



REPORT
FROM

THE PERSONNEL
DEPARTMENT

TO: The City Council	DATE 3/27/2020
REFERENCE:	COUNCIL FILE 15-1146

SUBJECT: City of Los Angeles Workers' Compensation Program Request for Proposals – Third-Party Administrator for Workers' Compensation Claims Management and Benefits Administration

RECOMMENDATION:

That the City Council approve and authorize the Personnel Department General Manager to release a Request for Proposals (RFP) for Third-Party Administrator (TPA) for Workers' Compensation Claims Management and Benefits Administration and execute an Agreement(s) with the selected vendor(s) for a five-year contract term, subject to the review and approval of the City Attorney.

BACKGROUND:

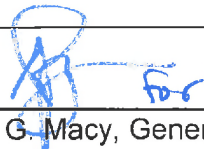
The City of Los Angeles is self-insured for all of its statutory workers' compensation obligations. The core function of a workers' compensation program is to provide injured workers with the medical benefits and time off necessary to recuperate and return to work as quickly as possible. The Personnel Department's Workers' Compensation Division administers the City of Los Angeles (City) Workers' Compensation Program. The Division is responsible for all aspects of claims administration, which includes directing medical care, providing defense support in litigated cases, and making payments for a variety of claims-related activities. Currently, the Program includes approximately 16,000 open claims with an estimated 6,900 new claims and \$197.1 million in benefit payments processed in Fiscal Year 2018-19. To execute the Program's objectives, the Division utilizes a combination of City staff and contracted TPAs and vendors. Specifically, the City currently contracts with three TPAs to manage workers' compensation claims: Tristar for all Police sworn claims, AIMS for all sworn Fire and a portion of Fire civilian claims, and Elite for City Attorney, Personnel, and Police civilian claims.

CURRENT CONTRACTS:

The Contractors were selected in 2013 following an RFP process. Subsequently, the Mayor authorized Personnel to enter into contracts with AIMS, ACME (now Elite), and Tristar to provide TPA services for managing a portion of the City's workers' compensation claims. Personnel executed the contracts and amendments to the contracts as follows:

Tristar Risk Management, Inc. (Tristar); Contract No. C-121812

- The original contract was executed for a nearly three-year term effective November 30, 2012 to November 22, 2015.
- Amendment No. 1 was executed to provide up to six additional work spaces for City Attorney personnel working at the office of Tristar in the County of Los Angeles at a cost of \$600 per month and to increase the total maximum amount of the contract by \$79,200 from \$26,138,993 to \$26,218,193.


Wendy G. Macy, General Manager

- In October 2015, Council authorized execution of Amendment No. 2 to extend the term of the contract from November 22, 2015 to November 22, 2017 (C.F. 15-1146).
- In May 2016, Council authorized execution of the First Amended and Restated Agreement to increase the maximum contract amount by \$15,886,120 from \$26,218,193 to \$42,104,313 for the term through November 22, 2017 (C.F. 15-1146-S2).
- In February 2018, Council authorized execution of the Second Amended and Restated Agreement increasing the maximum contract amount by \$8,574,028 from \$42,104,313 to \$50,678,341 and extending the term of the agreement through November 21, 2018 (C.F. 15-1146).
- In May 2019, Council authorized execution of the Third Amended and Restated Agreement (Contract No. C-121812) with Tristar to increase the term to include November 30, 2012 to November 21, 2020 and increase contract compensation by \$17,987,926 to \$68,666,267.

Acclamation Insurance Management Services, Inc. (AIMS); Contract No. C-121841

- The original contract was executed for a three-year term effective May 3, 2013 to May 6, 2016.
- Amendment No. 1 to the contract was executed amending the end date of the contract from May 6, 2016 to April 29, 2016.
- Amendment No. 2 to the contract was executed to provide assistance to Personnel in managing a portion of Fire civilian workers' compensation claims on an as-needed basis and increasing the maximum compensation amount of the contract by \$218,007 from \$10,830,550 to \$11,048,557.
- In October 2015, Council authorized the execution of Amendment No. 3 to extend the term of the contract from April 29, 2016 to November 22, 2017 (C.F. 15-1146).
- In May 2016, Council authorized the execution of the Fourth Amended and Restated Agreement to increase the maximum contract amount by \$6,011,781 from \$11,048,557 to \$17,060,338 for the term through November 22, 2017 (C.F. 15-1146-S2).
- In February 2018, Council authorized execution of the Fifth Amended and Restated Agreement increasing the maximum contract amount by \$4,060,358 from \$17,060,338 to \$21,120,696 and extending the term of the agreement through November 21, 2018 (C.F. 15-1146).
- In May 2019, Council authorized execution of the Sixth Amended and Restated Agreement (Contract No. C-121841) with AIMS to increase the term to include May 3, 2013 through November 21, 2020 and increase total contract compensation to \$28,929,703.

Elite Claims Management, Inc. (formerly known as ACME Administrators, Inc., or ACME); Contract No. C-121842

- The original contract was executed for a three-year term effective May 3, 2013 to May 6, 2016.
- Amendment No. 1 to the contract was executed amending the end date of the contract from May 6, 2016 to April 29, 2016.
- Amendment No. 2 to the contract was executed to provide assistance to Personnel in managing workers' compensation claims for up to four additional City departments on an as-needed basis and to increase the maximum contract amount by \$1,083,694 from \$3,595,971 to \$4,679,665.
- In October 2015, Council authorized execution of Amendment No. 3 to extend term of the contract from April 29, 2016 to November 22, 2017 (C.F. 15-1146).
- In May 2016, Council authorized execution of the Fourth Amended and Restated Agreement to increase the maximum contract amount by \$1,417,926 from \$4,679,665 to \$6,097,591 for the term through November 22, 2017 (C.F. 15-1146-S2).

- In February 2018, Council authorized execution of the Fifth Amended and Restated Agreement to increase the maximum contract amount by \$1,198,657 from \$6,097,591 to \$7,296,248, extend the term of the agreement through November 21, 2018, and recognize the acquisition of ACME by Elite, which assumed all of ACME'S contractual obligations under this agreement.
- In May 2019, Council authorized execution of the Sixth Amended and Restated Agreement (Contract No. C-121842) with Elite to increase the term to include May 3, 2013 through November 21, 2020 and increase contract compensation by \$2,506,294 to \$9,802,542.

ADDITIONAL COUNCIL ACTION:

At a regular meeting held on February 9, 2018, the City Council took the following actions:

1. INSTRUCT the Personnel Department and the City Administrative Officer (CAO) to report to Council of all claims opened for fraud, were investigations performed, and what were the outcomes of each one of those claims, with protected information redacted.
2. INSTRUCT the Personnel Department to submit the new Request for Proposals when completed, to the Personnel and Animal Welfare Committee for consideration.

At a regular meeting held on February 21, 2018, the Personnel and Animal Welfare Committee considered a CAO report regarding fraud investigations of workers' compensation cases. Representatives from the CAO and the City Attorney provided the Committee statistical information regarding fraud claims, including how many were investigated and how many were prosecuted. After an opportunity for public comment, the Committee recommended that the Personnel Department and the City Attorney report back with a more detailed and comprehensive report, including requested changes and recommendations, and how to incorporate the changes in the RFP.

At a regular meeting held on March 6, 2018, the City Council took the following action:

INSTRUCT the Personnel Department and REQUEST the City Attorney to work with workers' compensation providers and report with a framework on what elements to look into regarding workers' compensation fraud and abuse, including a detailed and comprehensive forensic audit, with guidelines as to changes and recommendations, and how to adopt the changes into a new Request for Proposals (RFP) for future providers.

PROPOSED RFP:

The attached RFP outlines the City's fraud program with which each Contractor must comply and, further, implements a Fraud/Abuse Review Committee requiring designated staff to actively participate in committee meetings and present cases/issues for review.

Proposers are expected to demonstrate they have the experience and expertise necessary to perform the services requested in this RFP; include a plan to provide outstanding customer service to the City's injured employees; document relevant experience with public agencies; and include innovative ideas with metrics and analytics to improve the City's Workers' Compensation Program, in the areas of claims frequency, closing ratios, and cost cutting ideas.

Proposals must include a separate analysis for the provision of services for 1) Fire Sworn, Fire Civilian, and conflict claims (Personnel and City Attorney) and 2) Police Sworn and Police Civilian.

Proposals will be evaluated in accordance with the following factors and the weights associated with each factor.

EVALUATION CATEGORY	WEIGHT
Evaluation of Project objectives and description of services provided; Understanding of the Scope of Work	15
Staffing and Project Organization: Proposed Staffing Model	15
Professional qualification, specialized experience and technical competence of the Project Team	15
Past performance and experience on other Projects/Contracts involving self- insured governmental entities and/or private industry	20
Fraud and Quality Control Measures	15
Cost	15
Adverse Audit	5

The attached RFP has been reviewed by the Chief Procurement Officer and incorporates the recommended changes from that review. It has also been reviewed by the workers' compensation program's labor partners in accordance with the policies of the City's Alternative Dispute Resolution programs.

Once proposals have been received, the top ranked proposers will be asked to attend an oral interview to further assess their qualifications and to address any questions or concerns of our labor partners. The current contracts will be ended upon successful implementation of new TPA contract(s).

CONCLUSION:

The Personnel Department is requesting that the City Council authorize the General Manager of the Personnel Department to: 1) release a Request for Proposals for Third-Party Administrator for Workers' Compensation Claims Management and Benefits Administration; and 2) negotiate and execute new Agreement(s) with the selected vendor(s) for a five year term.

FISCAL IMPACT STATEMENT:

Funding for the contract(s) is provided in the Human Resources Benefits FY 2019-20 Adopted Budget, Fund No. 100 Contractual Services Account No. 003040. There is no additional impact on the General Fund. As budgeted funds are available for the projected contract expenditures, the recommendation provided in this report complies with the City's Financial Policies.

Attachment

DEPARTMENT: Personnel Department	DATE POSTED: April 1, 2020
DIVISION: Workers' Compensation	TYPE: Request for Proposals

TITLE: Third-Party Administrator for Workers' Compensation Claims Management and Benefits Administration

DESCRIPTION: The City of Los Angeles, legally self-insured for all of its workers' compensation obligations, is seeking Proposals for third-party administration of sworn and civilian claims of the Fire and Police Departments and claims of the Personnel Department and City Attorney's Office.

CONTRACT TERM: FIVE YEARS

<u>MANDATORY PRE-PROPOSAL CONFERENCE:</u> Date and time May 5, 2020, 9:00 am City of Los Angeles Personnel Department Workers' Compensation Division 700 E. Temple Street Los Angeles, CA 90012	PROPOSAL DELIVERY ADDRESS: City of Los Angeles Personnel Department Workers' Compensation Division Attention: Sola Oniyide 700 E. Temple Street, Room 210 Los Angeles, CA 90012
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DEADLINES:

Outreach to Subcontractors: Date and time: May 20, 2020 11:59 p.m. PDT	Submission of Proposal: Date and time: June 4, 2020, 4:00 pm
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CONTRACT ADMINISTRATOR: Sola Oniyide
PHONE: (213) 473-3341 **FAX:**(213) 473-3333
E-mail: sola.oniyide@lacity.org

PART A

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Exhibit B – Sample Contract

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Appendix 2 – Cost Summary and Cost Detail Forms

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SECTION 1

INTRODUCTION/BACKGROUND

1.0 INTRODUCTION

The City of Los Angeles (City), legally self-insured for all of its workers' compensation obligations, is seeking Proposals for third-party administration of all workers' compensation claims of the Fire and Police Departments and all claims of the Personnel Department and City Attorney's Office. The City currently utilizes the services of three (3) Third-Party Administrators (TPAs) to administer these claims. Claims for civilian employees for all other City Departments, with the exception of the Department of Water and Power, are self-administered by staff of the Workers' Compensation Division of the City's Personnel Department. The City currently has over 48,418 employees and in FY 2018/2019, 6,948 new claims were reported. With the exception of the Department of Water and Power, the administration of approximately seventy-nine percent (79%) of civilian claims is performed through the Personnel Department's Workers' Compensation Division. The administration of sworn claims (Police and Fire), conflict claims, and approximately twenty-one percent (21%) of civilian claims is currently performed by three (3) Third Party Administrators (TPA). As of July 1, 2019, there are 15,729 open claims of which 5,587 are attributed to civilian, 7,479 to Police sworn, and 2,663 to Fire sworn employees.

This Request for Proposals (RFP) is being issued to seek formal proposals for the desired TPA services. This RFP is simply a routine periodic solicitation. Proposers should clearly demonstrate they have the experience and expertise necessary to perform the services requested in this RFP; include a plan to provide outstanding customer service to the City's injured employees; document relevant experience with public agencies; and include innovative ideas with metrics and analytics to improve the City's Workers' Compensation Program, in the areas of claims frequency, closing ratios and cost cutting ideas.

Interested and qualified Proposers who have demonstrated the ability to successfully administer third-party workers' compensation claims are invited to submit Proposals, provided they possess the following:

- A valid California certificate to administer self-insured workers' compensation claims;

- A minimum of three years' experience in providing third-party claims administration services for California workers' compensation claims; and,
- A full time Contract Manager dedicated to the City account with at least three years' experience in supervising or managing third-party workers' compensation claims administration services for California workers' compensation claims.

It is the City Personnel Department's intent to award a Contract, in a form approved by the City Attorney, to the selected Proposer(s). Proposals accepted by the City in writing constitute a legally binding contract offer. It is requested that Proposals be prepared simply and economically, avoiding the use of unnecessary promotional material.

The City is committed to treating its injured employees with understanding, care, and respect. Furthermore, we are committed to providing our injured employees with high-quality medical care and with immediate access to the best medical professionals in the community. These are the goals we strive continually to improve. The City is also focused on returning employees to work on either modified duty or full duty. As such, communication between the City and its TPAs plays an integral part in the efficient and effective functioning of the City's mandatory Return-to-Work Program. The City believes a collaborative partnership between it and its TPAs achieves the best outcome possible and delivers excellent service to our injured employees.

It is the City's goal to maximize savings to the City's taxpayers through the effective and aggressive management and control of each individual claim, while maintaining the highest standards of service to injured City workers.

You ("Proposer") are invited to submit a formal proposal ("Proposal") for the required services detailed in Section 2: Statement of Work Specifications – Project Requirements (hereinafter referred to as "Project") in accordance with this RFP. Any information, in addition to that required by this RFP, which a Proposer believes will help in the evaluation of its Proposal, is to be submitted with its Proposal.

Any Proposal submitted must comply with the requirements of this RFP, as herein stated, including all applicable Federal, State, and local laws, and is to be signed by an officer legally authorized to bind Proposer to a contractual relationship ("Contract"), and be submitted to the City in writing in the time and in the manner described herein. The selected firm(s) for this Project ("Contractor") will mean the

successful proposing firm(s), its directors, officers, employees, agents, joint venture partners and subcontractors providing services under the Contract.

1.1 DEFINITIONS OF TERMS

The following terms used in the RFP documents shall be defined as follows:

1. **“Agreement”** shall be considered synonymous with term the **“Contract.”**
2. **“City”** means the City of Los Angeles.
3. **“Contract Effective Date”** means the date, mutually agreed upon between the Contractor and City, that the Contractor begins performing services for the City.
4. **“Contractor”** means the individual, partnership, corporation or other entity to which this agreement is awarded, and shall be synonymous with the term **“vendor.”**
5. **“Department”** shall be considered synonymous with the City’s Personnel Department.
6. **“Key Personnel”** means Manager and Assistant Manager.
7. **“Proposal”** means a formal, written, and binding response to provide the required services to City.
8. **“Proposer”** means a respondent to this RFP.
9. **“RFP”** means Request for Proposals for Third-Party Administrator for Workers’ Compensation Claims Management and Benefits Administration.
10. **“TPA”** means Third-Party Administrator.
11. **“UR”** means Utilization Review.

1.2 CONTRACT TERM

The term of any contract(s) awarded pursuant to this RFP shall be for a period of five (5) years from the contract effective date as provided for by the final contract, subject to the termination provisions therein.

1.3 RFP CONTENTS

The contents of this RFP are as follows:

PART A: Request for Proposals, Scope of Services, Proposal Questionnaire, Proposal Format, Submission Requirements, Evaluation of Proposals, and General Terms and Conditions.

PART B: General Contracting Requirements and Attachments, which includes the City of Los Angeles **Standard Provisions for City Contracts (Rev. 10/17 [v.3])** and other general contracting requirements that must be

reviewed and completed by Proposers as specified in order for a proposal to be deemed responsive.

1.4 RFP CONTACT INFORMATION

Personnel Department staff is committed to ensuring that all business transactions, including procurement processes, are based strictly on integrity, competence, merit and benefit to participants and their beneficiaries. As a matter of policy, staff will not communicate with current or prospective vendors or their representatives, or any other person or organization, for the purpose or intent of having a particular vendor secure or maintain a contract or business, or otherwise realize financial gain, whether during or outside of a procurement process.

In support of this effort and to ensure the transparency and objectivity of this procurement process, all communications and questions regarding or related to the services included in this RFP should be directed to the City Contract Administrator. All questions regarding this RFP must be in writing and directed to:

Personnel Department, Workers' Compensation Division

Attention: Sola Oniyide

Email: sola.oniyide@lacity.org

Phone: (213) 473-3341

Questions regarding certain General Contracting Requirements may also more appropriately be directed to the City department responsible for the particular requirement, as specified within the Part B materials.

1.5 PROPOSAL TIMELINE AND MANDATORY PRE-PROPOSAL CONFERENCE

The Personnel Department intends to award a contract, in a form approved by the City Attorney, to the selected Proposer. Proposals submitted to the City constitute a legally binding contract offer and shall remain open for twelve (12) months. It is requested that proposals be prepared simply and economically, avoiding the use of unnecessary promotional material. If a Proposer is deemed non-responsive during the proposal process, the Proposer will be eliminated from further consideration of this RFP.

1.5.1 PROPOSAL TIMELINE

Following is the timeline for this RFP process. The City reserves the right to adjust this schedule. Changes to the timeline, if any, will be posted online as an RFP Addendum.

Proposal Dates	Event
April 1, 2020	Request for Proposals Released
April 10, 2020	Deadline for receiving written questions for the Pre-Proposal Conference is 4:00 p.m. PDT
April 27, 2020	Mandatory Pre-Proposal Conference at 9:00 a.m. PDT Personnel Department 700 E. Temple Street Room 350 Los Angeles, CA 90012
May 14, 2020	General Contracting Requirements Electronic Preliminary Submission Deadline by 3:00 p.m. PDT
May 21, 2020	Deadline for vendors to issue written solicitations to subcontractors via www.labavn.org website. This step must be completed by 11:59 p.m. PDT on TAB to avoid risk of late submission.
June 4, 2020	<u>RFP responses due by 4:00 p.m. PDT to:</u> Personnel Department, Workers' Compensation Division 700 E. Temple Street, Room 210 Los Angeles, CA 90012
June 5, 2020	Business Inclusion Program (BIP) Summary Sheet Submission on LABAVN by 4:30 p.m. PDT
June 8, 2020	Begin RFP evaluations
TBA	Target date for contract execution

1.5.2 MANDATORY PRE-PROPOSAL CONFERENCE

A **mandatory** Pre-Proposal Conference will be held to provide information regarding the RFP requirements and to answer questions from prospective Proposers regarding this RFP. The Pre-Proposal Conference will also give

Proposers and potential subcontractors the opportunity to network. City staff will not provide assistance regarding a Proposer's individual RFP response. The conference has been scheduled pursuant to the schedule noted in the Proposal Timeline.

It is to your benefit to bring your own copy of the RFP, particularly the City's General Contracting requirements, to the conference. No copies will be provided at the conference.

1.5.3 QUESTIONS REGARDING RFP

To maximize the effectiveness of the Pre-proposal conference, to the extent possible, Proposers should provide questions in writing prior to the conference in accordance with the deadline noted in the Proposal Timeline. This will enable the City to prepare responses in advance.

All questions concerning the RFP should be submitted in writing via e-mail to the Contract Administrator. Please identify the RFP title on the subject line of your message. All questions should identify the RFP section and page number, or the relevant General Contracting provision, for each question submitted. Additional questions may be accepted and addressed at the Pre-proposal conference. However, certain responses may be deferred and posted online as addenda to the RFP at a later date.

The City will make every effort to respond to all written questions as soon as practical. All questions and responses to questions, or any other changes to or interpretation of this RFP, will be posted online at www.labavn.org. Any such changes or interpretations shall become a part of this RFP and may be incorporated into any Contract awarded pursuant thereto.

1.6 GENERAL CONTRACTING REQUIREMENTS PRE-SUBMISSION OPTION AND SUBMISSION DEADLINES

The City's General Contracting Requirements are included in Part B, which is attached hereto. Part B contains the Standard Provisions for City Contracts (Rev. 10/17 [v.3]) and a variety of documents and forms with which prospective Proposers must demonstrate compliance in order to be awarded a City contract.

Within Part B is a list of requirements that must be fully met, including forms to be completed and submitted and details regarding certain processes that must be followed by Proposers as part of their RFP response. **Failure to meet any of these requirements to the satisfaction of the City by the RFP Proposal**

Submission Deadline may result in disqualification of the Proposer's proposal as being non-responsive and eliminate the proposal from further consideration in the evaluation process.

The City will provide Proposers an opportunity to demonstrate responsiveness to the City's General Contracting Requirements at a date prior to the Proposal Submission deadline. Proposers are not required to complete and submit their General Contracting Requirements forms and processes by the Preliminary Submission Deadline; however, it may be to their advantage to do so. If a Proposer utilizes this option, City staff will identify whether the documents, as submitted, are or are not responsive to the City's requirements. If deemed non-responsive, the Proposer will have time to demonstrate responsiveness not later than the RFP Proposal Submission Deadline. **[Following the Proposal Submission Deadline, there will be no further opportunity for demonstrating responsiveness to the City's General Contracting Requirements.]** Failure to adequately demonstrate responsiveness to the City's General Contracting Requirements, or a rejection by the Proposer of those requirements or the Standard Provisions for City Contracts (Rev. 10/17 [v.3]), will result in disqualification of the proposal and shall eliminate the proposal from further consideration in the evaluation process. The relevant dates with respect to this process are included in the Proposal Timeline.

1.7 PROPOSAL SUBMISSION DEADLINE

Responses to this RFP must be submitted on paper and an electronic copy and must be received by the Contract Administrator by the Proposal Submission Deadline noted on page one of this RFP and the Proposal Timeline. Electronic portions, as specified further in this RFP, must be received no later than this date/time as well. **Late responses (i.e. proposals received after the Proposal Submission Deadline) will not be considered.** The City reserves the right to extend the Proposal Submission Deadline should this be in the interest of the City.

SECTION 2

STATEMENT OF WORK SPECIFICATIONS

2.0 INTRODUCTION

Every proposal shall address all specific technical requirements outlined in this Section. Each of the requirements listed below shall be addressed in the Proposal with reference to the identical alphanumeric designation and in the same order as they are presented in the RFP.

2.1 SPECIFIC PROGRAM PROPOSAL REQUIREMENTS

Each of the program elements is described separately below and Proposers must submit a proposal(s) inclusive of all elements (bundled). Proposers shall consider the following descriptions as minimum program requirements and shall respond to each item describing how they meet or exceed the minimum requirements (including any alternative methods which they deem can provide the targeted service). Proposers should feel free to provide additional information as necessary to adequately describe the services being offered.

Include a detailed description on how the Contractor will meet all Contract requirements. Respond in detail to the specific questions in this RFP Section 2.1 Specific Program Proposal Requirements, and about each item requested. Describe in detail how the services will be performed. Complete answers include, but are not limited to, the following:

1. A general statement of how the Contractor will administer the third-party administration services. This section may include a summary statement of the benefits to the City of the specific proposal which is subsequently described. Include a written statement of what distinguishes your company's approach from others.
2. Provide a complete description of how the Contractor plans to transition the existing third-party administrative services if awarded the contract. The plan, including timeline and action plan, must address the actions the Proposer will take to minimize loss of productivity, inconvenience, disruption, and cost to the City and its injured employees.

3. Provide a complete summary and description of the services provided by the Proposer. This description must include a proposal for each item listed in this Section.

2.2 CONTRACT OBJECTIVES

With the Contract(s) resulting from this RFP, the City's Personnel Department plans to engage a firm(s) to secure TPA services for the direct management of workers' compensation claims of the following: 1) sworn and civilian employees of the Fire and Police Departments; 2) employees of the Personnel Department; and, 3) employees of the City Attorney's Office. Claims from these last two departments constitute conflict claims.

2.3 PROGRAM SIZE AND ACTIVITY

Historical statistics for the City's Workers' Compensation Program size and activity are found below and in Appendix 1.

Claims Filed in Fiscal Year 2018/19.

	FIRE SWORN	FIRE CIVILIAN	POLICE SWORN	POLICE CIVILIAN	CONFLICT CLAIMS (Personnel & City Attorney)
Medical Only Claims	297	0	1019	185	22
Indemnity Claims	844	14	2137	230	41
Total	1141	14	3156	415	63

Estimated Claims Take-over Volume

	FIRE SWORN	FIRE CIVILIAN	POLICE SWORN	POLICE CIVILIAN	CONFLICT CLAIMS (Personnel & City Attorney)
Medical Only Claims	107	0	339	77	17
Indemnity Claims	2599	74	7479	834	226
Total	2706	73	7818	911	243*

*Personnel (73), City Attorney (128), Miscellaneous Claims (42)

2.4 MINIMUM STANDARD OF PERFORMANCE

Each party's performance of the resultant Contract shall comply with all applicable laws of the United States of America, the State of California, and the City of Los Angeles, including, but not limited to, laws regarding health and safety, labor and employment, wage and hour, and licensing laws that affect employees. The Contract shall be enforced and interpreted under the laws of the State of California. The Contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of the Contract. If any part, term, or provision of the Contract is held void, illegal, unenforceable, or in conflict with any law of a Federal, State or local government having jurisdiction over the Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected.

Additionally, the Contractor shall utilize industry best practice standards for workers' compensation claims management and shall conduct all claims activities in accordance with the specific technical requirements included in Section 2.6 Claims Management, unless otherwise agreed to or specified by the City.

Failure to comply with the requirements included in Section 2.6 shall be cause for rejection of a proposal or for the cancellation of any Contract awarded on the basis of this RFP. To remedy the potential cancellation of any Contract, the City has the right to discuss with the Contractor the possibility of terminating any person found to be in violation of any of the terms found in Section 2. The City reserves the right to require the Contractor to replace any Contract personnel with equally, or better qualified staff, upon submitting written notice to the Contractor. In addition, the City reserves the right to approve in advance any changes in Project personnel or levels of commitment by the Contractor to the Project.

2.5 DEDICATED SERVICE TO THE CITY

Before performing services under this Contract, the Contractor shall designate in writing an account service team and designate an Account Manager, Assistant Manager, and other key personnel, subject to approval of the City. The Account Manager must be experienced in the Workers' Compensation System in California. The City reserves the right to approve/accept key personnel at the level of Assistant Manager and above

If Contractor elects to replace Account Manager, prior notice will be given to the City. The City reserves the right to meet with, review, and approve the background, education, and experience of any potential assignee to this position at the inception of services and throughout the term of this Contract at its sole and absolute

discretion.. The Contractor must notify the City in writing if any key personnel cannot continue with the Project. Upon receipt, the City will respond in writing either approving or rejecting replacement personnel.

Contractor shall open a specific office to serve the City's needs, or identify a clearly definable portion of a larger office space for staff dedicated to serving the City's needs. It is preferable that such an office be located within City limits but must be no further than 75 miles from the City of Los Angeles City Hall, 200 N. Spring Street, Los Angeles CA 90012. However, regardless of its location, it is the responsibility of the Contractor to coordinate the transfer of claims information and to ensure the communication needs of the Personnel Department, employing department(s), and injured workers are efficiently and effectively met.

The Contractor shall provide at no additional cost to the City a safe, adequate, and ergonomically sound work space, complete with ergonomically correct furniture and computer work station, computer (with access to City's claims management and imaging systems, Internet, other City vendor system(s), and email), telephone and facsimile service, and free parking as follows:

- Police account - two offices for City monitors, one workspace for onsite bill review representative, and seven offices and seven work spaces for 14 City Attorney employees.
- Fire & Conflict Claims account - two private offices for City Monitors, one workspace for onsite bill review representative, and one private office for City Attorney employees.

Adequate temporary workspace, work stations, and free parking shall also be provided for other City staff as necessary for required program auditing or monitoring, at no additional cost to City.

The Contractor shall be responsible for creating clear, complete, and timely documentation of all investigations, medical reports, evaluations, reserve changes, correspondence, successful and unsuccessful contact attempts, and for the creation of a claims management plan of action for each claim. Critical claims information and key elements of the plan of action, as required by the City, shall be recorded on the City's claims management software. The City currently uses iVOS for claims administration and document management (see Appendix 4: Systems Requirement for details). The City may at its discretion replace or update iVOS. If and when this occurs, the Contractor will assist the City in the implementation of the new or updated system(s) to ensure a smooth transition. Contractor must be able to integrate with the current and new or updated system(s) at no cost to the City.

The Contractor shall be responsible for safeguarding all City claim information and its files. The City's claims are currently maintained in both paper and electronic files. At the close of each workday, Contractor shall secure all files and computer access.

All claim files shall be retained by the vendor indefinitely.

The Contractor shall provide assistance in recommending changes to City policy and procedures to implement legislative changes or State rules and regulations that impact the City's Workers' Compensation Program.

2.5.1 REPORTING CLAIMS

Proposers shall describe their recommended method of managing the reporting of claims. Proposers should be aware that Fire, Police and some civilian services are 7-day/24-hour operations. Contractor shall have the capacity to accept the reporting of injuries directly from the accident location. Staff shall be available from 8 a.m. to 5:30 p.m.

2.5.2 PRIOR AUTHORIZATION PROGRAM

Pursuant to authorization by the State of California Workers' Compensation Division, the City implemented a Prior Authorization Program on July 1, 2010. This authorization allows providers in the City's Medical Provider Networks to refer injured workers to contracted managed care providers for certain routine medical procedures on a pre-approved basis. Since authorization is not required, services can be rendered immediately instead of waiting for approval through the utilization review process.

The City of Los Angeles, Prior Authorization Program includes the following:

- Routine office visits and follow-up appointments
- Physical or occupational therapy sessions (12 maximum)
- Chiropractic or acupuncture sessions (12 maximum)
- Specialty referral
- Initial Magnetic Resonance Imaging (MRI) or X-Ray Computed Tomography (CT)
- Initial Electromyography (EMG) Nerve Conduction Study
- Plain view X-Rays

- Ninety (90) days prescription drugs per the City's Pharmacy Benefit Management Program Formulary
- Basic Durable Medical Equipment, including splints, crutches, braces, canes, walkers, standard wheelchair rental, walking boots, slings, hot and cold packs

Benefits and results of the Program include the following:

- Immediate access to quality medical care, treatment and testing
- Elimination of various time-consuming practices by PTP requesting authorization for treatment
- More time for PTP to spend with the injured employee because of reduction of paper work
- Elimination of wait time for scheduling physical therapy, chiropractic treatments, MRI's, and other diagnostic testing
- Substantial reduction in adjuster's workload resulting in an increase in opportunity for more effective claims review and management
- Reduction of written correspondence, faxed documents, and billing statements
- Medical referral simplification
- Ultimate results, immediate delivery of quality care, improved management of claims and significant cost savings.

2.6 CLAIMS MANAGEMENT

Proposers shall indicate any revisions or revised methods to the Sample Contract to comply with RFP requirements. Refer to RFP Section 2.14 and Exhibit B Sample Contract for details.

2.7 STAFFING REQUIREMENTS

The Contractor shall be responsible for providing sufficient and competent staff to fulfill the Contract requirements and shall have complete flexibility for establishing an effective management and organizational structure.

The Contractor shall have at least one non-caseload carrying Account Manager and at least one non-caseload carrying quality assurance auditor at the level of a claims supervisor. Additionally, Contractor shall have at least one non-caseload carrying supervisor for every six claims adjusters.

The Proposer shall provide a staffing model for claims assistants (one claims assistant for every two claims examiners), dedicated accounting clerks to check documentation, get proper approval, enter in manual payments, and put payments in approved status, and other support clerks in accordance with industry best practices, subject to approval by City.

Adjustments in staffing based on fluctuations in caseload shall be subject to approval by City. Average caseload for Contractor(s) claims examiners shall not exceed 150 open indemnity claims.

Claims assistants shall be capable of handling medical only claims and other support duties.

Contractor(s) claims and management staff shall exclusively administer City cases in a dedicated unit.

The Contractor(s) must assure provision of services to the City in the event of an Act of God, data breach or employee shortage or strike.

Contractor shall immediately remove, at City's request, any Contractor or subcontractor employee or agent providing services for City under the Contract, if it is determined that said employee is not meeting requirements outlined in this RFP and resulting Contract.

At any time prior to or during the term of the Contract, the City shall require that all Contractor staff performing work under the Contract undergo and pass, to the satisfaction of City, a background investigation, as a condition of beginning and continuing to work under the Contract. The fees associated with obtaining the background information shall be at the expense of Contractor, regardless of whether Contractor's staff passes or fails the background clearance investigation. The background clearances to be used should, at a minimum, include the following:

- Social Security Number Trace
- DMV/Driver History
- County Criminal Court Search (based on SS# trace and Lived/Worked/Studied info from application)
- Federal District Criminal Court Search (based on same)
- National Criminal Database Search
- Basic Employment Verification (up to three (3) employers and seven (7) years)
- Education Verification
- Professional Reference Check
- Employment Credit Report

The Contractor(s) shall keep a current and accurate list of all its employees working under this Contract. The list shall include each employee's name, date of employment, current address, phone number, current salary, and any additional data on licensing background, behavior, or job performance pertinent to the provision of the contract.

The Contractor(s) shall retain and provide to the City upon request a copy of the Employment Application and or Employee Resume for all employees working on City Program.

The City recognizes the importance of the continuity of adjuster staff in the effective administration of workers' compensation claims management. The highest quality of service, consistency in performance and low turnover rates are essential factors in assuring workers receive timely, comprehensive, and professional treatment for their injuries. Each Proposal should identify an innovative plan to retain quality and well-trained employees, reduce turnover, and provide motivational and developmental programs.

2.7.1. EXPERIENCE/TRAINING FOR CLAIMS ADJUSTING PERSONNEL

To ensure workers' compensation claimants receive appropriate benefits and medical care, all claims adjusting personnel assigned to the City's account must meet specific standards of training, experience, and skills.

All claims adjusting personnel engaged in the management of indemnity claims must:

- Have successfully completed the State of California Self Insurance Administrator written examination; and
- Worked as a workers' compensation claims adjuster for a minimum of eighteen (18) months.

All claims adjusting personnel engaged in the management of medical only claims must either:

- Have at least eighteen (18) months of on-the-job experience adjusting California workers' compensation medical only claims and be within six months of certification by an insurer as an "experienced medical only claims adjuster," or
- Be a medical only adjuster currently enrolled in and taking or having successfully completed the required training as stated in CCR Sections 2592.02 (a-c) and 2592.03, as may be amended.

Contractor shall also require a minimum of thirty (30) hours of post-certification training every two years for all claims adjusters and twenty (20) hours of training every two (2) years for all medical-only claims adjusters pursuant to CCR Section 2592.02 (d-f), as may be amended, and maintain satisfactory records of this training.

2.7.2. ADJUSTERS IN TRAINING

As a general practice, the City believes there is value to the concept of on-the-job development of technical/professional staff. However, this practice must be tempered by the City's need for experienced claims adjusting services.

Contractor may employ adjusters who do not possess a State of California Self-Insurance Administrator certificate to handle indemnity claims. However, such adjusters must be taking training pursuant to CCR 2592.02(a-c) and 2592.03, as may be amended. Adjusters must be actively pursuing and must obtain State of California Self-Insurance Administrator certificate within six (6) months of being employed on the City account. The City reserves the right to request removal of any adjuster who fails to pass such examination after three (3) attempts.

Each Proposal submission will also include a description of its ongoing program for professional development and continuing education of claims adjusters. Proposers should indicate which, if any, in-service training opportunities are also available to selected City staff.

2.7.3. CLAIMS SUPERVISORS

Claims supervisors shall have a minimum of five (5) years' experience in adjusting a caseload of California indemnity claims and successfully

completed the State of California Self Insurance Administrator written examination. Equivalent or substitute experience may be approved by the Workers' Compensation Administrator. Supervisors will not be assigned any workers' compensation claims. Claims Supervisors shall meet all the training and experience requirements per Labor Code Section 2592-2592.14.

2.7.4. ORGANIZATION CHART

A clear depiction of the organizational structure shall be included in the Proposal showing number of positions and span of control for each supervisory position. All support staff and specialist positions shall be included.

2.7.5. PROPOSED STAFF ASSIGNMENTS

A brief description of the responsibilities associated with each job title shall be included in each Proposal. Résumés or Curriculum Vitae of key personnel identified to work on City's Program shall be included.

2.8 TRANSITION AND CASELOADS

In the event that the awarded Contractor is not the current TPA, as part of the transition to the new Contractor, within 30 calendar days of the start of Contract, Contractor shall individually review and properly code each claim file for indemnity or medical only status, and assign each claim to an employee of Contractor qualified by training, education, and experience to manage all aspects of that claim. The City defines a Maintenance/Future Medical claim as an indemnity claim.

Within 90 calendar days of the start of the term of Contract, the Contractor shall review every claim and establish an appropriate plan of action for the management and administration of that claim.

If applicable, new Contractor shall within 120 days of the start of the term of Contract identify any penalties that are due and the responsibility of the prior Contractor, otherwise, penalties become the sole responsibility of the Contractor. The Contractor shall also ensure that each claim is properly identifiable as Medical Only, Indemnity, or Maintenance and to ensure on an ongoing basis that claims are properly categorized and assigned.

2.8.1. MEDICAL ONLY CLAIMS

A Medical Only Claim is a non-litigated claim involving only medical payments that are not expected to exceed \$5,000.00 and indemnity payments are not expected.

