



COUNTY ADMINISTRATOR

SUSAN S. MURANISHI
COUNTY ADMINISTRATOR

February 6, 2023

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

SUBJECT: AWARD A CONTRACT TO ALLIED MANAGED CARE, INC. FOR WORKERS' COMPENSATION NURSE CASE MANAGEMENT, UTILIZATION/PEER REVIEW, MEDICAL BILL REVIEW AND PHARMACEUTICAL BENEFIT MANAGEMENT SERVICES; MASTER CONTRACT NO. 902142; PROCUREMENT CONTRACT NO. 24692; AMOUNT: \$3,232,500

Dear Board Members:

RECOMMENDATION:

Authorize the Director of General Services Agency, or her designee, to execute a contract (Master Contract No. 902142; Procurement Contract No. 24692) with Allied Managed Care, Inc. (Principal: Mark Denison; Location: Sacramento) to provide workers' compensation nurse case management, utilization/peer review, medical bill review and pharmaceutical benefit management services to the Alameda County Administrator's Office - Risk Management Unit, for the term of 7/1/23 – 6/30/26, in the amount of \$3,232,500.

DISCUSSION/SUMMARY:

The Alameda County Administrator's Office – Risk Management Unit (CAO-RMU) requests approval to contract with Allied Managed Care (Allied) for Allied to provide workers' compensation managed care services, which will include nurse case management, utilization/peer review, medical bill review and pharmaceutical benefit management services as required by law and in accordance with County policy for its self-insured workers' compensation program.

The County currently contracts for these services and CAO-RMU is bringing forward this item to award a contract to continue current services after conducting a new Request for Proposal procurement process. Services in this contract include State-mandated utilization/peer review, medical bill review, and pharmaceutical benefit management services. Under utilization review, treating physicians submit proposed medical treatment plans for review to determine compliance

Workers' Compensation Nurse Case Management,
Utilization/Peer Review, Medical Bill Review
and Pharmaceutical Benefit Management Services

with the American College of Occupational and Environmental Medicine guidelines to ensure appropriate and effective medical care for injured employees. In addition, complex cases involving surgery or multiple medical conditions may be assigned to a nurse case manager who facilitates communications between the physician and the injured employee to ensure that the employee understands and complies with the treatment plan. Workers' compensation bill review services reduce charges for medical treatment per the State Medical Fee Schedule. The selected contractor will also provide pharmaceutical benefit management services, which include reviewing and adjusting pharmacy bills to the State Medical Fee Schedule.

Alameda County's Workers' Compensation program covers the County's workforce, which consists of over 10,000 full-time equivalent positions, including safety personnel in the Sheriff's Office, Fire Department, District Attorney's Office, and the Probation Department. The County of Alameda administers its workers' compensation claims through a separate contract with a Third-Party Administrator (TPA). The County self-insures its workers' compensation claims for the first \$3,000,000 per incident. Excess insurance is purchased through Public Risk Innovation, Solutions, and Management (PRISM), a Joint Powers Authority. The CAO-RMU coordinates all aspects of the County's Workers' Compensation program between the agencies/departments and the TPA.

SELECTION CRITERIA/PROCESS:

The CAO-RMU has determined that Alameda County does not currently have the resources to provide workers' compensation nurse case management, utilization/peer review, medical bill review and pharmaceutical benefit management services.

The CAO-RMU worked with General Services Agency (GSA) – Procurement to develop a Request for Proposal (RFP), which was issued on July 29, 2022, posted on the County and GSA LinkedIn website for 56 days, emailed to the Chambers of Commerce e-mail group, and sent to the E-Gov Professional Services – Current Contract Opportunities mailing service. The RFP was also advertised in the InterCity Express on August 2, 2022 and the Oakland Post on August 10, 2022. A vendor outreach event was conducted on August 3, 2022, followed by one networking/bidders' conference on August 11, 2022 that was attended by eleven vendors.

On September 23, 2022, four bidders submitted responses to the RFP. All responses were evaluated and interviewed by the County Selection Committee. A maximum total of 550 evaluation points was available for this RFP. The total evaluation points included 50 preference points derived from a 5% preference for local vendors and a 5% preference for certified Small Local Emerging Business (SLEB) vendors, for a total of 10%. Allied Managed Care, Inc. was the highest scoring qualified vendor and is being recommended for award.

Allied Managed Care, Inc. is not a certified SLEB and is subcontracting 8% of the contract with Occidental Consulting (Principal: Patricia Luisa; Location: Livermore; Certified Small: 09-00230; Expiration: August 31, 2024) and 12% of the contract with Integral Consultants

MC No. 902142

Workers' Compensation Nurse Case Management,
Utilization/Peer Review, Medical Bill Review
and Pharmaceutical Benefit Management Services

Occupational Medicine (Principal: Ramon Terrazas; Location: Oakland; Certified Small: 09-00264; Expiration: September 30, 2024) to provide physician peer review services.

The following is the evaluation summary:

EVALUATION SUMMARY

Vendor	Location	Local	SLEB	Evaluation Points
<i>Allied Managed Care, Inc.</i>	<i>Sacramento, CA</i>	<i>N</i>	<i>N</i>	<i>435</i>
<i>Medata, Inc.</i>	<i>Irvine, CA</i>	<i>N</i>	<i>N</i>	<i>377</i>
<i>EK Health Services, Inc.</i>	<i>San Jose, CA</i>	<i>N</i>	<i>N</i>	<i>347</i>
<i>Sedgwick Claims Management</i>	<i>Memphis, TN</i>	<i>N</i>	<i>N</i>	<i>318</i>

FINANCING:

Appropriations for this contract will be included in the CAO-RMU Fiscal Year 2023-24 Maintenance of Effort Budget and will be requested in subsequent budget years. No additional appropriations are required and there will be no increase in net County cost.

VISION 2026 GOAL:

Workers' compensation nurse case management, utilization/peer review, medical bill review, and pharmaceutical benefit management services meet the 10X goal pathways of **Healthcare for All** and **Employment for All** in support of our shared vision of a **Prosperous and Vibrant Economy**.

Very truly yours,



Susan S. Muranishi
County Administrator

DocuSigned by:
kimberly Gasaway
8D4CA131AA0B4C2...

Kimberly Gasaway
Director, General Services Agency

Attachment

KG\KH\cc\I:\Board Letters\Purchasing\FY 2022-23\902142 WC Nurse Case Mgt BL

cc: Auditor-Controller
County Counsel

CONTRACT SUMMARY
WORKERS' COMPENSATION NURSE CASE MANAGEMENT, UTILIZATION/PEER REVIEW, MEDICAL BILL REVIEW, AND PHARMACEUTICAL BENEFIT MANAGEMENT SERVICES

Master Contract No. 902142

July 1, 2023 – June 30, 2026

Vendor	Location	Dollar Value of Contract Award	Small and Local Participation	
			Percentage	Dollar Amount
Allied Managed Care, Inc. Principal: Mark Denison	10445 Old Placerville Road Sacramento, CA	\$3,232,500	20%	\$646,500

SLEB Subcontracting Information		
Integral Consultants Occupational Medicine Principal: Ramon Terrazas Certified Small: 09-00264 Expiration: 09/30/2024	1916 Tiffin Road Oakland, CA 94602	12%
Occidental Consulting Principal: Patricia Luisa Certified Small: 09-00230 Expiration: 08/31/2024	4047 1 st St. # 203 Livermore, CA 94551	8%
		\$568,920
		\$77,580

QUESTIONNAIRE FOR DETERMINING THE WITHHOLDING STATUS

INSTRUCTIONS: This questionnaire is to be completed by the County department for services contracts and must be included as part of the contract package. Be sure to answer all of the questions in Sections I and II and to complete the certifications on page 2. Sections III and IV contain supplemental questions to be answered for contractors in certain service categories.

