

PROFESSIONAL SERVICES CONTRACT BETWEEN
THE CITY OF HUNTINGTON BEACH AND
ARISSA COST STRATEGIES, LLC
FOR
UTILIZATION REVIEW SERVICES OF
CITY'S WORKER'S COMPENSATION CLAIMS

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Huntington Beach, a municipal corporation of the State of California, hereinafter referred to as "CITY," and ARISSA COST STRATGEIS, LLC, hereinafter referred to as "CONSULTANT."

WHEREAS, CITY desires to engage the services of a consultant to provide Utilization Review Services of the City's Workers' Compensation Claims; and

Pursuant to documentation on file in the office of the City Clerk, the provisions of the Huntington Beach Municipal Code, Chapter 3.03, relating to procurement of professional service contracts have been complied with; and

CONSULTANT has been selected to perform these services,

NOW, THEREFORE, it is agreed by CITY and CONSULTANT as follows:

1. SCOPE OF SERVICES

CONSULTANT shall provide all services as described in **Exhibit "A,"** which is attached hereto and incorporated into this Agreement by this reference. These services shall sometimes hereinafter be referred to as the "PROJECT."

CONSULTANT hereby designates Kathleen R. Torres who shall represent it and be its sole contact and agent in all consultations with CITY during the performance of this Agreement.

2. CITY STAFF ASSISTANCE

CITY shall assign a staff coordinator to work directly with CONSULTANT in the performance of this Agreement.

3. TERM; TIME OF PERFORMANCE

Time is of the essence of this Agreement. The services of CONSULTANT are to commence on November 1, 2024 (the "Commencement Date"). This Agreement shall automatically terminate three (3) years from the Commencement Date, unless extended or sooner terminated as provided herein. All tasks specified in **Exhibit "A"** shall be completed no later than 3 years from the Commencement Date. The time for performance of the tasks identified in **Exhibit "A"** are generally to be shown in **Exhibit "A."** This schedule may be amended to benefit the PROJECT if mutually agreed to in writing by CITY and CONSULTANT.

In the event the Commencement Date precedes the Effective Date, CONSULTANT shall be bound by all terms and conditions as provided herein.

4. COMPENSATION

In consideration of the performance of the services described herein, CITY agrees to pay CONSULTANT on a time and materials basis at the rates specified in **Exhibit "B,"** which is attached hereto and incorporated by reference into this Agreement, a fee, including all costs and expenses, not to exceed Three Hundred Thousand Dollars (\$300,000.00).

5. EXTRA WORK

In the event CITY requires additional services not included in **Exhibit "A"** or changes in the scope of services described in **Exhibit "A,"** CONSULTANT will undertake such work only after receiving written authorization from CITY. Additional compensation for such extra work shall be allowed only if the prior written approval of CITY is obtained.

6. METHOD OF PAYMENT

CONSULTANT shall be paid pursuant to the terms of **Exhibit "B."**

7. DISPOSITION OF PLANS, ESTIMATES AND OTHER DOCUMENTS

CONSULTANT agrees that title to all materials prepared hereunder, including, without limitation, all original drawings, designs, reports, both field and office notices, calculations, computer code, language, data or programs, maps, memoranda, letters and other documents, shall belong to CITY, and CONSULTANT shall turn these materials over to CITY upon expiration or termination of this Agreement or upon PROJECT completion, whichever shall occur first. These materials may be used by CITY as it sees fit.

8. HOLD HARMLESS

A. CONSULTANT hereby agrees to protect, defend, indemnify and hold harmless CITY, its officers, elected or appointed officials, employees, agents and volunteers from and against any and all claims, damages, losses, expenses, judgments, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) arising out of or in connection with CONSULTANT's (or CONSULTANT's subcontractors, if any) negligent (or alleged negligent) performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement by CONSULTANT, its officers, agents or employees except such loss or damage which was caused by the sole negligence or willful misconduct of CITY. CONSULTANT will conduct all defense at its sole cost and expense and CITY shall approve selection of CONSULTANT's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as limitation upon the amount of indemnification to be provided by CONSULTANT.

B. Exclusion of Damages. Notwithstanding any term of this Agreement, in no event will either Party be liable to the other Party for special, indirect, incidental, exemplary, consequential (including but not limited to loss of profits) or punitive damages arising from the

relationship of the Parties or the conduct of business under this Agreement, even if the responsible Party has been advised of in advance or has foreseen the possibility of such damages.