Medical Only Claims will routinely be assigned to medical only claims adjusters, claims assistants, claims representatives, junior adjusters, or other staff serving in a training or support role to the adjusters. Medical Only claims may be assigned to a claims adjuster if to do so will be a sound practice considering the claimant's history and/or the presence of "companion" indemnity claims.

Whenever a Medical Only Claim is assigned to a claims adjuster for management outside of normal procedure, a specific notation of the basis for the assignment will be made in the IVOS Notepad.

Medical Only claims assigned to an adjuster shall not be included in the caseload count for that adjuster.

First Aid Claims are classified as Incidences and shall be documented in iVOS. It is the responsibility of the assigned adjuster to manage and pay any bills if appropriate and label as Medical Only claim.

2.8.2. INDEMNITY OR DISABILITY CLAIMS

An indemnity or disability claim involves one or more of the following: temporary disability or salary continuation due, ratable permanent disability anticipated, death of the claimant, application for adjudication of claim filed, liability undetermined, medical costs over \$5,000.00, benefits due more than six months after opening of case and/or designation by the claims adjuster. The City considers a Maintenance/Future Medical claim as an indemnity claim.

Indemnity claims requiring the services of experienced claims professionals will be assigned to claims adjusters. This includes all lost time claims (claims which incur salary continuation and/or temporary disability payments as required by Labor Code Section 4850 or under the Los Angeles Administrative Code provisions addressing IOD) and all claims for which, in the judgment of the assigned claims professional, there is an issue of permanent disability, litigation, fraud, or subrogation.

A Proposer shall submit staffing models based on an average caseload level not to exceed 150 open indemnity claims; and an average caseload

level not to exceed 125 open indemnity claims. The City considers a Maintenance/Future Medical claim as an indemnity claim.

Average caseloads for claims adjusters must not exceed the caseload limit specified by the City. Only open indemnity claims are counted towards the claim adjuster's caseload. The Contractor shall exercise due diligence in regularly reviewing and closing indemnity claims that no longer require the oversight of claims adjusting personnel to ensure that caseloads are not artificially inflated.

The City shall provide Contractor with a monthly report of the indemnity caseload average. If the indemnity caseload average exceeds the adopted caseload limit sequentially for more than one (1) month, Contractor shall be subject to a reduction in its monthly fee for the second month in which average caseloads continue in excess of the limit.

The amount of the reduction shall be equal to the monthly salary, fringe benefits, and overhead of a claims adjuster. The reduction shall double for the third month of non-compliance, triple for the fourth month of non-compliance, and increase in the same manner and amount for each additional month in which the Contractor remains out of compliance.

2.9 ACCOUNT MANAGEMENT

An Account Manager shall be designated to manage and control all aspects of the daily claim administration program on a full-time, exclusive basis. This individual shall be responsible for ensuring the quality of service provided to the City as well as for promptly resolving any problems or concerns that may develop. Because of the critical nature of this pivotal position, the City shall retain the right to interview, meet, review, and approve the background, education, and experience of any potential assignee to this position at the inception of services and throughout the term of any Contract which results from this RFP.

2.10 FINANCIAL AUDIT

Contractors providing services to City will be responsible for the verification of the legitimacy of payments made to service providers and for the disbursement of benefits to City employees through City's check issuance process. City, therefore, reserves the right for staff of its Office of the Controller or designee to conduct audits of financial accountability procedures. Contractor is required to cooperate fully with any audits by the Office of the Controller.

2.11 PROJECT COST

Proposers shall provide a consistent structure to describe uniform incremental costs to provide the required services. This approach will enable the City to evaluate and compare each proposal consistently and reduce any potential for misinterpretation. Proposals must include a separate analysis for the provision of each of the following services:

- Fire Sworn, Fire Civilian, and conflict claims (Personnel and City Attorney)
- Police Sworn and Police Civilian

Each Proposal will also include a method to adjust the monthly service fee based on an increase or decrease in claim activity.

Each Proposal must include a separate plan and pricing structure for the management of maximum indemnity caseloads of 150 and 125. Cost summary and cost detail forms are provided in Appendix 2.

Claims volume can be found in Section 2.3 PROGRAM SIZE AND ACTIVITY.

2.12 PROJECT COST REQUIREMENTS

Each proposal must include a breakdown of annual costs for required services, based on the estimated new claim activity and take-over volume in Section 2.3) above. Each of the two required cost estimates must include a list of all proposed staff, an organization chart showing supervisory positions and reporting relationships and a breakdown of costs per staff member or function.

1. Fire Sworn, Fire Civilian, and conflict claims
2. Police Sworn and Police Civilian

Any future cost increases should be indicated on pricing sheets with justification.

2.13 BREAKDOWN OF COSTS

Proposers must provide a complete breakdown of the service fees and complete the Cost Summary and Cost Detail forms in Appendix 2. A clear and concise description of the service fees should be included. This description may be in a narrative or chart form of presentation, with an emphasis on giving as precise a breakdown of costs as possible. All non-recurring costs shall be specifically identified. Clearly identify any rate increase per year.

2.14 ADJUSTMENTS TO SERVICE FEE FOR INCREASING/DECREASING CASELOADS

Each Proposal shall include a specific strategy for adjusting the proposed monthly service fee on the basis of increases and decreases in the assigned caseloads.

2.15 SAMPLE CONTRACT

A Sample Contract containing basic requirements (Exhibit B) is attached. Proposers must review and accept Sample Contract terms or propose revisions to the Sample Contract. City may at its sole discretion deduct Evaluation Factor scores or reject any Proposal in its entirety if the proposed revisions are material.

Proposer's response to the Sample Contract must include:

1. A statement of Proposer's acceptance of or exceptions to all terms and conditions listed in Sample Contract.
2. For each exception, the Proposer must include
 - i. The Contract Section
 - ii. Reason(s) for exception with full explanation
 - iii. Proposed revision

Indicate all exceptions to the Sample Contract by providing a 'red-lined' version of the paragraphs in question.

The City reserves the right to make changes to the Sample Contract at its sole discretion.

A Final Contract will be developed based on the Sample Contract after the City issues an award to the selected Proposer(s).

2.16 SERVICE STANDARDS

Each Proposal shall include a copy of the Proposer's service standards, in the form of procedure manuals and policy statements.

Service standards will be based on performance measures that emphasize how effectively a service is being provided. Performance measures must meet the following criteria:

- The service or activity being measured must be significant.

- The service or activity must be quantifiable.
- The measures must mean the same wherever used in the organization.
- The measures must be expressed in simple familiar terms.
- The measures must be easy to retrieve, prepare, and report on.

Only one copy of the above procedure manuals/policy statements is required and should be included with the original of the Proposal. Copies are not required with the additional copies of the Proposal.

2.17 INVESTIGATIONS

Proposals will describe the Proposer's established procedures for initial evaluation of compensability, and will include criteria utilized to determine whether or not additional investigation is necessary, up to and including criteria for assignment of sub-rosa field investigations. This description should include procedures regarding obtaining employee statements, contact with the supervisor and/or physician, witness/coworker statements, follow-up contacts with the employee, and the methodology for evaluation of the quality of investigative efforts.

The City has an aggressive fraud program to identify, investigate, and prosecute workers' compensation abuse and fraud. Each Proposal must describe procedures for detecting, investigating, and resolving potentially fraudulent and/or abusive claims. The role and responsibility of the claims adjuster in the fraud abatement process should be specifically discussed, as well as any additional resources recommended or training provided in this area.

Proposals should clearly indicate an understanding of the processes involved in the identification, investigation, and prosecution of workers' compensation fraud, including illegal or unethical activity by medical providers, attorneys, billing/photocopy services, etc.

2.18 TRANSITION

Each Proposal shall include an outline of anticipated activities associated with the transition of claims from the current Contractor to the Proposer, if selected as the new Contractor and a timeline for implementing all required services.

The City will be responsible for arranging the relocation of all claim files to Contractor's dedicated office. To ensure the least disruption during the

transition phase, the Contractor is expected to unpack, sort, and be able to provide the City with full access to all claim files within one week of the inception of services.

The Contractor shall be fully capable of providing complete services for all new claims under the Contract on the effective date.

SECTION 3

PROPOSAL QUESTIONNAIRE

QUESTIONNAIRE INTRODUCTION AND INSTRUCTIONS

3.0 Introduction

The questions included in this RFP are intended to solicit important background information about your firm and fully disclose the data points upon which Proposers will be evaluated. The City is not evaluating firms utilizing any information other than what is outlined within this RFP. Responses to this section along with documents required to be submitted pursuant to Part B of this RFP are necessary for the proposal to be considered responsive.

3.1 Instructions

- Do not alter the questions or question numbering.
- Complete all appropriate sections of the questionnaire.
- To obtain an electronic version of the questionnaire, please contact the Contract Administrator.
- Provide an answer to each question even if the answer is “not applicable” or “unknown.”
- Answer the question as directly as possible.
 - If the questions asks, “How many...” provide a number
 - If the question asks, “Do you...” indicate Yes or No followed by any additional brief narrative explanation to clarify.
- **Be concise in your response.** Use bullet points as appropriate. Consider how to word any response that exceeds 200 words in length so that the response contains the most important points you want displayed.
- Do not respond to a question solely by referring to a document or material that is not otherwise included within your proposal. If referring to such documents or materials, you are nevertheless responsible for summarizing the content in order for you to be deemed responsive with respect to that question.
- Referring the reader to attachments for further information should be avoided or used on a limited basis. Any response that does not directly address the question, but only contains marketing information, will be considered non-responsive.

A. INTRODUCTORY QUESTIONS

Responses to the following are required in order for your Proposal to be considered responsive but will not be rated.

3.2.1 Cover Letter and Proposal Declaration - Provide a cover letter and Proposal Declaration to include the following:

- Title of RFP and submission date
- Contact name of person authorized to bind the proposer to the Proposal
- Contact Name/Title:
- Mailing Address:
- Location of Business (if different from mailing address):
- Type of legal entity (corporation, limited liability company, joint venture, partnership, etc.)
- A short description of your organization, the businesses in which it engages and the services it provides.
- Telephone Numbers (Office, Cell, and 24-hour lines):
- E-mail Address:
- Date entity was established and location of entity when established
- Location of headquarters (full address) and, if your firm has more than one office location, which of your firm's offices will service this account.
- Annual revenues
- Total number of employees
- Total number of employees in the City
- Total number of employees in the County of Los Angeles
- Number of employees reported in whose exclusive, primary work location is in the County of Los Angeles
- Number of employees providing services for this contract
- The following statement:

"The undersigned hereby offers and agrees to furnish the services in compliance with all the service level requirements, instructions, specifications, and any amendments contained in this RFP document and any written exceptions in the offer accepted by the City. This proposal is genuine, and not a sham or collusive, nor made in the interest or on behalf of any person not herein named; the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham proposal, or any other person, firm or corporation to refrain from submitting a proposal; and the proposer has not in any manner sought by collusion to secure for itself an advantage over any other proposer."

- A signature submitted on behalf of the Proposer by an officer authorized to bind the proposer to the proposal, acknowledging:

- i. Receipt of and agreeing the submitted Proposal is based on the RFP and any identified addenda.
- ii. Failure to indicate receipt of addenda may result in the proposal being rejected as non-responsive.
- iii. To constitute a responsive proposal all pages of the proposal questionnaire and required forms must be submitted.
- iv. Under penalty of perjury under the laws of the State of California that the proposal is true and correct and the proposer agrees to the terms and conditions in the proposal.

3.2.2 City Business License Number or Vendor Registration Number - Indicate your City Business License Number or Vendor Registration Number if available. A license or registration number is not required for your proposal but will be required prior to execution of a contract. To obtain a Business Tax Registration Certificate (BTRC) or Vendor Registration Number call the Office of Finance at (213) 473-5901 and pay the respective business taxes. The address is as follows: City of Los Angeles, City Hall, Room 101, Office of Finance, 201 North Main Street, Los Angeles, CA 90012 – <http://www.lacity.org/finance/>).

3.2.3 California Revenue and Taxation Code - Fill out and submit the appropriate California Revenue and Taxation Code form, if applicable (for out of state vendors).

3.2.4 Compliance with Standard Provisions - Provide a statement indicating that your firm will comply with the City of Los Angeles General Contracting Provisions attached to this RFP in Part B, including the Standard Provisions for City Contracts (Rev. 10/17 [v.3]). Please note that your statement does not relieve you from providing all of the documents required pursuant to the “Proposal Response Checklist.”

3.2.5 Insurance - The City is estimating that the following insurance coverage types will apply to this contract:

- Automobile Liability (\$250,000)
- Workers Compensation (\$1,000,000)
- General Liability (\$1,000,000)
- Fidelity Bond/Crime Insurance (\$2,000,000)
- Crime Coverage: Insurance with limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Contract, and naming the City as loss payee:
 - Employee Dishonesty: \$1,000,000
 - Forgery or Alteration: \$1,000,000
 - Theft, Disappearance and Destruction: \$1,000,000

- Computer Fraud: \$1,000,000
- Burglary and Robbery: \$1,000,000
- Professional Liability: \$25,000,000
 - Tech Errors and Omissions
 - Cyber Privacy
 - Data Breach

The successful Proposer will be required to provide to the City a performance bond in the amount of not less than two million dollars (\$2,000,000) prior to the award of Contract and executed by a corporate surety licensed to transmit business in the State of California.

Please verify that you will be able to meet the required coverage levels and that you will submit proof of such pursuant to Part B, “General Contracting Requirements - Insurance Requirements,” as a condition of execution of any final contract (see Part B, “Standard Provisions – Insurance Requirements” for further details). Note that if the proposer is a sole owner company with no employees, the proposer can sign the City’s waiver of workers compensation. General Liability can also be obtained through the City’s SPARTA program for small contractors. Links to the City’s waiver form and SPARTA program from the City’s Risk Management website are provided as follows:

<http://www.2sparta.com/>

<http://cao.lacity.org/risk/waivewc.pdf>

3.2.5 Lobbyist Disclosure – Disclose any (1) arrangements your company has with any lobbyists and/or agents representing your company, and (2) any arrangements your company has with an unrelated individual or entity with respect to the sharing of any compensation, fees, or profit received from or in relation to the proposing company being awarded a Contract with the City. If any such arrangements exist, describe the nature of the relationship and the manner in which compensation or fees would be shared.

3.2.6 Endorsement Disclosure – Disclose any financial relationship your company has with any union, organization or association in conjunction with an endorsement. Provide details regarding the relationship, including any benefit that will be recognized by the union, organization or association in the event your company is awarded a Contract with the City.

3.2.7 Subcontracting - If any portion of the Contract is to be subcontracted, it must be clearly set forth as to the part(s) to be subcontracted, the reasons for the subcontracting and a listing of subcontractors. For each subcontractor proposed, provide the following information:

- i. The specific service being subcontracted
- ii. Name of Subcontractor
- iii. Subcontractor's Contact Name
- iv. Contact Title
- v. Contact Phone Number
- vi. Mailing Address
- vii. Location of Business (if different from mailing address)
- viii. Business Telephone Number
- ix. Subcontractor's registration # and/or license #, if applicable
- x. Description of Work to be Subcontracted
- xi. Reason for Subcontracting
- xii. Percent of Total Contract to be Subcontracted & Dollar Amount
- xiii. Relevant work experience in years and level of responsibility
- xiv. Experience in number of years that your firm has worked with the Subcontractor providing these services
- xv. If subcontractor is a MBE, WBE, LBE, SBE, EBE, or OBE
- xvi. If subcontractors will not be utilized, so indicate here.

3.2.8 QUALIFICATIONS

The following questions below will be rated.

#	Question	Response
Organizational Background and Experience		
1	Please provide an overview of your organization and organizational structure, to include the name of your parent company (if you have one), the nature of its business, the name of your company, the length of time your firm has been providing the broad range of services included within this procurement, headquarters, number of clients and participants, geographic service area, and the following information:	
	Contact Title:	
	Mailing Address:	
	Location of Business (if different from mailing address):	
	Telephone Number:	
	Cell phone Number:	
	E-mail Address:	
	Remittance Address (if different from mailing address):	
	Date company was established and location of company when established:	

	Location of headquarters:	
	Total number of employees:	
	Total number of employees in the City of Los Angeles and Southern California:	
	What type of Business Enterprise is your organization? Please refer to Section 4.23.	
2	Is your company a subsidiary or affiliate of another company? If yes, describe the nature of the business of the parent firm. Provide full disclosure of all direct or indirect ownership. Indicate what percentage of the total company revenues your company represents for each of the last 3 calendar years.	
3	What is the last date when your organization had a change in its business structure, whether through an acquisition or divestiture or through an alliance arrangement? If applicable, how did this change in business affect the recordkeeping business?	
4	Describe any change in senior management (including CEO, CFO, CIO, or other executive management) in the last five years. Indicate the average tenure (in years) of senior management.	
5	Please provide a description of the methodology the Proposer will use to meet Contract work requirements. Describe in detail how the services will be performed to meet the intent of the Statement of Work.	
6	What percentage of services solicited in this RFP would be outsourced to other firms or sub-contracted? For services representing more than 5% of the total fee proposed for this RFP, identify all providers and their functions.	
7	If applicable to proposal, please provide the following information for each proposed subcontractor. If subcontractors will not be utilized, so indicate:	
	Subcontractor's name, mailing address, phone number:	
	Subcontractor's contact name, title, phone number:	
	Subcontractor's registration # and/or license #, if applicable:	
	Description of work to be subcontracted:	
	Reason(s) for subcontracting:	
	Percentage of total contract to be subcontracted and dollar amount:	

	If subcontractor is an MBE, WBE, OBE, SBE, EBE, or UBE	
8	Please provide your organization's revenues and net profits for the last three calendar years.	
9	Please provide your organization's revenues and net profits for providing the range of services (i.e. workers' compensation claims administration) included in this procurement for the last three calendar years.	
10	What percentage of your services solicited in this RFP would be outsourced or subcontracted to U.S. and non-U.S. service providers? Identify all U.S. and non-U.S. providers, their functions, and the percentage of work that would be performed by them under this contract.	
11	How many proposals have you submitted in the last three years in response to public sector RFPs for Third Party Administrator services for workers' compensation claims management? How many of these resulted in your selection to provide services?	
12	Provide a comprehensive list of your company office locations in order of the following: 1) Los Angeles area offices, 2) California area offices, 3) United States offices, and 4) offices abroad. Identify which locations will be used to manage services under this contract, and the extent of services to be performed at each location.	
13	Indicate the total number of employees in your firm as of 12/31/18, 12/31/17, and 12/31/16.	
14	Provide the name, position, resume, employment date(s) with your organization, geographic location, and a description of duties for key personnel who are expected to work on this contract during its duration. Please also provide the expected availability and number of hours per day, month, and year each employee will be assigned to work on this contract and organization chart.	
15	Describe any changes in direct management - the day-to-day staff who provide the administrative, information technology, and other direct management of the account - over the last two years. For the work unit(s) that you would propose servicing the City's Plan, what was the total staff turnover for 2018, 2017, and 2016? Provide the number of full-time employees and percent of staff turnover. Explain how you will manage excessive staff turnover.	
External Agency Information		
16	Please provide the most recent ratings for your company by the following: a) Standard and Poor's b) Duff and Phelps c) A.M. Best d) Moody's	

	If your firm is not rated, submit documentation of a similar nature which attests to your firm's financial stability.	
17	Has there been any change in your ratings in the last two years? If yes, please explain the nature and reason(s) for the change.	
18	Please provide your three largest current public sector TPA clients in the following format: • Client name: • Contact name: • Address: • E-mail address: • Phone number: • Number of employees covered: • Contract start date: • Contract end date: • Short description of services provided:	
19	Please provide your three former public TPA clients that most recently discontinued services in the following format: • Client name: • Contact name: • Address: • E-mail address: • Phone number: • Number of employees covered: • Contract start date: • Contract end date: • Short description of services provided:	
20	Please provide your three public TPA clients that most recently retained your services in the following format: • Client name: • Contact name: • Address: • E-mail address: • Phone number: • Number of employees covered: • Contract start date: • Contract renewal date: • Contract end date: • Short description of services provided:	

21	Please provide your latest State Audit scores.	
22	Are there any outstanding legal actions pending against your organization? If so, please explain the nature and current status of the action(s) to the extent possible. What guarantees can you provide that these actions will not disrupt your business operations or impact the City's account if you were awarded a contract?	
Regulatory and Contractual Actions		
23	Has your company been the subject of any complaint filed with any state or federal regulatory agency or office in the past five years? Has your company ever had a license to do business, an agent/broker license or any other insurance license revoked or suspended? Has your company ever been reprimanded or otherwise cited by a licensing agency? If any of these apply, please describe fully.	
24	Disclose the extent to which your business has been sued or had other legal action initiated by clients, within the last five years.	
25	Identify and describe any past, pending or threatened judicial or administrative litigation (including lawsuits or protests) in which you have litigated against a client or prospective client, within the past five years, related to the type of services you are proposing. Indicate the reasons for the lawsuit/protest and the outcome. Provide contact information for the entity sued or challenged.	
26	Describe any incident within the past five years in which your business has had a contract terminated for default. Termination for default is defined as notice to stop performance due to your organization's non-performance or poor performance and the issue was either not litigated or litigated and such litigation determined your organization to be in default. Submit full details of all termination for default experienced by your firm during the past five years including the other party's name, address, telephone number and your firm's position on the matter. If your firm has experienced no termination for default in the past five years, so indicate.	
27	Has your company or its subsidiaries ever filed or been petitioned into bankruptcy or insolvency or has your company ever made any assignment for the benefit of your creditors? If so, provide complete details.	
28	Describe what procedures and policies you have in place to protect against, and provide disclosure of, any potential or perceived conflict of interest involving relationships your firm may have with the City's current or prospective service providers, governing authorities, advisors, or other interested parties.	

SECTION 4

PROPOSAL FORMAT AND SUBMISSION REQUIREMENTS

Proposals must be based only on the material contained in the RFP, Pre-Proposal Conference responses, amendments, addenda and other material published by the City relating to the RFP. The Proposer must disregard any previous RFP draft material. Proposals must be submitted in accordance with the requirements set forth in this RFP.

4.0 ADDENDUM(A)

The City reserves the right to issue addendum(a) to this RFP, which may add requirements that must be met in order for a proposal to be considered responsive. All Proposers must acknowledge any addendum(a) issued as a result of any change in this RFP on the Proposer Signature Declaration Page. Failure to indicate receipt of addendum(a) may result in a proposal being rejected as non-responsive.

4.1 IN WRITING

All proposals must be submitted in writing and Proposers shall complete and return any and all applicable documents including but not limited to written responses, questionnaires, forms, appendices, spreadsheets, and any electronic files. The City may deem a proposer non-responsive if the Proposer fails to provide all required documentation, copies, or electronic files and eliminated from further consideration in the evaluation process.

4.2 COVER LETTER

Each proposal must include a cover letter limited to two pages. The cover letter must include the title, address, email address, and telephone number of the person or persons who will be authorized to represent the proposer.

4.3 BEST OFFER

The Proposal shall include the Proposer's best terms and conditions. Submission of the proposal shall constitute a firm and fixed offer to the City that will remain open and valid for a minimum of 12 months from the submission deadline.

4.4 AUTHORIZED SIGNATURES

Proposals must be signed by a duly authorized officer eligible to sign contract documents and authorized to bind the company to all commitments made in the proposal. A non-officer individual, with the authority to bind the Proposer to a contract, is sufficient to sign all applicable documents for the purpose of this RFP. Consortiums, joint ventures, or teams submitting proposals will not be considered responsive unless it is established that all contractual responsibility rests solely with one proposer or one legal entity. The proposal must identify the responsible entity.

4.5 NUMBER OF PROPOSAL COPIES REQUIRED

Proposers are required to submit:

- **One (1) original written proposal** sent to the City of Los Angeles proposal delivery address which includes all required responses to Part A (see specific instructions in Section 3) and Part B, with all documents signed in ink; and
- **Four (4) copies of the written proposal** sent to the City of Los Angeles proposal delivery address which includes all required responses to Part A and Part B, with all documents; and
- **One (1) electronic (USB drive) copy** of your Part A and Part B response in Adobe PDF, Microsoft Word, and/or (questionnaire only) Microsoft Excel formats sent to the City of Los Angeles proposal delivery address (see Section 4.6 for further information).

Original and copies should be identified as such. If any proposal contains any trade secrets or other proprietary information that the proposer claims is exempt from disclosure under the California Public Records Act (see Section 6.0 of this RFP), then one (1) redacted copy of the proposal must also be submitted in addition to the original version. Written proposals must be presented in a sealed envelope or box. Proposer must enter the title and proposer's name on the outside of the envelope or box. Sealed proposals are to be delivered to the address listed in this RFP no later than the stated proposal submission deadline.

Certain efficiencies in how proposals are prepared and submitted are requested in order to facilitate the review, storage and recycling processes for proposal materials. Economy in presentation and packaging is preferred over materials which are not easily reproduced, create unnecessary waste, or are awkward to store. **Please do not submit materials in plastic binders.** Each response

should have the bulk of its contents prepared on standard 8½ x 11 paper. Non-essential promotional materials and over-sized materials should be avoided wherever possible except as otherwise requested within the RFP.

4.6 ELECTRONIC (USB DRIVE) SUBMISSION

In addition to the written copies of the proposal, Proposers are required to provide a copy of the proposal in Adobe PDF, Microsoft Word, and/or (questionnaire only) Microsoft Excel format on a USB flash drive. Redacted versions should be sent separately and identified as such. The USB flash drive containing the proposal versions should be labeled with the firm name and title of this RFP and placed in a sealed envelope with the firm's name written across the front of the envelope and attached or affixed inside the front cover of the original RFP response.

4.7 INFORMATION REQUESTED AND NOT FURNISHED

The information requested and the manner of submission are essential to permit prompt evaluation of all proposals. Accordingly, the City reserves the right to declare as non-responsive and reject any proposals in which information is requested and is not furnished or when a direct or complete answer is not provided.

4.8 ALTERNATIVES

The Proposer shall not change any wording in the RFP or associated documents. Any explanation or alternatives offered shall be submitted in a letter attached to the front of the proposal documents. Alternatives that do not substantially meet the City's requirements cannot be considered. Proposals offered subject to conditions and/or limitations may be rejected as non-responsive.

4.9 PROPOSAL ERRORS

The Proposer is responsible for all errors or omissions found in the proposal. Proposer will not be allowed to amend proposal documents after the Proposal Submission Deadline, except as allowed by notice by the City. The City reserves the right to make corrections for typographical errors, transposition, or other clear and apparent errors. Any changes will be dated and time stamped, and attached to the proposal.

4.10 PROPOSAL CLARIFICATION

At any phase of the evaluation process, the City reserves the right to request Proposers clarify information provided in RFP responses including clarification

of assumptions used in the RFP response. Clarifications must be submitted in writing by the requested deadline, otherwise the RFP response will be deemed non-responsive or evaluated without the benefit of the clarification requested.

To clarify information provided in RFP responses including clarification of assumptions used in the RFP response. All clarifications must be coordinated in writing with, authorized by, and made by the Contract Administrator. Clarifications must be submitted in writing by the requested deadline, otherwise the RFP response will be deemed non-responsive or evaluated without the benefit of the clarification requested.

If the City determines that all proposers failed to submit requested information or adequately responded to the same RFP question or request for data, the City may, at its discretion, issue an RFP Addendum and provide all proposers with an opportunity to provide a response to the RFP question. Responses to RFP Addendum questions must be submitted in writing by the stated deadline otherwise the RFP response will be deemed non-responsive or evaluated without the benefit of the clarification requested.

4.11 WAIVER OF MINOR ADMINISTRATIVE IRREGULARITIES

The City reserves the right, at its sole discretion, to waive minor administrative irregularities contained in any proposal.

4.12 INTERPRETATION AND CLARIFICATIONS OF RFP REQUIREMENTS

The City will consider prospective recommendations or suggestions regarding any requirements before the Pre-Proposal Conference. All recommendations or suggestions must be in writing and submitted to the Contract Administrator listed on the title page of this RFP. The City reserves the right to modify or amend any and all requirements of the RFP.

4.13 PROPOSAL SUBMISSION DEADLINE

Timely submission of proposals is the sole responsibility of the proposer. The City reserves the right to determine the timeliness of all submissions. The proposals, including all hard copies, redacted copies and electronic copies of the final proposals and proposal questionnaire must be received by the Contract Administrator at the published location and by the published due date included with this RFP. All proposals will be date and time stamped upon receipt.

4.14 LATE PROPOSALS

Proposals submitted after the Proposal Submission Deadline will not be considered. Late proposals will be date-stamped and returned unopened.

4.15 COST OF RFP

The City is not responsible for any costs incurred by proposer while submitting proposals. All Proposers who respond to the RFP do so solely at their own expense.

4.16 WITHDRAWAL OF PROPOSALS

A Proposer may withdraw a submitted proposal in writing at any time prior to the Proposal Submission Deadline. A written request, signed by an authorized representative of the proposer, must be submitted to the Contract Administrator. After withdrawing a previously submitted proposal, the proposer may submit another proposal at any time up to the Proposal Submission Deadline.

4.17 SELECTION OF VENDOR

The Proposer with the highest score based on the RFP criteria and that also satisfies all City contracting requirements will be recommended for selection. Selection is not restricted to the lowest offer or bid. Should contract negotiations not be successful with the selected Proposer, the City may, based on its exclusive discretion, negotiate with the next most qualified proposer.

4.18 REJECTION OF PROPOSALS

The City reserves the right to reject any or all proposals; to waive any minor informality in proposals received; to reject any unapproved alternate proposal(s); and reserves the right to reject the proposal of any proposer who has previously failed to perform competently in any prior business relationship with the City. The rejection of any or all proposals will not render the City liable for costs or damages.

4.19 RFP WITHDRAWAL, CANCELLATION, OTHER OPTIONS

The City reserves the right to withdraw or cancel the RFP at any time, if it deems such action necessary. If such action is taken, the City may re-issue the RFP. The City also reserves the right to contract with more than one respondent to this RFP. Furthermore, the City may exercise its right to not select any proposer from this RFP, if it determines that there was no responsive proposer.

If an inadequate number of proposals are received or the proposals received are deemed non-responsive, not qualified, or not cost effective, the City may, at its sole discretion, reissue the RFP or award a sole-source contract with a vendor.

The award of the contract is subject to the successful negotiation of the terms and conditions of an agreement.

The City reserves the right to verify all information in the Proposal. If the information cannot be verified, the City reserves the right to reduce the rating points awarded. The City reserves the right to require a pre-award interview and/or site inspection.

4.20 CONTRACT EVALUATION PROGRAM

When the term of the contract pursuant to this RFP has concluded, the City will conduct an evaluation of the Contractor's performance. The City may also conduct evaluations of the Contractor's performance during the term of the contract. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on specified criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the Contractor assigns to the Contract. A Contractor who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final City evaluation and allowed fourteen (14) calendar days to respond. The City will use the final City evaluation and any response from the Contractor to evaluate Proposals and to conduct reference checks when awarding future service contracts.

4.21 LOBBYING LAW COMPLIANCE

- a) Proposers bidding for a contract, as defined in Los Angeles Administrative Code Section 10.40.1, shall submit with their bid, the Bidder Certification Form CEC 50 as prescribed by the City Ethics Commission acknowledging and agreeing to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance.
- b) This ordinance serves to identify persons engaged in compensated lobbying activities aimed at influencing decisions of City government. Additional information regarding these restrictions may be obtained from the City Ethics Commission at (213) 978-1960 or <http://ethics.lacity.org/>.

4.22 CAMPAIGN CONTRIBUTIONS

- a) Proposers are subject to Charter Section 470(c)(12) and related ordinances. As a result, proposers may not make campaign contributions to and or engage in fundraising for certain elected City officials or candidates for elected City office from the time they submit the Proposal until either the contract is approved or, for successful proposers, twelve months after the contract is

signed. The proposer's principals and subcontractors performing \$100,000 or more in work on the contract, as well as the principals of those subcontractors, are also subject to the same limitations on campaign contributions and fundraising.

- b) Proposers must submit CEC Form 55 to the awarding authority at the same time the Proposal is submitted. The Form requires proposers to identify their principals, their subcontractors performing \$100,000 or more in work on the contract, and the principals of those subcontractors. Proposers must also notify their principals and subcontractors in writing of the restrictions and include such notice in contracts with subcontractors. Proposals submitted without a completed CEC Form 55 shall be deemed non-responsive. Proposers who fail to comply with City law may be subject to penalties, termination of Contract and debarment. Additional information regarding these restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or <http://ethics.lacity.org/>

4.23 BUSINESS INCLUSION PROGRAM REQUIREMENTS (BIP)

It is the policy of the City to provide Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and all Other Business Enterprise (OBE) concerns an equal opportunity to participate in the performance of all City contracts. Proposers will assist the City in implementing this policy by taking all reasonable steps to ensure all available business enterprises, including MBEs, WBEs, SBEs, EBEs DVBEs and OBEs, have an equal opportunity to compete for, and participate in, City contracts. Equal opportunity will be determined by the Proposer's BIP outreach documentation as described in Part B and the Business Inclusion Program for this RFP. Participation by MBEs, WBEs, SBEs, EBEs, DVBEs and OBEs may be in the form of subcontracting. Proposers must refer to the Business Inclusion Program attachment to this RFP for additional information and instructions. BIP outreach must be performed using the Business Assistance Virtual Network (www.labavn.org). A Proposer's failure to utilize and complete their BIP Outreach as described in Part B will result in their proposal being deemed non-responsive and shall disqualify the proposal from further consideration in the evaluation process. **Schedule A of the Business Inclusion Program requirements is required to be submitted even if a Proposer does not receive any response from sub-contractors to its solicitation. The Schedule A form is NOT available and cannot be submitted electronically on LABAVN where the outreach is conducted; a hardcopy, as provided in the Standard Provisions, must be printed and submitted with original signatures by the Proposal**

Submission Deadline. Please note this RFP's published deadline for submitting the BIP Summary Sheet on <https://www.labavn.org>.

4.24 LOCAL BUSINESS PREFERENCE PROGRAM ORDINANCE

Proposers are advised that any proposal submitted and or contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.47, Local Business Preference Program (LBPP) Ordinance. The City is committed to maximizing opportunities for local businesses, as well as encouraging local businesses to locate and operate in Los Angeles County. The LBPP Ordinance allows the Department to apply additional points to the Proposal's final score under certain conditions. Proposers shall refer to Part B, Attachment 7, "Local Business Preference Program" for further information regarding the requirements and application of the Ordinance.

If applicable, proposers may choose to complete and upload the Local Business Certification Affidavit of Eligibility available on the City' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to the Proposal Submission Deadline. The City may request supporting documentation to verify qualification for designation as a Local Business. Only those proposers who apply and qualify for a Local Business designation (or otherwise qualify by using a qualified Local Subcontractor) by the RFP due date will be made eligible for additional points that can be awarded under the ordinance.

Proposers seeking additional information regarding the requirements of the Local Business Preference Program Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

4.25 CONFIDENTIALITY

All documents, records and information provided by the City to the Contractor, or accessed or reviewed by the Contractor, during performance of the services will remain the property of the City. All documents, records, and information provided by the City to the Contractor, or accessed or reviewed by the Contractor and any if its employees during performance of services, are confidential (hereinafter collectively referred to as "Confidential Information"). The Contractor agrees not to provide Confidential Information, nor disclose their content or any information contained in it, either orally or in writing, to any other person or entity. The Contractor agrees that all Confidential Information used or reviewed in connection with the Contractor's work for the City will be used only for the purpose of carrying out City business and cannot be used for any other purpose. The Contractor will

be responsible for protecting the confidentiality and maintaining the security of City documents and records in its possession.

Any Confidential Information provided by the City to the Contractor, or accessed or reviewed by Contractor, during performance of services, will be made available to its employees, agents, and subcontractors only on a need to know basis. Further, the Contractor will provide written instructions to all of its employees, agents and subcontractors, with access to the Confidential Information about the penalties for its unauthorized use or disclosure.

The Contractor must not remove Confidential Information or any other documents or information used or reviewed in connection with the Contractor's work for the City from City facilities without prior approval from the City. At no cost to the City, the Contractor will, at the conclusion of services, or at the request of the City, promptly return in an organized manner that preserves and protects the documentation, any and all Confidential Information and all other written materials, notes, documents, or other information obtained by the Contractor during the course of work under the contract. The Contractor will not make or retain copies of any such information, materials or documents. The Contractor and its employees, agents, and subcontractors may have access to confidential employee personnel information; misuse of such information may adversely affect the subject individual's privacy rights and may violate various federal and State statutes. The Contractor will implement reasonable and prudent measures to keep secure employee personnel information accessed by its employees, agents, and subcontractors during the performance of services. The Contractor will advise its employees, agents, and subcontractors of this confidentiality requirement.

The Contractor shall disclose the intent to use any service provider outside the continental United States of America to handle any aspect of the work within the scope of services, and shall describe to the City's satisfaction the methods, which will be utilized to protect the City's interests and confidentiality of City records and information in doing so. The City reserves the right to approve any such service provider throughout the term of the contract at its sole and absolute discretion.

Any breach of security that occurs through Contractor's website, offices or network shall require Contractor to be responsible for notifying City and all applicants affected by such breach. The Contractor shall also be responsible for all costs associated with such notification. The Contractor shall indemnify the City for any breaches of its security and the improper disclosure of confidential information.

4.26 GOVERNMENT TAXATION FORMS

Proposers must submit the following three forms found in Part B, Attachment 5 to the awarding authority at the same time the Proposal is submitted:

- IRS Request for Taxpayer Identification and Certificate (Form W-9)
- Evidence of having applied for or obtained a tax registration account number (City of L.A. Tax Registration Certificate number and/or Vendor Registration number)
- State of California Withholding Exemption Certificate (Form 590) or Non-resident Withholding Certification (Form 587), if the proposer is located outside of California.

4.27 ON-LINE SUBMISSION OF REQUIRED DOCUMENTS

4.27.1 Equal Benefits Ordinance

Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO).