CONTRACTOR NAME: Allied Managed Care, Inc. DEPT #: 430200

TITLE/SERVICE: Workers' Compensation Nurse Case Management, Utilization/Peer Review, Medical Bill Review and Pharmaceutical Benefit Management Services

DEPT. CONTACT: Maria Songco-Daluz PHONE: 510-272-3646

I. INFORMATION ABOUT THE CONTRACTOR

YES NO

- 1. Is the contractor a corporation or partnership? X
- 2. Does the contractor have the right per the contract to hire others to do the work agreed to in the contract? X
- 3. If the answer to BOTH questions is YES, provide the employer ID number here: 94-3226395
 No other questions need to be answered. Withholding is not required.
- 4. If the answer to question 1 is NO and 2 is YES, provide the individual social security number here: _____
 No other questions need to be answered. Withholding is not required.
- 5. If the answer to question 2 is NO, continue to Section II.

II. RELATIONSHIP OF THE PARTIES

YES NO

- 1. Does the County have the right to control the way in which the work will be done, i.e., will the County be able to specify the sequence of steps or the processes to be followed if it chooses to do so?
- 2. Is the contractor restricted from performing similar services for other businesses while he is working for the County?
- 3. Will the contractor be working for more than 50% of the time for the County (50% = 20 hrs/wk; 80 hrs/mo)?
- 4. Is the relationship between the County and the contractor intended to be ongoing?

III. FOR CONSULTANTS, PROJECT MANAGERS, PROJECT COORDINATORS YES NO

- 1. Is the contractor being hired for a period of time rather than for a specific project? YES NO
- 2. Will payment be based on a wage or salary (as opposed to a commission or lump sum)? YES NO

IV. FOR PHYSICIANS, PSYCHIATRISTS, DENTISTS, PSYCHOLOGISTS YES NO

- 1. Will the agreement be with an individual who does not have an outside practice? YES NO
- 2. Will the contractor work more than an average of ten hours per week?
IF THE ANSWER TO QUESTION 2 IS YES, ANSWER QUESTION 3. YES NO
- 3. Will the County provide more than 20% of the contractor’s income? YES NO
- 4. If the answer to either question 2, or if required, question 3 is NO, the entire answer is NO. YES NO

A “YES” answer to any of the questions in Section II, or, if applicable, Sections III or IV constitutes justification for paying the contractor through the payroll system as an “employee for withholding purposes.” All contracts that require withholding must be emailed to the Auditor-Controller Board Approved Contracts Unit (rachelle.webber@acgov.org), for processing and payment through the payroll System

CERTIFICATIONS:

I hereby certify that the answers to the above questions accurately reflect the anticipated working relationship for this contract.

DocuSigned by:
Dominic Russo
AABDBC9422DF4BA...

Contractor Signature

Dominic Russo

Printed Name

1/19/2023

Date

Agency/Department Head/Designee Signature

Printed Name

Date



**COUNTY OF ALAMEDA
STANDARD SERVICES AGREEMENT**

This Agreement, dated as of _____, is by and between the County of Alameda, hereinafter referred to as the “County,” and Allied Managed Care, Inc., hereinafter referred to as the “Contractor”.

WITNESSETH

Whereas, County desires to obtain Workers’ Compensation Nurse Case Management, Utilization/Peer Review, Medical Bill Review and Pharmaceutical Benefit Management Services which are more fully described in Exhibit A hereto (“Definition of Services”); and

Whereas, Contractor is professionally qualified to provide such services and is willing to provide same to County; and

Now, therefore it is agreed that County does hereby retain Contractor to provide Workers’ Compensation Nurse Case Management, Utilization/Peer Review, Medical Bill Review and Pharmaceutical Benefit Management Services, and Contractor accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

- | | |
|-------------|--|
| Exhibit A | Definition of Services |
| Exhibit A-1 | Specific Requirements and Deliverables/Reports |
| Exhibit B | Payment Terms |
| Exhibit C | Insurance Requirements |
| Exhibit D | Debarment and Suspension Certification |
| Exhibit E | Contracting Compliance Reporting Requirements |
| Exhibit F | The Iran Contracting Act (ICA) of 2010 |

The term of this Agreement shall be from July 1, 2023 through June 30, 2026.

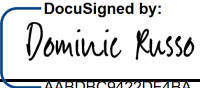
The compensation payable to Contractor hereunder shall not exceed *Three Million Two Hundred Thirty-Two Thousand Five Hundred dollars (\$3,232,500)* for the term of this Agreement. The County neither warrants nor guarantees any minimum compensation to the Contractor under this Agreement. Payment to Contractor shall be based on actual services performed on behalf of the County.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COUNTY OF ALAMEDA

ALLIED MANAGED CARE, INC.

By: _____
Signature

By:  _____
Signature

Name: Detra Dillon
(Printed)

Name: Dominic Russo
(Printed)

Title: Procurement Administrator

Title: President & CEO

Date: _____

Date: 1/19/2023

By signing above, the signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement.

GENERAL TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that Contractor is an independent contractor. Contractor is not the agent or employee of the County in any capacity whatsoever, and County shall not be liable for any acts or omissions by Contractor nor for any obligations or liabilities incurred by Contractor.

Contractor shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

Contractor shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold County harmless from any and all liability which County may incur because of Contractor's failure to pay such amounts.

In carrying out the work contemplated herein, Contractor shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as independent contractors and shall not be treated or considered in any way as officers, agents and/or employees of County.

Contractor does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with currently approved methods and practices in his/her field and that the sole interest of County is to insure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the County agency concerned.

Notwithstanding the foregoing, if the County determines that pursuant to state and federal law Contractor is an employee for purposes of income tax withholding, County may upon two weeks' notice to Contractor, withhold from payments to Contractor hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify the County of Alameda, its Board of Supervisors, employees and agents from and against any and all claims, losses, damages, liabilities and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of services under this Agreement, provided that any such claim, loss, damage, liability or expense is attributable to bodily injury, sickness, disease, death or to injury to or destruction of property, including the loss therefrom, or to any violation of federal, state or municipal law or regulation, which arises out of or is any way connected with the performance of this agreement (collectively

“Liabilities”) except where such Liabilities are caused solely by the negligence or willful misconduct of any indemnitee. The County may participate in the defense of any such claim without relieving Contractor of any obligation hereunder. The obligations of this indemnity shall be for the full amount of all damage to County, including defense costs, and shall not be limited by any insurance limits.

In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement is determined by a court of competent jurisdiction or the Alameda County Employees’ Retirement Association (ACERA) or California Public Employees’ Retirement System (PERS) to be eligible for enrollment in ACERA and PERS as an employee of County, Contractor shall indemnify, defend, and hold harmless County for the payment of any employee and/or employer contributions for ACERA and PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of County.

