

**AMENDMENT NO. 3  
TO AGREEMENT BETWEEN  
COUNTY OF MONTEREY AND  
INTERCARE HOLDINGS INSURANCE SERVICES, INC.**

**THIS AMENDMENT** is made to the AGREEMENT for the provision of Third Party General Liability Claims Administration by and between **INTERCARE HOLDINGS INSURANCE SERVICES, INC.**, hereinafter referred to as "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

**WHEREAS**, the County and the CONTRACTOR previously entered into the original AGREEMENT on June 17, 2016, in the amount of \$328,000; and

**WHEREAS**, the original AGREEMENT'S term was from July 1, 2016 to June 30, 2018; and

**WHEREAS**, the County and CONTRACTOR amended the AGREEMENT by way of Amendment No. 1 and extended the term by one year through June 30, 2019, and increased CONTRACTOR'S compensation by \$144,000, to \$472,000; and

**WHEREAS**, the County and CONTRACTOR amended the AGREEMENT by way of Amendment No. 2 and extended the term by one year through June 30, 2020, and increased CONTRACTOR'S compensation by \$148,320, to \$620,320; and

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT'S term by three years through **June 30, 2023**, and increase the total compensation amount by \$442,844 for a total not to exceed amount of \$1,063,164 by way of Amendment No. 3, in accordance with the following annual renewal schedule:

<b>Year</b>	<b>Term</b>	<b>Increase Compensation</b>	<b>Not to Exceed</b>
1	July 1, 2020 to June 30, 2021	\$143,273	\$763,593
2	July 1, 2021 to June 30, 2022	\$147,572	\$911,165
3	July 1, 2022 to June 30, 2023	\$151,999	\$1,063,164

**NOW THEREFORE**, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. This Amendment is effective July 1, 2020.

2. Section 2.0, "PAYMENT PROVISIONS" shall be amended by increasing the total amount by \$442,844 for a total not to exceed amount of \$1,063,164.
3. Section 3.0, "TERM OF AGREEMENT" shall be amended by extending the term of this agreement by three years through **June 30, 2023**, at the sole and absolute discretion of the County of Monterey, not to exceed the increase on the rates and terms set forth below:

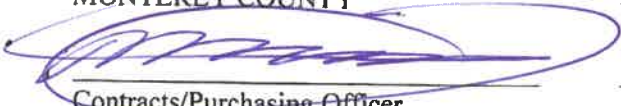
Year	Term	Increase Compensation	Not to Exceed
1	July 1, 2020 to June 30, 2021	\$143,273	\$763,593
2	July 1, 2021 to June 30, 2022	\$147,572	\$911,165
3	July 1, 2022 to June 30, 2023	\$151,999	\$1,063,164

4. Section 4.0, "SCOPE OF SERVICES AND ADDITIONAL PROVISIONS, Subsection 4.01, Exhibit A Scope of Services/Payment Provisions" shall be revised on the effective date as set forth in Exhibit A (Revised 6/4/2020) attached hereto and incorporated herein.
5. Except as provided herein, all remaining terms, conditions, and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
6. A copy of this AMENDMENT shall be attached to the original AGREEMENT executed by the County and Contractor.

-----*This section intentionally left blank*-----

IN WITNESS WHEREOF, the parties have executed the AMENDMENT on the day and year written below.

MONTEREY COUNTY

  
Contracts/Purchasing Officer

Dated: 06-22-2020

**Approved as to Fiscal Provision:**

  
Deputy Auditor/Controller


Dated: 06/11/2020

**Approved as to Liability Provisions:**

N/A  
Risk Management


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

**Approved as to Form:**

  
County Counsel

Dated: 6/9/20


CONTRACTOR

  
Signature of Chair, President, or  
Vice-President

Agnes Hoeberling, President and CEO

Printed Name and Title

Dated: June 9, 2020

By:   
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)\*  
Alan Avriett, Senior Vice President (Secretary)

Printed Name and Title

Dated: June 9, 2020

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

**EXHIBIT – A**  
**(Revised 6/4/2020)**

**To Agreement by and between**  
**County of Monterey, hereinafter referred to as “COUNTY”**  
**and**  
**Intercare Holdings Insurance Services, Inc., hereinafter referred to as “CONTRACTOR”**