All Proposers shall complete and upload the Equal Benefits Ordinance Affidavit (two (2) pages) available on the City's Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract, the value of which exceeds \$25,000. The Equal Benefits Ordinance Affidavit shall be effective for a period of twelve months from the date it is first uploaded onto the City's BAVN. Proposers do not need to submit supporting documentation with their bids or proposals. However, the City may request supporting documentation to verify that the benefits are provided equally as specified on the Equal Benefits Ordinance Affidavit.

Proposers seeking additional information regarding the requirements of the Equal Benefits Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

4.27.2 First Source Hiring Ordinance

Unless approved for an exemption, contractors under contracts used primarily for the furnishing of services to or for the City and that involve an expenditure in excess of \$25,000 and a contract term of at least three (3) months, and certain recipients of City Loans or Grants, shall comply with the provisions of Los Angeles Administrative Sections 10.44, et seq., First Source Hiring Ordinance (FSHO). Proposers shall refer to Attachment 6, "First Source Hiring Ordinance," for further information regarding the

requirements of the Ordinance. The First Source Hiring Ordinance Compliance Affidavit shall only be required of the Proposer who is selected for award of a contract.

4.27.3 Slavery Disclosure Ordinance (SDO) / Disclosure of Border Wall Contracting Ordinance (DBWCO)

Bidders/Proposers are required to complete a streamlined Disclosure Ordinance Affidavit web form that is located on the City of Los Angeles' Business Assistance Virtual Network (BAVN) at www.labavn.org. Bidders/Proposers are responsible for creating a BAVN profile and completing and submitting the affidavit. See below for additional details about the SDO and the DBWCO.

Slavery Disclosure Ordinance (SDO):

Unless otherwise exempt, in accordance with the provisions of the Slavery Disclosure Ordinance, any contract awarded pursuant to this RFQ will be subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code.

All Bidders/Proposers shall complete and submit the Slavery Disclosure Ordinance Affidavit available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract.

Bidders/Proposers seeking additional information regarding the requirements of the Slavery Disclosure Ordinance may visit the Bureau of Contract Administration's website at <http://bca.lacity.org>.

Disclosure of Border Wall Contracting Ordinance (DBWCO):

Any contract awarded pursuant to this RFQ is subject to the disclosure requirements of the Disclosure of Border Wall Contracting Ordinance (DBWCO), LAAC Section 10.50 et seq. Bidders/Proposers shall complete and submit a DBWCO Affidavit to www.labavn.org prior to contract execution.

Bidders/Proposers seeking additional information regarding the requirements of the DBWCO may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

4.28 AMERICANS WITH DISABILITIES ACT

As covered under Title II of the Americans with Disabilities Act, the City does not discriminate on the basis of disability and, upon request, will provide reasonable accommodations to ensure equal access to its proposals, programs, services and activities. If an individual with a disability requires accommodations to attend the Pre-Proposal Conference, please contact the Contract Administrator at least five (5) working days prior to the scheduled event.

4.29 FAIR CHANCE INITIATIVE FOR HIRING ORDINANCE

City contractors and subcontractors with 10 or more employees are prohibited under Los Angeles Administrative Code Section 10.48 from seeking a job applicant's criminal history information until a job offer is made. These City contractors are also prohibited from withdrawing a job offer unless the employer performs an assessment of the applicant's criminal history and the duties of the position (contractors and subcontractors must also comply with State requirements regarding the use of criminal history information in the job application process). Contractors and subcontractors are required to include information regarding the ordinance in all job solicitations and advertisements and to post notices informing job applicants of their rights. Additional information and forms may be found on the Department of Public Works, Bureau of Contract Administration website at <http://bca.lacity.org/>.

4.30 IRAN CONTRACTING ACT OF 2010

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City for goods and services estimated at \$1,000,000 or more, are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

4.31 BOND ASSISTANCE PROGRAM

For those Contractors wishing to bid on City projects but are experiencing difficulty obtaining the required bid, performance and payment bonds, the City provides bonding assistance through the Los Angeles Bond Assistance Program (BAP LA). For more information regarding the BAP LA, please go to the City's Risk Management website at <http://cao.lacity.org/risk>.

4.32 REFERENCES

Each Proposal shall include a minimum of three (3) references of current or recent clients for whom terms and services similar to those required in this RFP were provided for a minimum of two years. Include the name, address, telephone number and email address of a key contact person who is familiar with the type

and quality of service provided. The City may, at its option, contact other known Proposer's clients for references. In addition, all Proposals must provide the following:

- A complete, unabridged list of public agency clients services under contract by the Proposer with the last twelve (12) months out of the proposed service location and throughout California. Indicate the ratio of public sector clients to private sector.
- A list of audits conducted and made public by the Department of Workers' Compensation and/or Self-Insurance Plans of claims administered by the Proposer within the last three (3) calendar years. This list is to include whether the audit was targeted or random, the service location of the audit, whether the audit was performed by the self-insured or the claims administrator, the date of each audit, the outcome in terms of penalties or appeals, and the specific violations for which any penalties were assessed. At the request of the City, the Proposer will provide a complete, unabridged copy of the audit to City.

4.33 CORPORATE CAPABILITY

Proposers shall provide a summary of the relevant historical background of the Proposer as a corporation or other entity, and adequate documentation on the financial status of the firm, which will permit the City to evaluate the Proposer's ability to provide the required services for the duration of the Contract period.

Proposals shall include a copy of the most recent audited financial statement for the organization submitting the Proposal. If the audited financial statement is of a parent company or other named entity, clearly indicate that portion(s) of the report that directly addresses the financial solvency and corporate capability of the Proposer. The most recent SOC-1 and SOC-2 (System and Organization Controls Report) or any City approved equivalent independent analysis shall be included. If no independent analysis exists, the City reserves the right to require such an analysis during the Contract period at the cost of the Proposer.

Proposers shall indicate any complaints filed for any reason against the Proposer with any regulatory agency.

SECTION 5

EVALUATION OF PROPOSALS

5.0 Review Process

Proposals received by the Proposal Submission Deadline as specified in this RFP will be evaluated as outlined below.

Preliminary Review – Level One

Proposals will be reviewed to determine completeness of required documentation and compliance with the City's administrative and General Contracting Requirements. Proposers who fail to submit or complete required documentation and/or satisfactorily comply with the City's requirements will be deemed as non-responsive, eliminated from further consideration, and will not proceed to the Level Two review process. Proposers will be notified in writing or email regarding the results of the Level One review.

Proposal Evaluation - Level Two

A Review Committee will be designated to evaluate/score the proposals and generate recommendations for selection. Following the selection, the award of the contract is subject to successful negotiation of the terms and conditions of an agreement.

- 1) **Written Responses** – All written responses to Section 3 of the RFP questionnaire and Section 2 Statement of Work will be considered and evaluated.

While cost is clearly important in the determination of a final successful Proposer, the technical competence of the Proposer and the overall cost of risk are significant factors in the basis for a final decision. City reserves the right to conduct interviews of key personnel regarding any aspect of the Proposal, visit the Proposer's facility and/or to request additional information about any part of the Proposal.

Award of the Contract will be made to the Proposer(s) with the best combination of price, experience, quality of service delivery, Proposal compliance, and any past contractual relationship with City. Awards are not restricted to the lowest offer or Proposal. The City may award Contracts to more than one Proposer.

The Proposer(s) to whom a Contract is awarded will be required to enter into a written Contract with City in a form approved by the City Attorney. The applicable provisions of the “Standard Provisions for City Contracts” will be incorporated into and made part of the final Contract. The “Contractor agrees to comply with all applicable Standard Provisions”.

The City retains the right to select a proposal other than the proposal receiving the highest number of points if the City determines, in its sole discretion, another Proposal is the most overall qualified, cost-effective, responsive, responsible, and in the best interests of the City.

5.1 Review Criteria

Evaluation of submitted proposals will be based on the following factors and the weights associated with each factor.

EVALUATION CATEGORY	WEIGHT
Evaluation of Project objectives and description of services provided; Understanding of the Scope of Work	15
Staffing and Project Organization: Proposed Staffing Model	15
Professional qualification, specialized experience and technical competence of the Project Team	15
Past performance and experience on other Projects/Contracts involving self-insured governmental entities and/or private industry	20
Fraud and Quality Control Measures	15
Cost	15
Adverse Audit	5

5.2 Proposal Protest

Level One - Preliminary Review

Proposer may file a protest regarding disqualification at the Level One review (see Section 5.0, "Preliminary Review – Level One".) A Notice of Protest must be filed in writing and submitted to the Contract Administrator within five (5) calendar days of the notification of disqualification date. The Notice of Protest must clearly state the grounds for the protest and the facts on which they are based. The Personnel Department General Manager will respond to a protest within 15 business days of receiving it. The decision of the Personnel Department General Manager will be final.

Level Two - Award of Contract Recommendation

Proposers may file a protest regarding the award of the contract. A Notice of Protest must be filed in writing and submitted to the Contract Administrator within seven (7) calendar days of the date the City makes its final vendor selections pursuant to this RFP. The Notice of Protest must clearly state the grounds for the protest and the facts on which they are based. A protest based on non-selection alone or disagreement with the award of the contract is not sufficient grounds for a protest.

The Personnel Department General Manager will respond to a protest within 15 business days of receiving it. The decision of the Personnel Department General Manager will be final.

SECTION 6

GENERAL TERMS & CONDITIONS

6.0 Property of City/Proprietary Material

All proposals submitted in response to this RFP will become the property of the City and subject to the California Public Records Act (California Government Code Section 6250 et seq). Proposers must identify all trade secrets or other proprietary information that the proposers claim are exempt from the Public Records Act. The City Attorney will make an independent determination regarding whether the identified information is disclosable.

In the event a Proposer claims such an exemption, the Proposer is required to state in the proposal the following: "The Proposer will indemnify the City and its officers, employees and agents, and hold them harmless from any claim or liability and defend any action brought against them for their refusal to disclose trade secrets or other proprietary information to any person making a request therefore."

Failure to include such a statement will constitute a waiver of a Proposer's right to exemption from this disclosure.

6.1 Pre-Award Negotiations

Prior to award of the Contract, the successful Proposer(s) may be required to attend negotiation meetings that will be scheduled at a later date. The intent of the meeting(s) will be to discuss and negotiate contract requirements, prices/premiums, service level agreements, detailed scope of work specifications, ordering, invoicing, delivery, receiving and payment procedures, etc. in order to insure successful administration of the contract.

6.2 Execution of Contract

Unless otherwise stated, Proposals submitted will be irrevocable for a period of one-year following the proposal due date. A contract will be developed following action by the Board.

Any contract made pursuant to this RFP must be accepted in writing by the Proposer. If for any reason Proposer should fail to accept the contract in writing,

then the Proposer may be deemed non-responsive and the City may commence contract negotiations with another proposer.

Please note that the City takes a legal approach whereby all contracts contain an order of precedence. In the event of a discrepancy between the provisions of the Contractor's documents and the City's documents, the City's documents take precedence with respect to resolution of the discrepancy.

6.3 Amendments/Modifications/Change Orders

Any amendments, adjustments, alterations, additions, deletions, or modifications in the terms and/or conditions of the resultant agreement must be made by written amendment/change order approved by the City Contracting Authority, the Contractor, and signed by the City Attorney. If Contractor performs any modification without a written amendment/change order, the City will neither pay for nor be obligated to accept said modification.

6.4 Prime Contractor

The Proposer awarded the contract must be the prime Contractor performing the primary functions of the contract. If any portion of the contract is to be subcontracted, it must be clearly set forth in the proposal document as to what part(s) are to be subcontracted, the reasons for the subcontracting, and a listing of subcontractors. The City reserves the right to reject any proposal wherein use of subcontractors significantly affects the ability of the Proposer to function as the prime Contractor on the awarded contract. The prime Contractor will at all times be responsible for the acts and errors or omissions of its Subcontractors or joint participants and persons directly or indirectly employed by them.

6.5 Subcontractors/Joint Ventures

Acceptance or rejection of a Proposer's request to use subcontractors is at the sole discretion of the City. With written approval of the City, the Contractor may enter into subcontracts and joint participation agreements with others for the performance of portions of resultant agreement.

The provisions of the resultant agreement will apply to all subcontractors in the same manner as to the Contractor. In particular, the City will not pay, even indirectly, the fees and expenses of subcontractors that do not conform to the limitations and documentation requirements of the resultant agreement.

6.5.1 Copies of Subcontractor Agreements

Upon written request from the City, the Contractor will supply the City with all subcontractor agreements at no cost.

6.6 Supplier Performance Feedback Meetings

The Proposer awarded the resulting agreement is required to attend periodic performance feedback meetings facilitated by the Contracting Authority. The meetings will focus on the Contractor's and the City's performance in fulfilling the service level requirements contained in the contract. The meetings will provide a forum to informally discuss opportunities for improving contract terms and conditions, service level requirements, and cost reductions for both parties.

The Contractor will be responsible for preparing agendas and for distributing minutes to document such meetings within a week after each meeting, as well as any periodic reports required by City.

6.7 Replacement of Contractor's Staff

The City reserves the right to have the Contractor replace any contract personnel with equally or better qualified staff upon providing written notice to Contractor. In addition, the City reserves the right to approve in advance any changes in project personnel or levels of commitment by the Contractor to the project.

6.8 Contractor's Address

The address given in the proposal response will be considered the legal address of the Contractor and will be changed only by written notice to the City. The Contractor will supply an address to which certified mail can be delivered. The delivery of any communication to the Contractor personally, or to such address, or the depositing in the United States Mail, registered or certified with postage prepaid, addressed to the Contractor at such address, will constitute a legal service thereof. Also, telephone numbers, fax numbers and e-mail addresses (if applicable) must be provided.

6.9 Term & Option to Renew

The term of any contract(s) established pursuant to this RFP shall be for the period identified in the RFP Introduction. The City reserves the right in its sole discretion to seek an extension of the term of the contract.

6.10 Standard Contract Provision Requirements

Please carefully review the information contained in the City of Los Angeles Requirements and Checklist (Part B), including the Standard Provisions for City Contracts (Rev. 10/17 [v.3]). Compliance with these requirements and submission of necessary forms is **mandatory** at the time of submission of a proposal, prior to award of contract, or both. Accordingly, the **City reserves the right to declare as non-responsive and reject any proposals in which information is requested and is not furnished or when a direct or complete answer is not provided.** These requirements will be discussed in detail at the Pre-Proposal Conference. Failure to comply with the requirements and accept the contract provisions will render proposals non-responsive and eliminate them from consideration in the evaluation process.

6.11 Governing Law

All matters relating to the formation, validity, construction, interpretation, performance and enforcement of this RFP and the resultant agreement/contract, must comply with all applicable laws of the United States of America, the State of California and the City.

6.12 California State Sales Tax

Do not include California State sales tax in price quoted unless otherwise requested. If requested, sales tax must be identified as being included in the pricing.

6.13 California State Board of Equalization Permit

The proposer must enter the company's State of California Board of Equalization permit number on the proposal form. If the company does not have this permit, the Proposer must sign the proposal form declaring that the company has no California sales tax permit.

6.14 Federal Excise Taxes

The City is exempt from the payment of excise taxes imposed by the Federal Government. Such taxes must not be included in the proposed prices. The Department of General Services, upon request, will furnish Federal excise exemption certificates.

6.15 Periodic Independent Audit

The City reserves the right to assign an independent auditor to assess the quality of services being provided and the extent to which the vendor and its subcontractors are conducting City business within generally accepted industry standard practices. Each Contractor will be required to cooperate fully with any external audit.

6.16 Financial Audit

Firms providing services to the City will be responsible for the verification of the legitimacy of payments made to service providers and their subcontractors. The City therefore reserves the right for staff of its Office of the Controller or a designee to conduct audits of financial accountability procedures.

6.17 Proposer Background Information

Proposers must submit contact information as requested in the Proposal Questionnaire.

6.18 History of Terminated Contracts

Proposers must describe any incident within the past ten (10) years in which your business has had a contract terminated for default as requested in the Proposal Questionnaire.

6.19 Proposed Subcontractor Information

Proposers must submit subcontractor information as requested in the Proposal Questionnaire.

6.20 Verification of Prior City Contracts

Proposers are required to provide a list of all City contracts held within the past 10 years to be included in the response package for all bids and proposals. Performance on past contracts with the City will be part of the evaluation criteria. Failure to disclose this information may deem the proposal non-responsive and may eliminate the proposal from further consideration in the evaluation process.

6.21 Proposer Signature Declaration

Proposer shall provide a Signature Declaration by signing and submitting form on the following page.

Proposer Signature Declaration

The undersigned hereby offers and agrees to furnish the goods and/or routine services in compliance with all the service level requirements, instructions, specifications, and any amendments contained in this RFP document and any written exceptions in the offer accepted by the City.

This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham proposal, or any other person, firm or corporation to refrain from submitting a proposal; and the proposer has not in any manner sought by collusion to secure for themselves an advantage over any other proposer.

An officer authorized to bind the proposer to the proposal must sign each proposal on behalf of the proposer.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and I agree to the terms and conditions in this proposal.

Company Name _____
Printed Name of Authorized Person _____
Signature of Authorized Person _____
Title _____
Address _____
City, State, Zip Code _____
Date _____

The proposer hereby acknowledges receipt of and agrees this submittal is based on the RFP and the following addenda. Failure to indicate receipt of addenda may result in the proposal being rejected as non-responsive. To constitute a responsive proposal you must return all pages of the proposal forms.

ADDENDUM # _____ DATED _____ ADDENDUM # _____ DATED _____

(If additional addenda are issued, attach a complete listing when submitting this proposal.)

If not submitting a proposal please state reason and return this sheet to

*City of Los Angeles Personnel Department
Workers' Compensation Division
700 E. Temple Street, Room 210, Los Angeles, CA 90012
ATTN: Sola Oniyide*

STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of

services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
 - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
- 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
- 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
- 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR'S** discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY'S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY'S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR'S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY'S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR'S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network ("BAVN") at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR'S** principals, and **CONTRACTOR'S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the "Restricted Persons")

shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #_____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

PSC-38. Contractors’ Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act ("FACTA"), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards ("PCI DSS"). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR'S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively "Confidential Information") are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: Personnel DepartmentDate: 2/24/2020Agreement/Reference: Third-Party Administrator for Workers' Compensation Claims Management and Benefits Administration

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

✓ **Workers' Compensation (WC) and Employer's Liability (EL)**

WC StatutoryEL 1,000,000☐ Waiver of Subrogation in favor of City☐ Longshore & Harbor Workers☐ Jones Act

✓ **General Liability** 1,000,000

☒ Products/Completed Operations☐ Sexual Misconduct☐ Fire Legal Liability☐

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)

✓ **Professional Liability** (Errors and Omissions) 25,000,000

Discovery Period 12 month extended reporting period. Coverage to include Cyber Liability and Data Breach.

Property Insurance (to cover replacement cost of building - as determined by insurance company)

☐ All Risk Coverage☐ Boiler and Machinery☐ Flood☐ Builder's Risk☐ Earthquake☐

✓ **Performance Bond** 2,000,000

☐

Surety Bonds - Performance and Payment (Labor and Materials) Bonds

2,000,000

✓ **Crime Insurance**

Other: General Notes:

1. If a contractor has no employees and decides to not cover herself/himself for workers' compensation, please complete the form entitled "Request For Waiver Of Workers' Compensation Insurance Requirement" located at: <http://cao.lacity.org/risk/InsuranceForms.htm>

2. In the absence of imposed auto liability insurance requirements all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

PROFESSIONAL SERVICES AGREEMENT

Contractor: _____

Regarding: **THIRD-PARTY ADMINISTRATION
SERVICES OF WORKERS'
COMPENSATION CLAIMS MANAGEMENT
AND BENEFITS ADMINISTRATION**

Said Agreement is Number _____

Professional Services Agreement

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ATTACHMENTS

- Attachment A – Standard Provisions for City Contracts (Rev. 10/17 [v.3])
- Attachment B – Claims Management Program Requirements
- Attachment C – City of Los Angeles Confidentiality Agreement

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF LOS ANGELES
AND**

THIS AGREEMENT is made and entered into by and between the City of Los Angeles ("City"), a municipal corporation, acting by and through its Personnel Department ("Department") and _____, a California corporation ("Contractor"), with reference to the following:

RECITALS

1. City has the need for the services of a third-party administration firm to manage a portion of its workers' compensation claim review and processing; and
2. Pursuant to Charter Section 1022, City conducted a review and determined that it does not have staff or resources with sufficient time or the necessary expertise to perform the required services in a timely manner and, therefore, it is more feasible and economical and in the Department's best interest to secure these services by contract than to have employees perform the work; and
3. The City released a Request for Proposals pursuant to Charter Section 372 on **[date]** after determining that the proposed Contract is for expert and technical services of a temporary and occasional character for which bidding under Charter Section 371 is neither practical or advantageous; and
4. In response to City's Request for Proposal for such services, dated _____, Contractor submitted a proposal dated _____ which offered to provide the requested services; and
5. Contractor is duly licensed and certified under the laws of the State of California to engage in the business of providing Third-Party Administration of Workers' Compensation Claims Management and Benefits Administration, as described hereunder, and possesses the competence, expertise and personnel required to provide such services; and
6. The City selected Contractor for award of a five-year Contract, effective _____.
7. **[ADD City Council Approval]**
8. City and Contractor wish to enter into an Agreement pursuant to which Contractor shall perform the work and furnish the deliverables and provide

the services as described herein for consideration and upon the terms and conditions as hereinafter provided.

NOW, THEREFORE, in consideration of the promises and of the covenants, representations, and agreements set forth herein, the parties hereby covenant, represent, and agree as follows:

ARTICLE A – PURPOSE AND SCOPE

1. Purpose. The purpose of Contractor's work under this Agreement is to provide third party administration of workers' compensation claim management and benefits administration services.
2. Services to be Provided. As directed by City and mutually agreed to by the Parties, Contractor shall provide third party administration of workers' compensation claim management and benefits administration services, as provided in Attachment B, Claims Management Program Requirements, and perform such other functions as further articulated in this Agreement.
3. Statement of Work. Any modifications in the terms and/or conditions to this Agreement shall require the execution of a written change order or amendment, approved and signed by an authorized representative of both the requesting Department and Contractor. If Contractor performs any services not within the scope of this Agreement and without a written amendment executed by authorized representatives of both Parties, City shall neither pay for, nor be obligated to accept, such services. If there is a difference between the terms and conditions of this Agreement and the terms and conditions of its attachments, the terms of this Agreement shall take precedence.

ARTICLE B – NOTICES AND TERM

1. Representatives of the Parties and Service of Notices
 - 1.1 The representatives of the respective parties authorized to administer this Agreement, and to whom formal notices, demands, and communications will be given are as follows:
 - 1.1.1. The representative of City will be, unless otherwise stated in the Agreement:s

Wendy G. Macy
General Manager
Personnel Department
700 E. Temple Street, Room 305
Los Angeles, California 90012

With copies to:

David Noltemeyer
Workers' Compensation Division Chief
Personnel Department, Workers' Compensation Division
700 E. Temple Street, Room 210
Los Angeles, California 90012

1.1.2. The representative of Contractor will be:

- 1.2 Formal notices, demands, and communications required hereunder by either party will be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and will be deemed communicated as of the date of mailing.
- 1.3 If the name of the person designated to receive the notices, demands, or communications, or the address of such person is changed, written notice will be given, in accordance with Article I, within five (5) business days of said change.
- 1.4 If notices are sent in accordance with this section, they shall be deemed to have been delivered within three (3) business days of the date of mailing.
2. Time of Performance. The term of this Agreement will commence on _____ and will end on _____, subject to the termination provisions herein and availability of City budgeted funds.

In the event of reduction of Work actually required under this Agreement, expiration of the term of this Agreement, or termination prior to the expiration of the term of this Agreement, Contractor shall fully cooperate with City to provide for the transition to whatever service replacement method City determines to be in City's best interest.

ARTICLE C – DATA SECURITY AND PRIVACY

1. Data Ownership. City is the sole and exclusive owner of all data and information provided to Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other party under this Agreement. City Data is Confidential Information for the purposes of this Agreement. The Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. The Contractor shall not possess or assert any lien or other right against or to City Data.

The City may request an export of City Data stored within the systems or held by Contractor in any form or format at no charge to City.

Subject to the restrictions articulated elsewhere in this Agreement, City grants Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

2 Data Protection

2.1 Contractor shall use best efforts, but in no event less than information security industry standard protections, to prevent unauthorized use, disclosure, or exposure of City Data. To this end, Contractor shall safeguard the confidentiality, integrity, and availability of City Data.

2.2 Contractor shall implement and maintain appropriate administrative, technical, and organizational security measures to safeguard against unauthorized access, disclosure, or theft of City Data. Such security measures shall be in accordance with recognized industry best practices and not less stringent than the measures Contractor applies to Contractor's own non-public data of similar kind.

2.3 Unless otherwise expressly agreed to by City in writing, Contractor shall encrypt all City Data at rest and in transit and limit access to only those individuals whose access is essential for performance of the services contemplated by this Agreement.

2.4 At no time may any content or City processes be copied, disclosed, or retained by Contractor or any party related to Contractor for subsequent use in any transaction that does not include City.

3. Compliance with Privacy Laws. Contractor shall ensure that Contractor's performance of Contractor's obligations under this Agreement complies with all applicable local, state, and federal privacy laws and regulations. If this Agreement or any practices which could be, or are, employed in performance of this Agreement are inconsistent with or do not satisfy the requirements of any of these privacy laws and regulations, City and Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and Contractor shall complete and deliver any documents necessary to compliance.

4. Confidentiality Information.

4.1 Contractor understands that all original material, whether written or readable by machine, including written or recorded data, documents, graphic displays, reports, and other documentation or other materials which contain information relating to Contractor's performance hereunder

are considered confidential property of City. Contractor understands the sensitive nature of the above and therefore agrees that neither its officers, partners, employees, agents, contractors or subcontractors will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, nor other materials except as provided herein or as authorized, in writing, by City's representative. This section shall remain in effect after the termination of this Agreement until such time as the confidential information has been released by City. Contractor must submit a signed copy of the **Confidentiality Agreement**, that is attached hereto as **Attachment C**, and incorporated herein, and require it from each subcontractor. Such Confidentiality Agreement shall be reviewed annually by Contractor with its employees.

- 4.2 Contractor shall be responsible for safeguarding all City claims and property provided for Contractor's use or in Contractor's care, custody and control. At the close of each workday, checks, cases, files, supplies, equipment and computer access shall be secured by Contractor.
- 4.3 All documents, records and information provided by City to Contractor, or accessed, reviewed or produced by Contractor, during performance of this Agreement, including but not limited to employee/claimants' medical information, shall remain the property of City. All documents, records, and information provided by City to Contractor, or accessed, reviewed, or produced by Contractor during performance of this Agreement, are confidential (hereinafter collectively referred to as "Confidential Information").
- 4.4 Contractor agrees not to provide Confidential Information, or disclose its content or any information contained in it either orally or in writing, to any other person or entity. Contractor agrees that all Confidential Information used or reviewed in connection with Contractor's work for City will be used only for the purpose of carrying out City business and cannot be used for any other purpose. Contractor shall be responsible for protecting the confidentiality and maintaining the security of all Confidential Information in its possession.
- 4.5 Any Confidential Information provided by City to Contractor, or accessed, reviewed or produced by Contractor, during performance of this Agreement, shall be made available to its employees, agents, and subcontractors only on a need-to-know basis. Further, Contractor will provide written instructions to all of its employees, agents and subcontractors with access to the Confidential Information about the penalties for its unauthorized use or disclosure.
- 4.6 Contractor must not remove Confidential Information or any other documents or information used or reviewed in connection with Contractor's work for City from City facilities or Contractor's office without prior approval from City. Contractor shall, at the conclusion of this Agreement, or at the request of City,

promptly return to City any and all Confidential Information and all other written materials, notes, documents or other information obtained by Contractor during the course of work under this Agreement. Contractor shall not make or retain copies of any such information, materials or documents. Contractor and its employees, agents, and subcontractors may have access to confidential medical records information, which access is controlled by statute. Misuse of such information may adversely affect the subject individual's civil rights and violates the law.

- 4.7 Contractor shall implement such reasonable and prudent measures to keep secure and private medical history information accessed by its employees, agents and subcontractors during the performance of this Agreement as are required by law and this Agreement. Contractor shall advise its employees, agents and subcontractors of this confidentiality requirement.
5. Provision of Data. Upon termination of this Agreement for any cause or reason (including City's breach), Contractor shall provide City with a copy of all City Data in Contractor's possession in a mutually agreeable machine-readable format.
6. Data, Development, and Access-Point Location. Contractor shall provide its hosting services to City and its end users solely from data centers in the continental United States of America. Storage of City Data at rest shall be located in the continental United States of America. Contractor shall not allow its personnel or contractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at Contractor's continental United States of America headquarters or data centers. Contractor may permit its personnel and contractors to access City Data remotely only as required to provide technical support. Contractor shall neither access, nor allow a third-party access to the systems from any location outside of the continental United States of America. Contractor shall not provide any services under this Agreement from a location outside of the continental United States of America, absent receipt of City's express approval.
7. Data Breach. Contractor shall protect City Data using the most secure means and technology that is commercially available. The Contractor shall notify City as soon as reasonably feasible, but in no event less than twenty-four (24) hours in writing of Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach") both by phone and in writing, or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. Contractor shall begin remediation immediately. Contractor shall provide daily updates, or more frequently if required by City, regarding findings and actions performed by Contractor until the Data Breach or Security Incident has been effectively resolved to City's satisfaction. At City's request, Contractor shall retain a third party to conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with City. At City's sole discretion, City and/or its

authorized agents shall have the right to lead or participate in the investigation. Contractor shall cooperate fully with City, its agents and law enforcement. To the extent notification to affected individuals is required by state, federal, or local law, or applicable City policies, Contractor shall bear the cost of such notices, with final approval by City. If City, in its sole discretion, elects to provide affected individuals with credit monitoring and/or other identity theft services, Contractor shall bear the cost of such services.

7.1 Data Breach Liability. If City is subject to liability for any Data Breach or Security Incident, Contractor shall fully indemnify and hold harmless City and defend against any resulting actions.

8. Firewalls and Access Controls

8.1 Access Precautions. The Contractor shall use precautions, including, but not limited to, physical software and network security measures, employee screening, training and supervision, and appropriate agreements with employees to:

8.1.1 Prevent anyone other than City, Contractor, and authorized City or Contractor personnel from monitoring, using, gaining access to, or learning the import of City Data;

8.1.2 Protect appropriate copies of City Data from loss, corruption, or unauthorized alteration; and

8.1.3 Prevent the disclosure of City and Contractor passwords and other access control information to anyone other than authorized City personnel.

8.2 Security Best Practices. Contractor shall implement the following security best practices with respect to any service provided:

8.2.1 Least Privilege: Contractor shall authorize access only to the minimum amount of resources required for a function.

8.2.2 Separation of Duties: The Contractor shall divide functions among its staff members to reduce the risk of one person committing fraud undetected.

8.2.3 Role-Based Security: The Contractor shall restrict access to authorized users and base access control on the role a user plays in an organization.

8.3 Access Restrictions. Contractor shall restrict the use of, and access to, administrative credentials for City accounts and Contractor's systems to only those of Contractor's employees and other agents whose access is essential

for the purpose of providing the services of this Agreement. Contractor shall require these personnel to log on using an assigned user-name and password when administering City accounts or accessing City Data.

9. Right of Audit by City. Without limiting any other audit rights of City, City may review Contractor's data privacy and data security program prior to the commencement of this Agreement and from time to time during the term of this Agreement. During the performance of this Agreement, on an ongoing basis from time to time and without notice, City, may, by itself or by retaining a certified public accounting firm or information security professional, perform, or have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, at City's discretion and upon request by City, Contractor agrees to complete, within fourteen (14 days) of receipt, an audit questionnaire provided by City regarding Contractor's data privacy and information security program.
10. Change in Service. Contractor shall notify City of any changes, enhancement, and upgrades to Contractor's systems, or changes in other related software services, as applicable, which can impact the security of the services.

ARTICLE D – PAYMENT AND INVOICING

1. Payment Terms and Deliverables. City's total obligation under this Agreement shall not exceed _____ for the term of this Agreement for complete and satisfactory performance of the terms of this Agreement as provided in **Attachment B – Claims Management Program Requirements**.
2. Limitation of City's Obligation to Make Payments to Contractor.
 - 2.1 Notwithstanding any other provision of this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in said Agreement. Contractor agrees that any services provided by Contractor, purchases made by Contractor or expenses incurred by Contractor in excess of said appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for said services, purchases or expenses. Contractor shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until the City appropriates additional funds for this Agreement.
 - 2.2 Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Contractor shall employ additional staff for special projects

on an as-needed basis as determined by City. Compensation for such staff, and/or related expense, will be mutually agreed upon in writing when the need for such staff arises.

3. Invoicing

3.1 Contractor shall invoice City only for providing the tasks, deliverables, goods, services, and other work specified in this Agreement. Contractor shall be paid as set forth in Attachment B – Claims Management Program Requirements.

3.2 Invoices must be submitted to:

David Noltemeyer, Workers' Compensation Division Chief
Personnel Department, Workers' Compensation Division
700 E. Temple Street, Room 210
Los Angeles, California 90012

3.3 To ensure that services provided under personal services contracts are measured against services as detailed in the Agreement, the Controller of the City of Los Angeles has developed a policy requiring that specific supporting documentation be submitted with invoices.

3.4 Contractor shall submit invoices that conform to City standards and include, at a minimum, the following information:

- i. Name and address of Contractor
- ii. Name and address of City department being billed
- iii. Date of invoice, and date service was completed
- iv. Contract number or authority (purchase order) number
- v. Description of completed task and amount due for task with appropriate and complete supporting documentation
- vi. Payment terms, total due and due date
- vii. Certification by a duly authorized officer
- viii. Discount and terms (if applicable)
- ix. Remittance Address (if different from Contractor's address)

3.5 All invoices shall be submitted on Contractor's letterhead, contain Contractor's official logo, or contain other unique and identifying information such as name and address of Contractor. Invoices shall be submitted on a calendar month basis and within thirty (30) days after the month of service. Invoices submitted must be accompanied by a report detailing the staff assigned to City's account for that month. Such staffing report shall include the staff member's name, title, date of assignment to position, date of separation or absence from position, number of hours worked, pay rate, amount paid, and how fee adjustments, if any, were derived. City reserves the right to audit staffing reports and adjust billings to recover overpayments, if any. In order to facilitate

such audits, Contractor shall provide timesheets and/or payroll records upon City's request.

- 3.6 Invoices and supporting documentation must be prepared at the sole expense and responsibility of Contractor. City shall not compensate Contractor for costs incurred in invoice preparation. City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. City reserves the right to request additional supporting documentation to substantiate costs at any time prior to approval of invoice.
- 3.7 Subcontractors' Requirements Tasks that are completed by subcontractors must be supported by subcontractor invoices, copies of pages from reports, brochures, photographs, or other unique documentation that substantiates their charges.
- 3.8 ***Failure to adhere to these policies may result in nonpayment or non-approval of demands, pursuant to Charter Section 262(a)***, which requires the Controller to inspect the quality, quantity, and condition of services, labor, materials, supplies, or equipment received by any City office or department, and to approve demands before they are drawn on the Treasury.
- 3.9 City Approval of Invoices. In no event shall payment be made prior to City's verifying and approving: 1) the services were satisfactorily received; 2) the work was approved and; 3) a full and complete invoice has been submitted. Payment shall be made within thirty (30) calendar days of receipt of an approved invoice and only after such invoice has been approved for payment by City's representative. Invoices are considered complete when appropriate documentation is signed off as satisfactory by City's Fiscal Officer. Contractor expressly acknowledges, and waives the right to seek, any late fees, penalties, or interest for City's allegedly untimely payment of invoices.

ARTICLE E – REPRESENTATIONS AND WARRANTIES

1. Responsibility to Provide Services in Accordance with Applicable Standards and Requirement to Possess All Valid Permits and Licenses. Contractor represents and warrants that the work performed hereunder shall be completed in a manner consistent with professional standards among those firms in Contractor's profession, doing the same or similar work, under the same or similar circumstances. Contractor must possess and maintain valid licenses and permits required to perform the services described herein.
2. Compliance with Statutes and Regulations. Contractor, in the performance of this Agreement, shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State of California, the County and City of Los Angeles. Contractor shall comply with new, amended, or revised laws, regulations, and procedures that apply to the performance of this Agreement.

ARTICLE F – STANDARD PROVISIONS FOR CITY CONTRACTS

1. Standard Provisions for City Contracts. Contractor shall comply with the **Standard Provisions for City Contracts (Rev. 10/17 [v.3])**, attached hereto as **Attachment A** and made a part hereof.
2. Disclosure of Border Wall Contracting. Contractor shall comply with Los Angeles Administrative Code (LAAC) Section 10.50 et seq., “Disclosure of Border Wall Contracting.” City may terminate this Contract at any time if City determines that Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in LAAC Section 10.50.1.

ARTICLE G – MISCELLANEOUS

1. Insurance. Contractor shall maintain the level of insurance required in the completed Form Gen. 146, Required Insurance and Minimum Limits, which is attached as [Exhibit 1] to Attachment A, Standard Provisions for City Contracts (Rev. 10/17, v. 3). The insurance must name City as additional insured with respect to liability coverage. No policies or certificates with respect to such insurance may be cancelled or materially changed without at least 30 days’ prior written notice by the respective insurer to City.
2. Separation Assistance. In the event of separation, Contractor shall provide separation assistance to City to facilitate separation. Contractor shall further guarantee elimination from Contractor's services of all City Data upon separation.
3. Contractor’s Personnel and Subcontractors. Except as expressly provided in Subsection 3.1 below, Contractor shall use its own employees to perform the services described in this Agreement. City shall have the right to review and approve any personnel who are assigned to work under this Agreement. Contractor agrees to remove personnel from performing work under this Agreement if requested to do so by City. City reserves the right to have Contractor replace any project personnel with equally or better qualified staff upon submitting written notice to Contractor. In addition, City reserves the right to approve in advance any changes in project personnel or levels of commitment by Contractor to the project.
 - 3.1 Subcontractors. Contractor may utilize subcontractors to assist in performance of this Agreement. Notwithstanding the fact that Contractor may utilize subcontractors, Contractor shall remain responsible for performing all aspects of this Agreement. City has the right to approve Contractor’s subcontractors and City reserves the right to request replacement of a subcontractor. City does not have any obligation to pay subcontractors and nothing herein creates any privity between City and the subcontractors.