3. **INSURANCE AND BOND:** Contractor shall at all times during the term of the Agreement with the County maintain in force, at minimum, those insurance policies and bonds as designated in the attached Exhibit C and will comply with all those requirements as stated therein. The County and all parties as set forth on Exhibit C shall be considered an additional insured or loss payee if applicable. All of Contractor’s available insurance coverage and proceeds in excess of the specified minimum limits shall be available to satisfy any and all claims of the County, including defense costs and damages. Any insurance limitations are independent of and shall not limit the indemnification terms of this Agreement. Contractor’s insurance policies, including excess and umbrella insurance policies, shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to County. Contractor’s excess and umbrella insurance shall also apply on a primary and non-contributory basis for the benefit of the County before County’s own insurance policy or self-insurance shall be called upon to protect it as a named insured.
4. **PREVAILING WAGES:** Pursuant to Labor Code Sections 1770 et seq., Contractor shall pay to persons performing labor in and about Work provided for in Contract not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is performed, and not less than the general prevailing rate of per diem wages for legal holiday and overtime work in said locality, which per diem wages shall not be less than the stipulated rates contained in a schedule thereof which has been ascertained and determined by the Director of the State Department of Industrial Relations to be the general prevailing rate of per diem wages for each craft or type of workman or mechanic needed to execute this contract.
5. **WORKERS’ COMPENSATION:** Contractor shall provide Workers' Compensation insurance, as applicable, at Contractor's own cost and expense and further, neither the Contractor nor its carrier shall be entitled to recover from County any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.
6. **CONFORMITY WITH LAW AND SAFETY:**

- a. In performing services under this Agreement, Contractor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. Contractor shall indemnify and hold County harmless from any and all liability, fines, penalties and consequences from any of Contractor's failures to comply with such laws, ordinances, codes and regulations.
 - b. Accidents: If a death, serious personal injury, or substantial property damage occurs in connection with Contractor's performance of this Agreement, Contractor shall immediately notify the Alameda County Risk Manager's Office by telephone. Contractor shall promptly submit to County a written report, in such form as may be required by County of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of Contractor's sub-Contractor, if any; (3) name and address of Contractor's liability insurance carrier; and (4) a detailed description of the accident and whether any of County's equipment, tools, material, or staff were involved.
 - c. Contractor further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the County the opportunity to review and inspect such evidence, including the scene of the accident.
7. **DEBARMENT AND SUSPENSION CERTIFICATION:** (Applicable to all agreements funded in part or whole with federal funds and contracts over \$25,000)
- a. By signing this agreement and Exhibit D, Debarment and Suspension Certification, Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations, including but not limited to 7 Code of Federal Regulations (CFR) 3016.35, 28 CFR 66.35, 29 CFR 97.35, 34 CFR 80.35, 45 CFR 92.35 and Executive Order 12549.
 - b. By signing this agreement, Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - (2) Shall not knowingly enter into any covered transaction with a person who is proposed for debarment under federal regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction.
8. **PAYMENT:** For services performed in accordance with this Agreement, payment shall be made to Contractor as provided in Exhibit B hereto.

9. **TRAVEL EXPENSES:** Contractor shall not be allowed or paid travel expenses unless set forth in this Agreement.
10. **TAXES:** Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the Contractor.
11. **OWNERSHIP OF DOCUMENTS:** Contractor hereby assigns to the County and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the County, the Contractor, the Contractor's sub-Contractors or third parties at the request of the Contractor (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

Contractor also hereby assigns to the County and its assignees all copyright and other use rights in any Documents and Materials including electronic copies stored in Contractor's Information System, respecting in any way the subject matter of this Agreement.

Contractor shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. Contractor agrees to take such further steps as may be reasonably requested by County to implement the aforesaid assignment. If for any reason said assignment is not effective, Contractor hereby grants the County and any assignee of the County an express royalty – free license to retain and use said Documents and Materials. The County's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not Contractor's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

In Contractor's contracts with other Contractors, Contractor shall expressly obligate its Sub-Contractors to grant the County the aforesaid assignment and license rights as to that Contractor's Documents and Materials. Contractor agrees to defend, indemnify, and hold the County harmless from any damage caused by a failure of the Contractor to obtain such rights from its Contractors and/or Sub-Contractors.

Contractor shall pay all royalties and license fees which may be due for any patented or copyrighted materials, methods or systems selected by the Contractor and incorporated into the work as set forth in Exhibit "A", and shall defend, indemnify and hold the County harmless from any claims for infringement of patent or copyright arising out of such selection. The County's rights under this Paragraph 11 shall not extend to any computer software used to create such Documents and Materials.

12. **CONFLICT OF INTEREST; CONFIDENTIALITY:** The Contractor covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement. Without limitation, Contractor represents to and agrees with the County that Contractor has no present, and will have no future, conflict of interest between providing the County services hereunder and any

other person or entity (including but not limited to any federal or state wildlife, environmental or regulatory agency) which has any interest adverse or potentially adverse to the County, as determined in the reasonable judgment of the Board of Supervisors of the County.

The Contractor agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this Agreement for the County will be kept confidential and not be disclosed to any other person. The Contractor agrees to immediately notify the County by notices provided in accordance with Paragraph 13 of this Agreement, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this Agreement. These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to the County hereunder.

13. **NOTICES:** All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service. Telex or facsimile transmission: When sent by telex or facsimile to the last telex or facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given by telex or facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To County: COUNTY OF ALAMEDA
County Administrators Office- Risk Management Unit
125-12th Street, 3rd Floor
Oakland, CA 94607
Attn: Maria Songco-Daluz – 510-272-3646

To Contractor: Allied Managed Care, Inc.
10360 Old Placerville Road
Sacramento, CA 95827
Attn: Mark Denison, Sr. – 916-563-1900 /
mdenison@alliedmanagedcare.com

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or telex or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

14. **USE OF COUNTY PROPERTY:** Contractor shall not use County property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
15. **EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS:** Contractor assures that he/she/it will comply with Title VII of the Civil Rights Act of 1964 and that no person shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement.
 - a. Contractor shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - b. Contractor shall, if requested to so do by the County, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - c. If requested to do so by the County, Contractor shall provide the County with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.
 - d. Contractor shall recruit vigorously and encourage minority - and women-owned businesses to bid its subcontracts.
 - e. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act, which is prohibited by law.
 - f. The Contractor shall include the provisions set forth in paragraphs A through E (above) in each of its subcontracts.
16. **DRUG-FREE WORKPLACE:** Contractor and Contractor's employees shall comply with the County's policy of maintaining a drug-free workplace. Neither Contractor nor Contractor's

employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If Contractor or any employee of Contractor is convicted or pleads nolo contendere to a criminal drug statute violation occurring at a County facility or work site, the Contractor within five days thereafter shall notify the head of the County department/agency for which the contract services are performed. Violation of this provision shall constitute a material breach of this Agreement.

17. **AUDITS; ACCESS TO RECORDS:** The Contractor shall make available to the County, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the County, and shall furnish to the County, its authorized agents, officers or employees such other evidence or information as the County may require with regard to any such expenditure or disbursement charged by the Contractor.

The Contractor shall maintain full and adequate records in accordance with County requirements to show the actual costs incurred by the Contractor in the performance of this Agreement. If such books and records are not kept and maintained by Contractor within the County of Alameda, California, Contractor shall, upon request of the County, make such books and records available to the County for inspection at a location within County or Contractor shall pay to the County the reasonable, and necessary costs incurred by the County in inspecting Contractor's books and records, including, but not limited to, travel, lodging and subsistence costs. Contractor shall provide such assistance as may be reasonably required in the course of such inspection. The County further reserves the right to examine and reexamine said books, records and data during the three (3) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the County, and the Contractor shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for three (3) years after the County makes the final or last payment or within three (3) years after any pending issues between the County and Contractor with respect to this Agreement are closed, whichever is later.

18. **DOCUMENTS AND MATERIALS:** Contractor shall maintain and make available to County for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 11 of this Agreement. Contractor's obligations under the preceding sentence shall continue for three (3) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by County), and Contractor shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for three (3) years following the County's last payment to Contractor under this Agreement.
19. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.

