expenses. In all cases, Consultant shall consult with County about the value of the subrogation claim and other considerations.

With County consent, timely initiate litigation to effect collection of such claims on behalf of County, and assist counsel to pursue such claims. Upon County authorization, subrogation counsel shall be assigned to file a lien or Complaint in Intervention in the civil action.

LITIGATION MANAGEMENT

1. Promptly respond to claims filed with the Workers' Compensation Appeals Board, and cooperate with attorneys for County in hearings before the Board. Consultant shall assist and coordinate with legal counsel in preparation of litigated cases and attend WCAB pre-trial conferences and trials whenever appropriate.
2. Consultant may employ legal counsel to advise concerning the legality and advisability of rejecting, settling, compromising and paying claims against County, or to represent County in litigation arising from said claims. Within three (3) working days of referral of the case to defense counsel, a letter will be directed to the attorney, with a copy to County, outlining the case status, issues, and requested work to be done by outside counsel. Use of outside counsel is subject to general supervision of County Counsel and Risk Management.
3. All bills for legal fees and legally related costs shall be gathered and reviewed by Consultant. Consultant shall pay all appropriate legal bills from the trust fund in accordance with the County standard practices. The retention of outside legal counsel by Consultant shall be subject to approval by County and shall be subject to such practices and policies as may be established by County.
4. For all claims handled by outside counsel involving liability issues (i.e., any claim or potential claim other than for workers' compensation benefits), Consultant will ensure that outside counsel will advise County of potential third party liability claims.

MEDICAL CONTROL

1. The treating physician (facility) will be contacted prior to making the initial indemnity payment to establish the extent of injury, length of disability, and causal relationship of the injury to the job or alleged work-related incident.
2. Maintain close liaison with medical service providers to insure maximum efficiency in the management of claims and compliance with State law regarding provision of job descriptions to determine return to work possibilities.
3. Provide County with all medical reports containing work restrictions or information regarding the injured employee's anticipated return to work or potential vocational rehabilitation.
4. Where medical issues are questioned, a medical examination will be scheduled with a qualified physician, as allowed under applicable Labor Code. Consultant will send written correspondence summarizing the status of the specific case and outlining issues to be addressed by the evaluating physician. Consultant will provide to the physician any relevant medical and job information that will assist the physician in making an objective evaluation.
5. Utilize medical service providers as the County may direct from time to time, including any MPN designated by the County.

6. Review all medical bills for appropriate payment. Any medical bill received will be reviewed with regard to causal relationship to the accident/work-related injury. Medical bill review pricing will be completed by Consultant or agreed upon consultant. Medical billings and expense billings shall be reviewed and processed for payment as appropriate within sixty (60) days of receipt, or written denial or request for further explanation or documentation was sent within sixty (60) days of receipt.
7. Utilization review services will be completed through a consultant agreed upon by County.

REHABILITATION

1. Identify and advise County within 5 days of medical information received involving potential permanent work restrictions.
2. Where needed, rehabilitation and/or retraining will be recommended and the progress will be closely monitored and controlled. The first evaluation as to the appropriateness of rehabilitation will take place according to workers' compensation state requirements.
3. Within 5 days of receipt of permanent work restrictions, Consultant will confer with County to discuss potential for modified/alternate employment, appropriate notices to be issued and potential assignment of a rehabilitation counselor.
4. Assist in selection of competent rehabilitation counselor, and in the development of appropriate rehabilitation plan.
5. Keep County advised as to status of any ongoing rehabilitation cases, as well as direct, supervise, and monitor the work and charges related to all rehabilitation cases.
6. Consultant to attend and participate in informal and formal rehabilitation conferences whenever possible.

REPORTING & RECORDKEEPING

1. In accordance with law and the requirements of various State agencies, record and file the Employer's Report of Occupational Injury and other detailed statistical records of all claims and disbursements.
2. Assume all responsibility for notification to the excess carrier on behalf of the County in accordance with the specific requirements of the excess carrier. Ongoing reporting of all necessary information on the current status of claims as required by the excess carrier. Consultant shall pay any costs, damages, or penalties incurred for lack of proper reporting.
3. Monthly loss runs shall be provided to County Risk Management within 15 days after month end.
4. Report to Index Bureau on each claim. Submit updates as necessary.
5. Provision of trust account management, including a reconciliation of bills paid and monthly check registers which include all disbursements made by Consultant on behalf of County.
6. Prepare Self-Insurer's Annual Report (Form A4-40) for County signature and submission to the State.