4. Non-Exclusive Agreement. Contractor understands and agrees that this is a non-exclusive agreement to provide services to City and that City has entered into contracts with other contractors and will continue to do so. City may terminate this agreement and use any of the contractors with whom City has current or future contracts and, therefore, City cannot estimate nor guarantee the volume or amount of work to be received by Contractor under this Agreement.
5. No Third-Party Beneficiaries. Nothing herein is intended to create a third party beneficiary in any subcontractor. City has no obligation to any subcontractor. No privity is created with any subcontractor by this Agreement. Even if Contractor uses subcontractors, Contractor remains responsible for complete and satisfactory performance of the terms of this Agreement.
6. Contractor's Interaction with the Media; Publicity. Contractor shall refer all inquiries from the news media to City, shall immediately contact City to inform City of the inquiry, and shall comply with the procedures of City's Public Affairs staff regarding statements to the media relating to this Agreement or Contractor's services hereunder.
7. Ambiguity. No ambiguity in this Agreement may be interpreted against any one party by virtue of that party being drafter of the Agreement. Each Party has reviewed the Agreement, understands the Agreement, and has had the opportunity to consult with Counsel of its choosing regarding the Agreement.
8. Amendments to Agreement. Any changes in the terms of this Agreement, including, but not limited to, changes in the services to be performed by Contractor, extension of the term, and any increase or decrease in pricing, must be incorporated into this Agreement by a written amendment properly executed by both parties.
9. Ratification. Due to the need for Contractor's services to be provided continuously on an ongoing basis, Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.
10. Notice of Delays. Except as otherwise provided under this Agreement, when Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of Contract, Contractor shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the City.
11. Entire Agreement. This Agreement contains the full and complete Agreement between the parties. No verbal agreement or conversation with any officer or employee of either party will affect or modify any of the terms and conditions of this Agreement.

12. Order of Precedence. In the event of any inconsistency between the provisions in the body of this Agreement and the attachments, the provisions in the body of this Agreement take precedence, followed by Attachment A, Standard Provisions for City Contracts (Rev. 10/17 [v.3]), followed by any other exhibits or attachments to this Agreement in the order in which they are attached.

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original.

(Signature Page to Follow)

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

By: _____

By: _____

WENDY G. MACY

General Manager

Personnel Department

Date: _____

Date: _____

By: _____

Date: _____

APPROVED AS TO FORM:

ATTEST:

MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, City Clerk

By: _____

By: _____

Deputy City Attorney

Deputy City Clerk

Date: _____

Date: _____

Approved Signature Methods:

- 1) Two signatures: One of the Chairman of the Board of Directors, President, or Vice-President, and one of the Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer.
- 2) One signature of a Corporate-designated individual together with a properly attested resolution of the Board of Directors authorizing the individual to sign.

City Business License Number _____

Internal Revenue Service Taxpayer Identification Number _____

Agreement Number _____

Professional Services Agreement

Attachment B – Claims Management Program Requirements

SECTION I - PROGRAM DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words or terms as used herein shall be construed to have the following meanings, unless otherwise apparent from the context in which they are used.

1. Acceptable Quality Level (AQL)

A measure expressing the maximum allowable leeway or variance from a performance standard before City will reject a specified service. An AQL does not mean that Contractor may knowingly perform in a defective way. It means that City recognizes the fact of unintentional human error. Whenever possible, Contractor must re-perform work that fails to meet AQL to correct identified defect(s).

Recognition of unintentional error does not relieve Contractor from the right of City to make adjustments to payment to Contractor under Attachment B - Contractor Payment and Adjustments to Payment, Section III.

2. ALLOCATED CLAIM COSTS

2.1. Various costs associated with evaluating the compensability of a claim and specific costs incurred in managing a claim may be charged directly to the claim. Allocated claims costs include:

- All carve-out fees and expenses
- Workers' Compensation Appeals Board or court costs, fees and expenses
- Fees for service of process
- Fees to attorneys and paralegals
- Cost of services of outside undercover investigators or operatives
- Vocational rehabilitation counselors
- Cost of employing independent experts for the purpose of preparing maps, photographs, diagrams, analysis for giving expert advice or opinions
- Cost of copies of transcripts of testimony at Coroner's Inquests for criminal or civil proceedings
- Cost of obtaining copies of any public record
- Any similar cost or expense properly chargeable to the defense of a particular claim or to protect the subrogation rights of City, or

Other costs determined by City

- 2.2. Generally, the above services are typically not performed by Contractor responsible for administration of the claims file. Allocated claims costs are not included in the fees paid to Contractor, but are subject to review by City. Any service charged directly to the claim, but for which Contractor is considered responsible, such as using a vendor for routine copying services will be disallowed.

3. California Code of Regulation (CCR)

The codification of general and permanent rules and regulations of the State of California, including the occupational health and workers' compensation program.

4. City

City of Los Angeles, California, a municipal corporation.

5. City Attorney

The City of Los Angeles governmental office providing legal counsel and services to City and its departments.

6. City Contract Administrator (CCA)

Person designated by the City's Personnel Department General Manager to manage the operations, work or services under this Contract.

7. City Contract Monitor

Person designated by the City's Personnel Department General Manager to monitor the day-to-day operations, work or services under this Contract.

8. City Personnel Department General Manager

Person designated by Mayor of the City to manage the Personnel Department. Under this Agreement, this person shall have the authority to attempt to resolve matters relating to the Agreement that are not resolved by the CCA.

3. Closed Claim

Final closure of a claim after it has been determined that all benefits and legal obligations have been met, all bills have been paid, all reports and documentation are recorded in the claim file and appropriate notification to the claimant of file closure is made.

4. Conflict Claim

A claim submitted for non-sworn City employees, which, if handled by City's in-house claims personnel, would create the potential of a conflict of interest or result in the perception of impropriety.

5. Indemnity or Disability Claim

- 5.1. An indemnity or disability claim involves one or more of the following: temporary disability or salary continuation due, ratable permanent disability anticipated, death of the claimant, application for adjudication of claim filed, liability undetermined, medical costs over three thousand five hundred dollars (\$3,500), benefits due more than six (6) months after opening of case, previously finalized claim re-opened with future medical costs (Take-Over Claim) and/or designation by the claims examiner.
- 5.2. Indemnity claims requiring the services of experienced claims professionals will be assigned to claims examiners. This includes all lost time claims (claims which incur salary continuation and/or temporary disability payments as required by Labor Code 4850/IOD and all claims for which, in the judgment of the assigned claims professional, there is an issue of permanent disability, litigation, fraud or subrogation.
- 5.3. Average caseloads for claims examiners must not exceed the caseload limit specified by City. Only open indemnity claims are counted towards the claim examiner's caseload. Contractor shall exercise due diligence in regularly reviewing and closing indemnity claims which no longer require the oversight of claims adjusting personnel to ensure that caseloads are not artificially inflated.

6. Medical Only Claim

- 6.1. A non-litigated claim involving only medical payments that are not expected to exceed three thousand five hundred dollars (\$3,500). Indemnity payments are not expected.
- 6.2. Medical Only Claims shall be assigned to medical only claims assistants or other staff serving in a training or support role to the examiners. Medical Only claims may be assigned to a claims examiner if to do so will be a sound practice considering the claimant's history and/or the presence of "companion" indemnity claims.
- 6.3. Whenever a Medical Only Claim is assigned to a claims examiner for management outside of normal procedure, a specific notation for the basis of the assignment will be made in the electronic claim comments.
- 6.4. Medical Only claims assigned to an examiner shall not be included in the caseload count for that examiner.

7. Quality Assurance Monitor Plan (QAMP)

A variety of inspection methods to evaluate Contractor's compliance with the Agreement.

8. Quality Control Plan

All measures taken by Contractor to assure that the quality of an end-product or service will meet City's Agreement requirements regarding timeliness, accuracy, appearance, completeness, consistency and conformity.

9. Random Sample

A sampling method where each service output has an equal chance of being selected.

10. Take-over Claim

Transfer of responsibility for management for a particular claim from City to Contractor.

SECTION II - CONTRACTOR'S SERVICES

1. Scope Of Work

Contractor shall provide workers' compensation claims management services for all existing claims as well as all reopened or new claims reported during the Agreement period for City claims during the Agreement period from _____ to _____.

Contractor shall provide these services in accordance with the following standards:

- Those specific standards and requirements set forth in this Section.
- To the extent a specific standard or requirement is not set forth in this Section, those standards and requirements set forth in the State of California workers' compensation statutes, codes, regulations, or other governing statutes and regulations, including any amendment to these statutes and regulations during the term of this Agreement. In the event of a conflict between these provisions, Contractor shall adhere to the provision imposing the most stringent requirements upon Contractor.

2. Minimum Standards of Performance

- 2.1. Each party's performance of this Agreement shall comply with all applicable laws of the United States of America, the State of California

and the City, including, but not limited to laws regarding health and safety, labor and employment, wages and hours and licensing laws which affect employees. This Agreement shall be enforced and interpreted under the laws of the State of California. Contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. If any part, term, or provision of this Agreement is held void, illegal, unenforceable, or in conflict with any law of a Federal, State or local government having jurisdiction over this Agreement, the validity of the remaining parts, terms or provisions of this Agreement shall not be affected.

- 2.2. Contractor shall utilize industry best practice standards for workers' claims management and shall conduct all claims activities in accordance with the specific technical requirements included in this Section, and elsewhere, unless otherwise agreed or specified by the City.

3. Program Development

Contractor's responsibilities include but are not limited to the following:

- 3.1. Monthly review of procedures and practices with City personnel to ensure that City's workers' compensation program is in compliance with State requirements as well as with sound workers' compensation claims management as determined by City.
- 3.2. Provide assistance in changing City policy and procedures to implement legislative changes or State rules and regulations which impact City's workers' compensation program.
- 3.3. Attend periodic performance feedback meetings facilitated by the WCA. The meetings will focus on Contractor's and City's performance in fulfilling the service level agreements contained in this Agreement. The meetings will provide a forum to informally discuss opportunities for improving Agreement terms and conditions, service level agreements and cost reductions for both parties.
- 3.4. Prepare agendas and distribute minutes to document such meetings within a week after each meeting, as well as any periodic reports required by City.

4. Contractor's Responsibilities

- 4.1. Comply with all City workers' compensation claims management policies and standards and be responsible for overall coordination and integration of claims services. At the sole discretion of City, Contractor shall take all necessary steps to reduce costs, increase productivity and to enhance the quality and the level of claims management.

- 4.2. Review and process all industrial injury cases in accordance with City standards, state statutes or laws and requirements of the State Department of Industrial Relations for reporting and notification. Conduct a thorough review of facts and develop all information necessary to determine the compensability for injuries and illnesses (accept claim, deny claim, or delay acceptance pending the results of additional investigation) and document the reasons for such determination, in accordance with California workers' compensation laws. All liability decisions and required notices for those decisions will be made within ninety (90) days, or less if required by State of California statutes or regulations, from the date of employer's knowledge of injury in accordance with law, including but not limited to Labor Code Section 5402.
- 4.3. Determine compensability of injuries and illnesses in accordance with State workers' compensation laws.
- 4.4. Obtain a medical report addressing the issue of Arising Out of Employment/Course of Employment (AOE/COE) within ninety (90) days, or less as required by law, from the date of employer's knowledge of injury.
- 4.5. Where there is evidence that a claimed injury is not work related, deny the claim within ninety (90) days, or less as required by law, of filing of the claim or within ninety (90) days or less from the date of employer's knowledge in accordance with law, including but not limited to Labor Code Section 5402. The review shall also include medical release forms, statements from supervisors and co-workers, depositions, etc.
- 4.6. Determine eligibility for and authorize salary continuation and/or temporary disability compensation benefits in accordance with medical advice and rehabilitation efforts.
- 4.7. Obtain City approvals in accordance with approval limits established by the WCA prior to the negotiation of any compromise and release agreement or Stipulation with Request for Award.
- 4.8. Determine the extent and degree of permanent disability, utilizing, as necessary and desirable, consultative ratings from the Disability Evaluation Unit of the Office of Benefit Determinations. Permanent Disability benefits shall be calculated in accordance with Labor Code Section 4658.
- 4.9. Authorize payments, in accordance with approval limits, for temporary and/or permanent disability compensation, medical care and death benefits in accordance with advisory ratings, or orders of the WCAB or compromise and release agreements.

- 4.10. Ensure that all indemnity benefits are paid accurately in accordance with City procedures and timeframes, and in full compliance with City's accounting and record keeping requirements.
- 4.11. Investigate, as necessary and appropriate, questionable cases and the status of disabled employees in order to assist in the adjustment, mediation and litigation of any such case and in the proper referral of suspected fraudulent cases.
- 4.12. Take all necessary actions, including timely notification, to assist City in recovering reimbursement for City liability through third-party subrogation, restitution, and/or apportionment on cases involving shared liability.
- 4.13. Provide the Department of Fire and Police Pensions or the long-term and short-term disability claims adjusting contractor with copies of the employee's report of injury, medical reports from the workers' compensation files and award letter. Any other pertinent case information on those workers' compensation claims also having a long-term disability claim with City for the same condition shall also be provided.
- 4.14. Provide City aid and assistance in returning injured employees to their usual and customary or modified/alternate assignments in a timely manner.
- 4.15. If required by City, review and process City Attorney or authorized outside counsel invoices.

5. Staffing/Organization

- 5.1. Contractor shall be responsible for providing sufficient and competent staff to fulfill the Agreement and shall have complete flexibility for establishing an effective management and organizational structure.
- 5.2. Adjustments in staffing based upon fluctuations in caseload shall be subject to approval of WCA/CCA. Average caseloads for claims examiners shall not exceed _____ open indemnity claims unless adjusted in accordance with Section III, Sub-Section 1.
- 5.3. Contractor shall have at least one non-caseload carrying claims supervisor for every _____ claims examiners. City has approved Contractor's staffing plan and organization chart dated _____. Any proposed changes thereto shall be submitted to City no later than thirty (days) prior to any proposed change and approved by City in advance. Contractor shall have at least one non-caseload carrying Contract/Claims Manager, and one non-caseload carrying quality assurance auditor at the level and experience of a claims supervisor. The Contract/Claims

Manager and quality assurance auditor may be the same individual and shall be assigned to City's account.

- 5.4. Except for claims assistants, and those examiners in training, all claims adjusting personnel, including the Contract/Claims Manager, shall possess at the least five years of claims examiners experience and/or a valid State of California Self-Insurance Administrators Certificate. Copies of the certificates must be available for review by City prior to the award of Agreement or at the time of hire whichever comes later.
- 5.5. Claims assistants shall be capable of handling medical only claims and other support duties such as: obtaining medical updates, calculating routine temporary disability payments, identifying cases for assignment to medical case management, etc.
- 5.6. A clear depiction of Contractor's organizational structure shall be provided to City, updated as necessary, showing the number of Contractor's positions dedicated to City's Project, including span of control for each supervisory position. All support staff and specialist positions shall also be included.
- 5.7. Experience/Training for Claims Examiner Personnel
 - 5.7.1. To ensure workers' compensation claimants receive appropriate benefits and medical care, all claims examining personnel assigned to City's Project must meet specific standards of training, experience and skills.
 - 5.7.2. All claims examining personnel engaged in the management of indemnity claims must either be a claims assistant in training, currently taking training as stated in CCR Sections 2592.02(a-c) and 2592.03, as may be amended, or have successfully completed the State of California Self-Insurance Administrator written examination; and worked as a workers' compensation examiner for a minimum of eighteen months.
 - 5.7.3 All claims examining personnel engaged in the management of medical only claims must either have at least eighteen months of on-the-job experience adjusting California workers' compensation medical only claims and be within six months of certification by an insurer as an "experienced medical only claims examiner," or be a medical only claims assistant currently taking or have successfully completed the required training as stated in CCR Sections 2592.02(a-c) and 2592.03, as may be amended.
 - 5.7.4. Contractor shall also require a minimum of thirty hours of post-certification training every two years for all claims examiners and

twenty hours of training every two years for all medical only claims assistants pursuant to CCR Section 2592.02(d-f), as may be amended, and maintain satisfactory records of this training, to be provided City upon request.

5.8. Claims Examiners in Training

5.8.1. As a general practice, the City believes there is value to the concept of on-the job development of technical/professional staff. However, this practice must be tempered by the City's need for experienced claims adjusting services.

5.8.2. Contractor may employ examiners who do not possess a State of California Self-Insurance Administrator certificate to handle indemnity claims. However, such examiners must be taking training pursuant to CCR 2592.02(a-c) and 2592.03, as may be amended. Upon completion of such training, examiners must be actively pursuing such certificate by taking every available State of California Self-Insurance Administrator examination until the certificate has been acquired. City reserves the right to request removal of any examiner who fails to pass such examination after multiple attempts.

5.9. Contractor's claims and management staff, with the exception of the Claims/Contract Manager and quality assurance auditor, shall work a minimum of ----- hours per two week pay period (----- hours per week) and exclusively administer City cases in a dedicated unit. Contractor must assure continuation of provision of services to City in the event of an Act of God, employee shortage or strike.

5.10. Claims Supervisors

5.10.1. Claims Supervisors shall have a minimum of five years' experience in adjusting a caseload of California workers' compensation indemnity claims. Equivalent or substitute experience may be approved by the CCA. Supervisors will not be assigned any workers' compensation claims.

5.10.2. Claims Supervisors shall meet all the training and experience requirements per California Code of Regulations Section 2592-2592.14.

5.11. Contractor Personnel – Claims Examiners

5.11.1. At least seventy five percent of the claims examiners shall have a minimum of three years' experience in the adjustment of California workers' compensation indemnity claims. Equivalent or substitute experience may be approved by the WCA.

5.11.2. Claims Examiners shall meet all the training and experience requirements per California Code of Regulations Section 2592-2592.14.

5.11.3. Training Required for Claims Examiners

Should Contractor develop, offer, and implement a training program in compliance with California Code of Regulations, Title 10, Chapter 5, Section 2592-2592.14 or other training, the training shall be made available, at no cost to City, to at least one City Contract Monitor per year.

6. Employee Records

- 6.1. Contractor shall keep a current and accurate list of all of its employees providing services under this Agreement. The list shall include each employee's name, date of employment, current address, phone number, current salary and any additional data on licensing, background, behavior or job performance pertinent to the provision of this Agreement.
- 6.2. Contractor employee's personnel file shall include, but is not limited to, background investigation report(s), current State of California Self-Insurance Administrators Certificate, verification of post-certification training and training certificates.
- 6.3. Contractor shall retain and provide to City, upon request, a copy of the employment application, employee resume and/or all documents included in this Section for all employees assigned to City's Program.

7. Reporting Claims

- 7.1. Since some City Department services are seven day/ twenty four hour operations, Contractor shall have the capacity to accept the reporting of injuries directly from the accident location.
- 7.2. Contractor shall disseminate to City personnel information about their services and the system for reporting claims. Since City Department facilities are dispersed throughout the City with numerous telephone area codes, Contractor must provide toll free telephone and fax communication access for these facilities and City personnel.
- 7.3. A Contractor employee at the level of Claims Supervisor or above, who has the authority to act for Contractor shall be immediately available whenever Contractor's offices are normally closed, to respond to urgent requests from the City Departments. Contractor shall provide a monthly

updated schedule of personnel assigned during non-office hours to the WCA.

- 7.4. Contractor shall report all indemnity claims to the Insurance Services Offices, Inc. –ISO Claims Search at its own expense, document in City's claims management system (iVOS), and assist or prepare all necessary, and/or State mandated reports.

8. Claim File Set-Up and Review

Contractor shall be responsible for creating clear, complete and timely documentation of all investigations, medical reports, evaluations, reserve changes, correspondence, successful and unsuccessful contact attempts and for the creation of a claims management plan of action for each claim. Critical claims information and key elements of the plan of action, as required by City, shall be documented in iVOS.

- 8.1. Upon receiving notice of a claim, Contractor shall prepare an individual claim file and enter the claim into City's electronic claims management system within one working day. All claim files shall be reviewed at least every fourteen (14) days for active claims and at least every three (3) months for claims that have settled, but are open for the employee's future medical care.
- 8.2. For active indemnity claims where Labor Code Section 4850/IOD or TD is being paid, Contractor shall contact the injured employee's doctor and the injured employee every fourteen (14) days until employee returns to work, and document in the claims file.
- 8.3. If applicable, City will provide orientation to City's workers' compensation claims management and imaging systems for key Contractor personnel prior to the start date of the Agreement. Contractor shall not be reimbursed for any expenses during orientation or training.

9. Case File Record Retention

All claims files will be retained indefinitely. No claims will be destroyed without CCA approval and Contractor will be responsible for storage of all files within the above criteria during the term of this Agreement.

10. Claims Research/Prior Loss History (INDEX)

- 10.1. Contractor is required to subscribe to ClaimSearch or another comprehensive all-claims database and system for claims processing and fraud detection, at no additional cost to City.
- 10.2. Contractor will complete a basic claims search for every new claim, and additional search on the anniversary of injury, at minimum, and yearly

thereafter as long as the claim remains open, as part of its basic claims management program, and document all findings in the claim notes.

11. Claims Research/WCAB Cases

Contractor will complete a basic claims search for every indemnity claim, or as necessary, as part of its basic claims management program and document all findings in the claim file, at no additional cost to City using iVOS

12. Indemnity and Medical Benefits

- 12.1. Contractor shall determine eligibility for, and authorize temporary disability compensation benefits in accordance with medical advice and return-to-work efforts.
- 12.2. The City of Los Angeles offers up to one year of salary continuation in lieu of temporary disability benefits per the City's Administrative Code Sections 4.104 and 4.177 and the California Labor Code. Benefits are available to sworn personnel for injuries on/after January 1, 2010.
- 12.3. Contractor shall determine the extent and degree of permanent disability, utilizing as necessary and desirable, consultative ratings from the California Division of Workers' Compensation - Disability Evaluation Unit. Contractor must ensure apportionment is addressed in all claims involving permanent disability.
- 12.4. Contractor shall authorize payments, in accordance with approval limits specified in the California Labor Code, for temporary and/or permanent disability compensation, medical care and death benefits in accordance with advisory ratings or orders of the WCAB.

13. Three Point Contact

Contractor shall conduct Three-Point Contact with the injured employee and legal representative (if applicable), employer and medical provider on all new claims. Such contact should be completed within one (1) working day of receiving the claim, but no later than two (2) working days. Contact must also be made on City Department claims through its Medical Liaison Section.

14. Reserves

It is the policy of City that reserves be set as soon as possible after receiving notice of an injury. If adequate information is unavailable, the initial reserves may be delayed, but are to be set no later than fourteen (14) calendar days following receipt of notice of injury. At all times, reserves shall reflect the ultimate probable cost of a claim based on factual evidence known at the time reserves are set and they shall be continually reevaluated and updated as additional information becomes available.

15. Prior Authorization Program

Contractor shall utilize City's Prior Authorization Program which allows providers in the City's Medical Provider Network to send injured workers to contracted managed care providers for certain routine medical procedures on a pre-approved basis.

The Contractor shall monitor, evaluate and provide feedback on the physicians and the providers in the Medical Provider Network.

16. Managed Care Program

City has a contract with a private firm to provide medical service review and cost containment services. Contractor shall use only this firm. City may implement other cost containment strategies. Contractor shall fully cooperate and assist in the development, implementation and utilization of these services.

17. Medical Cost Containment

17.1. Contractor shall ensure that all statements for medical benefits are reviewed and that all amounts authorized for payment have been determined in accordance with the Official Medical Fee Schedule adopted by the Administrative Director of the Division of Workers' Compensation, City's Preferred Provider Organization (PPO) discount rate, or City's network rate, whichever is lower. Contractor shall ensure that duplicate medical payments are not sent for fee review. Contractor shall utilize City medical panels, PPOs, provider networks, hospital and other medical utilization review services, and managed medical care services, as directed by City. All subcontractors or vendors shall be subject to prior review and approval by the CCA.

17.2. Should City wish to add City medical panels or a secondary PPO to enhance services provided by City's current fee review/PPO vendor, Contractor will coordinate the services of the primary and secondary providers to achieve seamless integration of their services.

18. Medical Management

It is the responsibility of Contractor to maximize the potential cost savings to City through the use of cost containment services and strategies. Any extraordinary medical expenses such as heart transplants, pain clinic charges, purchases of furniture, waterbeds, home exercise equipment, vehicles, spas or spa memberships, or other costly measures must be approved in advance by the WCA or designee.

19. Authority Limits

The CCA shall establish and provide to Contractor a schedule of authority limits and referrals, for all personnel approving indemnity, medical or City salary continuation benefits.

20. Settlement Negotiations

- 20.1. Contractor shall obtain written approvals in accordance with approval limits established by City prior to the negotiation of any settlement agreement. Contractor shall present all settlement agreement recommendations to the WCA in a timely manner to permit adequate review. Such presentation shall include a written synopsis of alternatives, risks and options considered, and shall serve as the basis to discuss recommended settlements and to obtain the approval of the City Attorney.
- 20.2. The City Attorney will retain the authority to approve all final settlement recommendations; however, at its own discretion, the City Attorney may delegate portions of this authority to the CCA.

21. Medical Control

Contractor's responsibilities include but are not limited to the following:

- 21.1. Monitor treatment programs for injured or ill employees, including review of all medical reports to ensure reasonable fees and appropriate medical care and determine need for specialty evaluations.
- 21.2. Ensure that the treating doctor is complying with the requirements of Title 8, CCR, Section 9785 and file petition to remove treating doctors who fail to comply with CCR, Section 9785.
- 21.3. Abide by the City's Utilization Review Plan when authorizing or denying all treatment requests.
- 21.4. Maintain adequate staffing from 8:00 a.m. until 5:00 p.m. on each normal business day to authorize medical treatment and answer questions, in accordance with Labor Code 4600.4.
- 21.5. Make all necessary medical appointments and ensure that all necessary medical reports are provided to the Primary Treating Physician or consulting doctors.
- 21.6. Maintain close liaison with treating physicians to provide meaningful guidance to City departments in evaluating employee's ability to return to work, and/or recommend further treatment programs.
- 21.7. Evaluate and make recommendations for the panel of physicians who are utilized for the initial treatment of employees and the panel of physicians

used for treatment requiring long-term treatment, or specialty care and evaluation, and make regular recommendations for updating of these panels.

- 21.8. Utilize information provided by and cooperate in the enforcement of any medical case management program and/or managed care program implemented by the CCA for claims including, but not limited to, obtaining pre-certification for medical procedures through utilization review and requesting case management on older claims as needed, or at City's request.
- 21.9. If applicable, provide written policies and procedures within three (3) months after Contract commencement to ensure timely referrals of cases to managed care contractors and to maintain close coordination with managed care staff on a continuing basis.
- 21.10. Process bills and liens for medical treatment expenses so as to either pay the bill or lien in accordance with the official fee schedule or object to the bill or lien within the period designated by law, including but not limited to Title 8, California Code of Regulations, Section 9792.5.
- 21.11. Prepare an affidavit regarding resolution of liens and submit the affidavit to City's representative or defense attorney at least ten (10) days prior to any Mandatory Settlement Conference.
- 21.12. Identify claimants who may be Medicare beneficiaries, reimburse Medicare for "conditional payments" in which City is the responsible payer pursuant to 42 C.F.R. Section 411.21, and work with the federal Centers for Medicare and Medicaid Services (CMS), as appropriate, to develop Medicare Set-aside Arrangements (MSAs) on settlements that involve future medical expenses pursuant to 42 C.F.R. Sections 411.46 and 411.47.
- 21.13. Attend, and represent City, at all lien meetings at no additional expense to City, whereas the City Attorney will provide representation at trials and formal hearings.

22. Return to Work & Supplemental Job Displacement Benefits (SJDB) / Vocational Rehabilitation

- 22.1. City policy requires that employees who become ill or injured in connection with the performance of their duties be returned to work as soon as possible, with primary emphasis to return employees to their former jobs. However, if this is not possible due to medical restrictions, Contractor must work actively with the Medical Liaison Section to place employees in modified or alternative assignments compatible with employees' medical capacities.

- 22.2. Contractor must serve injured workers with a Notice of Offer of Regular, Modified, or Alternative Work as stated in Title 8 CCR Section 10117. Contractor shall reimburse City for any fifteen per cent increase in permanent partial disability as a result of CCR Section 10117(b) (1) which City pays or is required to pay as a result of Contractor's acts, errors and/or omissions. Such reimbursements shall be deducted from Contractor's monthly service fees.
- 22.3. Contractor shall determine eligibility for and authorize supplemental job displacement benefits as necessary pursuant to Labor Code Section 4658.5, as well as all Vocational Rehabilitation benefits.
- 22.4. Contractor shall provide injured workers with required supplemental job displacement notices in compliance with State requirements.

23. **Rehabilitation Services**

- 23.1. When medically appropriate, Contractor shall coordinate implementation of rehabilitation plans for injured employees for approval by City, the employee and other agencies, to provide rehabilitation, re-training or reassignment for employees with physical or performance limitations resulting from industrial injuries pursuant to Labor Code Section 139.5.
- 23.2. Contractor shall manage all rehabilitation cases including evaluation, control, monitoring and selection of duly licensed professional rehabilitation service providers.
- 23.3. Contractor shall determine initial rehabilitation efforts for each injured employee with primary emphasis on returning employees to work in the City through job modification or reassignment to a position compatible with the employee's medical capacities. If placement within the City is not possible, rehabilitation efforts are to be directed at returning employees to other gainful employment.
- 23.4. Contractor shall determine if injured workers are entitled under provisions of Labor Code Section 139.5 to receive temporary disability or rehabilitation maintenance allowance, the services of a rehabilitation counselor, a program of retraining and placement, and reimbursement for costs directly related to the rehabilitation plan.
- 23.5. Contractor shall represent the City at formal and informal hearings before the State Rehabilitation Unit.
- 23.6. Contractor shall determine if injured workers are eligible for supplemental job displacement benefits pursuant to Labor Code Section 4658.5.

23.7. Contractor shall provide injured workers with required rehabilitation and supplemental job displacement notices in compliance with State requirements.

24. Citywide Temporary Modified Duty Program

Under direction of the WCA, Contractor will support City Departments to ensure aggressive implementation of City's Temporary Modified Duty Program, and compliance with statutory requirements.

25. Customer Service

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

Contractor shall provide a dedicated position for a Resolution Desk subject to the approval of the City. This position will be a senior level dedicated staff member, with no assigned caseload, available during regular office hours with a dedicated phone number. Currently the typical day of the Resolution Desk includes:

- Assist injured workers, MLU/MLS, and Departments in understanding Workers' Compensation and the laws and regulations that guide it.
- Handles and resolves all issues within authority within 1 day of receipt.
- Handles all emergency calls from the Departments and City.
- Addresses and resolves all concerns and issues.
- Works with WC Administrator and City Monitor.
- Answers and explains any and all WC questions.
- Assist injured worker with UR issues and advises them of the remedies and possible alternatives.
- Returns phone call within 8 hours.
- Develop relationships with applicant attorney's offices and City Attorney's office.
- Works with assigned analyst in order to resolve any issue, concern or questions.
- Addresses any questions or concerns from injured workers union representative.

- Available to take on Special Projects.
- Works closely with payroll department to resolve any IOD/4850 issue.
- Works closely with MLU/MLS or Department Liaison to provide one-on-one service and address any questions.
- Documents all issues and outcomes in iVOS.
- Updates City Monitor or WC Administrator on any issues that remain open.

The overall goal of this position is:

- Achieve excellent customer service.
- Resolve any situation that may arise the same day or within 24 hours.
- Develop, cultivate and maintain a cohesive, trusting relationship with the injured worker, Unions, and Departments.

Contractor shall provide information and guidance to injured employees on benefits they will receive in accordance with State laws, as well as any additional City benefits.

Contractor shall assist in identifying and resolving employee problems arising out of industrial injuries.

Contractor shall develop and recommend policies and procedures to ensure that the employee's return to work is consistent with the findings of disability as determined by the WCAB, appropriate doctors or other authorized entities.

At the request of the Personnel Department or City Attorney, Contractor shall provide responses to inquiries, make available claim status reports, and attend City claim status reviews or other meetings.

Contractor shall provide Department of Fire and Police Pensions and the City Employee's Retirement System or the long-term and short-term disability claims adjusting contractor with copies of the employee's report of injury, medical reports from the workers' compensation files and the award letter. Any other pertinent case information on those workers' compensation claims also having a long-term disability claim with the City for the same condition shall also be exchanged.

Telephone contact with claimants provides regular opportunity to promote a positive and professional image. Contractor shall develop written

standards for telephone and voice mail use, consistent with those established by City.

Contractor shall respond to any questions or inquiries from the City or injured workers within one business day.

On litigated files, contact with the injured worker is expected and appropriate when discussing treatment and medical issues as long as there is no discussion on legal aspects of the claim.

26. Litigation Management

The City Attorney's Office or designated private law firms provide legal services for all City workers' compensation claims. Contractor's responsibilities include, but are not limited to, the following:

- 26.1. Provide all necessary claims information and other assistance to legal counsel for the defense of litigated claims.
- 26.2. Provide a copy of all notices of conferences, Mandatory Settlement Conferences, trials or various hearings before the WCAB to City's legal counsel within five days from date of receipt.
- 26.3. Prepare litigated files and send to City's legal counsel when legal assistance is required. This may include a synopsis of the claim, a summary of all benefits paid, medical reports, and correspondence from applicant or applicant's attorney.
- 26.4. Provide to City Attorney a complete summary of all benefits paid (amounts and periods) to the injured employee at least ten days (10) prior to any Mandatory Settlement Conference and provide an updated summary as necessary for other WCAB proceedings.
- 26.5. Respond to correspondence, telephone calls and email from defense attorneys within one workday or sooner if the correspondence is urgent, e.g. necessitated by an upcoming WCAB appearance date. All such communication shall be documented in claims notes.
- 26.6. Provide a written status report on open litigated cases as requested. Parameters of this report will be established by WCA.

27. MEDICARE COMPLIANCE

MMSEA Section 111 reporting is a law that added mandatory reporting requirements for Medicare Eligible Recipients.

Medicare Secondary Payer (MSP) is the term used when the Medicare program does not have primary payment responsibility—that is, when another entity has the

responsibility for paying before Medicare. Until 1980, the Medicare program was the primary payer in all cases except those involving workers' compensation (including black lung benefits) or for care which is the responsibility of another government entity.

Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) added mandatory reporting requirements for all Non-Group Health Plans (NGHPs). Since the 2009 implementation, the City of Los Angeles Workers' Compensation Program has provided the Centers for Medicare and Medicaid Services (CMS) medical information (ICD Codes) on all claims where the program has ongoing responsibility for medical care.

In late 2015, CMS created a new entity, the Commercial Repaying Center (CRC), to determine if it paid medical bills that should have been paid by a NGHP. The purpose of the CRC is to identify and recover such funds and reduce cost shifting to Medicare. The CRC is charged with recovering payments made by Medicare that are the responsibility of NGHPs. The CRC day-to-day collection operations are performed by private recovery audit contractors (RACs), paid on a contingency basis.

27.1. TPA MEDICARE COMPLIANCE RESPONSIBILITIES

Contractor(s) shall follow the City's current Medicare compliance policies and be responsible for timely processing and referral to City's designated Medicare compliance vendor (MC vendor).

When a claim is initiated in iVOS and all open existing claims, the Ongoing Responsibility of Medical (ORM) box on the Medicare Tab in iVOS must be checked if the claim is accepted. This does not apply to denied claims.

Access MC vendor system and generate Medicare Eligibility Report on the 2nd week of each month. MC vendor system will generate an email instructing Contractor to generate the Medicare Eligibility Report as a reminder. Once report is generated, review the report and update ICD-9 or OCD-10 codes as needed. Contractor(s) must ensure these codes are correct.

The responsible Contractor staff will access MC vendor's system to monitor and run all necessary Section 111 Reports. Contractor staff shall immediately address any errors on the reports.

The responsible Contractor staff will utilize the MC vendor's system to address Medicare Conditional Payments, which is integrated with the Section 111 system referenced above.

For claims outside of the system above, the Contractors will continue to receive the Conditional Payment Notices and must make immediate referral to the MC vendor, within 24 hours of receipt.

Contractor shall ensure that all Conditional Payment Notices, Demand Letters, Letters of Resolution and Intents to Refer to Treasury are scanned and indexed appropriately into iVOS. All of these notices will generate from the Commercial Repayment Center (CRC). Contractor shall run a monthly report of Medicare activities on the first working day of the month and forward to the City WC Administrator the same day but no later than the second working day of the month.

Contractor shall respond to any and all requests from MC vendor within 48 working hours.

If MC vendor recommends payment, Contractor must look at Demand Letter and identify payment due date and whether any interest needs to be paid. Please note, it takes seven (7) working days from the date the payment is entered into iVOS for a check to be generated so interest would be calculated through that date. Contractor is required to reach out to MC vendor for calculation of interest.

If a claim is on delay and medical treatment is being provided during this period, the ORM box must be checked. If a claim is subsequently denied, the TPA must update the Medicare Tab in iVOS by going to the Medicare Responsible Reporting Entity (RRE) Tab in iVOS and entering the denial date in the ORM Termination Field. This also applies if you Compromise and Release a claim.

Claims Analyst Contact/Touch Points

- MC vendor will alert analyst via e-mail when a Conditional Payment review is initiated on a claim through the MC vendors system.
- MC vendor team member will provide a copy of the correspondence, via e-mail, with directions on proceeding and provide settlement consultation.
- MC vendor may request from Claims Analyst, via e-mail, certain necessary information to dispute, obtain Final Demand or close file.
- MC vendor will provide copies, via e-mail, of Demand or Dispute decision with guidance on how to proceed.