20. **TERMINATION:** The County has and reserves the right to suspend, terminate, or abandon the execution of any work by the Contractor without cause at any time upon giving to the Contractor prior written notice. In the event that the County should abandon, terminate, or suspend the Contractor's work, the Contractor shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination, or abandonment. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable to Contractor for its Workers' Compensation Nurse Case Management, Utilization/Peer Review, Medical Bill Review and Pharmaceutical Benefit Management Services shall not exceed \$3,232,500 payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment.

21. **SMALL LOCAL AND EMERGING BUSINESS (SLEB) PARTICIPATION:**

SMALL LOCAL AND EMERGING BUSINESS (SLEB) PARTICIPATION: Contractor shall subcontract with *Occidental Consulting* (4047 First Street Suite 203, Livermore, CA; Principal: Patricia Luisa Lenihan), and *Integral Consultants Occupational Medicine* (1916 Tiffin Road, Oakland, CA; Principal: Ramon Terrazas), for services to be provided under this Agreement in an amount equal to twenty percent (20%) of the contract value of this Agreement in accordance with County's Small and Emerging Local Business provision, which includes but is not limited to:

- a. SLEB subcontractor(s) is independently owned and operated (i.e., is not owned or operated in any way by Prime), nor do any employees of either entity work for the other.
- b. As is applicable, Contractor shall ensure that the certification status of participating SLEB subcontractors is maintained in compliance with the SLEB Program for the term of this contract.
- c. Contractor shall not substitute or add any small and/or emerging local business(s) listed in this agreement without prior written approval from the County. Said requests to substitute or add a small and/or emerging local business shall be submitted in writing to the County department contract representative identified under Item #13 above. Contractor will not be able to substitute the subcontractor without prior written approval from the Alameda County Auditor–Controller Agency, Office of Contract Compliance & Reporting (OCCR).
- d. All SLEB participation, except for SLEB prime contractor, must be tracked and monitored utilizing the Elation compliance system. Contractor and Contractor's small and/or emerging local businesses participating as subcontractors on the awarded contract are required to use the Elation web-based compliance system as described in Exhibit E (Contract Compliance Reporting Requirements) to report and validate payments made by Prime Contractors to the certified small and/or emerging local businesses. It is the Contractor's responsibility to ensure that they and their subcontractors are registered and trained as required to utilize the Elation compliance system. SLEB prime contractor

with SLEB subcontractors must enter payments made to subcontractors in the Elation System and ensure that SLEB subcontractors confirm payments received.

County will be under no obligation to pay contractor for the percent committed to a SLEB subcontractor if the work is not performed by the listed small and/or emerging local business.

For further information regarding the Small Local Emerging Business participation requirements and utilization of the Alameda County Contract Compliance System contact OCCR via e-mail at ACSLEBcompliance@acgov.org.

22. **FIRST SOURCE PROGRAM:** For contracts over \$100,000, Contractor shall provide County ten (10) working days to refer to Contractor, potential candidates to be considered by Contractor to fill any new or vacant positions that are necessary to fulfill their contractual obligations to the County that Contractor has available during the contract term before advertising to the general public.
23. **CHOICE OF LAW:** This Agreement shall be governed by the laws of the State of California.
24. **WAIVER:** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
25. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between County and Contractor relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. The Agreement may not be modified except by a written document signed by both parties.
26. HEADINGS herein are for convenience of reference only and shall in no way affect interpretation of the Agreement.
27. **ADVERTISING OR PUBLICITY:** Contractor shall not use the name of County, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of County in each instance.
28. **MODIFICATION OF AGREEMENT:** This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.

29. **ASSURANCE OF PERFORMANCE:** If at any time County believes Contractor may not be adequately performing its obligations under this Agreement or that Contractor may fail to complete the Services as required by this Agreement, County may request from Contractor prompt written assurances of performance and a written plan acceptable to County, to correct the observed deficiencies in Contractor's performance. Contractor shall provide such written assurances and written plan within ten (10) calendar days of its receipt of County's request and shall thereafter diligently commence and fully perform such written plan. Contractor acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
30. **SUBCONTRACTING/ASSIGNMENT:** Contractor shall not subcontract, assign, or delegate any portion of this Agreement or any duties or obligations hereunder without the County's prior written approval.
- a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Paragraph shall confer no rights on any party and shall be null and void.
 - b. Contractor shall use the subcontractors identified in Exhibit A and shall not substitute subcontractors without County's prior written approval.
 - c. Contractor shall require all subcontractors to comply with all indemnification and insurance requirements of this agreement, including, without limitation, Exhibit C. Contractor shall verify subcontractor's compliance.
 - d. Contractor shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between Contractor and its subcontractors.
31. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 11), and Conflict of Interest (Paragraph 12), shall survive termination or expiration.
32. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
33. **PATENT AND COPYRIGHT INDEMNITY:** Contractor represents that it knows of no allegations, claims, or threatened claims that the materials, services, hardware or software ("Contractor Products") provided to County under this Agreement infringe any patent, copyright or other proprietary right. Contractor shall defend, indemnify and hold harmless County of, from and against all losses, claims, damages, liabilities, costs expenses and amounts (collectively,

“Losses”) arising out of or in connection with an assertion that any Contractor Products or the use thereof, infringe any patent, copyright or other proprietary right of any third party. County will: (1) notify Contractor promptly of such claim, suit, or assertion; (2) permit Contractor to defend, compromise, or settle the claim; and, (3) provide, on a reasonable basis, information to enable Contractor to do so. Contractor shall not agree without County’s prior written consent, to any settlement, which would require County to pay money or perform some affirmative act in order to continue using the Contractor Products.

- a. If Contractor is obligated to defend County pursuant to this Paragraph 33 and fails to do so after reasonable notice from County, County may defend itself and/or settle such proceeding, and Contractor shall pay to County any and all losses, damages and expenses (including attorney’s fees and costs) incurred in relationship with County’s defense and/or settlement of such proceeding.
- b. In the case of any such claim of infringement, Contractor shall either, at its option, (1) procure for County the right to continue using the Contractor Products; or (2) replace or modify the Contractor Products so that that they become non-infringing, but equivalent in functionality and performance.
- c. Notwithstanding this Paragraph 33, County retains the right and ability to defend itself, at its own expense, against any claims that Contractor Products infringe any patent, copyright, or other intellectual property right.

- 34. **OTHER AGENCIES:** Other tax supported agencies within the State of California who have not contracted for their own requirements may desire to participate in this contract. The Contractor is requested to service these agencies and will be given the opportunity to accept or reject the additional requirements. If the Contractor elects to supply other agencies, orders will be placed directly by the agency and payments made directly by the agency.
- 35. **EXTENSION:** This agreement may be extended for up to two years by mutual agreement of the County and the Contractor.
- 36. **SIGNATORY:** By signing this agreement, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement.