7. Prepare Federal Information Return (Form 1099-MED) for applicable payments made on behalf of County.
8. Provision of information needed for completion of the OSHA 300 logs.
9. Maintain all records and historical data on losses arising from employee injuries in accordance with the requirements of the State of California, including a file for each disability claim, a record of each denial, delay, litigated claim and make these files and records available for review by County upon request. Maintain closed claim inventory.
10. All original reports, documents and claims data of every kind or description that are prepared in whole or part for Consultant in connection with this agreement shall be County's property. Consultant shall not make available to any individual or organization any report, document or data which was given to, prepared by, or assembled by Consultant pursuant to this agreement unless prior consent is given by County. All such records shall be held in strictest confidence by Consultant. Claim information may be provided to defense counsel retained for the purpose of defending County against claim.
11. Provision of a comprehensive annual management report which:
 - a. Analyzes past and future projected fiscal year costs.
 - b. Interprets data on losses and trends.
 - c. Recommends program improvements to favorably impact costs and procedures.

PENALTIES

Under California law, numerous administrative fines and penalties are required for payment of benefits or services that are overdue. The County will be advised within five (5) days of all penalty increases to benefits or bills paid along with an explanation for the cause of the penalty. If the delay is a result of Consultant receiving Employee's Claim Form in excess of 10 days from County's receipt, the increased cost will be paid by County. All other fines, penalties, and fees which result from unnecessary delay by the Consultant shall be paid by Consultant. These amounts will be reported to County and deducted from the upcoming monthly administration fee.

TRUST FUND

Establish and maintain a trust account for the payment of proper charges against the County arising from industrial injuries, including payments of temporary and permanent disability compensation, medical expenses, allocated expenses, bill review, investigations, and other benefits. The Trust Account shall be maintained and established in compliance with Government Code 31000.8. Funds in the Trust Account shall not exceed the Board of Supervisors approved maximum (as evidenced by a Board Minute Order) at any one time. This amount will be a sum sufficient to provide for the settlement of claims for a 30 day period.

The Trust Fund shall be maintained as follows:

- The County will maintain the Trust Fund at \$200,000.00.

- The County will prefund payments of \$75,000.00 or greater in addition to the \$200,000.00. The County may adjust the prefund amount with seven (7) days notice to Consultant.
- The County will fund the Trust Fund in accordance with the above no less than weekly up to daily provided the request is a minimum of (\$5,000.00) five thousand dollars.

Consultant shall notify County weekly, on Mondays, that the Trust Account needs to be replenished, and the amount necessary to be deposited. Consultant shall provide County with a monthly Check Register which includes all disbursements made by Consultant, and a monthly reconciliation of the trust account, and shall make other reports on the status of the Trust Account and disbursements therefrom as may be required by the County in addition to the foregoing check register. The Trust Account shall not be used for any payments to Consultant, with the exception of agreed-upon services specified in written authorization by County.

ARTICLE II

Term: This Agreement shall become effective upon final execution by both parties hereto and shall begin November 1, 2018. This Agreement shall automatically renew for successive one (1) year terms unless terminated earlier as set forth herein below in **ARTICLE XI – Default, Termination, and Cancellation.**

ARTICLE III

Compensation for Services: For services provided herein, County agrees to pay Consultant \$17,352.75 per month, in advance. Monthly cost after year one (1) to be determined in accordance with good faith negotiations described herein below.

In addition, Consultant will provide medical bill review services as consultant deems appropriate. The cost for these services may be charged to the Trust Account, provided that a copy of the itemized invoice of medical review charges is forwarded monthly to County, and provided that the rates charged to County do not exceed amounts specified in Exhibit “B,” marked “York Risk Services Updated Fee Proposal for County of El Dorado,” incorporated herein and made by reference a part hereof.

In addition, the cost for Optional Services – York Workers’ Compensation Investigation Fees, as outlined in Exhibit “B,” may be charged to the Trust Account.

Total amount of this Agreement for each one (1) year term, inclusive of optional services, shall not exceed \$ 208,233.00.

The parties shall negotiate the monthly fee for the following year, in good faith at least sixty (60) days prior to the expiration of the then-current term. The Parties shall negotiate the monthly fee for the following year of the Agreement based on the total number of open tail claims remaining.

ARTICLE IV

Taxes: Consultant certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Consultant to County.

ARTICLE V

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE VI

Consultant to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Consultant shall act as Consultant only to County and shall not act as Consultant to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Consultant's responsibilities to County during term hereof.

ARTICLE VII

Assignment and Delegation: Consultant is engaged by County for its unique qualifications and skills as well as those of its personnel. Consultant shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE VIII

Independent Consultant/Liability: Consultant is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Consultant exclusively assumes responsibility for acts of its employees, associates, and subConsultants, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Consultant shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Consultant or its employees.

ARTICLE IX

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County

business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE X

Audit by California State Auditor: Consultant acknowledges that if total compensation under this agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code §8546.7. In order to facilitate these potential examinations and audits, Consultant shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the contract, all books, records and documentation necessary to demonstrate performance under the Agreement.