Once an outstanding lien has been resolved, a closure notice must be obtained from the CRC through MC vendor within one (1) week of the resolution of the lien and scanned into the claims management system.

The Contractor must reconcile payments to CMS through the City's MC Vendor to ensure the funds are properly applied to the outstanding debt.

Failure to meet any deadlines outlined in this section that results in the City incurring any fines, penalties or any other additional costs shall be offset from the Contractor's invoice as indicated in Section 2.18. Improper Acts or Failure to Act Regarding Claims Administration.

28. Subrogation Recovery

- 28.1. All claims shall be immediately evaluated for subrogation potential, initially from information obtained during the Three-Point Contact for new injuries, and subsequently from other information obtained from supervisors' statements, accident reports, police reports, witness statements, etc. Written notices to appropriate parties will be provided and Contractor will work closely with City Attorney staff to seek reimbursement from the negligent third party. Notations of potential recovery and all communication with the City Attorney shall be documented in the claim notes.
- 28.2. Contractor shall utilize City's subrogation recovery procedure, or develop its own, subject to City approval, to determine whether the procedure meets City requirements.

29. Fraud investigations

- 29.1. Contractor shall investigate, as necessary and appropriate, questionable cases and the status of disabled employees in order to assist in the adjustment, mediation and litigation of cases, and in the proper referral of potential fraud cases.
- 29.2. Contractor shall provide to the City written policies and procedures relating to the identification and investigation of potential fraud cases. Contractor shall provide regular fraud detection training to all claims personnel to ensure aggressive, cost-effective investigations and timely referral to City and the Office of the City Attorney, Special Investigations Unit (SIU).
- 29.3. Contractor shall notify City and the Office of the City Attorney, SIU, immediately whenever the possibility of fraud is suspected and cooperate with appropriate local, State and Federal authorities in the development of cases for criminal prosecution.
- 29.4. At no cost to City, Contractor will provide regular SIU training to Contractor's all claims personnel to ensure aggressive, cost effective investigation and appropriate referrals to the Department of Insurance, District Attorney, WCA and City Attorney's Office.
- 29.5. Contractor shall designate a qualified person(s) with specific expertise to oversee all matters relating to fraud investigations.

- 29.6 Contractor shall review all cases at least twice a year for abuse and fraud red flags, maintain status logs, report quarterly to the City, and participate in fraud activity programs at the City's request.
- 29.7 Contractor shall actively participate in the City's Fraud/Abuse Review Committee. Contractor shall designate a staff member to actively participate in committee meetings and present cases/issues for review.

30. Claims Payments - Accounting Controls

Contractor shall approve claims for payment and, as directed by the CCA, shall input and process same for payment by City's workers' compensation claims management system, financial or accounts payable system.

31. Claims Processing Responsibilities

- 31.1. Contractor shall establish and maintain control procedures and necessary documentation to process and reject, settle, compromise or approve benefit claims against City in accordance with Section 31000.8 of the Government Code.
- 31.2. Contractor shall payments of benefits and other claims file expenses into City's workers' compensation claims management system.
- 31.3. Contractor shall establish and maintain an adequate and distinct separation of duties between Contractor personnel who process and enter data. Individuals responsible for the input of transactions shall not be involved in the release of these transactions. In addition, individuals responsible for the creation of a claim file and/or address changes shall not input or release transactions.
- 31.4. Contractor shall establish and maintain sufficient checks and balances to ensure compliance with established procedures and controls.

32. Claims Best Practices Review

- 32.1. The Contractor is required to complete a minimum of internal claim audits per month, as follows: Account Manager shall audit fifteen (15) high profile claims as determined by the City; Quality Assurance Auditor shall audit sixty (60) claims to evaluate individual adjuster's compliance with City's performance requirements; and Claims supervisor(s) shall randomly select ten (10) active indemnity claims to verify compliance with file documentation requirements, case set-up schedule, file management, utilization review and indemnity payment timeliness. The claims audits will be documented in the claims system.. Any findings regarding non-compliance with City's requirements, and/or any performance deficiency by the claims adjuster, shall be documented in the audit and discussed

with employee, along with any corrective action taken. System generated supervisor reviews on the file, for example the thirty (30), sixty (60) or ninety (90) day diaries, do not count as a file audit

- 32.2. Any finding regarding non-compliance with City's requirements, and/or any performance deficiency by the claims examiner, shall be documented in the audit and discussed with the claims examiner, along with any corrective action taken. After review by the claims supervisor and/or Branch/Claims Manager, copies of all completed audits will be transmitted to City's on-site staff, and/or the WCA. Audit findings shall also be summarized on City's TPA Monthly Audit Summary Report and transmitted to WCA or designee.
- 32.3. All open claims shall have a complete annual review, at minimum. In addition, on a quarterly basis, City staff will randomly select a sample of multiple claims to determine if the use of industry best practices has been applied. On a monthly basis, random claims of examiner's caseloads will be selected for review. These claims will be formally reviewed with City and Contractor's management and staff as required. Case files and records are subject to audit by City at any reasonable time.

33. Alternate Dispute Resolution Program

- 33.1. The City and various Unions have entered into Agreements establishing an Alternative Dispute Resolution (ADR) Program in accordance with California Labor Code §3201.7. This Program currently covers civilian employees in 21 Memoranda of Understanding and the Los Angeles Police Protective League (LAPPL) and applies to all work-related injuries occurring on or after May 1, 2018.
- 33.2. Members receive the same benefits that would otherwise be received in the State workers' compensation system, including medical treatment, temporary disability benefits, permanent disability benefits and supplemental job displacement benefits. The ADR Program requires that disputes related to workers' compensation claims be resolved utilizing the steps contained in the ADR Program before proceeding through the WCAB. The Program includes the services of ombudspersons/member advocates, mediators and arbitrators, all provided by two neutral third party vendors. Program goals include avoiding unnecessary misunderstandings, disputes, and litigation; reducing delays encountered in the State system; and increasing employee satisfaction.
- 33.3. Contractor is required to implement the ADR Program for any employees who participate.

34. Computerized Claims Administration System (IVOS)

- 34.1. City requires Contractor to utilize City's own proprietary claims administration system known as iVOS. Since iVOS is owned by the City, there are no licensing fees to Contractor to utilize this service. iVOS software and training will be provided by City or a vendor of City's choice. Technical support for iVOS software-related problems shall remain the ultimate responsibility of City. However, since Contractor will be off-site, Contractor shall provide first-tier support by diagnosing and resolving minor problems experienced by Contractor's end-users at no additional cost to City, whereas major problems will be directed to City.
- 34.2. If, during the term of this Contract, any change of office location, alteration of existing office space, or other reconfiguration occurs, it shall be the sole responsibility of Contractor to ensure the maintenance and continuous availability of iVOS, or any other claims administration system, terminals and any other related hardware, for ongoing City business and to directly bear any costs associated with such alteration or reconfiguration.
- 34.3. City may, at its discretion, replace the iVOS system with another computerized claims administration system. When, and if this occurs, Contractor shall assist City in the development and implementation of the new system to ensure a smooth transition.

35. Computer Interface

35.1. Scanning and Images

City requires that all incoming claim-related documents be stored electronically in iVOS, the City's claim administration system.

Contractor is responsible for prepping, scanning, indexing all incoming claim-related documents. Preparation includes printing/including an iVOS batch cover sheet.

Contractor is required to provide necessary scanning equipment and iVOS-compatible computer workstation(s) to facilitate indexing. Minimum scanner requirements are as follows:

- Hi speed 120ppm
- 300 DPI
- Compression set to CCITT4
- Binary scan
- Resulting file in portrait layout, 8.5 x 11 mode, not cropped

Contractor is responsible for delivering scanned images to iVOS in pdf format. Each batch is to be delivered in a separate, PGP-encrypted file to the iVOS SFTP server. City will provide the encryption key. Contractor should retain an electronic copy of scanned batches for at least 30 days to assist with trouble-shooting if batches are not correctly uploaded.

To ensure efficient claims processing, City reserves the right to modify the imaging requirements according to the specifications of City.

City may, at its discretion, replace the iVOS document image functionality with another document image and workflow system. If and when this occurs, City reserves the right to require Contractor to use the new system and to purchase and maintain any hardware required to use the system. Contractor shall also assist the City in the development, testing, and implementation of the new system to ensure a smooth transition.

Software, initial system configuration, and initial training shall be provided by City or a vendor of City's choice. However, Contractor shall be responsible for all equipment, maintenance, future reconfigurations to accommodate Contractor's workflow, and other related costs. Technical support for the imaging software-related problems shall remain the ultimate responsibility of City. However, since Contractor will be off-site, Contractor shall provide first-tier support by diagnosing and resolving minor problems experienced by Contractor's end users at no additional cost to the City.

36. iVOS Access

Below are minimum specifications for desktop hardware and software that will be used by each user to access iVOS:

Here is a quick reference for browser, operating system, MS Office and Adobe Acrobat Reader software. City has been using Windows 10 operating system without an issue

Desktop Standards													
	Supported Browsers*				Operating System		Microsoft Office			Adobe Acrobat Reader			
IVOS Version	IE8	IE9	IE10	IE11	Windows 7	Windows 8.1	2007	2010	2013/ Office 365	8.x	9.x	10.x	11.x
4.5.0.x	S	S	S	N	P	S	S	S	P	S	S	S	P
4.5.05 and above	S	S	S	P	P	S	S	S	P	S	S	S	P

Minimum Specifications	Additional Details
Internet Connection	
Download: 1.5Mb/sec of Internet bandwidth Upload: 384Kbps of Internet bandwidth	Preferred: 1.5Mb/sec upload - Performance can vary depending on the user's infrastructure (Firewall/Proxy configuration, etc.). - A Tier 1 ISP that provides Broadband (DSL, Cable) or ISDN for remote users is recommended. - Firewall Settings: Web connections must be allowed from the users to the iVOS application server. The iVOS application server requires network access to the iVOS database server. Additional access may be needed from the iVOS application server to email or file servers on standard network ports.

- 36.1. Other Computer Interface
Contractor shall maintain the capacity to access the Internet and send and receive email for all claims adjusting personnel assigned to City cases. Contractor shall comply with CCA-specified email protocol dealing with content and confidentiality when using email for City cases.
- 36.2. Contractor shall maintain the capacity to access the Internet and send and receive email for all claims adjusting personnel assigned to City cases. Contractor shall comply with CCA specified email protocol dealing with content and confidentiality when using email for City cases.
- 36.3. Computer Data Maintenance
Contractor shall, on a daily basis, accurately and thoroughly input, update and maintain all data fields on City's workers' compensation claims management system.

37. Reporting Requirements

- 37.1. Contractor shall provide required monthly reports and records, with time deadlines, which include, but are not limited to:
- A report detailing the cases received and action taken in accordance with a format and data elements developed by City in cooperation with Contractor
 - Statistical and narrative reports to assist City in evaluating its workers' compensation program
 - A statistical and narrative report on outstanding issues to be addressed at Performance Evaluation Meetings

37.2. WorkCompStat

City currently utilizes computerized statistics, called WorkCompStat, as a management tool to track and monitor examiners' performance. Such statistics shall include, but not be limited to, bill turnaround time, rejected bill counts, closing ratios, settlement numbers per month, penalties (both medical and indemnity) and three point contact thresholds. Data for these statistics can be generated through IVOS, City's bill review vendor and other sources.

Contractor shall compile statistics and charts as required by City, and meet with claims examining staff on a monthly basis to review the data and discuss methods for improvement. Contractor is expected to share such data and discussions with City and to aggressively pursue compliance with minimum goals established by City in the areas City

selects for inclusion in WorkCompStat. City may also attend such meetings at its discretion. Contractor shall also provide City with monthly and quarterly reports as determined by City.

37.3. Quarterly Reports

Contractor shall prepare a written status report on selected open cases. Parameters and scope of this report will be established by CCAWCA.

37.4. Annual Report

Contractor shall prepare a comprehensive annual statistical summary and narrative report to serve as the basis of the workers' compensation program and to permit preparation of reports required by the State Department of Industrial Relations.

38. FINANCIAL AUDIT

Contractors providing services to City will be responsible for the verification of the legitimacy of payments made to service providers and for the disbursement of benefits to City employees through City's check issuance process. City, therefore, reserves the right for staff of its Office of the Controller or designee to conduct audits of financial accountability procedures. Contractor is required to cooperate fully with any audits by the Office of the Controller.

SECTION III

CONTRACTOR PAYMENT AND ADJUSTMENTS TO PAYMENT

1. Total Obligation

City's total obligation for the period ----- through shall not exceed ----- (\$-----), based upon a staffing model of one claims supervisor managing a total of (-----) indemnity claims and a caseload level of (-----) indemnity claims per claims examiner.

Should City decide to decrease the number of indemnity claims to (----) per claims examiner during the term of this Contract, City agrees to pay Contractor its monthly service fee and increase its staffing level as specified in Section 3 Number of Staff Positions and Section 6 Method of Payment. For any other permanent adjustment to the caseload level, City and Contractor shall negotiate in good faith an alternate and acceptable fee and staffing level.

2. Payment

- 2.1. City shall pay Contractor on a fee basis as set forth in this Section. Payment for assumption and administration of all take-over claims is included in this fee, if applicable. City will not make and Contractor is not entitled to any additional payment for the assumption or management of any takeover claim.
- 2.2. Contractor shall facilitate providing additional staff for special projects on an as-needed basis as determined by City. Compensation for such staff, and/or related expenses, shall be mutually agreed upon in writing when the need for such staff arises and is separate from the base monthly fee.
- 2.3. Contractor shall invoice City monthly in arrears for fees due for the billing period. The invoices shall clearly reflect and provide reasonable detail as determined by City of the services provided.

3. Number of Staff Positions

Position	125 Caseload	150 Caseload
Manager		
Supervisor		
Claims Examiner III		
Claims Examiner II		
Claims Examiner I		
Claims Assistant		
Support Staff		
Total		

4. Initial Claims Volume

The current estimate of the claims volume Contractor is required to manage is approximately -----, as specified in Attachment B, Section III, Total Obligation.

5. New Claims By Month (FY 2017-18)

July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb	Mar.	Apr.	May	June	Total

6. Method of Payment

- 6.1. The monthly service fees shall be dependent on the level of staffing determined by City in accordance with Section III, Sub-Section 3 above, Number of Staff Positions. Depending on the level of staffing, the monthly service fees shall be as follows:

Monthly Service Fee	125 Caseload Limit	150 Caseload Limit	Other Caseload Limit
Year One			To Be Negotiated

Year Two			To Be Negotiated
Year Three			To Be Negotiated

- 6.2. For any portion of a month during which services are provided, the existing monthly service fee shall be pro-rated on a business-day basis. Monthly service fees shall be determined by the number of staff necessary to adequately handle the workers' compensation claims in accordance with the Caseload limit in Section III, Sub-Section 3 above, referred for service by City and as approved by City, and shall be adjusted, subject to City's agreement, as those claim totals affect needed staffing throughout the term of this Contract.
- 6.3. City shall provide Contractor with a monthly report of the indemnity caseload average. If the indemnity claim caseload average exceeds the adopted caseload limit, its monthly fee for the second month in which average caseloads continue in excess of the limit shall be reduced.
- 6.4. The amount of the reduction shall be equal to the monthly salary, fringe benefits and overhead of a claims examiner. The reduction shall double for the third month of non-compliance, triple for the fourth month of non-compliance and increase in the same manner and amount for each additional month in which Contractor remains out of compliance.

7. Adjustments

Except as provided in Sub-Section 6 above, Method of Payment, all other adjustments to staffing shall cause a corresponding change in the monthly service fees, based on the pro-rata average monthly salary plus the cost of fringe benefits and overhead for the position(s) added or deleted, but not to exceed the following rates:

Addition/Deletion of:	Monthly Service Fee Change
Manager	
Supervisor	
Claims Examiner III	
Claims Examiner II	
Claims Examiner I	
Claims Assistant	
Support Staff	

8. Invoices and Payment

- 8.1. Contractor shall invoice City only for providing the tasks, deliverables, goods, services, and other work specified in this Agreement. Contractor shall be paid as set forth in Sub-Section 3 above, Number of Staff Positions and Sub-Section 6 above, Method of Payment. Contractor shall prepare invoices, which shall include the charges owed to Contractor by

City under the terms of this Contract. Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by City. If City does not approve work in writing, no payment shall be due to Contractor for that work.

- 8.2. City will adjust the invoice if necessary and pay the invoice within thirty (30) days after receipt of a full and complete invoice, and only after such invoice has been approved for payment by City's representative.

9. Adjustments to Payments

Contractor shall reimburse City for any overpayment, fine, penalty or other cost incurred due to Contractor's failure to comply with State of California workers' compensation statutes, codes, regulations, or any term or condition of this Contract. Such failure includes, but is not limited to, the following:

- i. Late payment or nonpayment of any benefit to any applicant or medical provider resulting in penalty or attorney fees.
- ii. Overpayment of any benefit owed to any applicant, lien claimant, or other party in a case due to Contractor's failure to comply with the standards set forth in Attachment B – Section II, Sub-Section 1, Scope of Work.
- iii. Overpayment of any benefit to any applicant, lien claimant, or other party in a case due to Contractor's failure to comply with the standards set forth in Attachment B – Section II, Sub-Section 1, Scope of Work.
- iv. Fines and/or administrative penalties assessed against City due to Contractor's failure to comply with the standards set forth in Attachment B, Section II, Sub-Section 1, Scope of Work.
- v. No reimbursement by Contractor is required under this Section if Contractor's act(s) and/or omission(s) occurred because they were expressly approved or directed by an authorized City representative.
- vi. Reimbursements described in this Section shall be in addition to, and without waiver of, any rights set forth in Attachment A, Standard Provisions for City Contracts (Rev. 10/17, v. 3).

10. Notice of Adjustments to Payments

City shall give written notice to Contractor of any adjustments to payments. Contractor shall have two (2) weeks to respond in writing to the notice. If Contractor does not respond to the notice within two weeks, Contractor shall lose its right to dispute the adjustment. The response shall include, but not be limited to, one or more of the following:

- 10.1. Evidence that a penalty was not incurred or an overpayment or excessive cost was not made.
- 10.2. Evidence that Contractor's act(s) and/or omission(s) did not cause the penalty, overpayment, or excess cost.
- 10.3. Evidence that Contractor obtained prior written approval from an authorized City official.

11. Second Level Dispute Resolution Process

If, after receipt of Contractor's response to City's notice of adjustment to payments, City and Contractor are in disagreement, a second-level dispute resolution process will be conducted. The CCA or designee and an appropriate Contractor representative shall review the evidence and resolve the dispute. The second level dispute resolution process shall be completed within two months. At the end of the second-level dispute resolution process, City shall be entitled to reduce Contractor's monthly invoices for assessments of adjustments to payments.

12. Improper Acts or Failure to Act Regarding Claims Administration

- 12.1. Contractor shall reimburse City for exceeding monthly caseloads, overpayments, fines, penalties, attorney's fees, interest, medical costs, rehabilitation costs and disability benefit payments which City pays or will be required to pay as a result of Contractor's acts, errors, and/or omissions which violate existing law, administrative procedure, or which fail to comply with generally accepted standard practices in the workers' compensation insurance industry, and third party workers' compensation claims administration field. City will offset such reimbursements from Contractor's monthly service fee if not paid separately by Contractor. Reimbursements described in this Section shall be in addition to, and without waiver of, any rights set forth in Attachment A, Standard Provisions for City Contracts (Rev. 10/17, v. 3).
- 12.2. Contractor will not be responsible for reimbursement of liabilities including, but not limited to, overpayments, fines, penalties, attorney's fees, interest, medical costs, rehabilitation costs or disability benefit payments, if the act and/or omission resulted from following the express written instructions of City.
- 12.3. Contractor will not be responsible for reimbursement of liabilities including, but not limited to, overpayments, fines, benefit payments imposed as a result of a retrospective audit by the State Department of Industrial

Relations, if the basis of the audit finding precedes the assumption of claim management responsibilities under this Contract with City.

13. Review of Indemnity Claims Volume

- 13.1. City reserves the right to review the actual claims volume every twelve months to determine if a change in base claims volume is warranted. If a change is warranted, City and Contractor must mutually agree on the new baseline for the indemnity claims volume and any resultant change to staffing.
- 13.2. The number of new claims submitted for the twelve months from July 1, 2017 to June 30, 2018 was ----- (Section III, Sub-Section 5, above). For any contract year where the number of new indemnity claims, administered by workers' compensation claims examiners, exceeds ----- by ---, City shall pay Contractor an additional \$----- within sixty days after the end of the contract year. If the total number of indemnity claims exceeds ----- by -----, administered by workers' compensation claims examiners, City shall pay Contractor an additional \$---- after the end of the contract year.
- 13.3. The open indemnity claims caseload for City personnel was ---- (Attachment B, Section III, Initial Claims Volume) as of ----- . Should the open indemnity caseload change at the time of contract inception, then for every increase (or decrease) of ---- claims, the monthly base fee shall be increased (or decreased) by \$----- . Additionally, for any quarter where Contractor's open indemnity caseload decreases by increments of -----, the monthly base fee shall be reduced by increments of \$-----.
- 13.4. In the future, if City assigns claims from another department(s), City shall determine the number of new claims submitted for that department(s) during the previous twelve months, as well as the current number of open indemnity claims for that department(s). These numbers will be added to the baseline numbers referenced in 13.2 and 13.3 above when calculating fee adjustments per those sections. City shall compensate Contractor for this additional caseload by increasing Contractor's monthly base fee by \$---for each of these current open indemnity claims (at the time the department(s) is assigned to the Contractor.

Professional Services Agreement

Attachment C – Confidentiality Agreement

I _____, (hereinafter referred to as “Contractor”), have entered into a contract (hereinafter referred to as the “Agreement”) with the City of Los Angeles to provide various services to the City of Los Angeles (hereinafter referred to as “City”).

I will provide temporary services to City and as part of these services I will have access to confidential information. “Confidential Information” includes all data, records, documents, audio or visual recordings, materials, products, technology, computer programs, specifications, manuals, business plans, software, marketing plans, financial information, and other information disclosed or submitted, orally, in writing, or by any other media, to me by City pursuant to the Agreement or this Confidential Agreement, regardless of whether the information is marked or otherwise identified in writing as confidential, and regardless of whether the Confidential Information is received prior to execution of this Confidential Agreement.

I further understand that all Confidential Information provided to me by City, or accessed or reviewed by me during the performance of this assignment will remain the property of City.

I agree to use Confidential Information solely in connection with providing services to City under the Agreement and for no other purpose.

I agree not to provide Confidential Information, nor disclose its content or any information contained in it, either orally or in writing or in any form to transmit information, to any other person or entity, unless required by law or court order. I further agree not to make copies of any Confidential Information unless a formal request is made and approved by City.

I agree to promptly notify City all requests, notices, subpoenas, pleadings, or other means, for the release of Confidential Information received by me.

I agree that I will not divulge to any unauthorized person, Confidential Information or any other information obtained while performing work pursuant to the Agreement between me and City.

I will be responsible for protecting the confidentiality and maintaining the security of all Confidential Information in my possession. I agree to use the same standard of care to protect City’s Confidential Information as I use to protect my own confidential and proprietary information, but not less than a reasonable standard.

Upon request by City, or completion or termination of my assignment under the Agreement, I will promptly return or destroy all Confidential Information in my possession at City's discretion, and provide City with written certification stating that such Information has been returned or destroyed.

This Agreement is to apply in conjunction with any prior confidentiality agreement between myself and City, and will not nullify such agreements; however, this Agreement will take precedence. Any conflicts with any other agreements will be modified to comply with the terms and intent of this Agreement.

I acknowledge that violation of this Confidentiality Agreement may subject me to civil and/or criminal action and that the City of Los Angeles will seek all possible legal redress.

_____	_____
Print Contractor Name	Contractor Signature

_____	_____
Print Contractor Title	Date

Contractor Address

Contract Number _____



Public Self Insurers ER Annual Report

For Fiscal Year 2018-19

October 1, 2019
City of Los Angeles
700 East Temple Street, Room 210
Los Angeles, CA 90012

FORM AR-2 (1-2016)

State of California

Employer

General Information:

Certificate Number	7103	Period Of Report	Annual
(Period) From	07/01/2018	(Period) To	06/30/2019

Master Certificate Holder:

Name	City of Los Angeles	
Address 1	700 East Temple Street, Room 210	
Address 2		FTIN 95-6000735
City	Los Angeles	State CA Zip 90012
State of Incorporation		

State of California

During the reporting period of this report, has there been any of the following with respect to the Master Certificate Holder for any affiliate?

None

Any additions to the Self Insurance Program?

None

Employment and wages paid in current fiscal year:

Number of Employees 48,418

Total Wages and Salaries Paid \$4,251,397,667

Addressed Correspondence For Related Self-Insurance Matters:

Company Name CITY OF LOS ANGELES

Name DAVID NOLTEMEYER

Title CHIEF WORKERS' COMPENSATION

Phone (213) 473-3374

Fax (213) 473-3333

Email Address DAVID.NOLTEMEYER@LACITY.ORG

Address 1 700 EAST TEMPLE STREET, ROOM 210

Address 2

City LOS ANGELES

State CA Zip 90012

Web Site

TPA Adjusting Locations:

Has there been a change in TPA Adjusting Locations during this reporting period that has not yet been reported to OSIP? No

Have you added any new TPA Adjusting Locations during this reporting period that has not yet been reported to OSIP? No

Record Storage:

Are there open and closed claims stored at a location other than the adjusting location? No

Insurance Coverage:

1) During this reporting period, does your company maintain a standard workers' compensation insurance policy to cover any of your California liabilities? No

2) During this reporting period, does your company have a specific excess workers' compensation policy in force to cover any of your California liabilities? No

3) Do you carry an aggregate(stop loss) workers' compensation insurance policy? No

Certification By Authorized Representative:

Company Name CITY OF LOS ANGELES

Name DAVID NOLTEMEYER

Title CHIEF WORKERS' COMPENSATION

Phone (213) 473-3374

Fax (213) 473-3333

Email Address DAVID.NOLTEMEYER@LACITY.ORG

Address 1 700 EAST TEMPLE STREET, ROOM 210

Address 2

City LOS ANGELES

State CA **Zip** 90012

Name of Person Legally Responsible for this Electronic Signature:

Sola Oniyide (Date/Time of Signature) - 09/30/2019 15:29

State of California

Report Location Number:

Identification of Location

Certificate Holder

7103-09-146 A

ACCLAMATION INSURANCE MANAGEMENT SERVICES
at POMONA

City of Los Angeles

CASES AND BENEFITS (to the nearest dollar)				From Date-	07/01/2018	To Date-	06/30/2019
		Incurred Liability		Paid To Date		Future Liability	
Date	#	Indemnity	Medical	Indemnity	Medical	Indemnity	Medical
1) Cases open as of 06/30/2019 reported prior to 2014/15	1,055	\$128,055,243	\$157,019,321	\$90,035,635	\$101,381,136	\$38,019,608	\$55,638,185
2) Open and closed Liabilities							
A) All Cases reported in 2014/15	1,171	\$43,955,480	\$20,242,803	\$28,838,295	\$12,636,256	\$15,117,185	\$7,606,547
2014/15 Cases open	211	\$31,656,119	\$16,127,564	\$16,538,934	\$8,521,017	\$15,117,185	\$7,606,547
B) All Cases reported in 2015/16	1,313	\$41,989,278	\$20,101,748	\$27,638,638	\$10,233,607	\$14,350,640	\$9,868,141
2015/16 Cases open	273	\$30,470,108	\$16,402,776	\$16,119,468	\$6,534,635	\$14,350,640	\$9,868,141
C) All Cases reported in 2016/17	1,119	\$32,587,262	\$15,236,382	\$21,692,754	\$7,542,061	\$10,894,508	\$7,694,321
2016/17 Cases open	239	\$24,456,736	\$12,724,367	\$13,562,228	\$5,030,046	\$10,894,508	\$7,694,321
D) All Cases reported in 2017/18	1,183	\$27,222,661	\$15,018,047	\$16,228,228	\$5,585,445	\$10,994,433	\$9,432,602
2017/18 Cases open	367	\$23,435,283	\$13,750,767	\$12,440,850	\$4,318,165	\$10,994,433	\$9,432,602
E) All Cases reported in 2018/19	1,141	\$17,122,767	\$12,491,656	\$7,898,880	\$2,442,464	\$9,223,887	\$10,049,192
2018/19 Cases open	625	\$15,971,537	\$11,955,783	\$6,747,650	\$1,906,591	\$9,223,887	\$10,049,192

	\$ Indemnity	\$ Medical
SUBTOTAL	\$98,600,261	\$100,288,988

3) Estimate Future Liability (Indemnity Plus Medical)

TOTAL	\$198,889,249
-------	---------------

4) Total Benefits Paid During 2018/19 (Including all case expenditures). The indemnity amount includes the amount of LC § 4800/4850 benefits paid for the year (total of Lines 11 and 12)

\$ Indemnity	\$ Medical
\$26,745,691	\$20,234,677

5) Number of MEDICAL-ONLY Cases Reported in 2018/19

297

6) Number of INDEMNITY Cases Reported in 2018/19

844

7) Total of 5 and 6 (Also entered in 2E above)

1,141

8) Total Number of open Indemnity Cases (All Years)

2,663

9) Number of Fatality Cases Reported In 2018/19

1

10) (a) Number of FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

103

10) (a) Number of non-FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

48

11) Amount from salary continuation payments made pursuant to LC § 4800/4850 that is in excess of the applicable temporary disability rate for the period paid.

\$14,792,281

12) Amount from salary continuation payments made pursuant to LC § 4800/4850 capped at the temporary disability rate for the period paid.

\$14,877,127

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ALL Open Indemnity Claims (by reporting and by year) reported and with claims: SKM_C654e19093018340.pdf

Dual Jurisdiction Claims

Please note that California Labor Code Section 3702.2(b) requires that "... the annual report of a self-insured employer who has self-insured both state and federal workers' compensation liability shall also be set forth (1) amount of all compensation liability incurred, paid-to-date, the estimated future liability under both this chapter and under the federal longshore and Harbor Worker's Compensation Act (33 U.S.C Sec. 901 et seq.), and (2) the identity and the amount of the security deposit securing the employer's liability under state and federal self-insured programs."

Accordingly, please indicate all California exposure on your Self Insurer's Annual Report, and, in addition identify each Claim with dual jurisdiction on Separate List of Open Idemnity Claims. For those claims, indicate the incurred, paid-to-date, and estimated future liabilities for federal exposure. Please also indicate the amount and the type of security deposit securing those claims.

Instructions To Claims Administrator For Specific Excess Insurance

The TPA should provide a sum of the unpaid excess carrier excess liability under "Calculation of Specific Excess Coverage Entry for the Annual Reports". In addition, provide a list of claims for which specific excess credit is being claimed. This may be provided as a spreadsheet. Indicate in the list of claims the following information:

The list shall include the name of the claimant, claim number, date of injury, description of injury, carrier name and policy number, policy coverage period, retention level of policy and paid to date in indemnity or medical benefits, and the estimated future liability of the claim minus the total unpaid employer retention, which equals the total unpaid carrier liability, whether the claim has been reported to a carrier, if the claim has been accepted by the carrier, if the carrier has denied any part of the liability of the claim.

Refer to OSIP website for sample format of the Excess Credit Calculation form.

Calculation Of Specific Excess Coverage Entry For Annual Reports:

Enter the sum of the total unpaid carrier excess liability claimed from the "Specific Excess Insurance Policy Coverage". If none enter "0".

\$

0

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Certification

Administrating Agency's Certificate Number 146

☐ Or Self Administered

I declare under penalty of perjury that I have prepared or caused this report to be prepared and I have examined this liabilities report to be prepared and I have examined this liabilities report of this self insurer's worker's compensation liabilities. To the best of my knowledge and belief this report is true, correct and complete with respect to the worker's compensation liabilities incurred and paid. I further declare under the penalty of perjury that the estimates of future liability of worker's compensation claims made in this report reflect the administrator's best judgement as to the future liability of claims, using prevailing industry standards, and the signatory intends Self Insurance Plans to rely upon the representation.

Agency Name	ACCLAMATION INSURANCE MANAGEMENT SERVICES		
Name	Tracy Copeland-Calhoun		
Phone	(855) 605-3438	Fax	
Email Address	tcopeland-calhoun@aims4claims.com		
Address 1	3201 W. Temple Ave		
Address 2			
City	Pomona	State	CA Zip 91768

Name of Person Legally Responsible for this Electronic Signature:

Tracy Calhoun (Date/Time of Signature) - 10/01/2019 07:52

Report Location Number:

Identification of Location

Certificate Holder

7103-01-099 A

CITY OF LOS ANGELES at LOS ANGELES

City of Los Angeles

CASES AND BENEFITS (to the nearest dollar)				From Date-	07/01/2018	To Date-	06/30/2019
		Incurred Liability		Paid To Date		Future Liability	
Date	#	Indemnity	Medical	Indemnity	Medical	Indemnity	Medical
1) Cases open as of 06/30/2019 reported prior to 2014/15	1,664	\$176,671,307	\$167,624,024	\$138,773,557	\$110,206,918	\$37,897,750	\$57,417,106
2) Open and closed Liabilities							
A) All Cases reported in 2014/15	2,179	\$31,856,981	\$19,957,485	\$24,420,103	\$12,565,463	\$7,436,878	\$7,392,022
2014/15 Cases open	298	\$20,735,981	\$14,430,438	\$13,299,103	\$7,038,416	\$7,436,878	\$7,392,022
B) All Cases reported in 2015/16	2,070	\$30,196,836	\$18,215,210	\$21,982,410	\$10,638,074	\$8,214,426	\$7,577,136
2015/16 Cases open	416	\$23,713,027	\$14,494,933	\$15,498,601	\$6,917,797	\$8,214,426	\$7,577,136
C) All Cases reported in 2016/17	2,040	\$28,995,813	\$20,681,064	\$18,455,146	\$8,926,126	\$10,540,667	\$11,754,938
2016/17 Cases open	497	\$24,399,735	\$17,811,133	\$13,859,068	\$6,056,195	\$10,540,667	\$11,754,938
D) All Cases reported in 2017/18	2,143	\$25,959,578	\$16,418,198	\$16,898,542	\$7,871,202	\$9,061,036	\$8,546,996
2017/18 Cases open	690	\$22,843,973	\$14,198,647	\$13,782,937	\$5,651,651	\$9,061,036	\$8,546,996
E) All Cases reported in 2018/19	2,157	\$13,208,075	\$15,572,599	\$6,891,981	\$4,082,164	\$6,316,094	\$11,490,435
2018/19 Cases open	1,177	\$12,567,588	\$14,603,397	\$6,251,494	\$3,112,962	\$6,316,094	\$11,490,435

	\$ Indemnity	\$ Medical
SUBTOTAL	\$79,466,851	\$104,178,633

3) Estimate Future Liability (Indemnity Plus Medical)

TOTAL \$183,645,484

4) Total Benefits Paid During 2018/19 (Including all case expenditures). The indemnity amount includes the amount of LC § 4800/4850 benefits paid for the year (total of Lines 11 and 12)

\$ Indemnity	\$ Medical
\$30,425,545	\$19,776,628

5) Number of MEDICAL-ONLY Cases Reported in 2018/19

707

6) Number of INDEMNITY Cases Reported in 2018/19

1,450

7) Total of 5 and 6 (Also entered in 2E above)

2,157

8) Total Number of open Indemnity Cases (All Years)

4,547

9) Number of Fatality Cases Reported In 2018/19

3

10) (a) Number of FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

184

10) (a) Number of non-FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

65

11) Amount from salary continuation payments made pursuant to LC § 4800/4850 that is in excess of the applicable temporary disability rate for the period paid.

\$993,442

12) Amount from salary continuation payments made pursuant to LC § 4800/4850 capped at the temporary disability rate for the period paid.

\$1,406,797

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ALL Open Indemnity Claims (by reporting and by year) reported and with claims: Open Indemnity Cases Report CITY -2019.pdf

Dual Jurisdiction Claims

Please note that California Labor Code Section 3702.2(b) requires that "... the annual report of a self-insured employer who has self-insured both state and federal workers' compensation liability shall also be set forth (1) amount of all compensation liability incurred, paid-to-date, the estimated future liability under both this chapter and under the federal longshore and Harbor Worker's Compensation Act (33 U.S.C Sec. 901 et seq.), and (2) the identity and the amount of the security deposit securing the employer's liability under state and federal self-insured programs."

Accordingly, please indicate all California exposure on your Self Insurer's Annual Report, and, in addition identify each Claim with dual jurisdiction on Separate List of Open Indemnity Claims. For those claims, indicate the incurred, paid-to-date, and estimated future liabilities for federal exposure. Please also indicate the amount and the type of security deposit securing those claims.

Instructions To Claims Administrator For Specific Excess Insurance

The TPA should provide a sum of the unpaid excess carrier excess liability under "Calculation of Specific Excess Coverage Entry for the Annual Reports". In addition, provide a list of claims for which specific excess credit is being claimed. This may be provided as a spreadsheet. Indicate in the list of claims the following information:

The list shall include the name of the claimant, claim number, date of injury, description of injury, carrier name and policy number, policy coverage period, retention level of policy and paid to date in indemnity or medical benefits, and the estimated future liability of the claim minus the total unpaid employer retention, which equals the total unpaid carrier liability, whether the claim has been reported to a carrier, if the claim has been accepted by the carrier, if the carrier has denied any part of the liability of the claim.

Refer to OSIP website for sample format of the Excess Credit Calculation form.

Calculation Of Specific Excess Coverage Entry For Annual Reports:

Enter the sum of the total unpaid carrier excess liability claimed from the "Specific Excess Insurance Policy Coverage". If none enter "0". \$ 0

Files Uploaded

Certification

Administrating Agency's Certificate Number 099

☒ Or Self Administered

I declare under penalty of perjury that I have prepared or caused this report to be prepared and I have examined this liabilities report to be prepared and I have examined this liabilities report of this self insurer's worker's compensation liabilities. To the best of my knowledge and belief this report is true, correct and complete with respect to the worker's compensation liabilities incurred and paid. I further declare under the penalty of perjury that the estimates of future liability of worker's compensation claims made in this report reflect the administrator's best judgement as to the future liability of claims, using prevailing industry standards, and the signatory intends Self Insurance Plans to rely upon the representation.