C. CONSULTANT is not an insurer or Healthcare Provider. CONSULTANT PRO CARE RX services intended as an aid to, and not a substitute for, the knowledge, expertise, skill and judgment of prescribers, pharmacies, or other healthcare professionals. Pharmacies, prescribers, other healthcare professionals, the CITY's employees are individually responsible for acting or not acting upon information generated and transmitted by CONSULTANT, and CONSULTANT does not control or intervene in the healthcare of Claimants, Plan decisions, or actions taken by pharmacies, Prescribers, other healthcare professionals, CITY, or Claimants, and CONSULTANT is not responsible therefor. CONSULTANT'S services are intended to assist CITY in their decision making process, including any CITY decisions made with respect to coverage and benefits related to such coverage for Claimants. However, CITY shall be solely responsible for coverage and benefit related decisions made for Claimants, and CONSULTANT shall have no liability or responsibility for CITY's use of information provided by CONSULTANT and used in CITY's coverage based decisions for Claimants.

9. PROFESSIONAL LIABILITY INSURANCE

CONSULTANT shall obtain and furnish to CITY a professional liability insurance policy covering the work performed by it hereunder. This policy shall provide coverage for CONSULTANT's professional liability in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and in the aggregate. The above-mentioned insurance shall not contain a self-insured retention without the express written consent of CITY; however an insurance policy "deductible" of Ten Thousand Dollars (\$10,000.00) or less is permitted. A claims-made policy shall be acceptable if the policy further provides that:

- A. The policy retroactive date coincides with or precedes the initiation of the scope of work (including subsequent policies purchased as renewals or replacements).
- B. CONSULTANT shall notify CITY of circumstances or incidents that might give rise to future claims.

CONSULTANT will make every effort to maintain similar insurance during the required extended period of coverage following PROJECT completion. If insurance is terminated for any reason, CONSULTANT agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed in connection with this Agreement.

If CONSULTANT fails or refuses to produce or maintain the insurance required by this section or fails or refuses to furnish the CITY with required proof that insurance has been procured and is in force and paid for, the CITY shall have the right, at the CITY's election, to forthwith terminate this Agreement. Such termination shall not affect Consultant's right to be paid for its time and materials expended prior to notification of termination. CONSULTANT waives the right to receive compensation and agrees to indemnify the CITY for any work performed prior to approval of insurance by the CITY.

10. CERTIFICATE OF INSURANCE

Prior to commencing performance of the work hereunder, CONSULTANT shall furnish to CITY a certificate of insurance subject to approval of the City Attorney evidencing the foregoing insurance coverage as required by this Agreement; the certificate shall:

- A. provide the name and policy number of each carrier and policy;
- B. state that the policy is currently in force; and

- C. shall promise that such policy shall not be suspended, voided or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice; however, ten (10) days' prior written notice in the event of cancellation for nonpayment of premium.

CONSULTANT shall maintain the foregoing insurance coverage in force until the work under this Agreement is fully completed and accepted by CITY.

The requirement for carrying the foregoing insurance coverage shall not derogate from CONSULTANT's defense, hold harmless and indemnification obligations as set forth in this Agreement. CITY or its representative shall at all times have the right to demand the original or a copy of the policy of insurance. CONSULTANT shall pay, in a prompt and timely manner, the premiums on the insurance hereinabove required.

11. INDEPENDENT CONTRACTOR

CONSULTANT is, and shall be, acting at all times in the performance of this Agreement as an independent contractor herein and not as an employee of CITY. CONSULTANT shall secure at its own cost and expense, and be responsible for any and all payment of all taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for CONSULTANT and its officers, agents and employees and all business licenses, if any, in connection with the PROJECT and/or the services to be performed hereunder.

12. TERMINATION OF AGREEMENT

All work required hereunder shall be performed in a good and workmanlike manner. CITY may terminate CONSULTANT's services hereunder at any time with or without cause, and whether or not the PROJECT is fully complete. Any termination of this Agreement by CITY shall be made in writing, notice of which shall be delivered to CONSULTANT as provided

herein. In the event of termination, all finished and unfinished documents, exhibits, report, and evidence shall, at the option of CITY, become its property and shall be promptly delivered to it by CONSULTANT.