ARTICLE XI

Default, Termination, and Cancellation:

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

- B. **Bankruptcy:** This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Consultant.
- C. **Ceasing Performance:** County may terminate this Agreement in the event Consultant ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. **Termination or Cancellation without Cause:** County may terminate this Agreement in whole or in part upon seven (7) calendar days written notice by County without cause. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Consultant, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Consultant shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise.

ARTICLE XII

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

COUNTY OF EL DORADO
Risk Management
330 Fair Lane
Placerville, CA 95667
ATTN: Robert Schroeder, Risk Manager

or to such other location as the County directs.

with a carbon copy to

COUNTY OF EL DORADO
Chief Administrative Office
Procurement and Contracts Division
330 Fair Lane
Placerville, CA 95667
ATTN: Purchasing Agent

Notices to Consultant shall be addressed as follows:

YORK RISK SERVICES GROUP, INC.
P.O. Box 619079
Roseville, CA 95661
ATTN: Jody A. Moses, President, Public Entity

or to such other location as the Consultant directs.

ARTICLE XIII

Change of Address: In the event of a change in address for Consultant's principal place of business, Consultant's Agent for Service of Process, or Notices to Consultant, Consultant shall notify County in writing pursuant to the provisions contained in this Agreement under the Article titled "Notice to Parties". Said notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

ARTICLE XIV

Indemnity: The Consultant shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to arise out of the negligent, or intentionally wrongful, acts or omissions of Consultant arising out of Consultant's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, subConsultant(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Consultant to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XV

Insurance: Consultant shall provide proof of a policy of insurance satisfactory to the County of El Dorado Risk Manager and documentation evidencing that Consultant maintains insurance that meets the following requirements:

- A. Full Worker's Compensation and Employer's Liability Insurance covering all employees of Consultant as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000.00 aggregate limit.

- C. Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Consultant in the performance of the Agreement.
- D. In the event Consultant is a licensed professional or professional consultant, and is performing professional services under this Agreement, professional liability is required with a limit of liability of not less than \$1,000,000.00 per occurrence.
- E. Consultant shall furnish a certificate of insurance satisfactory to the County of El Dorado Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.
- G. Consultant agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Consultant agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Consultant agrees that no work or services shall be performed prior to the giving of such approval. In the event the Consultant fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event. Consultant will not permit such insurance policies to be canceled without prior written notice to County.
- H. The certificate of insurance must include the following provisions stating that:
 - 1. The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. The Consultant's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.

- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Consultant's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Consultant cannot provide an occurrence policy, Consultant shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with Risk Management, as essential for protection of the County.

ARTICLE XVI

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Consultant under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XVII

Interest of Consultant: Consultant covenants that Consultant presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Consultant further covenants that in the performance of this Agreement no person having any such interest shall be employed by Consultant.

ARTICLE XVIII

Conflict of Interest: The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees. Consultant attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this contract and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents that it is unaware of any financial or economic interest of any public officer or employee of Consultant relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this Agreement by giving written notice as detailed in the Article in the Agreement titled, "Default, Termination and Cancellation".

ARTICLE XIX

California Residency (Form 590): If Consultant is a California resident, Consultant must file a State of California Form 590, certifying its California residency or, in the case of a corporation, certifying that it has a permanent place of business in California. The Consultant will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Consultant during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

ARTICLE XX

Nonresident Withholding: If Consultant is not a California resident, Consultant shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Consultant during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding \$1,500.00. Consultant shall indemnify and hold the County harmless for any action taken by the California Franchise Tax Board.

ARTICLE XXI

Taxpayer Identification Number (Form W-9): All independent Consultants or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XXII

County Business License: It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070.

ARTICLE XXIII

Administrator: The County Officer or employee with responsibility for administering this Agreement is Robert Schroeder, Risk Manager, or successor.

ARTICLE XXIV

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

ARTICLE XXV

Partial Invalidity: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XXVI

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

ARTICLE XXVII

No Third Party Beneficiaries: Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this agreement.

ARTICLE XXVIII

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

Requesting Contract Administrator Concurrence:

By:  Dated: 11-7-18
Robert Schroeder
Risk Manager

Requesting Department Head Concurrence:

By:  Dated: 11/7/18
Tameka Usher
Human Resources Director

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below.

-- COUNTY OF EL DORADO --

Dated: 10/30/18

By: 
Chair
Board of Supervisors
"County"


ATTEST:
James S. Mitrison
Clerk of the Board of Supervisors

By: 
Deputy Clerk

Dated: 10/30/18

-- CONSULTANT --

YORK RISK SERVICES GROUP, INC.
A NEW YORK CORPORATION

By: 
Jody A. Moses
President, Public Entity
"Consultant"

Dated: 11/1/18

By: 
Michael Krawitz
Corporate Secretary

Dated: 11/1/18