Agency Name CITY OF LOS ANGELES
Name Tyrone Spears
Phone (213) 473-3378 Fax
Email Address tyrone.spears@lacity.org
Address 1 700 E Temple St, Ste 210
Address 2
City Los Angeles State CA Zip 90012

Name of Person Legally Responsible for this Electronic Signature:

Sola Oniyide (Date/Time of Signature) - 09/23/2019 09:12

Report Location Number:

Identification of Location

Certificate Holder

7103-11-195 A

TRISTAR RISK MANAGEMENT at ALHAMBRA

City of Los Angeles

CASES AND BENEFITS (to the nearest dollar)				From Date-	07/01/2018	To Date-	06/30/2019
		Incurred Liability		Paid To Date		Future Liability	
Date	#	Indemnity	Medical	Indemnity	Medical	Indemnity	Medical
1) Cases open as of 06/30/2019 reported prior to 2014/15	2,902	\$293,214,844	\$495,468,488	\$216,163,086	\$294,600,099	\$77,051,758	\$200,868,389
2) Open and closed Liabilities							
A) All Cases reported in 2014/15	3,205	\$75,719,390	\$53,826,006	\$52,743,359	\$25,069,966	\$22,976,031	\$28,756,040
2014/15 Cases open	487	\$52,915,532	\$42,832,659	\$29,939,501	\$14,076,619	\$22,976,031	\$28,756,040
B) All Cases reported in 2015/16	3,038	\$83,674,997	\$49,953,424	\$52,817,927	\$22,367,369	\$30,857,070	\$27,586,055
2015/16 Cases open	665	\$66,178,538	\$42,437,417	\$35,321,468	\$14,851,362	\$30,857,070	\$27,586,055
C) All Cases reported in 2016/17	3,033	\$86,917,575	\$53,079,923	\$46,160,286	\$19,872,363	\$40,757,289	\$33,207,560
2016/17 Cases open	869	\$77,897,396	\$48,624,885	\$37,140,107	\$15,417,325	\$40,757,289	\$33,207,560
D) All Cases reported in 2017/18	3,107	\$73,321,623	\$50,923,236	\$32,062,980	\$14,562,885	\$41,258,643	\$36,360,351
2017/18 Cases open	1,096	\$69,521,684	\$48,218,650	\$28,263,041	\$11,858,299	\$41,258,643	\$36,360,351
E) All Cases reported in 2018/19	3,156	\$49,779,830	\$47,506,026	\$12,860,320	\$5,904,844	\$36,919,510	\$41,601,182
2018/19 Cases open	1,801	\$48,741,070	\$46,500,510	\$11,821,560	\$4,899,328	\$36,919,510	\$41,601,182

	\$ Indemnity	\$ Medical
SUBTOTAL	\$249,820,301	\$368,379,577

3) Estimate Future Liability (Indemnity Plus Medical)

TOTAL \$618,199,878

4) Total Benefits Paid During 2018/19 (Including all case expenditures). The indemnity amount includes the amount of LC § 4800/4850 benefits paid for the year (total of Lines 11 and 12)

\$ Indemnity	\$ Medical
\$64,224,695	\$52,834,004

5) Number of MEDICAL-ONLY Cases Reported in 2018/19

1,019

6) Number of INDEMNITY Cases Reported in 2018/19

2,137

7) Total of 5 and 6 (Also entered in 2E above)

3,156

8) Total Number of open Indemnity Cases (All Years)

7,479

9) Number of Fatality Cases Reported In 2018/19

0

10) (a) Number of FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

175

10) (a) Number of non-FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

174

11) Amount from salary continuation payments made pursuant to LC § 4800/4850 that is in excess of the applicable temporary disability rate for the period paid.

\$16,167,408

12) Amount from salary continuation payments made pursuant to LC § 4800/4850 capped at the temporary disability rate for the period paid.

\$23,512,537

Files Uploaded

ALL Open Indemnity Claims (by reporting and by year) reported and with claims: Open Indemnity Cases Report TRISTAR -2019.pdf

Dual Jurisdiction Claims

Please note that California Labor Code Section 3702.2(b) requires that "... the annual report of a self-insured employer who has self-insured both state and federal workers' compensation liability shall also be set forth (1) amount of all compensation liability incurred, paid-to-date, the estimated future liability under both this chapter and under the federal longshore and Harbor Worker's Compensation Act (33 U.S.C Sec. 901 et seq.), and (2) the identity and the amount of the security deposit securing the employer's liability under state and federal self-insured programs."

Accordingly, please indicate all California exposure on your Self Insurer's Annual Report, and, in addition identify each Claim with dual jurisdiction on Separate List of Open Indemnity Claims. For those claims, indicate the incurred, paid-to-date, and estimated future liabilities for federal exposure. Please also indicate the amount and the type of security deposit securing those claims.

Instructions To Claims Administrator For Specific Excess Insurance

The TPA should provide a sum of the unpaid excess carrier excess liability under "Calculation of Specific Excess Coverage Entry for the Annual Reports". In addition, provide a list of claims for which specific excess credit is being claimed. This may be provided as a spreadsheet. Indicate in the list of claims the following information:

The list shall include the name of the claimant, claim number, date of injury, description of injury, carrier name and policy number, policy coverage period, retention level of policy and paid to date in indemnity or medical benefits, and the estimated future liability of the claim minus the total unpaid employer retention, which equals the total unpaid carrier liability, whether the claim has been reported to a carrier, if the claim has been accepted by the carrier, if the carrier has denied any part of the liability of the claim.

Refer to OSIP website for sample format of the Excess Credit Calculation form.

Calculation Of Specific Excess Coverage Entry For Annual Reports:

Enter the sum of the total unpaid carrier excess liability claimed from the "Specific Excess Insurance Policy Coverage". If none enter "0". \$

Files Uploaded

Certification

Administrating Agency's Certificate Number 195

☐ Or Self Administered

I declare under penalty of perjury that I have prepared or caused this report to be prepared and I have examined this liabilities report to be prepared and I have examined this liabilities report of this self insurer's worker's compensation liabilities. To the best of my knowledge and belief this report is true, correct and complete with respect to the worker's compensation liabilities incurred and paid. I further declare under the penalty of perjury that the estimates of future liability of worker's compensation claims made in this report reflect the administrator's best judgement as to the future liability of claims, using prevailing industry standards, and the signatory intends Self Insurance Plans to rely upon the representation.

Agency Name TRISTAR RISK MANAGEMENT
Name Pamela Sheffield
Phone (626) 407-0400 Fax
Email Address pamela.sheffield@tristargroup.net
Address 1 1021 S. Meridian Ave
Address 2
City Alhambra State CA Zip 91803

Name of Person Legally Responsible for this Electronic Signature:

Pamela Sheffield (Date/Time of Signature) - 09/30/2019 11:02

Report Location Number:

Identification of Location

Certificate Holder

7103-01-361 A

ELITE CLAIMS MANAGEMENT, INC. at TEMECULA

City of Los Angeles

CASES AND BENEFITS (to the nearest dollar)				From Date-	07/01/2018	To Date-	06/30/2019
		Incurred Liability		Paid To Date		Future Liability	
Date	#	Indemnity	Medical	Indemnity	Medical	Indemnity	Medical
1) Cases open as of 06/30/2019 reported prior to 2014/15	436	\$43,007,690	\$46,939,044	\$36,378,358	\$34,192,668	\$6,629,332	\$12,746,376
2) Open and closed Liabilities							
A) All Cases reported in 2014/15	458	\$6,488,934	\$3,840,702	\$5,700,760	\$2,729,020	\$788,174	\$1,111,682
2014/15 Cases open	84	\$4,484,212	\$2,626,962	\$3,696,038	\$1,515,280	\$788,174	\$1,111,682
B) All Cases reported in 2015/16	434	\$6,223,299	\$3,892,020	\$5,095,149	\$2,884,050	\$1,128,150	\$1,007,970
2015/16 Cases open	97	\$4,937,796	\$2,914,426	\$3,809,646	\$1,906,456	\$1,128,150	\$1,007,970
C) All Cases reported in 2016/17	421	\$3,694,739	\$2,663,111	\$2,857,207	\$1,702,932	\$837,532	\$960,179
2016/17 Cases open	100	\$3,135,358	\$1,999,732	\$2,297,826	\$1,039,553	\$837,532	\$960,179
D) All Cases reported in 2017/18	491	\$3,955,727	\$3,011,574	\$2,775,824	\$1,800,223	\$1,179,903	\$1,211,351
2017/18 Cases open	179	\$3,742,014	\$2,459,139	\$2,562,111	\$1,247,788	\$1,179,903	\$1,211,351
E) All Cases reported in 2018/19	415	\$1,342,785	\$2,561,854	\$748,567	\$643,816	\$594,218	\$1,918,038
2018/19 Cases open	235	\$1,272,455	\$2,405,862	\$678,237	\$487,824	\$594,218	\$1,918,038

	\$ Indemnity	\$ Medical
SUBTOTAL	\$11,157,309	\$18,955,596

3) Estimate Future Liability (Indemnity Plus Medical)

TOTAL \$30,112,905

4) Total Benefits Paid During 2018/19 (Including all case expenditures). The indemnity amount includes the amount of LC § 4800/4850 benefits paid for the year (total of Lines 11 and 12)

\$ Indemnity	\$ Medical
\$6,763,086	\$5,342,218

5) Number of MEDICAL-ONLY Cases Reported in 2018/19

185

6) Number of INDEMNITY Cases Reported in 2018/19

230

7) Total of 5 and 6 (Also entered in 2E above)

415

8) Total Number of open Indemnity Cases (All Years)

1,040

9) Number of Fatality Cases Reported In 2018/19

0

10) (a) Number of FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

50

10) (a) Number of non-FY 2018/19 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2018/19

25

11) Amount from salary continuation payments made pursuant to LC § 4800/4850 that is in excess of the applicable temporary disability rate for the period paid.

\$0

12) Amount from salary continuation payments made pursuant to LC § 4800/4850 capped at the temporary disability rate for the period paid.

\$0

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ALL Open Indemnity Claims (by reporting and by year) reported and with claims: Open Indemnity Cases Report Elite -2019 (002).pdf

Dual Jurisdiction Claims

Please note that California Labor Code Section 3702.2(b) requires that "... the annual report of a self-insured employer who has self-insured both state and federal workers' compensation liability shall also be set forth (1) amount of all compensation liability incurred, paid-to-date, the estimated future liability under both this chapter and under the federal longshore and Harbor Worker's Compensation Act (33 U.S.C Sec. 901 et seq.), and (2) the identity and the amount of the security deposit securing the employer's liability under state and federal self-insured programs."

Accordingly, please indicate all California exposure on your Self Insurer's Annual Report, and, in addition identify each Claim with dual jurisdiction on Separate List of Open Indemnity Claims. For those claims, indicate the incurred, paid-to-date, and estimated future liabilities for federal exposure. Please also indicate the amount and the type of security deposit securing those claims.

Instructions To Claims Administrator For Specific Excess Insurance

The TPA should provide a sum of the unpaid excess carrier excess liability under "Calculation of Specific Excess Coverage Entry for the Annual Reports". In addition, provide a list of claims for which specific excess credit is being claimed. This may be provided as a spreadsheet. Indicate in the list of claims the following information:

The list shall include the name of the claimant, claim number, date of injury, description of injury, carrier name and policy number, policy coverage period, retention level of policy and paid to date in indemnity or medical benefits, and the estimated future liability of the claim minus the total unpaid employer retention, which equals the total unpaid carrier liability, whether the claim has been reported to a carrier, if the claim has been accepted by the carrier, if the carrier has denied any part of the liability of the claim.

Refer to OSIP website for sample format of the Excess Credit Calculation form.

Calculation Of Specific Excess Coverage Entry For Annual Reports:

Enter the sum of the total unpaid carrier excess liability claimed from the "Specific Excess Insurance Policy Coverage". If none enter "0". \$ 0

Files Uploaded

Certification

Administrating Agency's Certificate Number 361

☐ Or Self Administered

I declare under penalty of perjury that I have prepared or caused this report to be prepared and I have examined this liabilities report to be prepared and I have examined this liabilities report of this self insurer's worker's compensation liabilities. To the best of my knowledge and belief this report is true, correct and complete with respect to the worker's compensation liabilities incurred and paid. I further declare under the penalty of perjury that the estimates of future liability of worker's compensation claims made in this report reflect the administrator's best judgement as to the future liability of claims, using prevailing industry standards, and the signatory intends Self Insurance Plans to rely upon the representation.

Agency Name ELITE CLAIMS MANAGEMENT, INC.

Name Aimee Cordier

Phone (951) 676-3850 Fax

Email Address aimee.cordier@eliteclaims.com

Address 1 27464 Commerce Center Drive, Ste C

Address 2

City Temecula State CA Zip 92590

Name of Person Legally Responsible for this Electronic Signature:

Aimee Michelle Cordier (Date/Time of Signature) - 08/30/2019 11:43

APPENDIX 2

Cost Summary and Cost Detail Forms

Proposer:

2020 MONTHLY COST DETAIL – PART A

Fire Sworn and Civilian ☐ 150 Caseload ☐ 125 Caseload

STAFFING DETAIL						
A	B	C	D	E	F	G
POSITION TITLE	NO. OF POSITIONS	MONTHLY SALARY OF EACH POSITION	SALARY COST B X C	FRINGE BENEFITS D x _____% (Specify)	OVERHEAD COST D x _____% (Specify)	TOTAL COST D + E + F
Sub-Total Staffing Costs						

Proposer:

2020 MONTHLY COST DETAIL – PART A

Police Sworn and Civilian ☐ 150 Caseload ☐ 125 Caseload

STAFFING DETAIL						
A	B	C	D	E	F	G
POSITION TITLE	NO. OF POSITIONS	MONTHLY SALARY OF EACH POSITION	SALARY COST B X C	FRINGE BENEFITS D x _____% (Specify)	OVERHEAD COST D x _____% (Specify)	TOTAL COST D + E + F
Sub-Total Staffing Costs						

Proposer:

2020 MONTHLY COST DETAIL – PART A

Civilian Only –Caseload - ☐ 150 Caseload ☐ 125 Caseload

STAFFING DETAIL						
A	B	C	D	E	F	G
POSITION TITLE	NO. OF POSITIONS	MONTHLY SALARY OF EACH POSITION	SALARY COST B X C	FRINGE BENEFITS D x _____% (Specify)	OVERHEAD COST D x _____% (Specify)	TOTAL COST D + E + F
Sub-Total Staffing Costs						

Proposer:

2020 TPA COST DETAIL – PARTS B, C & D

Fire Sworn and Civilian ☐ 150 Caseload ☐ 125 Caseload

ITEMIZATION OF FRINGE BENEFITS

DESCRIPTION	% SALARY
Total Percent of Salary	

OVERHEAD EXPENSE

DESCRIPTION	% SALARY
Total Percent of Salary	

OTHER PROGRAM COSTS

DESCRIPTION	UNIT PRICE	COST
Total Other Program Costs		

Proposer:

2020 TPA COST DETAIL – PARTS B, C & D
Police Sworn and Civilian – ☐ 150 Caseload ☐ 125 Caseload

B. ITEMIZATION OF FRINGE BENEFITS

DESCRIPTION	% SALARY
Total Percent of Salary	

OVERHEAD EXPENSE

DESCRIPTION	% SALARY
Total Percent of Salary	

OTHER PROGRAM COSTS

DESCRIPTION	UNIT PRICE	COST
Total Other Program Costs		

Proposer:

2020 TPA COST DETAIL – PARTS B, C & D

Civilian Only –Caseload ☐ 150 Caseload ☐ 125 Caseload

B. ITEMIZATION OF FRINGE BENEFITS		
DESCRIPTION	% SALARY	
Total Percent of Salary		

OVERHEAD EXPENSE		
DESCRIPTION	% SALARY	
Total Percent of Salary		

OTHER PROGRAM COSTS		
DESCRIPTION	UNIT PRICE	COST
Total Other Program Costs		

Proposer:

2020 TPA ANNUAL COST SUMMARY – PART E

Submit a separate table for each

☐ 150 Caseload

☐ 125 Caseload

	FIRE SWORN AND CIVILIAN	POLICE SWORN AND CIVILIAN	CIVILIAN ONLY CASELOAD		
FROM PART A					
Sub-Total Column D – Salaries					
Sub-Total Column E – Fringe Benefits					
Sub-Total Column F – Overhead Cost					
Part A – TOTAL STAFFING COSTS (Salaries + Fringe Benefits + Overhead Cost)					
Part D – TOTAL OTHER PROGRAM COSTS					
TOTAL FEES (Total Staffing Costs + Total Other Program Costs)					

Specify a structure to adjust the fees on the basis of an increase or decrease in claims. Please use attachment	
Indicate how long fees are guaranteed/Specify the limits on any annual increases. Please use attachment	