[END OF GENERAL TERMS AND CONDITIONS]



EXHIBIT A

DEFINITION OF SERVICES

1. Contractor shall provide workers' compensation nurse case management, utilization/peer review, medical bill review and pharmaceutical benefit management services with the Specific Requirements and Deliverables/Reports set on this Exhibit A, consisting of the following:

Exhibit A-1 Specific Requirements and Deliverables

- a. This Exhibit A has been drafted to include the requirements contained in the Request for Proposal (RFP) No. 902142, including any addenda, the proposal response of Contractor (Response), and additional services that the County obtained through negotiations, if any. In the event of any conflict (direct or indirect) among any of the exhibits, the RFP and the Response, the more stringent requirements providing the County with the broader scope of services shall have precedence, such that this Exhibit A including all attachments, the scope of work described in the RFP and the scope of work described in Contractor's proposal shall be performed to the greatest extent feasible.
 - b. The RFP and Response may be relied upon to interpret this Contract and shall be applied in such a manner so that the obligations of the Contractor are to provide the County with the broadest scope of services for the best value.
2. Contractor project team will consist of the following Key Personnel and subcontractors, as applicable during the contract term:

Name	Title	Telephone	Email Address
Mark Denison	Vice President of Operations	916-563-1900	mdenison@alliedmanagedcare.com
Alan E. Randle	Medical Director	916-563-1911	arandle@alliedmanagedcare.com
Lea Morales-Mendez	Director of Client Services	916-563-1911	lmorales@alliedmanagedcare.com
Rendell Johnson	VP Information Technology	916-563-1900	rjohnson@alliedmanagedcare.com
Kristina Patterson	Data Delivery Services Director	916-563-1900	kpatterson@alliedmanagedcare.com
Melissa Miller	Director Bill Review	916-563-1911	mmiller@alliedmanagedcare.com
Darcy Olivares	Bill Review Manager	916-563-1911	dolivares@alliedmanagedcare.com
Shannon Buelna	Director Utilization Review	916-563-1911	sbuelna@alliedmanagedcare.com

Ericka Sutton	Utilization Review Manger	916-563-1911	esutton@alliedmanagedcare.com
Caroline Iverson	Peer Review Manager	916-563-1911	civerson@alliedmanagedcare.com
Helen Loughlin	Dir. Field Case Management Services	916-563-1911	hloughlin@alliedmanagedcare.com
Amrit Rathor	Nurse Case Management Manager	916-563-1911	arathor@alliedmanagedcare.com
Patricia L. Lenihan	M.D.	415-939-0390	plhuertas@gmail.com
Ramon Terrazas	M.D.	510-697-3757	ramon_terrzas@mac.com

Contractor agrees that it shall not transfer or reassign the individuals identified above as Key Personnel or substitute subcontractors without the express written agreement of County, which agreement shall not be unreasonably withheld. Should such individual or individuals in the employ of Contractor no longer be employed by Contractor during the term of this Agreement, Contractor shall make a good faith effort to present to County an individual with greater or equal qualifications as a replacement subject to County's approval, which approval shall not be unreasonably withheld.

3. The approval of County to a requested change shall not release Contractor from its obligations under this Agreement.



EXHIBIT A-1

SPECIFIC REQUIREMENTS AND DELIVERABLES / REPORTS

A. SPECIFIC REQUIREMENTS

The Contractor must have the technical expertise to customize Electronic Data Interchange (EDI) electronically with, but not limited to, the State reporting system, the Workers' Compensation Third Party Administrator (TPA), and medical providers.

The Contractor must work with and fully cooperate with the TPA and/or any other Workers' Compensation vendors in setting up and maintaining the interfaces, including, but not limited to, implementation fees, electronic data interface, or scanning fees.

County Program Requirements:

1. MEDICAL CASE MANAGEMENT/NURSE CASE MANAGEMENT (NCM)
 - a. The County requires that the Contractor provide nursing telephonic case management (TCM) and field case management (FCM) services. Contractor must assist the County in the development of referral criteria for cost effectively including but not limited to supporting the County's return-to-work and modified duty programs, achieving permanent and stationary status. Nurse case managers shall actively coordinate health care services and ensure medical treatment requests are reviewed and authorized according to the medical treatment utilization schedule (MTUS), provide case direction, and promote early resolution of the claim.
 - b. The County's TPA and the Contractor must determine the most appropriate method to manage the case either by TCM or FCM, prior to the referral.
 - c. The TCM nurse must contact the injured worker, providers, and the claims adjuster to actively coordinate healthcare services, in compliance with the MTUS, and assist with the injured worker's return to work. The TCM nurse must submit an initial case assessment to the TPA within forty-eight (48) hours of the initial referral, and also submit a written status report to the TPA on each open claim at 30-day intervals.
 - d. The FCM nurse must meet with the injured worker, providers (as necessary), and the claims adjuster to identify options for achieving optimal case resolution. The FCM nurse must actively coordinate healthcare services and assist with the injured worker's return to work. FCM nurse must facilitate compliance with California workers'

compensation utilization review (UR) regulations and MTUS. The FCM nurse must submit written case management status activity reports at 30-day intervals, or more frequently if the case warrants. Reports must include a description of all nurse case management activities during the reporting period.

- e. FCM and TCM nurses are required to be Registered Nurses, with a minimum of three (3) years of experience in workers' compensation case management. It is mandatory for nurses to maintain a registered nurse (RN) certification. A reasonable percentage of the Contractor's FCM and TCM nurses must be bilingual.
2. UTILIZATION REVIEW (UR) / MEDICAL DIRECTOR and/or PEER REVIEW (PR)
- a. The County requires that the Contractor provide UR/PR services to ensure that treatment requests from medical providers are appropriate for patient medical conditions, follow evidence-based guidelines, and follow all legal and statutory requirements and regulations as identified by the California Department of Industrial Relations, Division of Workers' Compensation (DWC). UR shall be effectively coupled with Medical Bill Review (MBR)/ Pharmaceutical Benefit Management (PBM) services and other medical cost containment services. Utilization review decisions shall be coordinated in the bill review platform to ensure consistency in the medical approval and payment processes.
 - b. Contractor must provide trained healthcare professionals (nurses and physicians) experienced in the evaluation of treatment plans and the validation of medical necessity for workers' compensation claims utilizing guidelines from the American College of Occupational and Environmental Medicine (ACOEM) and the California Medical Treatment Utilization Schedule (MTUS), and/or others as appropriate. Contractor must utilize a California-based and licensed Medical Director and panel of California-based Reviewers and Expert Reviewers.
 - c. Contractor must ensure the injured worker receives cost effective quality medical care in the appropriate setting. The Contractor will place priority on ensuring alternative treatment plans are agreed upon by the reviewer/expert reviewer and treating physician to ensure medical treatment progresses and delays are kept to a minimum.
 - d. Contractor must provide its own electronic interface with the ACOEM and Official Disability Guidelines (ODG) databases. Contractor must have the capability of sending any and all appropriate advice letters to the injured worker, claims staff, legal counsel, and the provider making the request for treatment. These letters may include delay of treatment,

requests for further information and or denial of treatment in accordance with current laws and regulations. Contractor must electronically provide copies of these letters to the claim's examiner at the time of issuance.

- e. Contractor must be responsible for ensuring that the TPA's requests for UR/PR services can be electronically submitted and received.
- f. The Contractor must utilize a California-based Medical Director and Reviewer/Expert Reviewer panel to delay, modify or deny requests for authorization of medical treatment that do not meet medical criteria establishing medical necessity to cure or relieve the effects of the industrial injury.
- g. "Medical Director" is the physician and surgeon licensed by the Medical Board of California or the Osteopathic Board of California who holds an unrestricted license to practice medicine in the State of California. The Medical Director is responsible for all decisions made in the utilization review process.
- h. "Physician Reviewer" means a medical doctor, doctor of osteopathy, psychologist, acupuncturist, optometrist, dentist, podiatrist, or chiropractic practitioner licensed in the State of California, competent to evaluate the specific clinical issues involved in the medical treatment services and where these services are within the individual's scope of practice.
- i. The Physician Reviewer must utilize the State-adopted MTUS to determine treatment protocols. In the event the injury or condition is not addressed in the MTUS, treatment requests must be evaluated in accordance with other scientifically and evidence-based and peer-reviewed treatment guidelines that are nationally recognized by the medical community, in accordance with the appropriate regulations. The Physician Reviewer must place priority on ensuring that alternative treatment plans are agreed upon with the treating physician to ensure that medical treatment progresses, and delays are kept to a minimum.
- j. Contractor must provide complete integration with other Contractors as appropriate, including TPA systems.
- k. Contractor must integrate the MBR/PBM system and the UR/PR system to identify denied/modified medical treatment for appropriate payment approvals.
- l. Contractor must also provide annual comprehensive reporting on provider treatment patterns and a physician review scorecard.