**Scope of Services/Payment Provisions**

**A. SCOPE OF SERVICES**

CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

**A1. Resource Deliverables:**

<b>Intercare Holdings Insurance Services</b>	
<b>I. Staffing Level:</b>	
a. Dedicated Senior Claims Specialist – Gwen Woods	
b. Designated Claims Supervisor with over 30 years of experience	
c. Designated Back-Up - Senior Claims Specialist with expertise in AL/GL and risk management consulting	
d. Admin/general support team	
<b>II. Other Resources:</b>	
a. In-house IT Department including 24/7 Helpdesk	
b. Accounting Department/Trust account administration	
c. Centralized Check processing system	
d. Online Claim Intake System accessible 24/7	
e. Advice Line	
f. Quality Assurance and Compliance Review	
g. RMIS System with robust reporting technology	
h. Business Analyst	
i. Vice President of Liability Division – Peggy McCarthy (designated Account Manager)	
<b>III. Subcontracted Services at County Approved Rates:</b>	
a. Auto/vehicle damage appraisals	
b. Property damage appraisals	
c. Intercare will use County of Monterey preferred vendor or recommend a vendor from Intercare panel.	
d. Investigation Services: Outside investigator/field adjuster services are “pass through,” as claims allocated costs are incurred.	
e. Medical Bill Repricing/Negotiation – Medical bill review fees are to be separately accounted for and direct billed to claim file as an allocated loss adjustment expense (ALAE) with supporting documentation of review and savings. <i>\$16 per bill; estimated cost is subject to prior cost approval by the County.</i>	

**A2. Services/Deliverables:**

<b>IV. Claims Process</b>	
▪ <b>Intake</b>	Losses reported via online system or email/fax/phone. For Risk management personnel, a toll free Advice Line is also available. Acknowledgement of report along with handling specialist name and contact information is sent upon receipt of report.
▪ <b>Set-Up</b>	Set-up file within 24 hours; appropriate codes entered and claim number assigned.
▪ <b>New Claim</b>	After new claim is received, Risk Management will provide notice to the involved department of the matter and that Intercare will be investigating. Once that notice has been sent, Intercare will contact the designated department representative directly for information necessary to the investigation. Except for employment related or law enforcement matters, Intercare is authorized to make contact with County employees identified by the department representative as having information relative to a specific claim. Intercare will not make direct contact with County employees on any employment related matter or law enforcement matter without prior approval of the specific contact.
▪ <b>Contact</b>	<p>Get direction and/or approval from the County Counsel-Risk Manager or the County Claims Committee on contact with the following stakeholders:</p> <ol style="list-style-type: none"><li>1. Claimant</li><li>2. Witnesses</li><li>3. County Department</li></ol> <p>Contact the stakeholders within 24 hours of receiving direction and/or approval from the County Counsel-Risk Manager or the County Claims Committee.</p> <p>Intercare may contact claimant or claimant's counsel directly in most non-litigated matters. However, Intercare will seek approval before initiating such contact on any employment related matter or any matter involving law enforcement. Intercare will not initiate contact with plaintiff counsel on any litigated matter without the approval of County Counsel.</p>
▪ <b>Investigation Findings</b>	Ongoing communication in collaboration with County Risk Management on the onset of the claim with the goal of completing the investigation within 30 days. Analyze coverage and communicate determination to the County before sending the acceptance or rejection.