WorkCompStat

Workers' Compensation Statistics

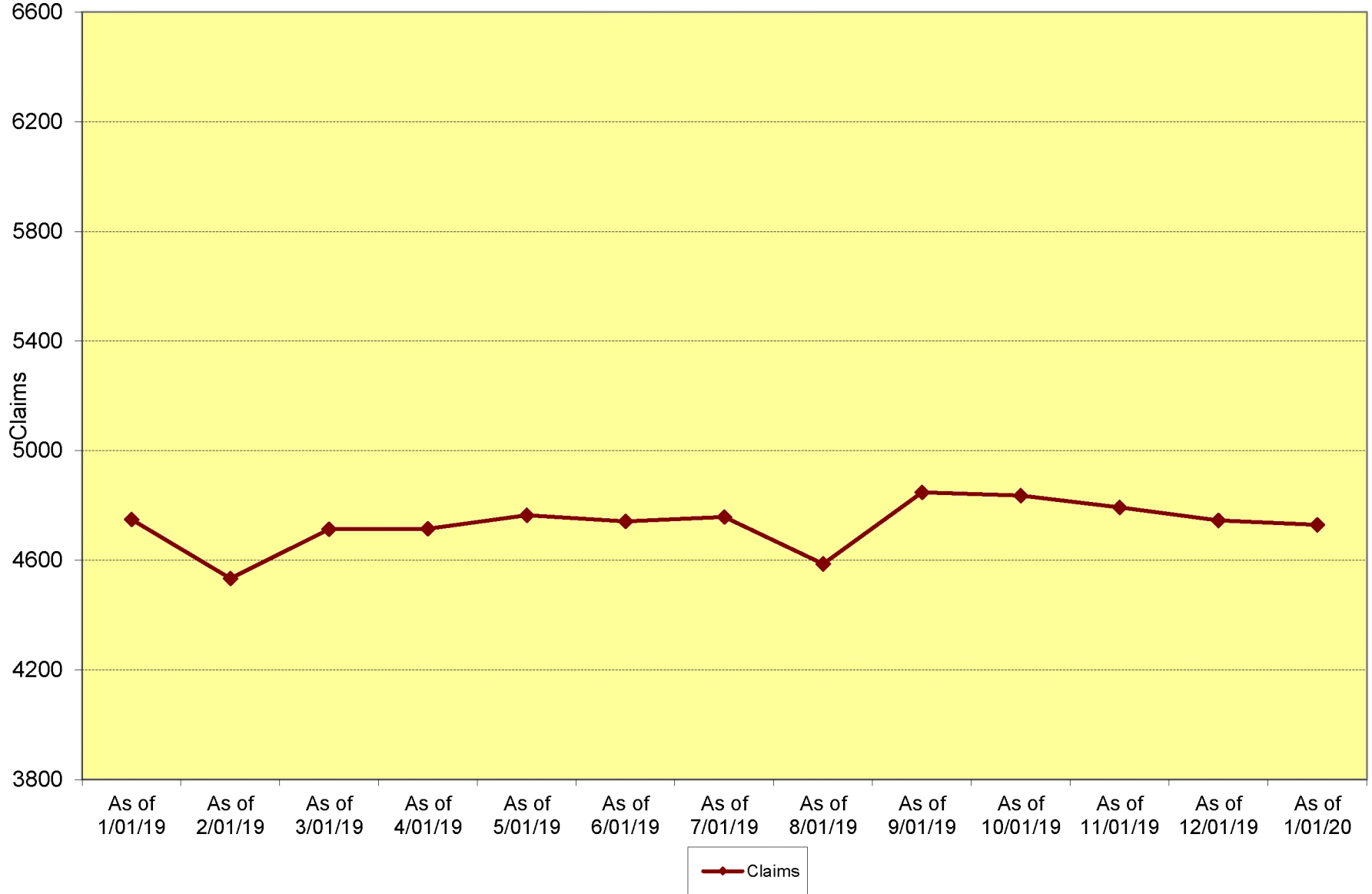
January 2020

CITY OF LOS ANGELES
PERSONNEL DEPARTMENT – WORKERS' COMPENSATION DIVISION



TOTAL CLAIMS

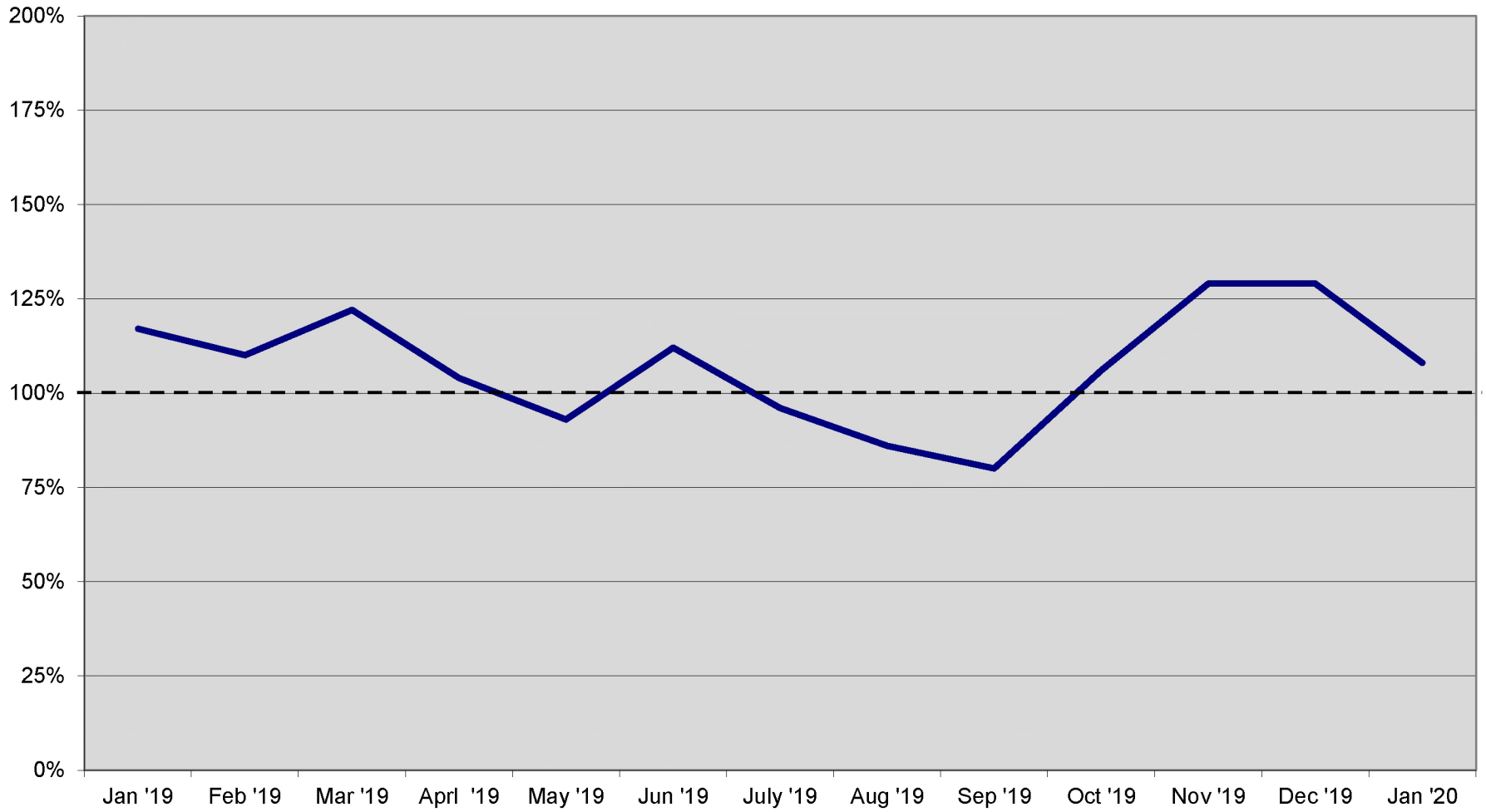
Division Total



AVERAGE CASELOAD



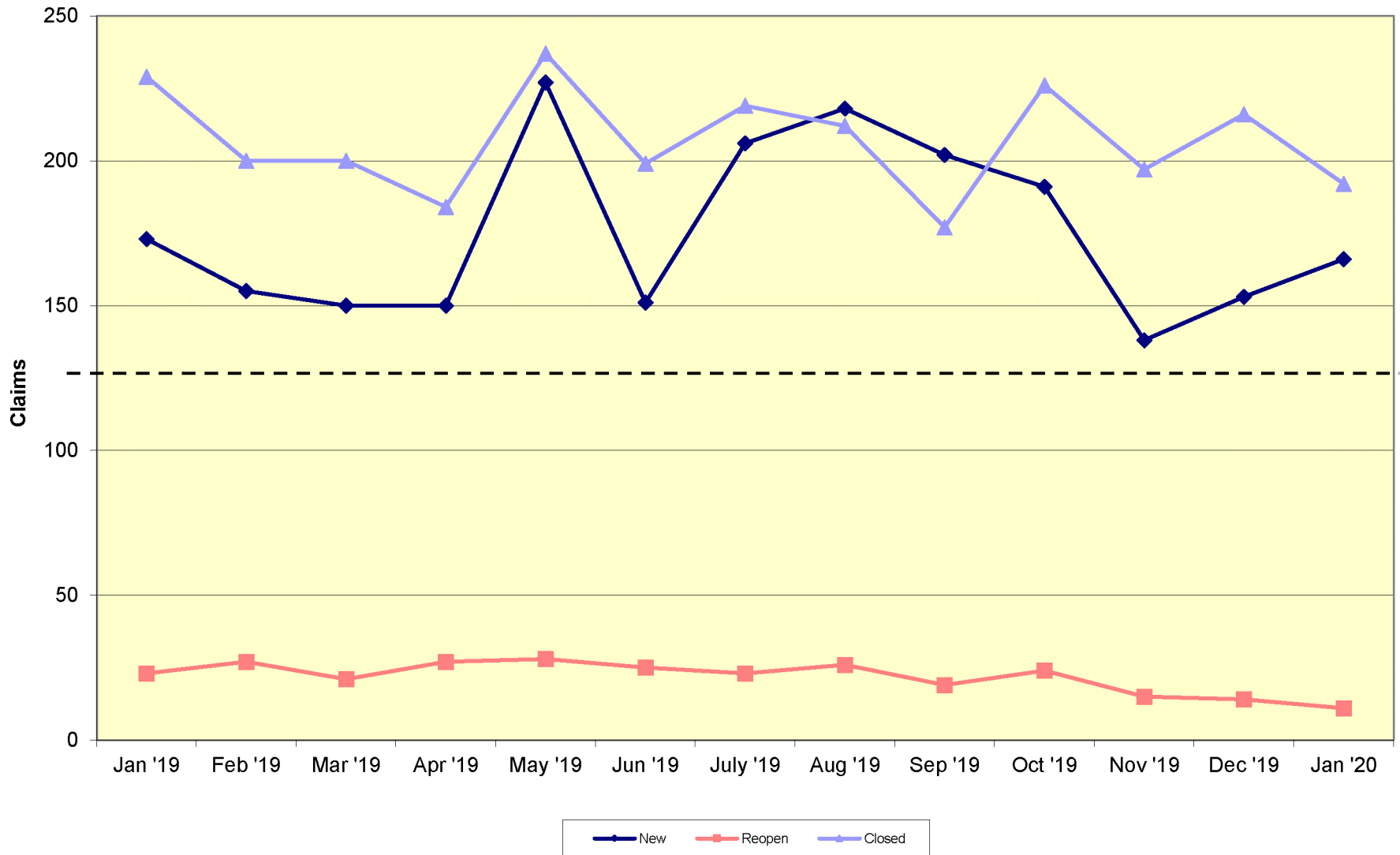
CLOSURE RATE DIVISION TOTAL *



— Closed Claims

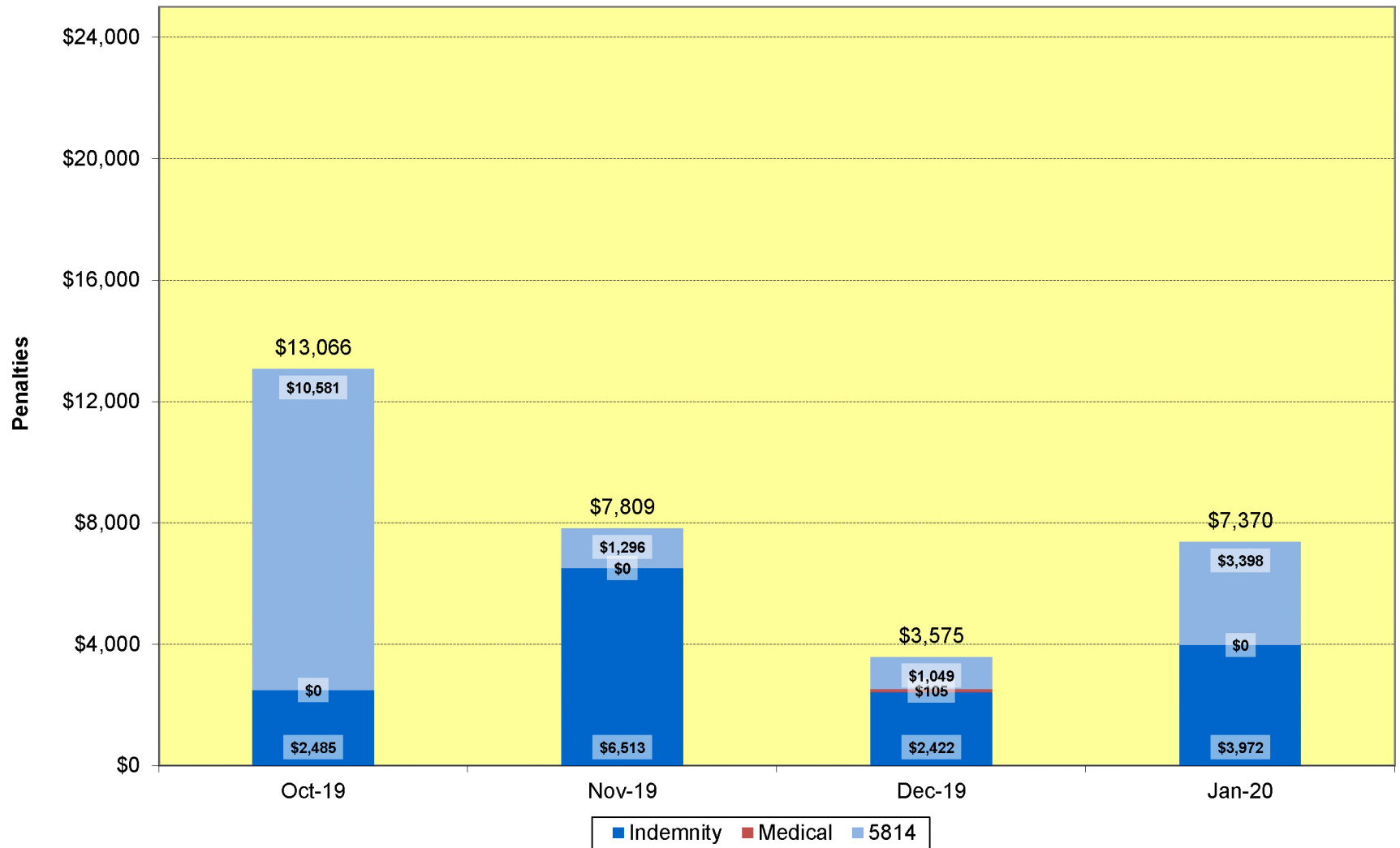
NEW CLAIMS

New, Reopen and Closed Claims - Civilian Total



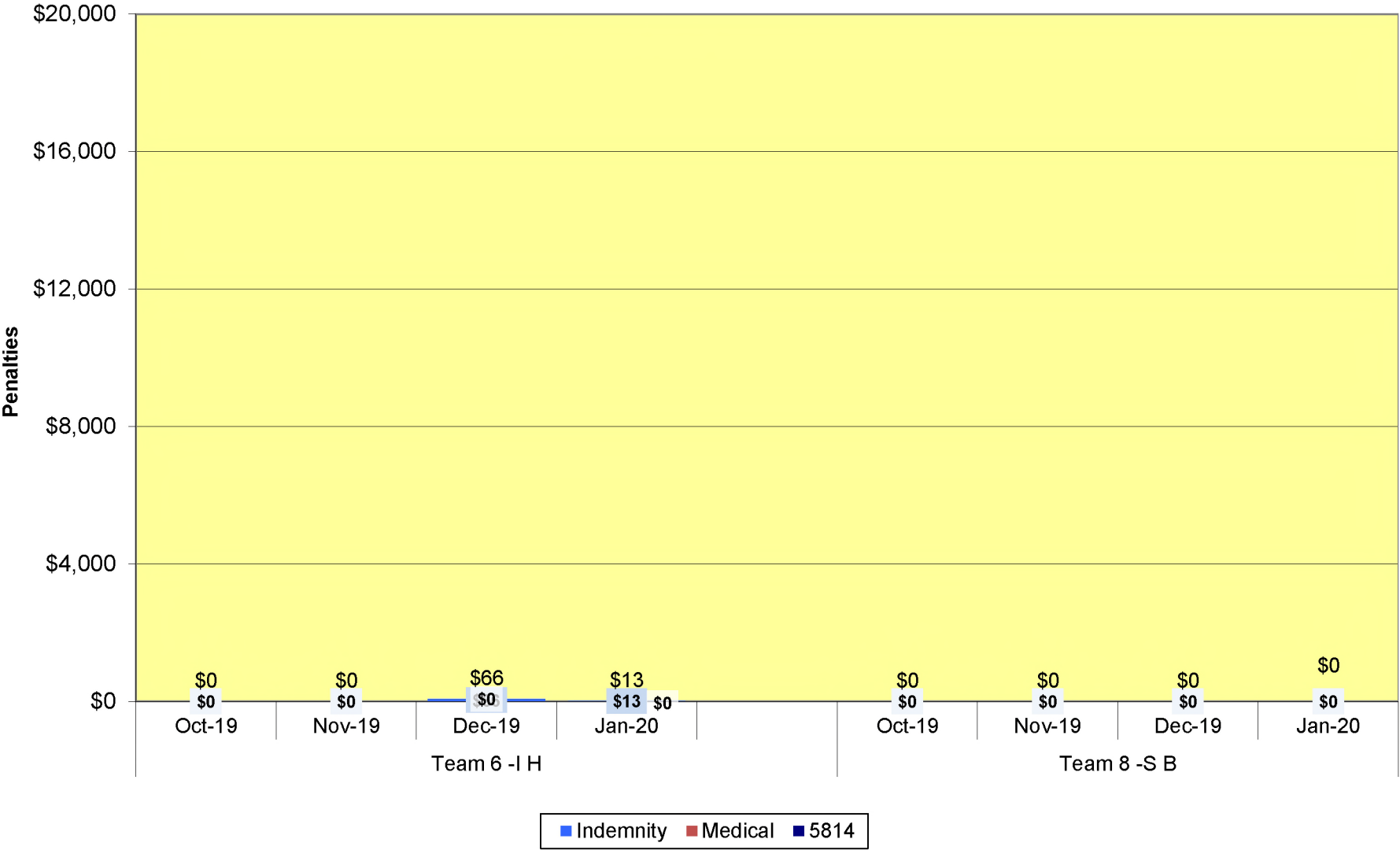
PENALTIES REPORT

Division Total



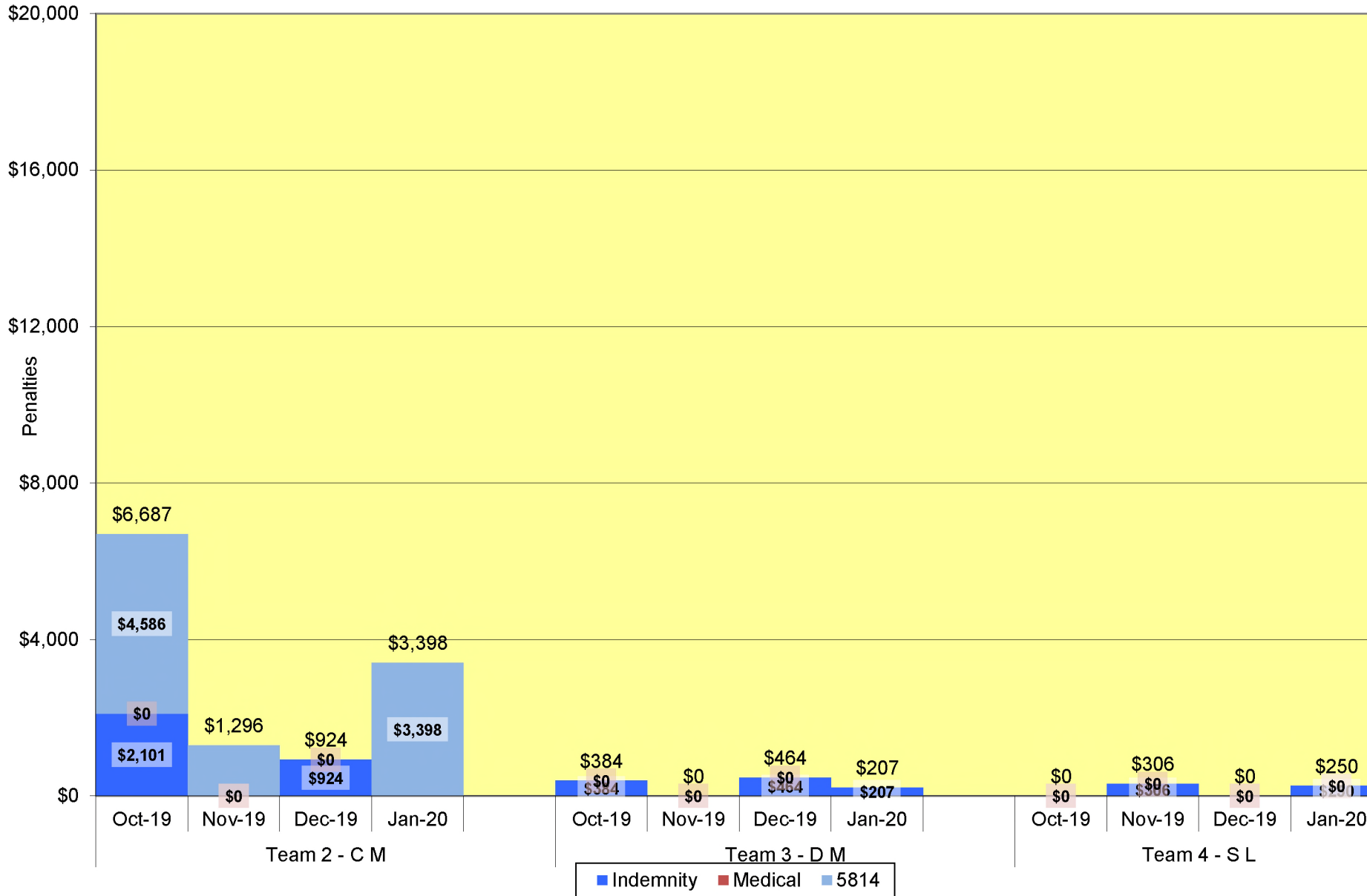
PENALTIES REPORT

D T - Team 6, Team 8



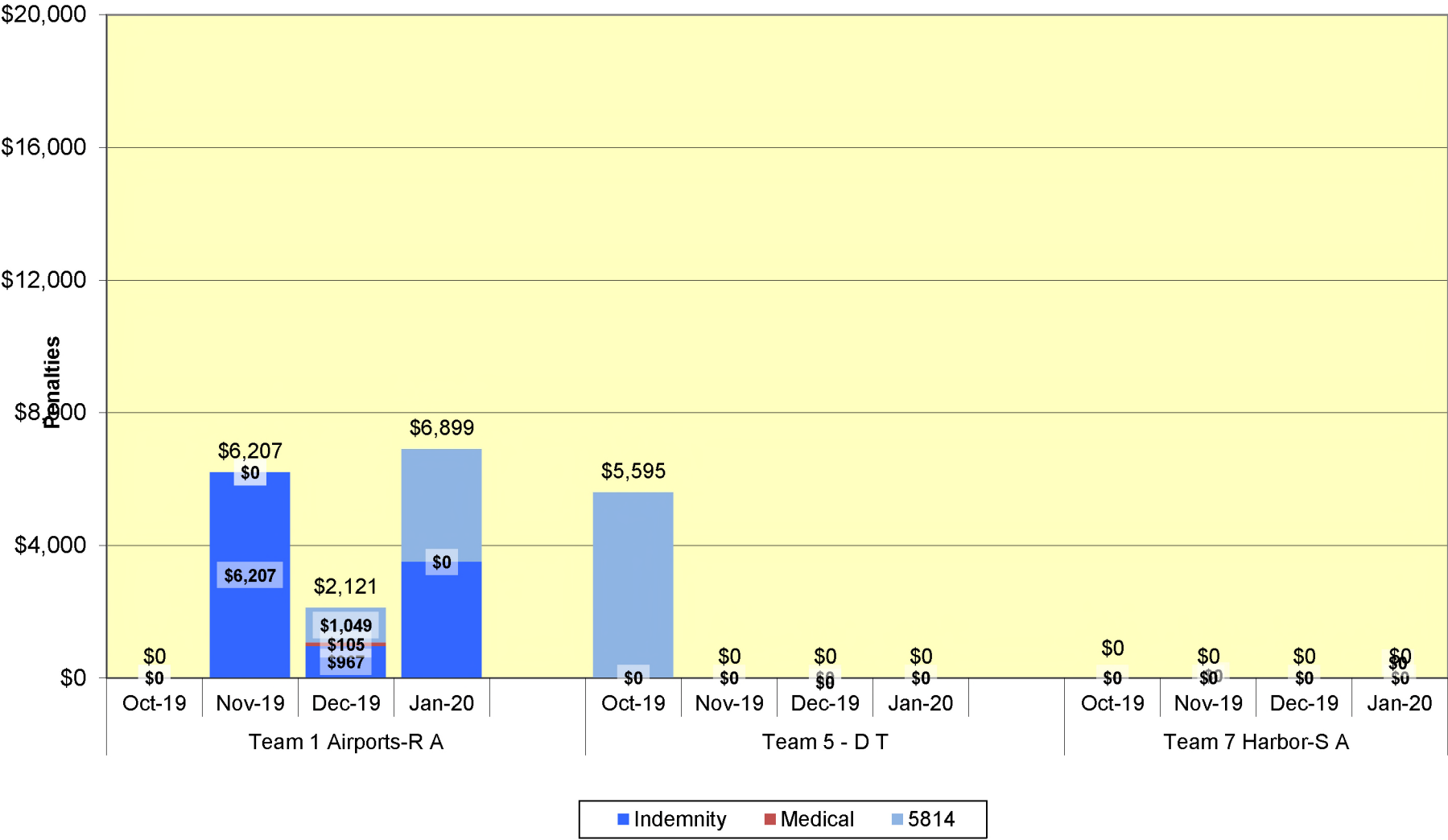
PENALTIES REPORT

B R - Team 2, 3, 4,



PENALTIES REPORT

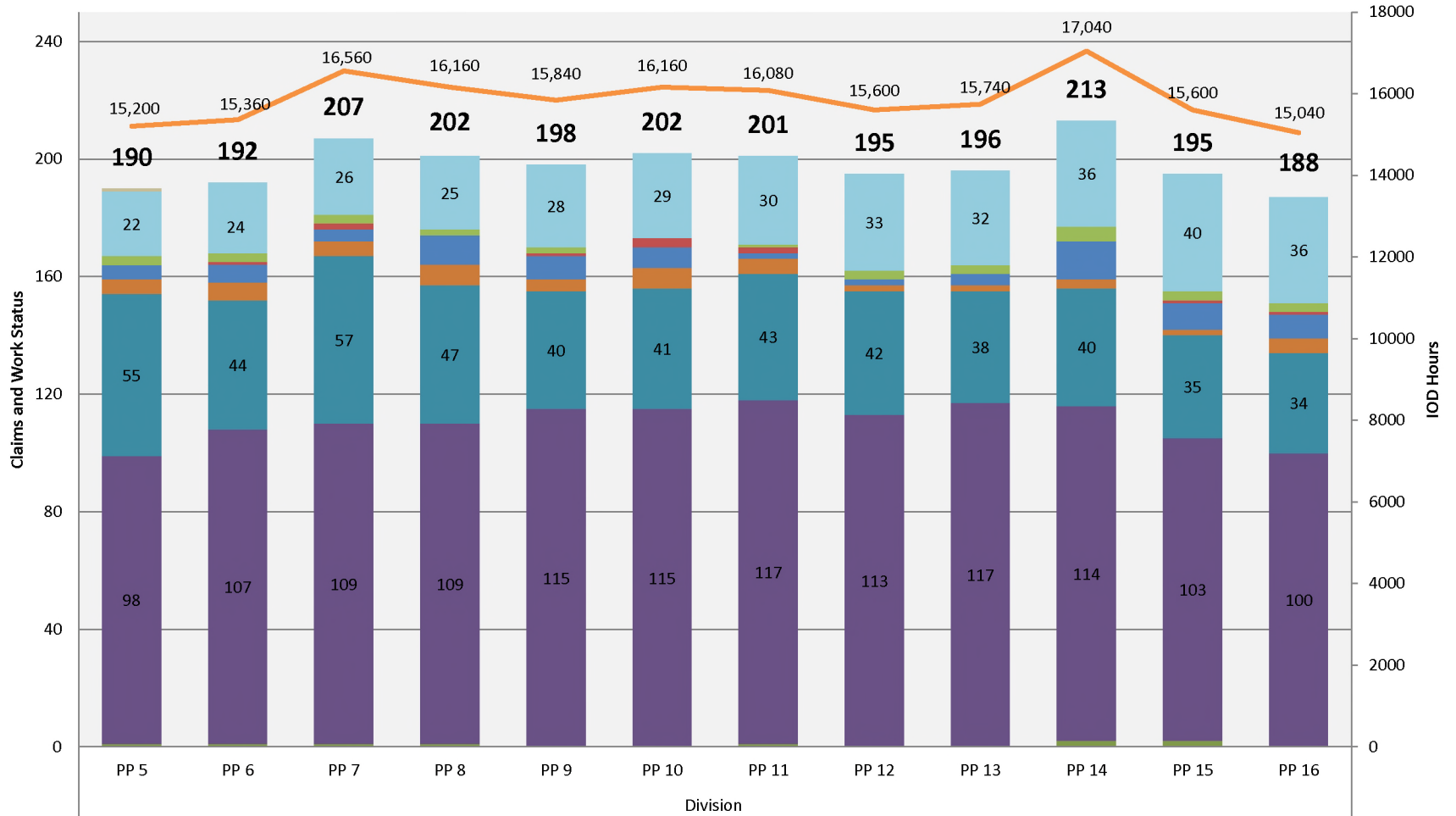
D T - Team 1, 5, 7



IOD Claims and Work Status

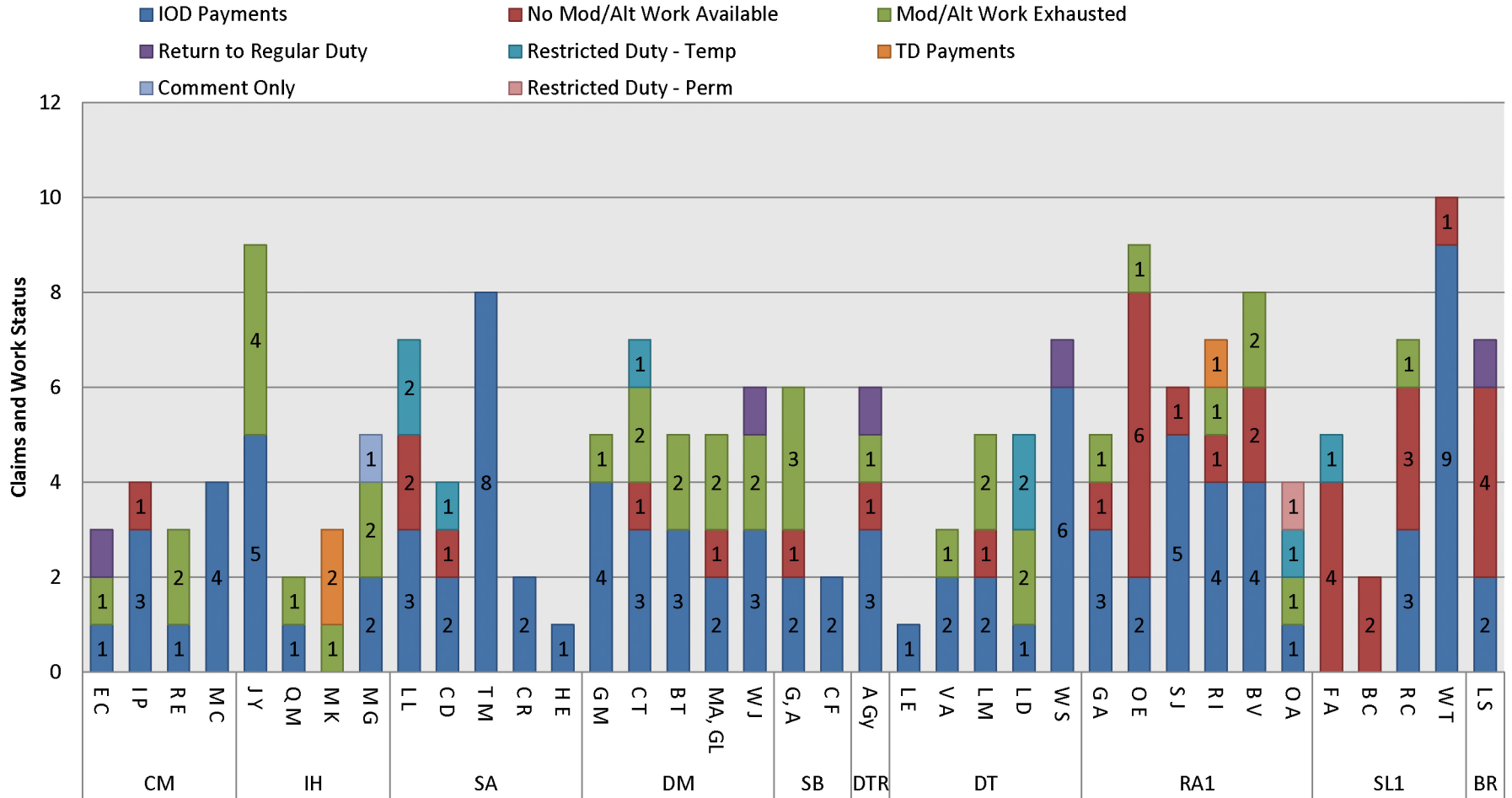
80 IOD Hours, PP 16

- Comment Only
- IOD Payments
- No Mod/Alt Work Available
- Return Regular Duty
- Restricted Duty - Temp
- Restricted Duty - Perm
- TD Payments
- Mod/Alt Work Exhausted
- Partial Light Duty/Wage Loss
- IOD Hours



IOD Claims and Work Status

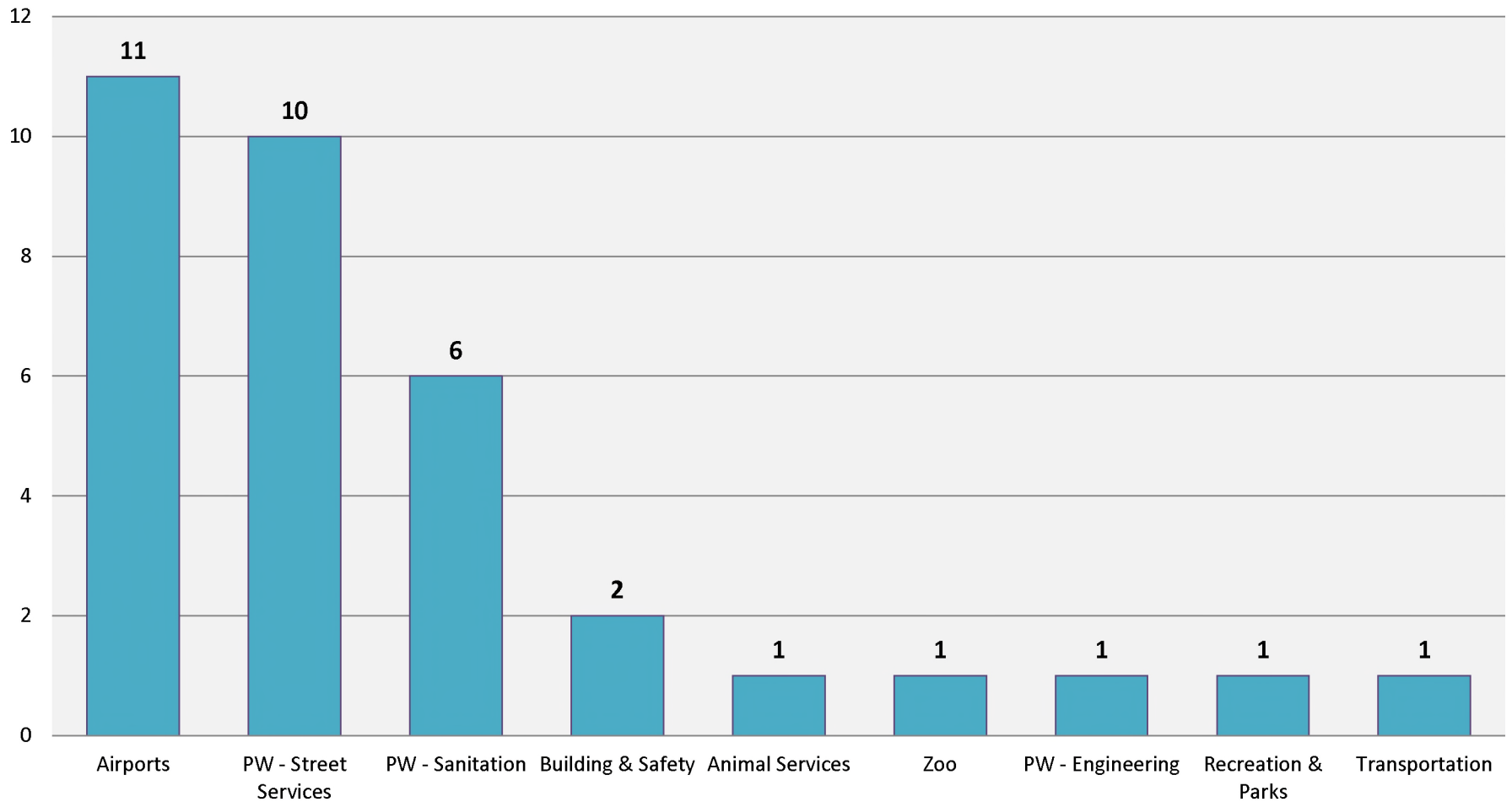
80 IOD Hours, PP 16



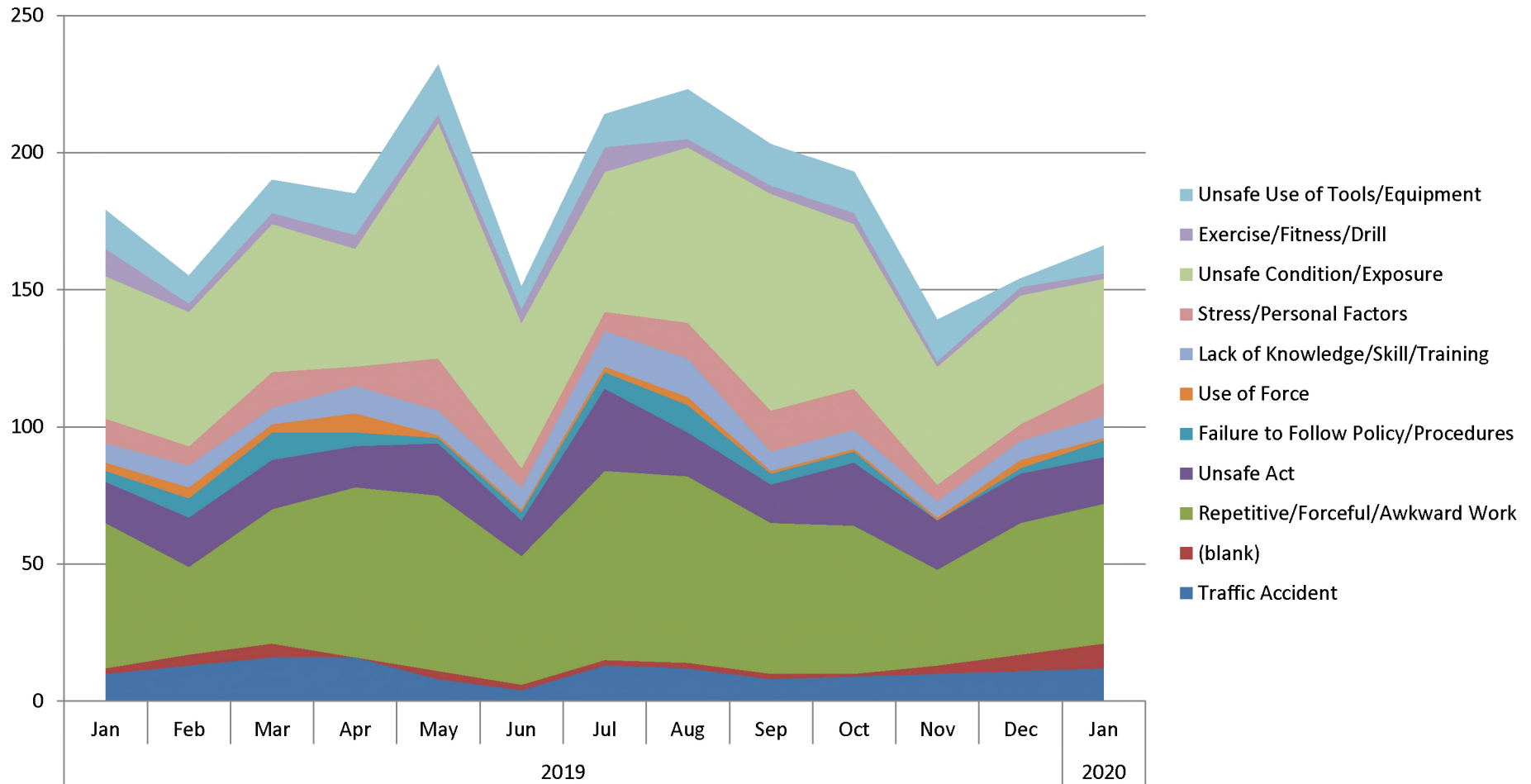
IOD Claims No Mod/Alt Work Status

80 IOD Hours, PP 16

■ No Mod/Alt Work Available



Contributing Cause Trend Report - City



Contributing Cause Trend Data - City

Adjusting Office City of Los Angeles Personnel Dept

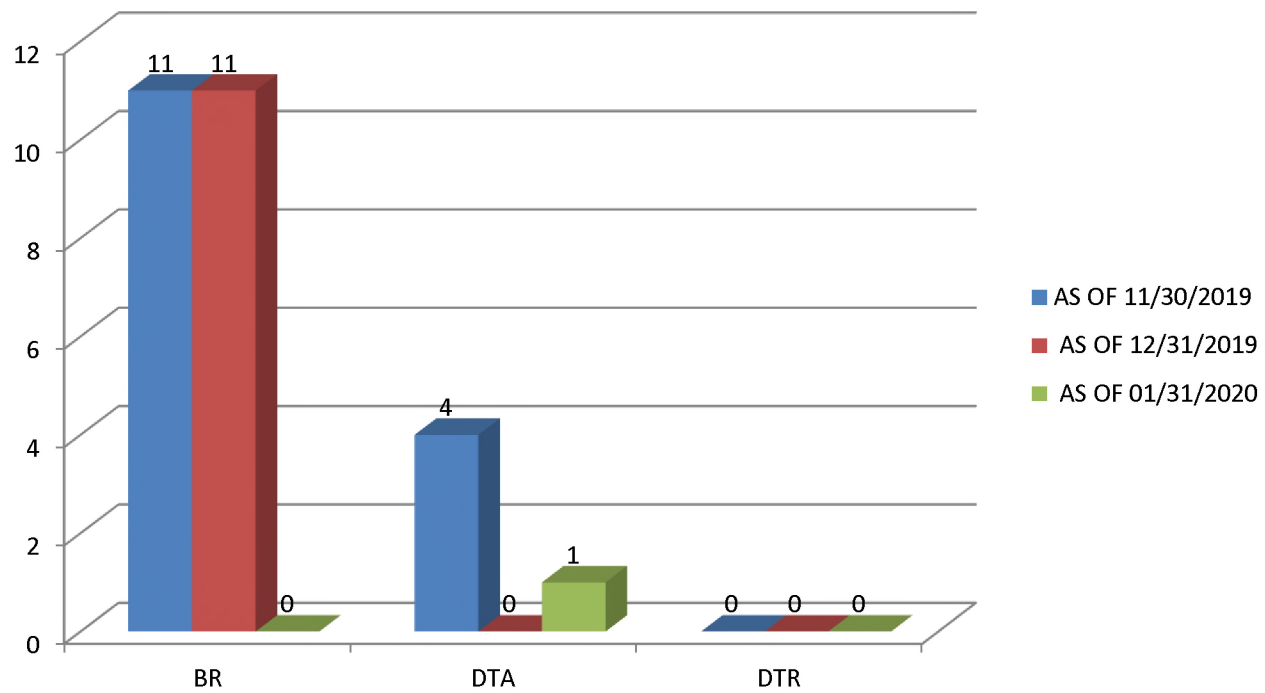
Claim Count	Claim Opened														
	2019													2020	Grand Total
Contributing Cause	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan		
Traffic Accident	10	13	16		16	8	4	13	12	8	9	10	11	12	142
(blank)	2	4	5			3	2	2	2	2	1	3	6	9	41
Repetitive/Forceful/Awkward Work	53	32	49		62	64	47	69	68	55	54	35	48	51	687
Unsafe Act	15	18	18		15	19	13	30	16	14	23	18	18	17	234
Failure to Follow Policy/Procedures	4	7	10		5	2	3	6	10	4	4		2	6	63
Use of Force	3	4	3		7	1	1	2	3	1	1	1	3	1	31
Lack of Knowledge/Skill/Training	7	8	6		10	9	8	13	14	7	7	6	7	8	110
Stress/Personal Factors	9	7	13		7	19	7	7	13	15	15	6	6	12	136
Unsafe Condition/Exposure	52	49	54		43	86	53	51	64	79	60	43	47	38	719
Exercise/Fitness/Drill	10	3	4		5	3	5	9	3	3	4	2	3	2	56
Unsafe Use of Tools/Equipment	14	10	12		15	18	8	12	18	15	15	15	3	10	165
Grand Total	179	155	190		185	232	151	##	223	203	193	139	154	166	2,384

3 POINT CONTACT - CITY

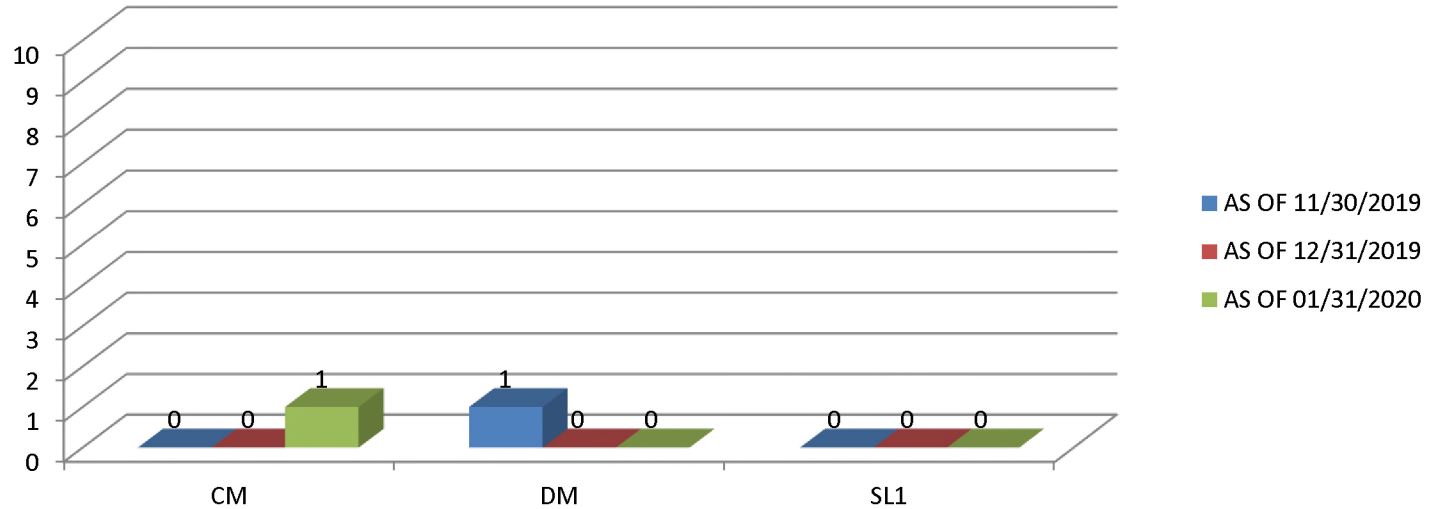
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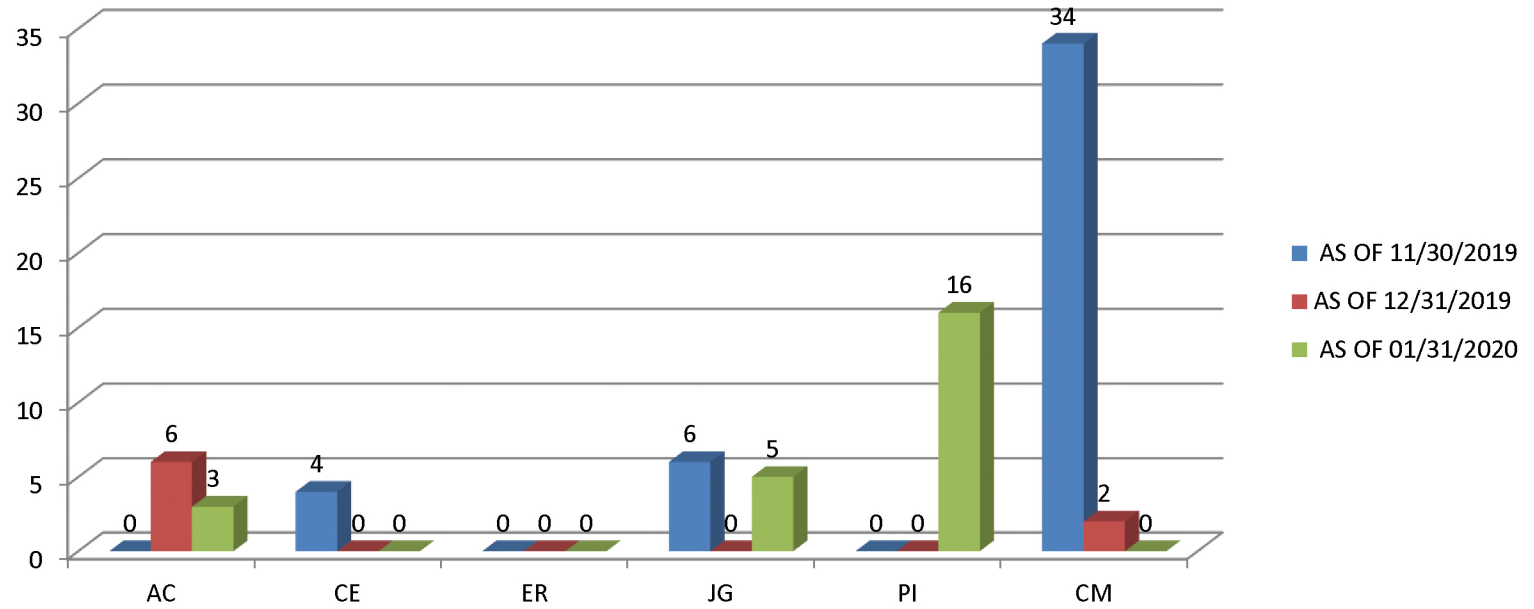
Late Diaries As Of 01/31/2020 TS



