

**RENEWAL AND AMENDMENT No. 5  
TO AGREEMENT BETWEEN  
COUNTY OF MONTEREY AND  
INTERCARE HOLDINGS INSURANCE SERVICES, INC.**

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

**WHEREAS**, the County and CONTRACTOR previously entered into the original AGREEMENT on August 29, 2011; and

**WHEREAS**, the Agreement's term was from October 1, 2011 to September 30, 2014; and

**WHEREAS**, the County and CONTRACTOR renewed and amended the AGREEMENT'S term by one year through September 30, 2015, increased the annual claims fee, added a total of 8.50 FTE and staffing structure, payment structure and added Subsection 8.3 by way of Amendment No. 1; and,

**WHEREAS**, the County and CONTRACTOR amended the AGREEMENT'S term by one year through September 30, 2016, and increased the annual claims fee by \$29,942.82 (3%) for a total "not to exceed amount" of \$1,028,036.82, by way of Amendment No.2; and,

**WHEREAS**, the County and CONTRACTOR amended the AGREEMENT'S term by one year through September 30, 2017, and increased the annual claims fee by \$30,841.10 (3%) for a total "not to exceed amount" of \$1,058,877.92 by way of Amendment No.3; and,

**WHEREAS**, the County and CONTRACTOR renewed and amended the AGREEMENT'S term by one year through and including September 30, 2018 and increased the amount by \$29,119.14 (2.75%), for a total contract amount not to exceed \$1,087,997.06, by way of Amendment No. 4; and,

**WHEREAS**, the Board of Supervisors authorized the County Risk Manager to further extend the term of the AGREEMENT by up to 2 one-year extensions or up to a total of twenty-four (24) months; and,

**WHEREAS**, the County and CONTRACTOR wish to renew and amend the AGREEMENT'S term for an initial extension of 9 months, through and including June 30, 2019 in order to align the contract term with the County's fiscal year, and a second extension of one-year, with no further extensions by the Risk Manager permitted; and,

**WHEREAS**, the County and CONTRACTOR further wish to increase the annual claims fee for the period October 1, 2018 through June 30, 2019 by 2.25% (\$24,479.93) for a total amount for that period not to exceed \$1,112,476.99, and by a further 2.75% (\$30,593.12) for the period July 1, 2019 through June 30, 2020, for total amount for that period not to exceed \$1,143,070.11.

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

1. Section 5., "TERM OF AGREEMENT" shall be amended to provide an initial extension of nine (9) months, to and including June 30, 2019, and a second extension of one-year, to and including June 30, 2020.
2. Section 6., "COMPENSATION AND PAYMENTS, Subsection 6.6 – "Costs for Contractor Claims Administration Services" shall be amended on the Effective date as follows:

|                                     |                |
|-------------------------------------|----------------|
| Annual Claims Fee (10/1/18-6/30/19) | \$1,112,476.99 |
| Annual Claims Fee (7/1/19-6/30/20)  | \$1,143,070.11 |

In determining the average claim caseload, 1.6 Future Medical Claims shall be equal 1.0 indemnity claim, and 2.0 medical only claims shall equal 1.0 indemnity claim. The maximum caseload shall be 135 claims per adjuster.

|                            |             |
|----------------------------|-------------|
| <b>Staffing Model:</b>     | <b>FTE</b>  |
| Claims Supervisor          | 1.00        |
| Claims Adjusters           | 5.00        |
| Claims Assistants          | 2.00        |
| Administrative Clerk       | 1.00        |
| <b>Total Dedicated FTE</b> | <b>9.00</b> |

3. Subsection 6.7 – “Costs of Ancillary Services”, shall be amended as follows:

**Managed Care Services:**

| <b>Services:</b>                              | <b>10/1/18-6/30/19</b> | <b>7/1/19-6/30/20</b> |
|-----------------------------------------------|------------------------|-----------------------|
| <b>a. Bill Review Services<sup>f</sup></b>    |                        |                       |
| Flat fee per bill inclusive of PPO Access Fee | \$16.97 per bill       | \$17.48 per bill      |
| <b>b. Utilization Review</b>                  |                        |                       |
| Level 1 – Adjuster                            | No Charge              | No Charge             |
| Level 2 – Nurse                               | \$100.79 per hour      | \$103.81 per hour     |
| Level 3 – Medical Advisor                     | \$232.88 per hour      | \$239.87 per hour     |
| Peer Review                                   | \$232.88 per hour      | \$239.87 per hour     |
| Specialty Peer Review                         | \$258.75 per hour      | \$266.51 per hour     |
| <b>c. Telephonic Case Management</b>          | \$100.79 per hour      | \$103.81 per hour     |

**Ancillary Services**

| <b>Services:</b>                  | <b>10/1/18-6/30/19</b>                      | <b>7/1/19-6/30/20</b> |
|-----------------------------------|---------------------------------------------|-----------------------|
| <b>a. Section 111 MIR</b>         | \$515.00 per year                           | \$530.00 per year     |
| <b>b. MPN Website Maintenance</b> | \$1,500.00 per year                         | \$1,500.00 per year   |
| <b>c. SIU Services</b>            |                                             |                       |
| - Index Fees (Fraud Only)         | \$25-50 per index depending on the database |                       |
| - FD1/FD2 Filing                  | \$106.00 per filing                         | \$110.00 per filing   |
| - SIU Filing DA or DOI            | \$265.00 per filing                         | \$273.00 per filing   |

4. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this RENEWAL and AMENDMENT No. 5 and shall continue in full force and effect as set forth in the AGREEMENT.
5. A copy of this RENEWAL and AMENDMENT No. 5 shall be attached to the original AGREEMENT executed by the County on August 29, 2011.

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

**MONTEREY COUNTY**

  
Contracts/Purchasing Officer

Dated: 1-8-19

*Approved as to Fiscal Provisions:*

  
Deputy Auditor/Controller

Dated: 1-3-19

*Approved as to Liability Provisions:*

  
Risk Management

Dated: 12/21/18

*Approved as to Form:*

  
Deputy County Counsel

cl. and  
Dated: 12/21/18

**CONTRACTOR**

By: 

Signature of Chair, President, or  
Vice-President

Agnes Hoeberling, President

Printed Name and Title

Dated: 1/2/2019

By: 

(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)\*

Cheryl Mandich, Corporate Controller

Printed Name and Title

Dated: 1/3/19

\*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.