

**First Amendment**  
**To Agreement for Workers' Compensation Claims Administration and Managed Care Services between the County of Sonoma and Intercare Holdings Insurance Services, Inc.**

This First Amendment to Agreement ("Amendment"), is by and between the County of Sonoma, a political subdivision of the State of California ("County"), and Intercare Holdings Insurance Services, Inc., hereinafter referred to as ("Contractor"), and is effective July 1, 2020.

**Recitals**

Whereas, County and Contractor entered into an agreement dated July 1, 2017, for third party workers' compensation claims administration and managed care services ("Agreement"); and

Whereas, Contractor has extensive experience providing workers' compensation claims administration, managed care services, and related services, and

Whereas, Contractor continues to provide good service to the County and successfully meet all contract requirements; and

Whereas, County and Contractor desire to extend the Agreement for fiscal years 2020/2021 and 2021/2022, as provided for in the current Agreement; and

Whereas, County and Contractor desire to amend the Agreement to extend the contract to include fiscal years 2020/2021 and 2021/2022, in order to provide sufficient funding for current services under the Agreement, in an amount not to exceed \$2,783,130 for the additional period.

Now, Therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**Agreement**

1. Paragraph 2, "Payment," of the Agreement, shall be amended to read in the first paragraph as follows:

2. Payment. For all services and incidental costs required hereunder, Contractor shall be in accordance with Exhibit B, provided, however, that total payments to Contractor shall not exceed \$3,292,960 during the period of the original Agreement through June 30, 2020, and shall not exceed \$2,783,130 for the Amendment term through June 30, 2022, without the prior written approval of County. Claims Administration fees for the period of July 1, 2020 to June 30, 2022 shall not exceed \$1,783,130 and Managed Care fees shall be paid at the rate provided in the Contractor's proposal. Contractor shall submit its bills in arrears on a monthly basis in a form approved by County's Auditor and the Head of the County Department receiving the services. The bills shall show or include: (i) the task(s) performed; (ii) the time in quarter hours devoted to the task(s); (iii) the hourly rate or rates of the persons performing the task(s); and (iv) copies of receipts for reimbursable

materials/expenses, if any. Expenses not expressly authorized by the Agreement shall not be reimbursed.

*[The rest of Paragraph 2 is unchanged and remains in full effect.]*

2. Paragraph 3, "Term of Agreement," shall be amended to read as follows:

3. Term of Agreement. The term of this Agreement shall be from July 1, 2017 to June 30, 2022 unless terminated earlier in accordance with the provisions of Article 4 below.

3. Paragraph 12, "Method and Place of Giving Notice, Submitting Bills and Making Payments," shall be amended as follows:

Paragraph 12. Method and Place of Giving Notice, Submitting Bills and Making Payments: All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

TO: COUNTY:

Lynne Durrell,  
Disability Programs Manager  
County of Sonoma Human Resources  
575 Administration Drive, Suite 116C  
Santa Rosa, CA 95403

TO: CONTRACTOR:

Agnes Hoeberling  
President & CEO  
Intercare Holdings, Insurance Services, Inc.  
6020 West Oaks Boulevard, Suite 100  
Rocklin, CA 95765

4. Exhibit B, Fee Schedule, shall be amended to add Exhibit B-1 for the Amendment period to read as follows:

<b>INTERCARE HOLDING INSURANCE SERVICES, INC.- SCHEDULE OF FEES FOR 24 MONTH AGREEMENT - Term 7/1/2020 - 6/30/2022</b>		
<b>SERVICE</b>	<b>DESCRIPTION OF SERVICE AND FEES</b>	<b>COST</b>
<b>Claims Administration Services:</b>		
Claims Administration	Administration of workers' compensation claims including: receipt, review, processing, adjudication, etc. – as outlined in Exhibit A.  7/1/2020 - 6/30/2021 (monthly payments of \$73,199.10 invoiced in arrears)	\$878,389

	7/1/2021 - 6/30/2022 (monthly payments of \$75, 395.07 invoiced in arrears)	\$904,741
		Total = \$1,783,130
<b>Medical Managed Care Services:</b>		
Medical Bill review	Comprehensive bill review per appropriate statutory fee schedules for accepted workers' compensation claims. Flat Fee of \$16.00 per bill	\$400,000
Utilization Review	Selected medical treatment request for authorization will be reviewed by nurses and physicians, to compare guidelines or criteria deemed appropriate for such services, and making a recommendation based on that comparison to ensure that employees are receiving appropriate care and to maintain costs – fees are as follows:  1) Examiner – pass through - \$0 2) Nurse Utilization Review - \$95 per request Medical Director/Advisor - \$225 per hour Specialty Peer Review - \$250 per hour	\$400,000
Nurse Case Manager	Telephonic & field case management services to assist with workers' comp case management and return to work – as outlined in Exhibit A. Fees are: Telephonic Nurse Case Mgmt - \$95 per hr Field Nurse Case Mgmt - \$105 per hr	\$200,000
<b>Maximum potential fees payable under this agreement</b>		<b>\$2,783,130</b>

5. Except to the extent the Agreement is specifically amended or supplemented hereby, the Agreement, together with exhibits is, and shall continue to be, in full force and effect as originally executed, and nothing contained herein shall, or shall be construed to modify, invalidate or otherwise affect any provision of the Agreement or any right of County arising thereunder.

6. This Amendment shall be governed by and construed under the internal laws of the state of California, and any action to enforce the terms of this Amendment or for the breach thereof shall be brought and tried in the County of Sonoma.

COUNTY AND CONSULTANT HAVE CAREFULLY READ AND REVIEWED THIS

AMENDMENT AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS AMENDMENT, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO.

In Witness Whereof, the parties hereto have executed this Amendment as of the effective date.

CONTRACTOR:

Intercare Holdings Insurance Services,  
Inc.,

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

COUNTY OF SONOMA:

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

\_\_\_\_\_  
Department Head

Date: \_\_\_\_\_

APPROVED AS TO FORM FOR COUNTY:

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

County Counsel

Date: \_\_\_\_\_

CERTIFICATES OF INSURANCE ON  
FILE WITH AND APPROVED AS TO  
SUBSTANCE FOR COUNTY:

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

\_\_\_\_\_  
Department Head

Date: \_\_\_\_\_