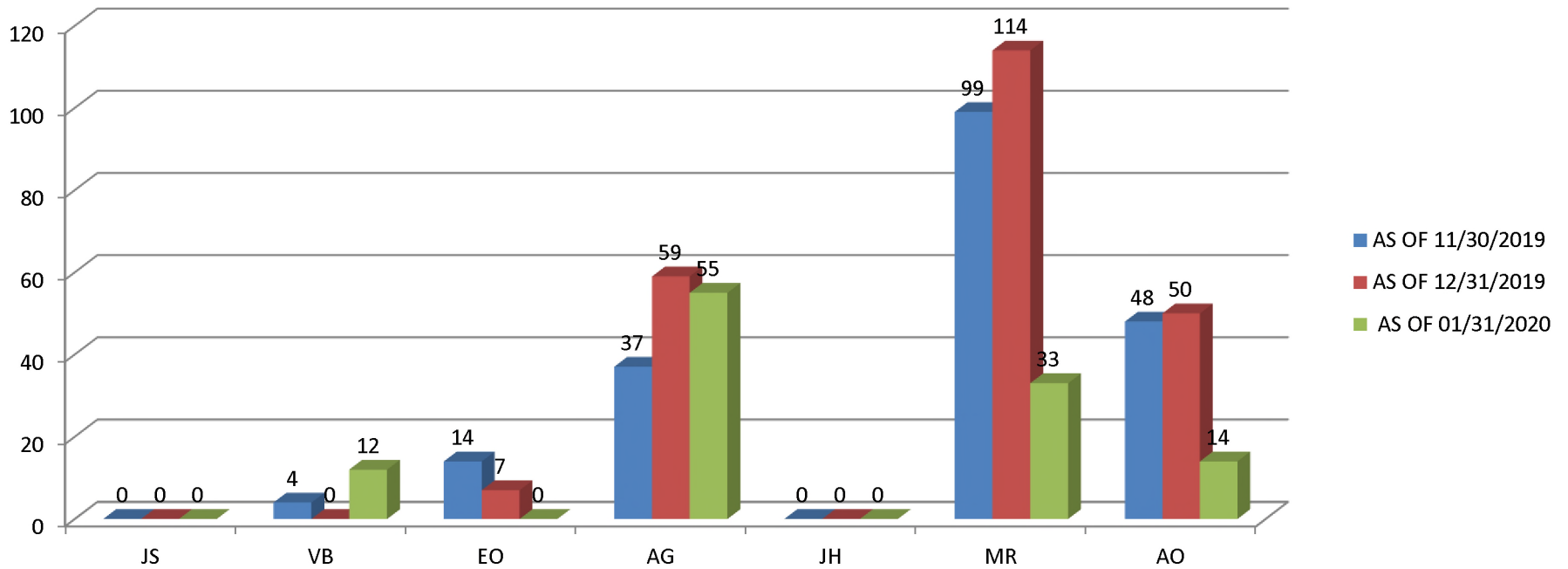
Late Diaries As Of 01/31/2020 BR



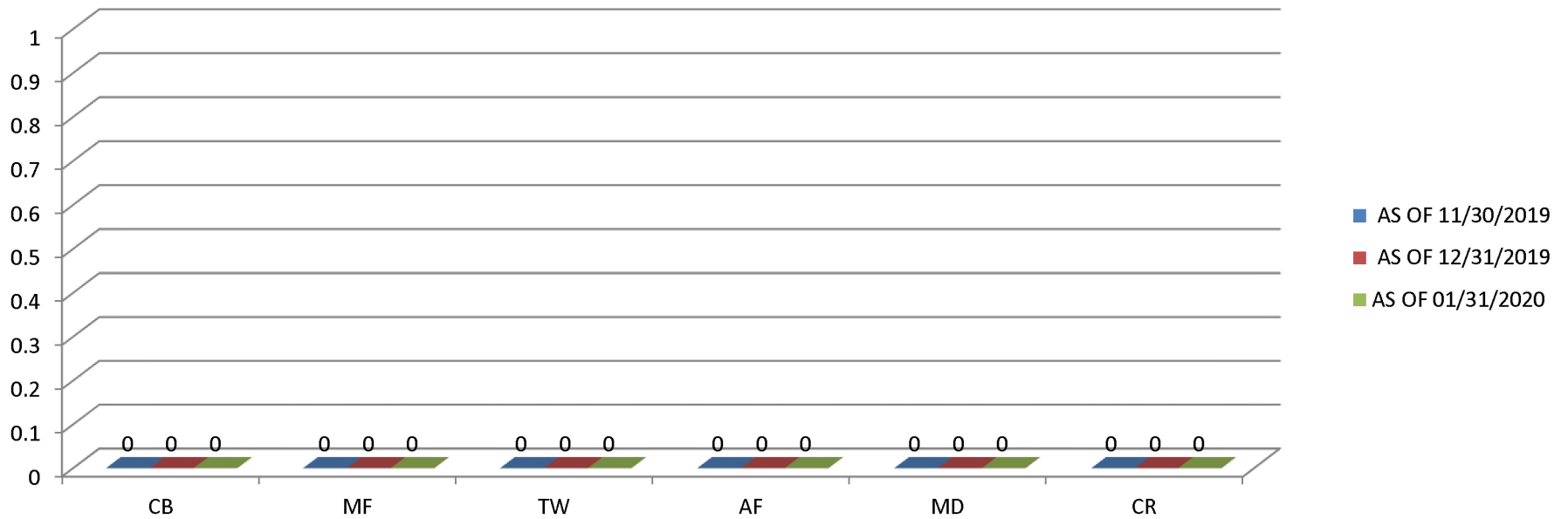
Late Diaries As Of 01/31/2020 CM



Late Diaries As Of 01/31/2020 RA1

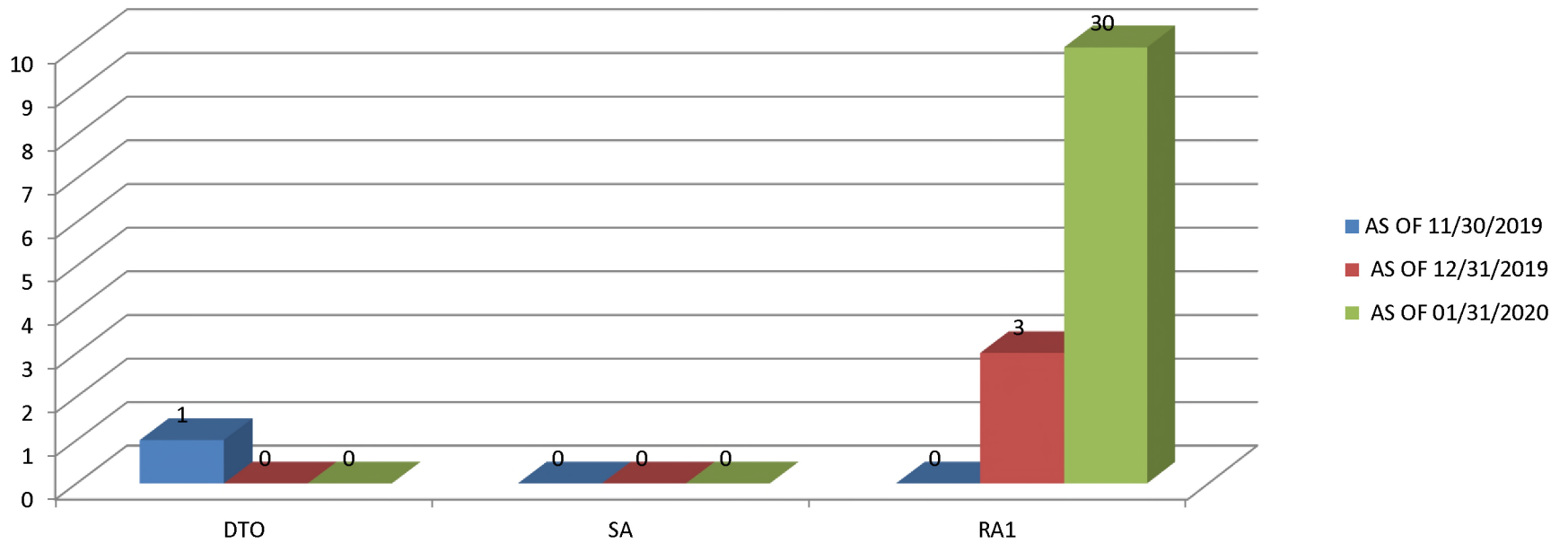


Late Diaries As Of 01/31/2020 SL

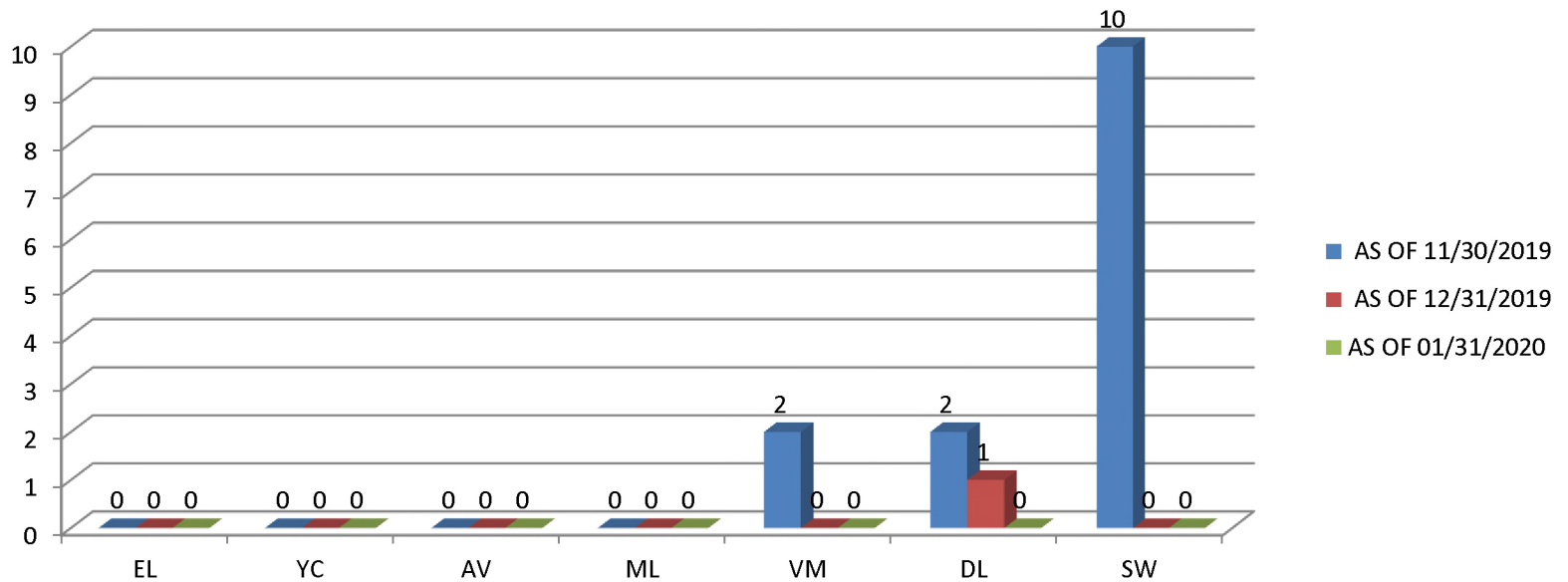


Late Diaries As Of 01/31/2020

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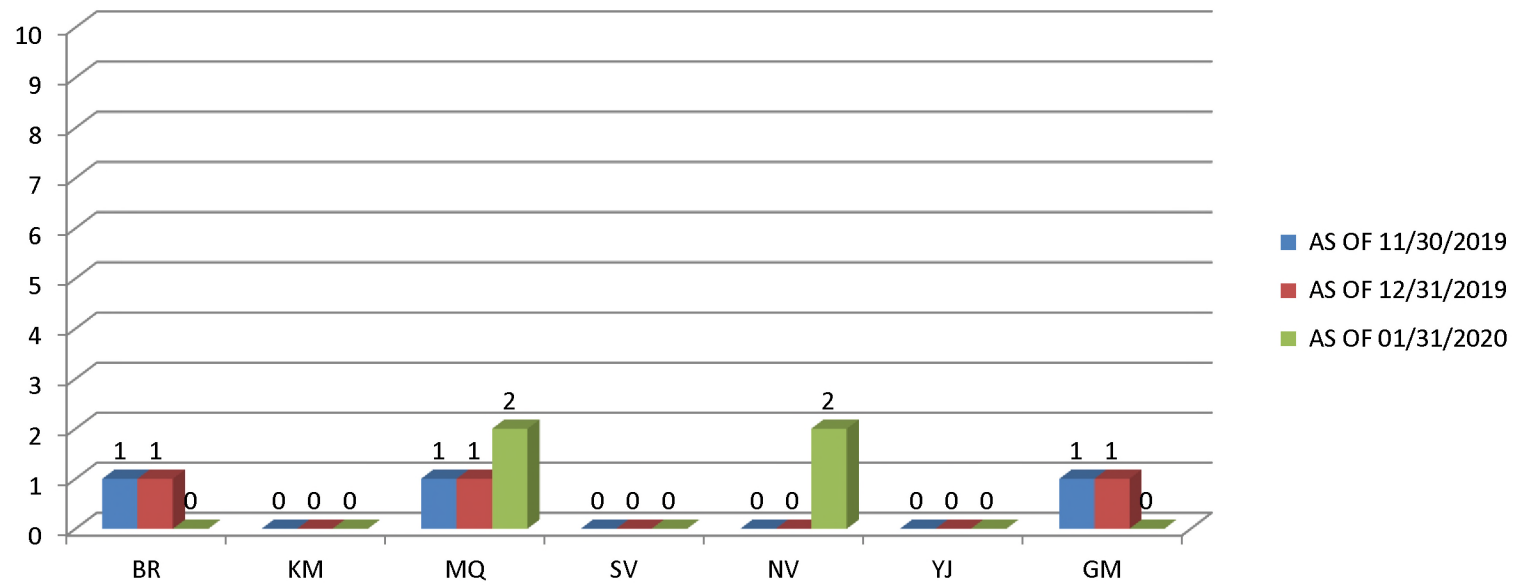


Late Diaries As Of 01/31/2020 DTO

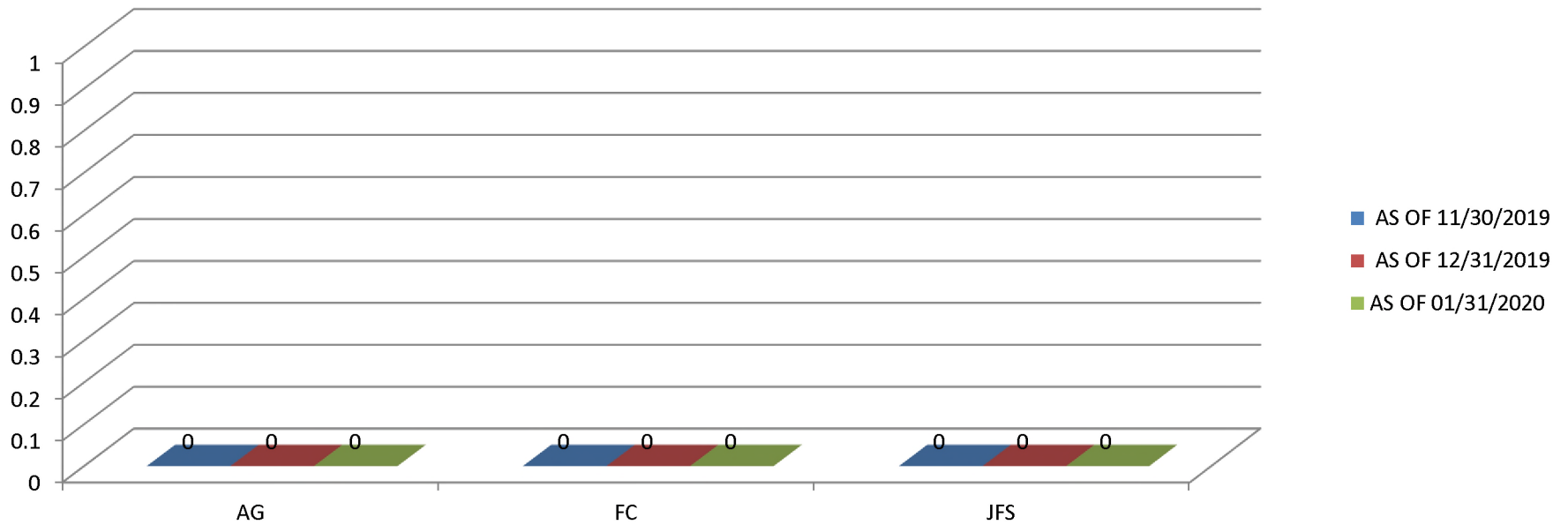


Late Diaries As Of 01/31/2020

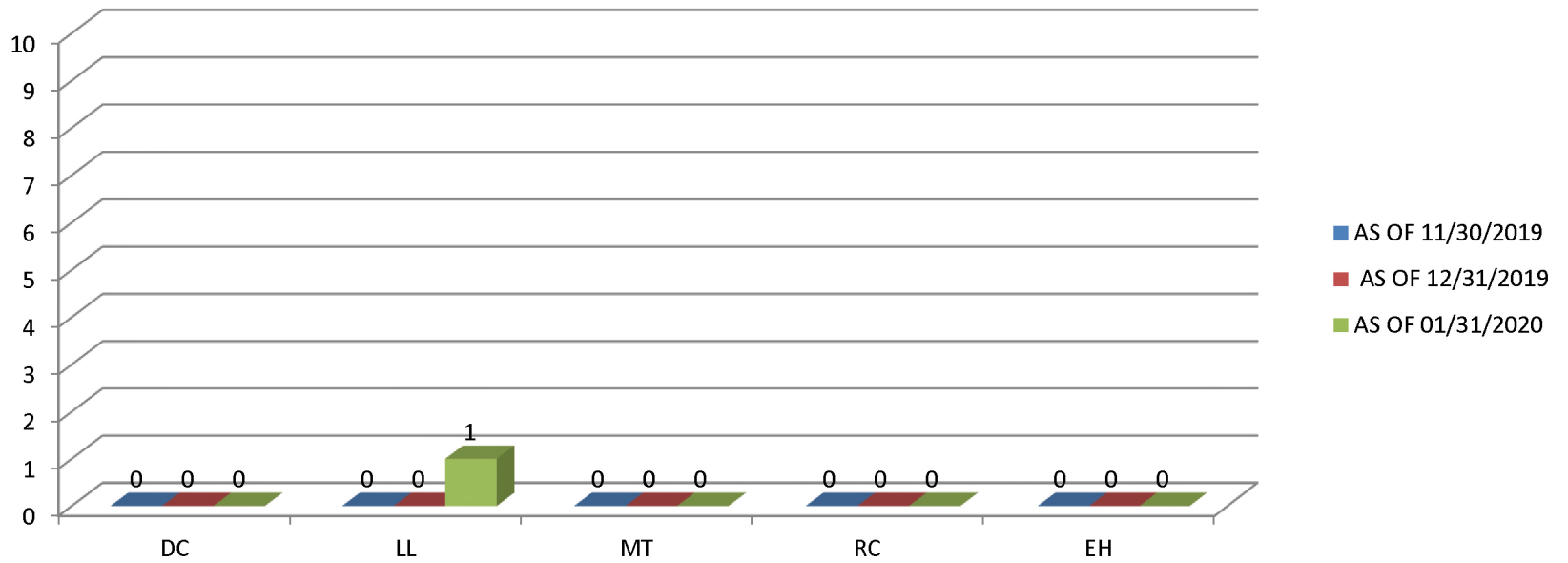
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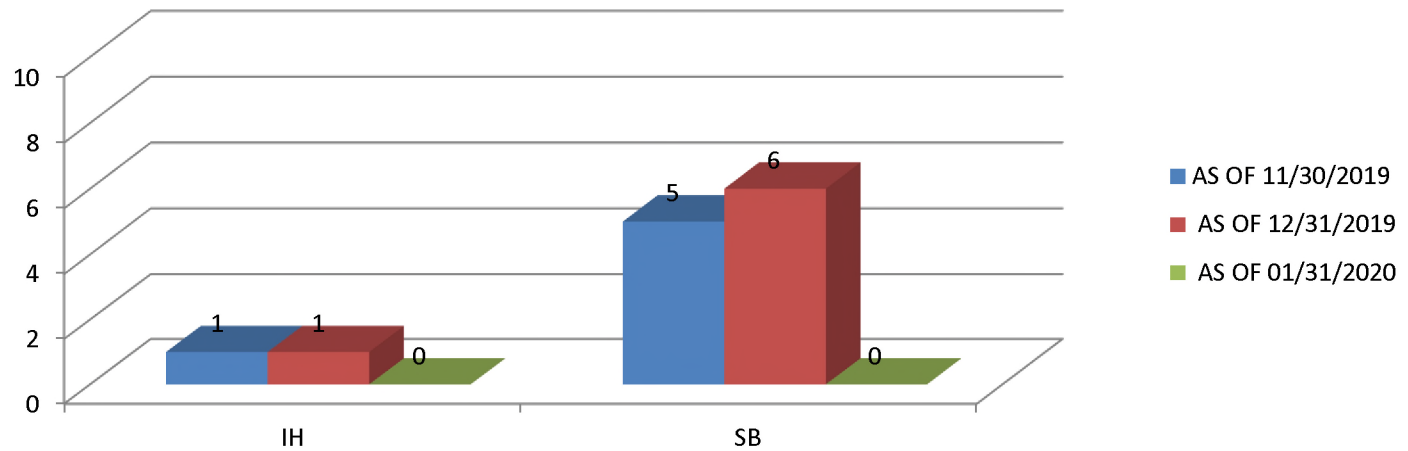
Late Diaries As Of 01/31/2020 SB



Late Diaries As Of 01/31/2020 SA

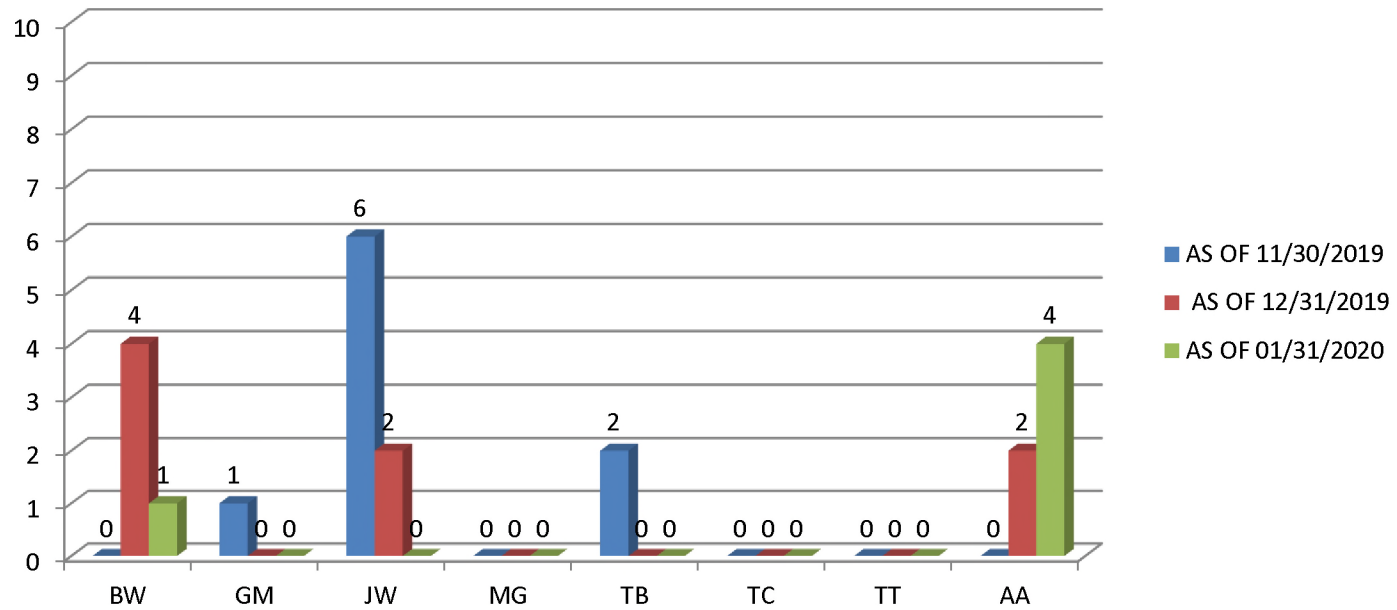


Late Diaries As Of 01/31/2020 DTR

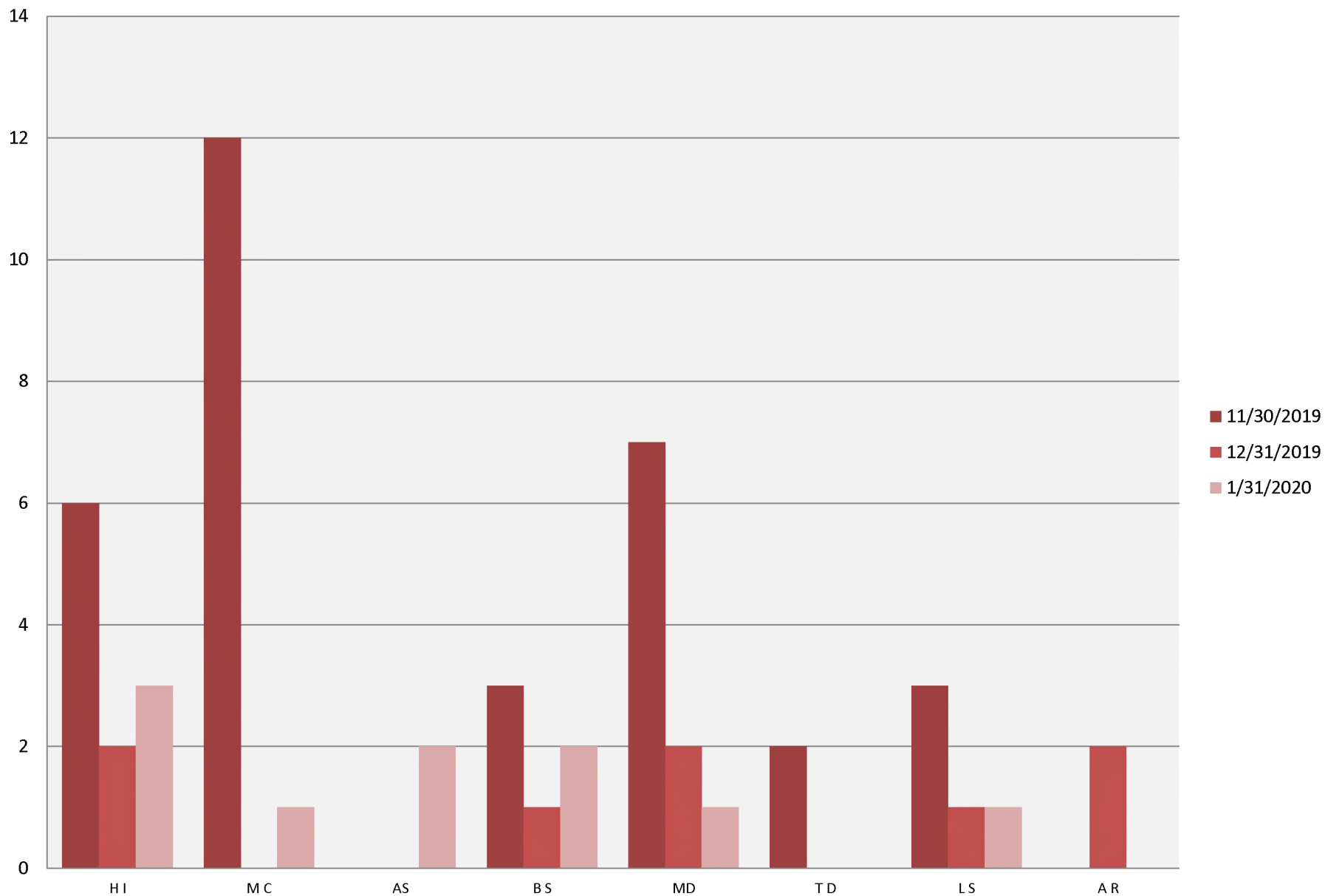


Late Diaries As Of 01/31/2020

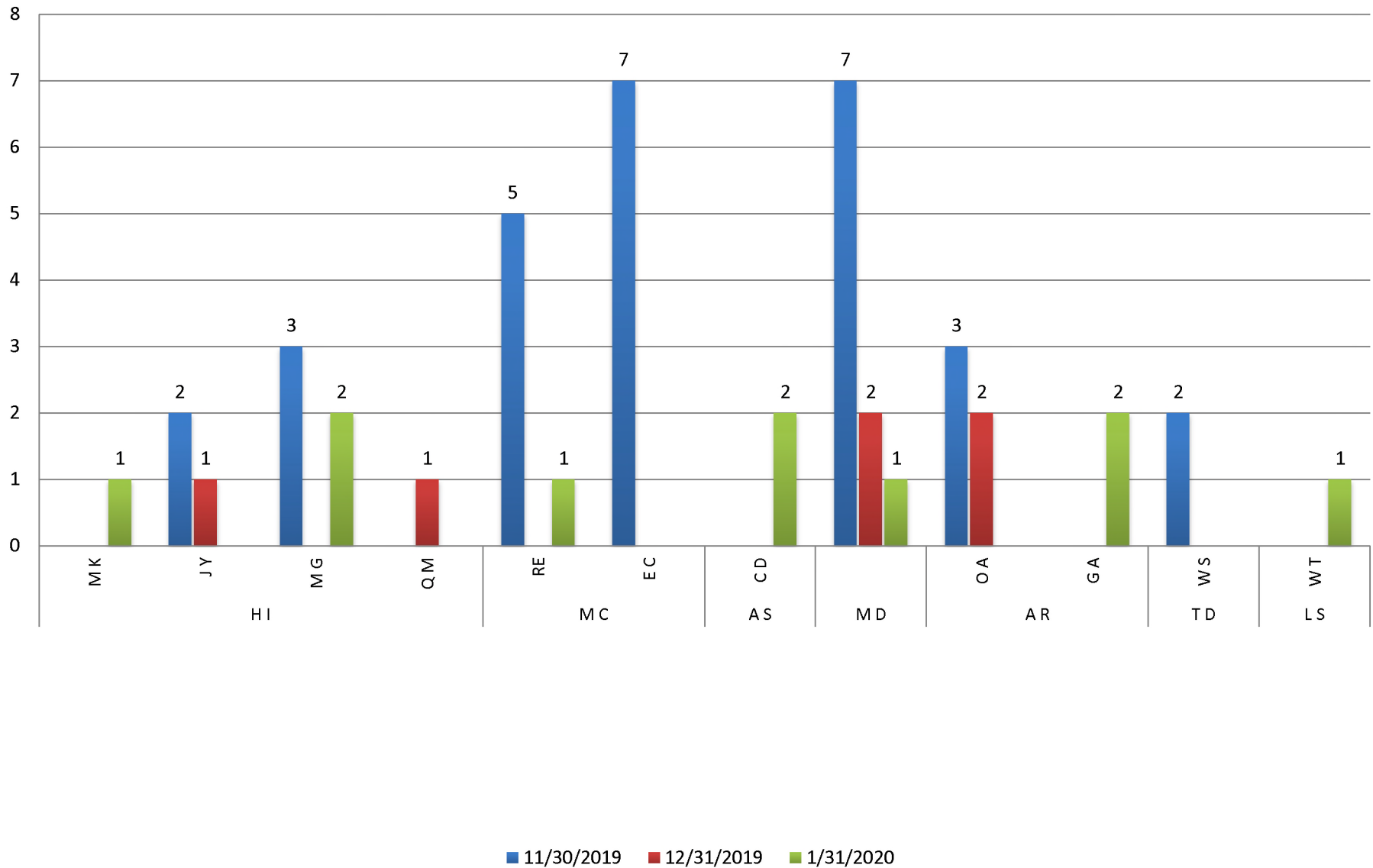
DM



No Analyst Team Diaries for Three Months Ending 01/31/2020

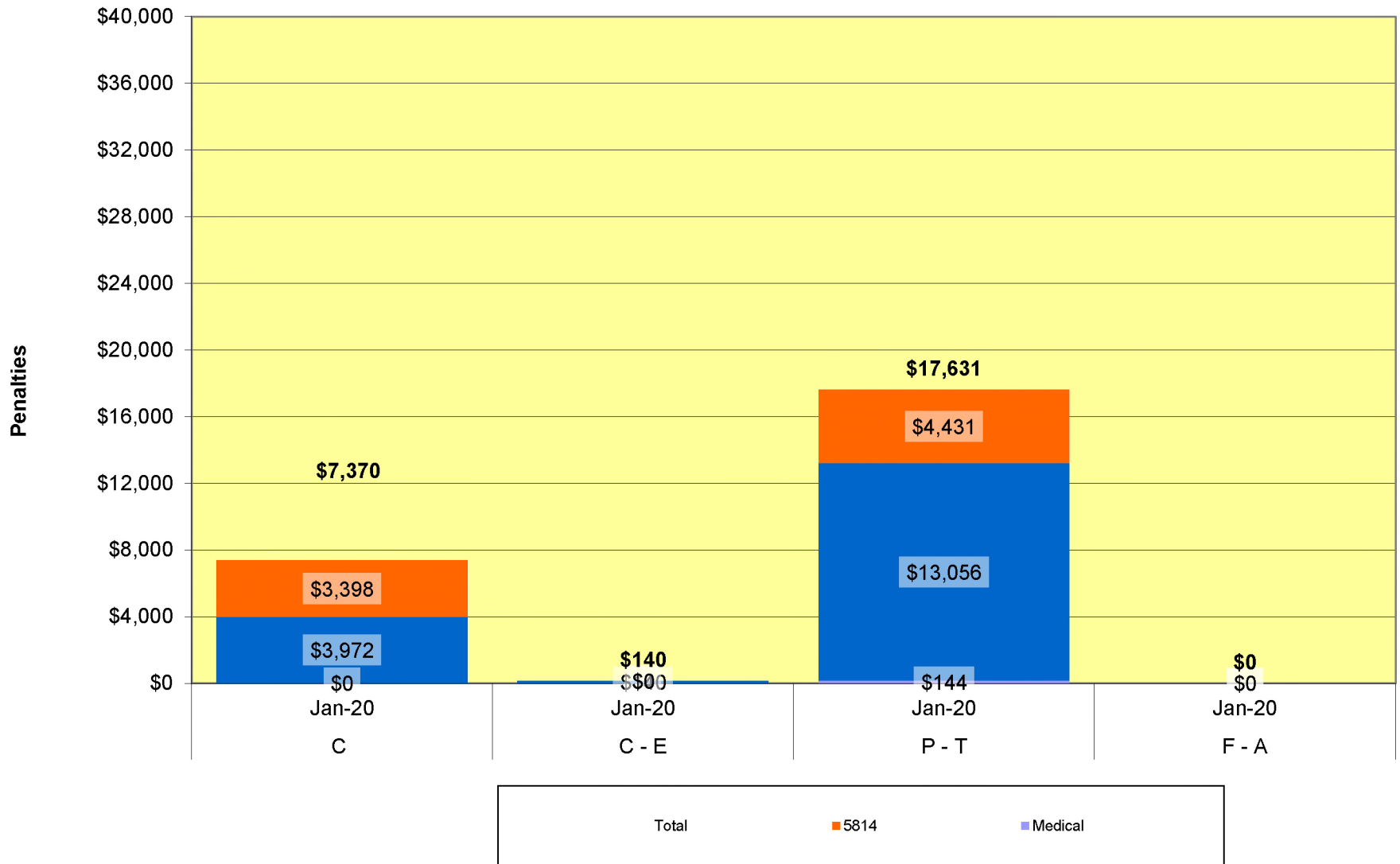


No Analyst Diaries for Three Months Ending 01/31/2020



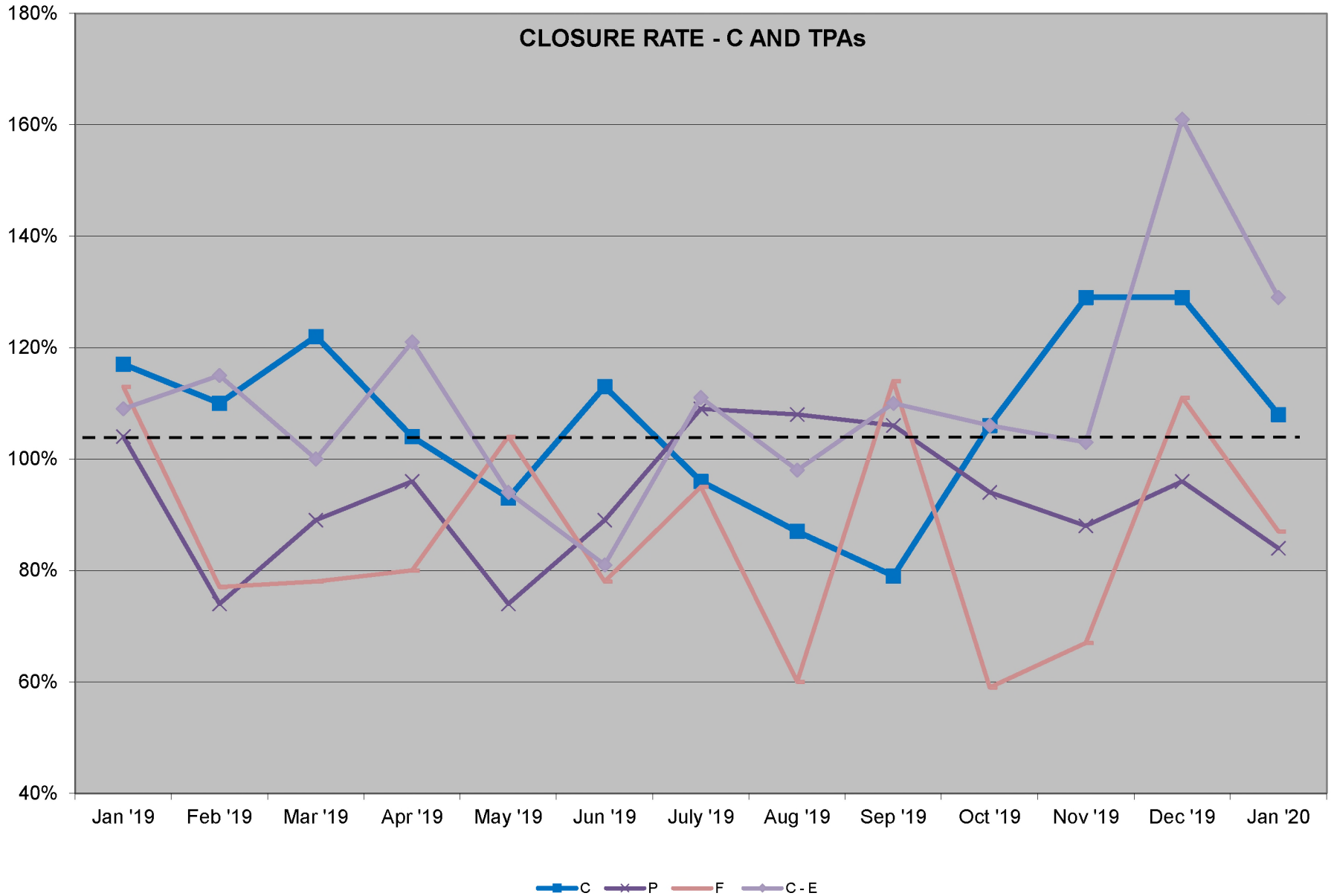
PENALTIES

Indemnity, Medical and 5814 Penalties - C, C-E, P T, and F-A



CLOSURE

CLOSURE RATE - C AND TPAs





Technical Requirements for iVOS 4.5.x

The recommended minimum hardware and software specifications for iVOS version 4.5.x are described below. Other configurations may be supported. Contact Ventiv Support for more information.

Note: Ventiv reserves the right to change supported browsers and operating systems to reflect the current versions supplied or previous versions supported by Microsoft.

Desktop Hardware and Software

Minimum Specifications	Additional Details
PC	
2GHz processor or faster Minimum 3GB of RAM	
Operating System	
Windows 7	Additional Versions Supported: Windows 8.1 (iVOS 4.5.05 and higher)
Display	
1024x768 or higher	Preferred: 1280x1024 or higher is recommended. Users must have "small fonts" set on desktops. This is set through the Windows Display Properties window.
Desktop Software	
Adobe Reader 8.x	Additional Versions Supported: • 9.x, 10.x, 11.x Preferred: • Adobe Reader 11.x (iVOS 4.5.01 and higher)
Microsoft Excel and Word 2007	Additional Versions Supported: • Office 2010, Office 2013/Office 365 Preferred: • Office 2013
Browser	
iVOS: • IE 8 iVOS Jasper Ad Hoc Reporter • IE 9*	Additional Versions Supported: • IE 9 supported with Windows 7 on 4.5.0 and higher • IE10 supported with Windows 7 on 4.5.05 and higher • IE11 supported with Windows 7/Windows 8.1 on 4.5.05 and higher Preferred: • IE11 IMPORTANT: You must now <i>remove</i> the iVOS URL from the list of sites previously added to Compatibility View. Click here for more information.
*Note: Just to clarify, if you are using Jasper Ad Hoc within iVOS you need to be on IE 9 at a minimum.	

Database and Application Server Hardware and Software (*continued*)

Minimum Specifications	Additional Details
Database and Application Server Hardware	
Note: - iVOS is not certified in a virtual environment or when running behind a web proxy. - The Application and Database servers must run on separate hardware dedicated to iVOS.	
Minimum: 4-Core x64 servers with current generation Xeon CPUs - Minimum 8GB RAM for Database server - Minimum 8GB RAM for Application server Note: Sizing of hardware depends on the following: - Number of users - Application usage - Database size - Business performance requirements	Preferred: 8-Core x64 server with current generation of Xeon CPUs. - At least 16GB of RAM or more and quad processors needed for optimum performance of Database servers. - At least 8GB of RAM or more needed for Application servers. Additional memory may be necessary for larger implementations. - Disk space requirements depend on the amount of historical data, annual claims volume, and whether optional modules (e.g. Document Imaging) are selected and saved.

Additional Software

Single Sign-On
Note: SiteMinder requires the use of cookies to implement authentication. However, WebDAV does not support cookies, so all HTTP calls from WebDAV cannot be authenticated.

Network

Minimum Specifications	Additional Details
Internet Connection	
Download: 1.5Mb/sec of Internet bandwidth Upload: 384Kbps of Internet bandwidth	Preferred: 1.5Mb/sec upload - Performance can vary depending on the user's infrastructure (Firewall/Proxy configuration, etc.). - A Tier 1 ISP that provides Broadband (DSL, Cable) or ISDN for remote users is recommended. - Firewall Settings: Web connections must be allowed from the users to the iVOS application server. The iVOS application server requires network access to the iVOS database server. Additional access may be needed from the iVOS application server to email or file servers on standard network ports.

Printers and Scanners

Minimum Specifications - Printers	Minimum Specifications - Scanner
- Check Printers – HP Laserjet family that have MICR toner cartridges available - Letter/Report Printer – HP Laserjet	- Recommend scanning to PDF (Black and White) to support document splitting 300 DPI - Compression set to CCITT4 - Able to scan to either a network folder or email address depending on client preference - Scan should be binary - Scan should produce file in portrait layout. 8.5 X 11 mode, not cropped

Quick Reference Guide

Key: S = Supported; P = Preferred; N = Not Supported

Desktop Standards													
	Supported Browsers*				Operating System		Microsoft Office			Adobe Acrobat Reader			
IVOS Version	IE8	IE9	IE10	IE11	Windows 7	Windows 8.1	2007	2010	2013/ Office 365	8.x	9.x	10.x	11.x
4.5.0.x	S	S	S	N	P	S	S	S	P	S	S	S	P
4.5.05 and above	S	S	S	P	P	S	S	S	P	S	S	S	P

Server Standards											
IVOS Version	Tomcat		WebSphere**	Oracle			MS SQL Server		Operating System		
	7	7.0.63	8	10G	11G	12C	2008 R2	2014	2003 SP2	2008 R2	Linux x64
4.5.0x	S	N	S	S	S	N	S	N	S	P	S
4.5.05 and above	S	N	S	S	S	N	S	N	S	P	P
4.5.10 and above	S	P	S	S	N	N	S	P	N	P	P
4.5.11 and above	S	P	S	S	S	P	S	P	N	P	P



*iVOS 4.5.13 was tested and is certified with iVOS *removed* from Compatibility View. You must now remove the iVOS URL from the list of sites previously added to Compatibility View. Click [here](#) for more information and instructions.

**WebSphere information applies only to existing clients that already have WebSphere installed.

Note: The preceding tables are for reference purposes only. If you have a client who is having issues with a release where support has ended, please check with your manager. If a client needs to be upgraded to a newer release, support reserves the right to move the client to an interim release as part of the process.