- m. All services indicated above must be performed in accordance with the Labor Code of California. Contractor must monitor compliance with California Labor Code provisions, report compliance monthly, and investigate deficiencies.
- n. Contractor must manage and respond to all regulatory or compliance audits of UR/PR on behalf of the County.
- o. Contractor must be available to attend Workers' Compensation Appeals Board hearings to justify and defend utilization review decisions that are legally or administratively challenged.
- p. Contractor must be responsible for customizing interfaces between its system and the TPA system to facilitate Electronic Data Interchange and flagging claims in County's claims system for referral at no additional cost.

3. MEDICAL BILL REVIEW (MBR)

- a. The County requires that the Contractor provide workers' compensation medical bill review services. The bill review services must include, but are not limited to:
 - (1) Mail intake operations, scanning, indexing, imaging and Optical Character Recognition (OCR) operations;
 - (2) Competent and timely review of medical bills for compliance with the California Official Medical Fee Schedule (OMFS), manual technical review (i.e., level of service adjustments); and
 - (3) Apply Preferred Provider Organization (PPO) and Pharmaceutical Benefit Management (PBM) programs, usual and customary schedules, negotiated rates, and other pricing services to maximize cost savings.
- b. Contractor must identify and correct fee schedule excesses, duplicate charges (full and partial), and billing infractions, and recognize and unbundle service codes as appropriate.
- c. Invoices for scheduled and non-scheduled services as well as inpatient and outpatient hospital services must be subject to bill review.
- d. Contractor must integrate the recommendations of utilization review and physician review findings into its system to manage utilization according to authorized medical services and evidence-based guidelines. This integration and data exchange shall include the application of prospective

utilization review determinations as well as identification of treatment requiring formal application of clinical utilization review. The above applies to all types of billings including, but not limited to, medical, legal, treatment and/or pharmaceutical billings.

- e. The workflow for bills is expected to be as follows:
 - (1) Contractor receives bills from the County's TPA and within 24 hours, identifies bills by such fields as claim number, social security number and/or claimant name.
 - (2) Contractor must review and process all bills within 10 days of receipt and send to County's TPA, via Electronic Data Interchange (EDI), the imaged copy of the bill and the preliminary Explanation of Benefits/Explanation of Remittance (EOB/EOR) using an interface to the County's TPA claims management system. The bills must be sent at the line-item level to the claims management system.
 - (3) Contractor must send a file daily with objection letter image files and EOB/EOR's to the TPA via EDI.
 - (4) Contractor must also be responsible for reporting partial payments, reconsidered bills and full payment status to the State of California via EDI.
- f. Contractor and TPA must also develop procedures for other types of review such as those for rushes (e.g., advance payment) and review-only bills (e.g., settlement negotiation) at no additional cost to the County.
- g. Contractor must have the capability to report payment information to the State of California as required by the California Department of Industrial Relations, Division of Workers' Compensation, Workers' Compensation Information System (DWC/WCIS) and provide California Electronic Data Interchange reporting of all paid billings of all types as well as zero pay billings as outlined in International Association of Industrial Accident Boards and Commissions, ANSI format 837 (IAIABC 837). Any future EDI requirements for communication such as electronic billing and EOB transmittal shall be included in the Contractor's base bill review proposal. Contractor must have the obligation to audit and reconcile the County payment record with its records.
- h. Contractor must receive from and return files to the TPA by File Transfer Protocols (FTP). The return files shall capture the disposition status of each bill (i.e., whether it was paid in full, partially paid, denied, etc.).

Contractor must integrate data from said return file into its State EDI reporting file.

- i. Contractor must be able to process and receive bills from a variety of sources including, but not limited to, the TPA, the provider-submitted electronic format, as well as those processed from the Electronic Data Interchange system without further processing or programming from the TPA.
- j. Contractor must develop an EDI with the TPA's current claims management system for both receipt and delivery of bills submitted for review. Should TPA implement a new system, Contractor must develop a new EDI at no additional cost to the County.
- k. Contractor must provide customer service and quality control personnel to manage and resolve medical provider reevaluations, inquiries, and complaints.
- l. Contractor must agree not to charge the County for the identification of any duplicate bills nor charge more than one time for any bill that has been reviewed. The Contractor must respond to provider inquiries regarding bill review activities and respond to the County's attorney and/or TPA within one (1) business day regarding any specific bill review issue. At the Contractor's expense, a copy of any explanation of review shall be provided to the County's attorney. A knowledgeable bill review expert witness must be made available to defend bill review activities at Workers' Compensation Appeals Board (WCAB) conferences and hearings at the Contractor's expense. The Contractor must comply with all Independent Bill Review (IBR) statutes and regulations and provide robust IBR appeal services at no additional cost to the County. Robust IBR appeals services shall include, but not be limited to, prompt preparation of the litigation appeal file upon notice of appeal, and presentation of the appeal file to County's attorney within seven (7) calendar days of the due date of the response, if necessary. Contractor must provide a copy of appeal to TPA.
- m. Contractor must review all Medical/Legal bills in accordance with Division of Workers' Compensation (DWC) guidelines, for compliance with the California Medical/Legal Fee Schedule; review medical/legal reports to evaluate the correct reimbursement levels; and identify and correct fee schedule excesses, duplicate charges, and billing infractions. Contractor must prepare and send, at Contractor's expense, an explanation of review for each bill reviewed to the medical provider and to the County's TPA. The explanation of review must include the appropriate notices and reasoning to defend the reduction if contested. Contractor must identify

providers with an above average number of billing errors and address them with the provider(s) to prevent future errors.

- n. Contractor must provide additional fee review services when necessary to assess reasonableness pursuant to State or federal laws. Such services must include professional hospital (inpatient, outpatient, and long-term acute care) review audits and processes required to apply the OMFS or reduce charges not covered by the OMFS for reasonableness. Contractor must upload five years of County of Alameda payment history data, available from the prior bill review contractor, regardless of amount of data or payment date, at no additional cost to the County.
 - o. In accordance with Labor Code Section 4603.4, the Contractor must create a process to accept electronic claims for payment of medical services. The Contractor must ensure all claims are submitted on standardized forms and ensure confidentiality of medical information by adopting standards, to the extent feasible, consistent with existing standards under California Civil Code Section 56 through 56.37, also known as the Confidentiality of Medical Information Act. The process must include provisions to safeguard against potential fraudulent electronic billing practices and shall adhere to required timeframes for review and payment of the bill when received electronically as well as timeframes for the review and payment of contested, denied, or incomplete billing. Training, implementation and quality control are critical components of the program and must be addressed in the process. The County will review the recommended process and provide final approval prior to implementation.
 - p. Contractor must have an auditable comprehensive quality control and quality assurance program.
4. PHARMACEUTICAL BENEFIT MANAGEMENT (PBM)
- a. Contractor must ensure that pharmacy benefit management services provide effective and necessary drug therapies at the lowest net cost to the County.
 - (1) Develop an extensive network of pharmacy benefit providers that will dispense prescribed medications to injured County workers.
 - (2) Provide utilization review techniques throughout the life of a claim, particularly in the area of narcotics management.
 - (3) Ensure appropriate and effective medication plan for each claimant.

