

## 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 Post Office Box 619079, Roseville, California 95661 (hereinafter referred to as "Consultant");

### R E C I T A L S

**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, 2019. 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.  
P.O. Box 619079  
Roseville, California 95661

Attn.: Jody A. Moses, President, Public Entity

**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: \_\_\_\_\_

Board of Supervisors  
"County"

Attest:  
Kim Dawson  
Clerk of the Board of Supervisors

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Deputy Clerk

**-- YORK RISK SERVICES GROUP, INC. --**

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Jody A. Moses  
President, Public Entity  
"Consultant"

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Michael Krawitz  
Corporate Secretary

# » Pricing Proposal

*Prepared for: El Dorado County*

*Updated October 15, 2019*

Submitted By:

**Dorienne Zumwalt**

Account Executive

p. 916.749.5877

e. [dorienne.zumwalt@yorkrisk.com](mailto:dorienne.zumwalt@yorkrisk.com)

## › York's Pricing Proposal for El Dorado County

### Claims Services

We are happy to report that we will be reducing our pricing to \$165,017 for this next contract year based on the reduction of open claims. We are also pleased to report that we will drop the \$35.00 pass-thru rate for utilization review. We appreciate our partnership with El Dorado County and will continue to revisit the total number of open tail claims on an annual basis to determine appropriate pricing as the inventory decreases.

*York will provide claims handling at the following rates:*

Workers Compensation (Includes the per member administration fee)	
Term	Annual Fee
11/01/2019 – 10/31/2020	\$165,017

Annual Fee: York's Annual Fee quotation is a guaranteed flat annual fee and applies to claims administration services provided during the 12-month contract term. Any additional administration beyond the initial 12-month contract term will be subject to an additional negotiated flat annual fee or other mutually agreed upon rate structure. If there is a significant increase in claims volume, York may propose additional charges. If client agrees to such additional charges, the fees will be adjusted accordingly. If client does not agree to such charges, York will have the right to terminate services on 60 days' notice.

**Services of the Account Executive, along with phone claim reviews, are provided at no additional charge.**

### Managed Care Fees:

Detail	Fee
Medical Bill Review - Fee Per Bill PPO Network & Out of Network Savings	\$8.50 per Bill 23% of Savings
Virtual Case Management	\$99.00 per Hour
Field Case Management	\$99.00 per Hour, Plus Mileage (IRS Reimbursement Rate & Expenses)

## Utilization Review/Certification

Detail	Fee
Pass-Through Authorization	No Charge
Clinical Procedure Rate	\$145.00 per Event
Physician/Specialty Review (additional fee when applicable)	\$250.00 per Review
Appeal Reviews	\$250.00 per Review

## Peer Review

Detail	Fee
Peer Review	\$250.00 per Review
Physician Intervention Review (Pharmacy Review w/P2P)	\$250.00 per Review

## Medicare Secondary Payer Services (MSA)

*(Services outlined below are only billed if utilized)*

Detail	Fee
Mandatory CMS MMSEA Reporting	No Charge
Standard MSA	\$2,950.00 per Referral
Complex/Catastrophic MSA	\$3,500.00 per Referral
Rush MSA Additional	\$500.00 per Referral
MSA CMS Submission	\$500.00 per Referral
Medical Cost Projections	\$1,750.00 per Referral
Conditional Payment Request	\$150.00 per Inquiry
Conditional Payment Dispute Resolution	\$500.00 per Referral
Final Settlement Document Submission	\$155.00 per Referral
Medicare / Medicaid Investigation	\$50.00 per Inquiry
Social Security Investigation	\$100.00 per Referral
Rated Age	\$25.00 per Referral

Medical Cost Projection to MSA Conversion

\$1,200.00 per Referral

York's medical management services include a complete suite of all ancillary medical services, using multiple networks that address our clients' needs – including, but not limited to, pharmacy benefit management, diagnostics, durable medical equipment, transportation and translation, home health, physical therapy and independent medical exams. These services are subject to the bill review rates as quoted above, plus the applicable percentage of network savings achieved below the fee schedule or usual and customary charges.