	Resource Management Safety Coordinator/Investigator will continue to conduct scene investigations, but will request assistance with specific tasks from Intercare as may be needed on an Ad Hoc basis
▪ <b>CHP and Autopsy Reports</b>	Risk Management will provide their contacts for obtaining police and CHP reports and provide an introduction of Intercare to those contacts after which Intercare will request reports on behalf of COM. Intercare will provide a copy of reports received to Risk Management. Assistant County Counsel will continue to obtain autopsy reports for Intercare.
▪ <b>Reserves</b>	<p>Establish initial reserves within 2 days; post adjusted reserve within 7 days and project probable cost within 30 days based on determination. Quarterly reserve review of all open claims with Risk Management. Notify and communicate any reserve changes with Risk Management. Report to Excess carrier as required.</p> <ul style="list-style-type: none"> <li>• Intercare will set reserves on newly reported matters as is appropriate after the initial claim meeting discussion of the matter (or as above after initial discussion with county counsel on litigated matters).</li> <li>• Intercare will provide an email to Risk Management and Assistant County Counsel advising of the initial reserves. When reserves are updated, Intercare will provide email notice to Risk Management and Assistant County Counsel of the reserve change with a brief explanation supporting the change.</li> </ul>
▪ <b>Claim Notes</b>	Claim notes, diaries, action plans entered in iVOS.
▪ <b>County Access to Electronic Claim Information</b>	Access to all data including reserves, diaries, notes, action plans, payments, imaged documents/correspondence, legal/medical information, any data captured in the system.
▪ <b>Compliance with Government Code 910</b>	Review government claim form within 7 days and provide oral and written recommendations.
▪ <b>County Claims Committee</b>	Biweekly claim review with County Claims Committee
▪ <b>Litigation Management</b>	<p>Work collaboratively with County Risk Management, County Counsel or designated counsel every step of the way – maintain ongoing communication, attend mediation, seek approval when retaining defense counsel, settlement evaluation, disposition and all legal proceedings.</p> <ul style="list-style-type: none"> <li>• Initial notice of litigated matters will be transmitted from COM with identity of county counsel assigned.</li> </ul>

	<ul style="list-style-type: none"> <li>• Within a week of receipt of a new litigated matter, Intercare will contact county counsel for initial discussion of new matter for purposes of understanding potential exposure and discussion of initial litigation plan. Intercare will establish initial reserves with email notice to Risk Management and Assistant County Counsel of same.</li> </ul>
▪ <b>CMIS System</b>	Ventiv iVOS System with a Medicare Module to comply with MMSEA Section 111 reporting
▪ <b>Standard Reports</b>	<ul style="list-style-type: none"> <li>▪ Frequency and Severity Reports</li> <li>▪ Top 10 Causes</li> <li>▪ Top 10 Risks</li> <li>▪ Reserve Trends</li> <li>▪ Loss Summary</li> <li>▪ Loss Stratification Report</li> <li>▪ Reserve Development Reports</li> <li>▪ Excess Claim Reports</li> <li>▪ Subrogation Reports</li> <li>▪ Litigated claim reports</li> <li>▪ Check Register</li> <li>▪ Payment Report</li> </ul>
▪ <b>Internal Controls</b>	Annual SSAE 18 and SOC 2; Business Continuity Plan, Disaster Recovery Plan; Secured email
▪ <b>Other Services</b>	Account Management/Client Services Annual Stewardship Review Quarterly Roundtable Claim Review Topical Captioned Status Report Claim Analysis Excess Reporting MMSEA Reporting Training
▪ <b>Claims Meeting</b>	Intercare will manage and direct the biweekly claims meeting process. Claims to be discussed include any newly reported matter since the prior call, all non-litigated matters pending a response to the claim, any other claim or lawsuit needing discussion. Risk Management will provide Intercare with the identity of the Beta Claims to be discussed and Intercare will include those matters on the list. The list of claims for the claim meeting will be circulated to the group on the Wednesday morning before each claim meeting with an invitation to all participants to add any other matter needing discussion. If

	updated, the updated list will be circulated to the group by Intercare ASAP before the claim meeting.
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All written reports required under this Agreement must be delivered to Leslie J. Girard, Risk Manager, in accordance with the schedule above.

## **B. PAYMENT PROVISIONS (COMPENSATION/PAYMENT)**

County shall pay an amount in accordance with the following annual renewal schedule:

<b>Year</b>	<b>Term</b>	<b>Increase Compensation</b>	<b>Not to Exceed</b>
1	July 1, 2020 to June 30, 2021	\$143,273	\$763,593
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plus “excess claims” fees, and subrogation recovery fees in accordance with the fee schedule in Section B1 (see below) for liability claims management as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

