

ORIGINAL

**FIRST AMENDMENT TO
CLAIMS ADMINISTRATOR AGREEMENT**

This Amendment of the CLAIMS ADMINISTRATOR AGREEMENT, entered into this 2ND day of June, 2015, by and between the CITY OF ALAMEDA, a municipal corporation (hereinafter "City") and YORK RISK SERVICES GROUP, INC. a NEW YORK CORPORATION (hereinafter referred to as "York") whose address is 333 City Blvd. West, Suite 1500, Orange, CA 92868, is made with reference to the following:

RECITALS:

A. On July 1, 2012, a CLAIMS ADMINISTRATOR AGREEMENT was entered into by and between City and York (hereinafter "Agreement").

B. City and York desire to modify the Agreement to extend the term and contract amount on the terms and conditions set forth herein.

NOW, THEREFORE, it is mutually agreed by and between and undersigned parties as follows:

1. Paragraph 1. ("TERM") of the Agreement is modified to read as follows:

"The term of this Agreement shall commence on the 1st day of July, 2012, and shall terminate on the 30th day of June 30, 2020, unless terminated earlier as set forth herein."

2. Paragraph 3. ("COMPENSATION TO CLAIMS ADMINISTRATOR") of the Agreement is modified to read as follows:

"Claims Administrator shall be compensated for services performed pursuant to this Agreement in the amount and manner set forth in Exhibit "B" and Exhibit "B1" which are attached hereto and incorporated herein by this reference.

Payments for Claims Administration shall be paid by the City monthly in advance and are due on the first of each month on receipt of an invoice from Claims Administrator."

3. Paragraph 12. ("NOTICES") of the Agreement is modified to read as follows:


All notices, demands, requests, or approvals from City to Claims Administrator shall be addressed to Claims Administrator at:

York Risk Services Group, Inc.
333 City Blvd. West, Suite 1500,
Orange, CA 92868
Attn: Jody A. Gray – Senior Vice President

4. Except as expressly modified herein, all other terms and covenants set forth in the Agreement shall remain the same and shall be in full force and effect.


IN WITNESS WHEREOF, the parties hereto have caused this modification of Agreement to be executed on the day and year first above written.

YORK RISK SERVICES GROUP INC
A New York Corporation



Jody A. Gray
Senior Vice President

CITY OF ALAMEDA
Municipal Corporation

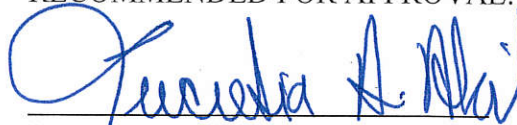


Elizabeth Warmerdam
Interim City Manager



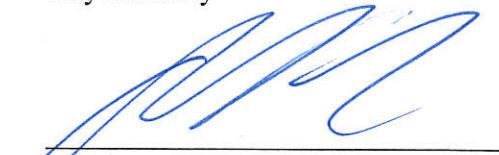
Carolyn Kho
Senior Vice President
Client Treasury Services

RECOMMENDED FOR APPROVAL:



Lucretia A. Akil
City Risk Manager

APPROVED AS TO FORM:
City Attorney



Alan Cohen
Assistant City Attorney

Exhibit B-1

Amended Compensation to Claims Administrator

WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES		FLAT ANNUAL FEE
Year 1 (July 1, 2015 - June 30, 2016)		\$138,800
Year 2 (July 1, 2016 - June 30, 2017)		\$138,800
Year 3 (July 1, 2017- June 30, 2018)		\$145,470
Year 4 (July 1, 2018 - June 30, 2019)		\$153,027
Year 5 (July 1, 2019 - June 30, 2020)		\$160,678
PRICING NOTES		
The annual flat fee proposed contemplates handling all claims activity in a 12-month period (claims already open at the beginning of the 12-month term and any new claims reported during the 12-month term). The pricing quoted includes all indemnity, future medical and medical only claims as listed. The flat annual fee includes all services detailed in this proposal, including, but not limited to, the ancillary services listed below.		
Ancillary Services included in flat annual fee		
Excess Reporting	Monthly Computer Loss Information	
Account Management	Special Quarterly and Annual Reports	
Data Management	Claim Reporting (fax, telephonic)	
Trust Account (Excluding Check and Bank Charges)	On-Line 5020 Reporting	
Management Attendance at Claim Review Meetings	Preparation of 1099's	
	Annual Stewardship Report	
	Standard Reporting Requirements	

Managed Care Fees: (Bill Review and Utilization Review)

City of Alameda - Managed Care						
	Year 1	Year 2	Year 3	Year 4	Year 5	
Fee Per Bill (No per Line Fee)	\$ 6.00	\$ 6.00	\$ 6.25	\$ 6.25	\$ 6.25	
Fee Schedule Savings	15%	15%	10%	5%	5%	
PPO and Other Negotiated Savings	15%	15%	20%	28%	28%	
Utilization Review Procedure Rate - Level 1	5%	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	
Utilization Review Procedure Rate - Level 2	5%	\$ 149.00	\$ 149.00	\$ 149.00	\$ 149.00	
Utilization Review Procedure Rate - Level 3	5%	\$ 149.00	\$ 149.00	\$ 149.00	\$ 149.00	
Telephonic Nurse Case Management	\$98.00	\$98.00	\$99.00	\$99.00	\$99.00	
Field Case Management (plus IRS Mileage Rate)	\$98.00	\$98.00	\$99.00	\$99.00	\$99.00	
Medical Director Review/Peer Review	\$ 200.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	
Specialty Review/Appeals	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	

DETAIL	FEE
BILL REVIEW	
Duplicates	No Charge
eBilling	No Charge
EDI Reporting	No Charge
OPTIONAL MEDICAL PROVIDER NETWORK	
<p>\$1,500 for Application</p> <p>\$62.00 per Claim Access (For the Life of the Contract)</p>	