- (4) Provide for the use of generic medications when medically advisable and cost effective.
- (5) Ensure that employees use the most cost-effective channels for obtaining medications.
- (6) Adhere to state reporting mandates for pharmacy benefit management program.
- (7) Adhere to mandated prescription medication formulary.
- (8) Identify and correct fee schedule excesses, duplicate charges, and billing infractions. Contractor must prepare and send, at Contractor's expense, an explanation of review for each bill reviewed to the medical provider and to the County TPA. The explanation of review shall include the appropriate notices and reasoning to defend the reduction if contested.

5. PREFERRED PROVIDER ORGANIZATION (PPO)

- a. Contractor must offer a proprietary PPO to the County. The Contractor must ensure all preferred providers maintain valid W-9's and make available such W-9's to the County within ten (10) business days from the date of the request.
- b. Contractor must develop a specialty network of providers to include hospitals, ambulatory surgery centers, medical providers and all ancillary services with preferred rates that will provide additional savings below the California Official Medical Fee Schedule.
- c. When a PPO discount is not available, the Contractor must enter into negotiations at no charge to the County to secure the best possible pricing for the County.
- d. The physicians that participate in the PPO must be credentialed and qualified medical providers.
- e. Contractor must establish a network that encompasses ancillary services including, but not limited to:
 - (1) Durable Medical Equipment (DME)
 - i. Contractor's durable medical equipment program must offer customers the appropriate equipment and supplies to facilitate a patient's recovery. DME must be offered at

preferred process and must be delivered anywhere in the United States, all while tracking usage and cost.

(2) Imaging/Diagnostic Services

- i. Contractor must make Diagnostic Services available through Contractor's directed care medical imaging network. It may be used to detect abnormalities, determine the extent of disease, and evaluate the effectiveness of treatment. Imaging may also be used when performing biopsies and other surgical procedures. County must have access to a network of preferred providers for magnetic resonance imaging (MRI), computed tomography (CT) scans, bone scans, electromyography (EMG), and other services. County employee may be referred to the most qualified and convenient facility, usually within 24 hours of receiving the referral.

(3) Accurate Provider Data

- i. All provider data for Contractor's ancillary network must be accurate and up to date. Contractor must track all provider-related information in its central National Database (NDB). At the time of initial acceptance into the provider network, all dated licenses and certifications shall be entered into the provider record. Critical alarms shall be set so that the Contractor's staff is alerted when a provider is due for recredentialing.

6. A Claims Account Manager must be assigned to the County. This individual will play an essential role in the successful administration of this program that includes overall responsibility of the following key components of the program:

- (1) Administration of service agreement;
- (2) Troubleshooting and providing effective solutions to resolve issues or problems with the service agreement and/or services;
- (3) Identifying key outcome-based measurements that will be tracked and delivering program improvements and cost reduction results; and

- (4) Coordination of an annual stewardship meeting to present service performance metrics, and benchmarking.

B. DELIVERABLES / REPORTS

1. The Contractor must have information technology resources adequate to support imaging/indexing of all workers' compensation correspondence and interfaces between its system and the TPA system as well as be compliant with all State reporting requirements. The State requirements include, but are not limited to, integrating data feeds from all ancillary service providers and TPA's claims management system into one State Electronic Data Interchange (EDI) feed to comply with California Workers' Compensation Information System (WCIS) regulations for medical bill/payments and UR reporting requirement.
2. The Contractor and the County must prepare a list of required reports and records. The County reserves the right to final review and approval of the format on all reports, to request additional reports and/or request changes to existing reports during the term of this Contract. The required reports provided by the Contractor must include, but are not limited to:
 - a. Monthly NCM reports that contain the following data elements and parameters for each case:
 - 1) Separate reports for New Referrals, Open Cases, and Closed Cases;
 - 2) Claim number;
 - 3) Claim name;
 - 4) Claims examiner name;
 - 5) Provider name;
 - 6) Injury dates;
 - 7) Referral dates;
 - 8) Referral lag (injury date to referral date);
 - 9) Case duration;
 - 10) An action plan to return the employee to work or permanent stationary status;

11) Itemized fees with descriptions for each billing item (all reports);
and

12) Itemized savings with descriptions for each saving item (all reports).

3. Monthly UR/PR reports that contain the following data elements:
- a. Claim number;
 - b. Claimant name;
 - c. Claims examiner;
 - d. Provider name;
 - e. Injury dates;
 - f. Referral dates;
 - g. Referral lag (injury date to referral date);
 - h. Turnaround time for all decisions and notification elements for which there are deadlines under statutes.
 - i. Case duration.
 - j. Itemized fees with descriptions.
 - k. Itemized savings with descriptions.
 - l. Categorically separated feed (i.e., UR Fees, PR fees).
 - m. Outcome descriptions.
 - n. Total for each of the following:
 - 1) Case/Claim count
 - 2) UR Count
 - 3) PR Count
 - 4) UR fees
 - 5) PR fees
 - 6) Total UR/PR savings

- 7) Denials
 - 8) Modifications
 - 9) Appeals
 - 10) Overturned denials
 - 11) Overturned modifications
4. Monthly MBR/PBM reports that contain the following data elements:
 - a. Net full and partial duplicate charges and savings;
 - b. Net all charges and savings related to the examiner-directed bill payments, review-only bills, and non-reviewable documents such as provider appeal letters;
 - c. Net all charges and savings related to disallowances due to enforcement of Utilization Review and case management treatment limitations/denials;
 - d. Net all charges and savings related to enforcement of California 24-visit cap to Physical Therapy/Occupational Therapy/Chiropractic Services (PT/OT/CS) medical treatment utilization; and
 - e. The net impact of reconsiderations (i.e., savings are adjusted to reflect the impact of reconsiderations). Results must reflect the final determination only.
 5. Contractor must provide monthly reports on the year-to-date fees and costs incurred for services under the contract.
 6. Contractor must provide the County with a quarterly PPO report on PPO penetration and advise the County on the best priority of PPO providers to utilize and provide the best mitigation of PPO cost with maximal application of PPO savings.
 7. Contractor must provide monthly detailed (per bill) and summary (total of all bills reviewed) bill review reports with the following data for the month and year to date.
 8. For detailed reports: provide claim number, date of service, vendor name, amount billed, fee schedule discount, PPO discount, PBM discounts, recommended payment, whether UR decision applied to the bill:

- a. Number of bills processed;
 - b. Number of duplicate bills processed;
 - c. Total number of savings from integrated UR decisions applied to bill review;
 - d. Total amount of fee schedule savings;
 - e. Total amount of PPO savings;
 - f. Total amount of bill review program savings (Gross & Net);
 - g. Performance Measures.
9. The contractor must be subject to regular performance evaluations that will be agreed upon by the County and the contractor based on performance elements in the vendor's proposal.
 10. The Contractor must provide additional reports to the TPA at no additional cost as specified by the TPA.



EXHIBIT B

PAYMENT TERMS

1. County will use its reasonable efforts to make payment to Contractor upon successful completion and acceptance of the following services listed within thirty (30) days upon receipt and approval of invoice.