### **B1. Claim Administration Fees**

<b>Scope of Work</b>	<b>Intercare Holdings (Proposed TPA)</b>
<b>V. General Liability Claims Management -</b> Fixed Annual Fee includes handling pending and new claims up to 150 per year.	\$143,273/Annually for Year 1 \$147,572/Annually for Year 2 \$151,999/Annually for Year 3
<b>VI. Fee for new incidents/claims in excess of the 150 new claims per year.</b>	\$750.00
<b>VII. Subrogation –</b> Included in fixed fee and only includes pending claims and no new claims during this contract period. Subrogation fees are to be direct billed to Risk Management.	10% of recovery for subrogation claims (pending)
<b>VIII. Annual Escalation Rate</b>	3%
<b>IX. Additional Users (per user per year)</b>	\$0
<b>X. Administration Fee – Per Year</b>	\$0
<b>XI. Claim System Data Conversion Fee</b>	\$0
<b>XII. System Access – First 5 Users – view only</b>	\$0

County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the “County Travel Policy”. A copy of the policy is available online at [www.co.monterey.ca.us/auditor/policies.htm](http://www.co.monterey.ca.us/auditor/policies.htm)



To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

### **C. CONTRACTORS BILLING PROCEDURES**

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

**DISALLOWED COSTS:** CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

**ROUTING FORM – RQN #:** \*06073**Date:** 06-9-10☐ **AGREEMENT**☒ **AMENDMENT**☐ **BOARD REPORT FOR PRE-APPROVAL****Vendor Name:** INTERCARE HOLDINGS INSURANCE SERVICES.**Title/Brief Description of Document:** General Liability TPA.**Originating Dept.:** RISK MANAGEMENT      **Dept. Contact WITH Phone #:** Cecilia Merillana x.5296**This Agreement or Amendment requires Board Approval:** Yes ☒ No ☐**This Agreement requires an MYA:** Yes ☒ No ☐**AGREEMENT TYPE**

<input checked="" type="checkbox"/> <b>RQNSA – Standard Agreement</b>	<input type="checkbox"/> <b>RQNNS – Non-Standard Agreement</b>
<input type="checkbox"/> <b>RQNIT – ITD Standard Agreement</b>	<input type="checkbox"/> <b>RQNIN – ITD Non-Standard Agreement</b>
<input type="checkbox"/> <b>RQNPB – Pre-Board Standard Agreement</b>	<input type="checkbox"/> <b>Non-Standard Board Agreement (Not to be tracked within RQN)</b>
<input checked="" type="checkbox"/> <b>Insurance &amp; Endorsement Current</b>	<input type="checkbox"/> <b>VDR &amp; Non-Resident State Forms Verified</b>

**ROUTING AND APPROVALS\***

*Each Approving Authority is requested to forward the Service Contract to the next Approving Authority in the order listed herein. Thank you.*

	<b>Approving Authority:</b>	<b>Approval Initials</b>	<b>Comments:</b>	<b>Date Reviewed</b>
1st	ITD(for all ITD related contracts)	N/A		
2nd	County Counsel (required)			6/9/20
3rd	Risk Management (non-standard insurance and/or indemnity provisions)	N/A		
4th	Auditor-Controller (required)	Bm		06/11/2020
5th	Contracts/Purchasing (required)			06-22-2020
	Return to Originating Department Instructions			

\* In the event that one of the approving authorities has an issue with the document and will not sign, the document shall be returned immediately to the originating department's key contact person identified herein along with a brief written explanation regarding the issue. Once that issue is corrected, the originating department shall restart the routing process again from the beginning by resubmitting the document through the approval process. The original Routing Form should be included for reference.

**MYA #:** \_\_\_\_\_



## Monterey County Board of Supervisors

### Board Order

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066  
[www.co.monterey.ca.us](http://www.co.monterey.ca.us)

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Mary L. Adams to:

**Agreement No.: A-12057**

Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 6 to professional services agreement with Intercare Holdings Insurance Services, Inc. for the administration of the County's Workers' Compensation Program effective July 1, 2020 through June 30, 2023, and increasing compensation over the three-year extension in an amount not to exceed \$52,447.89, for a total compensation amount not to exceed \$1,195,518.00.

PASSED AND ADOPTED on this 23<sup>rd</sup> day of June 2020, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Parker and Adams  
NOES: None  
ABSENT: None  
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 23, 2020.

Dated: June 24, 2020  
File ID: A 20-222  
Agenda Item No.: 54

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California

Joel G. Pablo, Deputy