## General Fees, Services, Terms and Conditions

- Outside Activity/Field Investigations will be billed at time and expense.
- Billing: York will issue an electronic invoice monthly, via email. Payments shall be due and payable no later than thirty days from the invoice date.
- Pricing has been developed based on provided loss data. In the event that the loss data is erroneous or otherwise incorrect both parties agree to discuss an equitable adjustment of service fees.
- York's fee per feature pricing includes placing parties that it deems responsible on notice. Pursuit of subrogation beyond this point can be performed at \$85.00\*\* (exclusive of attorney fees and expenses related to litigation as well as expenses, such as locate searches, skip traces, cost and origin reports, copy service, etc. or any agreed upon contingency fees). \*\* York uses an external business partner to pursue third party WC claim recoveries.
- Claims and Allocated Loss Adjustment Expenses (ALAE) may be handled in two ways:
  - El Dorado County may elect to fund an account established and maintained by York. In this case, El Dorado County will maintain and provide timely replenishment of funds to pay all Claims and ALAE and to avoid penalties and late payments. York will electronically provide a monthly recap of all deposits as well as Claims and ALAE payments. El Dorado County will be responsible for bank fees with respect to the account.
  - El Dorado County may elect to maintain and fund a client-owned account from which York will issue all Claim and ALAE payments. In this case, El Dorado County will provide York with the facsimile signature of an officer, director, partner or employee of El Dorado County to print digitally on the checks. El Dorado County will be responsible for bank fees with respect to the account.
- York's proposed fees will remain in effect for 90 days from the date of this proposal.
- This proposal contemplates that York will be entering into a direct contract with El Dorado County. Should York be required to contract with any other party, different terms may apply.

## Allocated Loss Adjustment Expenses

With approval from El Dorado County, York will arrange for various services and other costs as agent for the county. These costs are referred to as Allocated Loss Adjustment Expenses (ALAE). A list of these expenses follows. Payment of ALAE is the responsibility of El Dorado County. York's fees do not cover ALAE, and York is under no obligation to pay ALAE with its own funds.

- Fees of outside counsel for claims in suit, coverage opinions and litigation and for representation at hearings or pretrial conferences
- Fees of court reporters
- All court costs, court fees and court expenses
- Fees for service of process
- Costs of undercover operatives and detectives
- Costs for employing experts for the preparation of maps, professional photographs, accounting, chemical or physical analysis, diagrams
- Costs for employing experts for the advice, opinions or testimony concerning claims under investigation or in litigation or for which a declaratory judgment is sought
- Costs for independent medical examination or evaluation for rehabilitation
- Costs of legal transcripts of testimony taken at coroner's inquests, criminal or civil proceeding
- Costs for copies of any public records or medical records
- Costs of depositions and court reported or recorded statements
- Costs and expenses of subrogation
- Costs of engineers, handwriting experts or any other type of expert used in the preparation of litigation or used on a one-time basis to resolve disputes
- Witness fees and travel expenses
- Costs of photographers and photocopy services
- Costs of appraisal fees and expenses (not included in flat fee or performed by others)
- Costs of indexing claimants
- FROI/SROI Submission
- Services performed outside York's normal geographical regions
- Costs of outside investigation, signed or recorded statements
- Out of the ordinary expenses incurred in connection with an individual claim or requiring meeting with El Dorado County
- Any other extraordinary services performed by York at El Dorado County's request

- Investigation of possible fraud including SIU services and related expenses
- Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or loss or to the protection or perfection of the subrogation rights of El Dorado County.

York may, but need not, elect to utilize its own staff or affiliated entities to perform any of these services. Associated fees and costs will be charged as ALAE.

### IT/RMIS Fees:

*(Services outlined below are only billed if utilized)*

Service	Description	Fee
<b>FOCUS (RMIS)</b>	RMIS Licensing (Includes loading of 10 years of closed claims history, if requested, and all open claims, regardless of age, into FOCUS)	4 Licenses Included  Additional Licenses @ \$725 per License per Year

### York Workers' Compensation Investigation Fees:

*(Services outlined below are only billed if utilized)*

Detail	Fee
<b>Investigation Services</b>	\$85.00 per Hour
<b>Auto Expenses</b>	IRS Rate
<b>Secretarial</b>	\$8.00 per Page
<b>Transcribed Statements</b>	\$6.00 per Page
<b>Photocopies</b>	\$0.25 Each
<b>Photographs</b>	\$2.50 Each
<b>CD's</b>	\$1.00 Each
<b>Other Expenses</b>	Actual Cost