MEDICAL NURSE CASE MANAGEMENT/UTILIZATION REVIEW/ PHYSICIAN REVIEW CHARGES			
DESCRIPTION	YEAR 1	YEAR 2	YEAR 3
TELEPHONIC NURSE	\$90.00 per Hour	\$90.00 per Hour	\$90.00 per Hour
FIELD NURSE	\$110.00 per Hour	\$110.00 per Hour	\$110.00 per Hour
UTILIZATION REVIEW	\$85.00 Request for Authorization	\$85.00 Request for Authorization	\$85.00 Request for Authorization
PHYSICIAN REVIEW	\$225.00 Request for Authorization	\$225.00 Request for Authorization	\$225.00 Request for Authorization
MEDICAL BILL REVIEW (MBR)/PHARMACEUTICAL BENEFITS MANAGEMENT (PBM) CHARGES			
DESCRIPTION	YEAR 1	YEAR 2	YEAR 3
MBR	\$6.50 per Bill	\$6.50 per Bill	\$6.50 per Bill
PREFERRED PROVIDER ORGANIZATION	18% Annually	18% Annually	18% Annually
PBM	\$6.50 per Bill	\$6.50 per Bill	\$6.50 per Bill

2. Invoices will be reviewed for approval by the County Administrator's Office- Risk Management Unit (CAO-RMU).
3. Total payment under the terms of this Agreement will not exceed the total amount of \$3,232,500. This cost includes all taxes and all other charges.



EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting any other obligation or liability under this Agreement, the Contractor, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following minimum insurance coverage, limits and endorsements. The County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. If the contractor maintains broader coverage and/or higher limits than the minimums shown below, the County requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

TYPE OF INSURANCE COVERAGES		MINIMUM LIMITS
A	Commercial General Liability Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
B	Commercial or Business Automobile Liability All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses. Personal Automobile Liability when extended to cover your business is acceptable for individual contractors with no transportation or hauling related activities	\$1,000,000 per occurrence (CSL) Any Auto or Hired and Non-Owned Autos Bodily Injury and Property Damage
C	Workers' Compensation (WC) and Employers Liability (EL) As required by State of California	WC: Statutory Limits EL: No less than \$1,000,000 per accident for bodily injury or disease
D	Professional Liability/Errors & Omissions Includes endorsements of contractual liability and defense and indemnification of the County	\$1,000,000 per occurrence \$2,000,000 project aggregate

E Endorsements and Conditions:

1. **ADDITIONAL INSURED:** County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees, volunteers, and representatives are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Auto policy shall contain or be endorsed to contain additional insured coverage for the County.
2. **DURATION OF COVERAGE:** All required insurance shall be maintained during the entire term of the Agreement. In addition, Insurance policies and coverage(s) written on a claims-made basis shall be maintained and evidence of insurance must be provided during the entire term of the Agreement and for at least five (5) years following the later of termination of the Agreement and acceptance of all work provided under the Agreement, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Agreement. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of work.
3. **REDUCTION OR LIMIT OF OBLIGATION:** All insurance policies, including excess and umbrella insurance policies, shall be primary and non-contributory coverage at least as broad as ISO CG 20 10 04 13 as respects the County, its officers, officials, employees, or volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. Pursuant to the provisions of this Agreement insurance effected or procured by the Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Indemnified Parties.
4. **INSURER FINANCIAL RATING:** Insurance shall be maintained through an insurer with an A.M. Best Rating of no less than A: VII or equivalent, shall be admitted to the State of California unless otherwise acceptable by Risk Management, and with deductible amounts acceptable to the County. Acceptance of Contractor's insurance by County shall not relieve or decrease the liability of Contractor hereunder. Self-insured retentions must be declared and approved. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. The policy language shall provide or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County.
5. **SUBCONTRACTORS:** Contractor shall include all subcontractors as an insured (covered party) under its policies or shall verify that the subcontractor, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit.
6. **JOINT VENTURES:** If Contractor is an association, partnership or other joint business venture, required insurance shall be provided by one of the following methods:
 - Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured" (covered party), or at minimum named as an "Additional Insured" on the other's policies. Coverage shall be at least as broad as in the ISO Forms named above.
 - Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured".
7. **CANCELLATION OF INSURANCE:** Each insurance policy required above shall provide that coverage shall not be cancelled, except with notice of cancellation provided to the County in accordance with policy terms and conditions.
8. **CERTIFICATE OF INSURANCE:** Before commencing operations under this Agreement, Contractor shall provide Certificate(s) of insurance and applicable insurance endorsements as set forth in the provisions of this Agreement and this Exhibit C, in forms satisfactory to County, evidencing that all required insurance coverage is in effect. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require the Contractor to provide complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

EXHIBIT D

**COUNTY OF ALAMEDA
DEBARMENT AND SUSPENSION CERTIFICATION**

(Applicable to all agreements funded in part or whole with federal funds and contracts over \$25,000).

The contractor, under penalty of perjury, certifies that, except as noted below, contractor, its principals, and any named and unnamed subcontractor:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past three years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three years.

If there are any exceptions to this certification, insert the exceptions in the following space. For any exception noted, indicate to whom it applies, initiating agency, and dates of action. Exceptions will not necessarily result in denial of award, but will be considered in determining Contractor responsibility.

Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the Standard Services Agreement. Signing this Standard Services Agreement on the signature portion thereof shall also constitute signature of this Certification.

CONTRACTOR: Allied Managed Care Inc.

PRINCIPAL: Dominic Russo TITLE: President & CEO

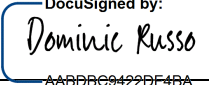
SIGNATURE:  DATE: 1/19/2023



EXHIBIT E

**COUNTY OF ALAMEDA
CONTRACT COMPLIANCE REPORTING REQUIREMENTS**

The County of Alameda utilizes Elation Systems, a third-party compliance system to monitor subcontractor utilization requirements.

County project managers will provide a special access code to contractors and subcontractors participating in this contract to allow them to register to use Elation Systems (at <https://www.elationsys.com/APP/>) free of charge.

Upon receipt of signed contract documents, the prime contractor shall immediately enter subcontractors (contributing towards utilization requirements) in the System, confirm payments received from the County within five business days in the System, immediately enter payments made to subcontractors, and ensure that subcontractors confirm they received payments within five business days in the System. Subcontractors shall confirm their payments received from the prime contractor within five business days in the System.

Elation Systems support, resources, and assistance are available online to registered contractors awarded a contract as a result of this bid process for this project and participating registered subcontractors.

It is the Contractor's responsibility to ensure that they and their subcontractors are registered and able to utilize Elation Systems as required.



EXHIBIT F

COUNTY OF ALAMEDA
THE IRAN CONTRACTING ACT (ICA) OF 2010
For Procurements of \$1,000,000 or more

The California Legislature adopted the Iran Contracting Act (ICA) to respond to policies of Iran in a uniform fashion (PCC § 2201(q)). The ICA prohibits persons engaged in investment activities in Iran from bidding on, submitting proposals for, or entering into or renewing contracts with public entities for goods and services of one million dollars (\$1,000,000) or more (PCC § 2203(a)). A person who “engages in investment activities in Iran” is defined in either of two ways:

1. The person provides goods or services of twenty million dollars (\$20,000,000) or more in the energy sector of Iran, including a person that provides oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; or
2. The person is a financial institution (as that term is defined in 50 U.S.C. § 1701) that extends twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that person will use the credit to provide goods or services in the energy sector in Iran and is identified on a list created by the California Department of General Services (DGS) pursuant to PCC § 2201(b) as a person engaging in the investment activities described in paragraph 1 above.

By signing below, I hereby certify that as of the time of bidding or proposing for a new contract or renewal of an existing contract, neither I nor the company I own or work for are identified on the DGS list of ineligible persons and neither I nor the company I own or work for are engaged in investment activities in Iran in violation of the Iran Contracting Act of 2010.

If either I or the company I own or work for are ineligible to bid or submit a proposal or to renew a contract, but I believe I or it qualifies for an exception listed in PCC § 2202(c), I have described in detail the nature of the exception: _____

CONTRACTOR: Allied Managed Care Inc.

PRINCIPAL: Dominic Russo TITLE: President & CEO

SIGNATURE:  DATE: 1/19/2023