13. ASSIGNMENT AND DELEGATION

This Agreement is a personal service contract and the work hereunder shall not be assigned, delegated or subcontracted by CONSULTANT to any other person or entity without the prior express written consent of CITY. If an assignment, delegation or subcontract is approved, all approved assignees, delegates and subconsultants must satisfy the insurance requirements as set forth in Sections 9 and 10 hereinabove.

14. CITY EMPLOYEES AND OFFICIALS

CONSULTANT shall employ no CITY official nor any regular CITY employee in the work performed pursuant to this Agreement. No officer or employee of CITY shall have any financial interest in this Agreement in violation of the applicable provisions of the California Government Code.

15. NOTICES

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to CONSULTANT's agent (as designated in Section 1 hereinabove) or to CITY as the situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses specified below. CITY and CONSULTANT may designate different addresses to which subsequent notices, certificates or other communications will be sent by notifying the other party via personal delivery, a reputable overnight carrier or U. S. certified mail-return receipt requested:

TO CITY:

City of Huntington Beach
ATTN: Human Resources Director
2000 Main Street
Huntington Beach, CA 92648

TO CONSULTANT:

ARISSA COST STRATEGIES
ATTN: Kathleen R. Torres
2415 Campus Drive, Suite 250
Irvine, CA 92612

16. CONSENT

When CITY's consent/approval is required under this Agreement, its consent/approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transaction or event.

17. MODIFICATION

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

18. SECTION HEADINGS

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit or describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

19. INTERPRETATION OF THIS AGREEMENT

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent

upon any other unless so expressly provided here. As used in this Agreement, the masculine or neuter gender and singular or plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

20. DUPLICATE ORIGINAL

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

21. IMMIGRATION

CONSULTANT shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the United States Code regarding employment verification.

22. LEGAL SERVICES SUBCONTRACTING PROHIBITED

CONSULTANT and CITY agree that CITY is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. CONSULTANT understands that pursuant to *Huntington Beach City Charter* Section 309, the City Attorney is the exclusive legal counsel for

CITY; and CITY shall not be liable for payment of any legal services expenses incurred by CONSULTANT.

23. ATTORNEY'S FEES

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof, each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled to recover its attorney's fees from the nonprevailing party.

24. SURVIVAL

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement, shall so survive.

25. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

26. SIGNATORIES

Each undersigned represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify CITY fully for any injuries or damages to CITY in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.

27. ENTIRETY

The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiation, and that each has had the opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise,

have been made by that party or anyone acting on that party's behalf, which are not embodied in this Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement, warranty, fact or circumstance not expressly set forth in this Agreement. This Agreement, and the attached exhibits, contain the entire agreement between the parties respecting the subject matter of this Agreement, and supersede all prior understandings and agreements whether oral or in writing between the parties respecting the subject matter hereof.

28. EFFECTIVE DATE


This Agreement shall be effective on the date of its approval by the City Attorney.

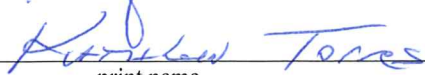
This Agreement shall expire when terminated as provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers.

CONSULTANT,
ARRISA COST STRATEGIES

CITY OF HUNTINGTON BEACH, a municipal
corporation of the State of California

By: 


print name


ITS: (circle one) Chairman/President/Vice President

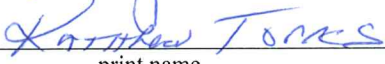
Mayor

City Clerk

AND

INITIATED AND APPROVED:

By: 


print name

ITS: (circle one) Secretary/Chief Financial Officer/Asst.
Secretary – Treasurer

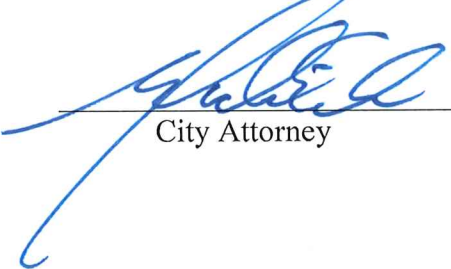



Director of Human Resources

REVIEWED AND APPROVED:

City Manager

APPROVED AS TO FORM:



City Attorney 



INSURANCE AND INDEMNIFICATION WAIVER MODIFICATION REQUEST

1. Requested by: Risk Management
2. Date: September 9, 2024
3. Name of contractor/permittee: Arisa Cost Strategies LLC
4. Description of work to be performed: Utilization Review Services
5. Value and length of contract: \$300,000 (3) years
6. Waiver/modification request: \$50,000 deductible for Professional Liability
7. Reason for request and why it should be granted: The City only allows up to a \$10,000 deductible for Professional Liability. Arissa Cost Strategies LLC has provided a financial statement to prove they are in good standing.
8. Identify the risks to the City in approving this waiver/modification: Low

Department Head Signature

9/10/2024

Date:

APPROVALS

Approvals must be obtained in the order listed on this form. Two approvals are required for a request to be granted. Approval from the City Administrator's Office is only required if Risk Management and the City Attorney's Office disagree.

1. Risk Management

Approved Denied

Signature

9-9-24

Date

2. City Attorney's Office

Approved Denied

Signature

9/13/24

Date

3. City Manager's Office

Approved Denied

Signature

Date

If approved, the completed waiver/modification request is to be submitted to the City Attorney's Office along with the contract for approval. Once the contract has been approved, this form is to be filed with the Risk Management Division of Human Resources

Arisa Cost Strategies
Balance Sheet
For Periods Ending Dec 31, 2023 and Aug 31, 2024

	<u>2023 Total</u>	<u>2024 YTD</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 142,758	\$ 75,098
Total Bank Accounts	<u>\$ 142,758</u>	<u>\$ 75,098</u>
Accounts Receivable		
Accounts Receivable (A/R)	\$ 183,804	\$ 543,987
Total Accounts Receivable	<u>\$ 183,804</u>	<u>\$ 543,987</u>
Other Current Assets		
Other Current Assets	\$ 8,738	\$ 3,155
Total Other Current Assets	<u>\$ 8,738</u>	<u>\$ 3,155</u>
Total Current Assets	<u>\$ 335,300</u>	<u>\$ 622,240</u>
Fixed Assets		
Machinery & Equipment	\$ 28,520	\$ 32,735
Furniture & fixtures	\$ 13,163	\$ 13,163
Accumulated depreciation	-\$ 40,735	-\$ 40,735
Total Fixed Assets	<u>\$ 948</u>	<u>\$ 5,163</u>
Other Assets		
Security deposits	\$ 8,112	\$ 8,112
Accreditation Certificate	\$ 0	\$ 62,251
Total Other Assets	<u>\$ 8,112</u>	<u>\$ 70,363</u>
TOTAL ASSETS	<u>\$ 344,361</u>	<u>\$ 697,766</u>
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable (A/P)	\$ 54,002	\$ 233,897
Total Accounts Payable	<u>\$ 54,002</u>	<u>\$ 233,897</u>
Other Current Liabilities		
Current Payroll Tax Payable	\$ 11,315	\$ 369
Payroll Clearing	\$ 0	\$ 0
Employee 401(K) Payable	\$ 16,971	\$ 11,789
Bus Credit Line	\$ 57,499	\$ 58,231
Total Other Current Liabilities	<u>\$ 85,785</u>	<u>\$ 70,389</u>
Total Current Liabilities	<u>\$ 139,787</u>	<u>\$ 304,286</u>
Long-Term Liabilities		
SBA EIDL Loan	\$ 500,000	\$ 500,000
Long-Term Liabilities	<u>\$ 500,000</u>	<u>\$ 500,000</u>
Total Long-Term Liabilities	<u>\$ 500,000</u>	<u>\$ 500,000</u>
Total Liabilities	<u>\$ 639,787</u>	<u>\$ 804,286</u>
Equity		
Members Equity	-\$777,356	-\$777,356
Retained Earnings	\$ 345,540	\$ 481,930
Net Income	\$ 136,389	\$ 188,907
Total Equity	<u>-\$295,426</u>	<u>-\$106,519</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 344,361</u>	<u>\$ 697,766</u>



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/28/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Sargeant Insurance Agency, LLC 7740 Painter Avenue Suite 210 Whittier CA 90602		CONTACT NAME: Robert B Rice Jr PHONE (A/C, No, Ext): 818-561-2600 E-MAIL ADDRESS: robert@sargeantinsurance.com FAX (A/C, No):	
INSURED Arissa Cost Strategies LLC. 2415 Campus Dr Ste 250 Irvine CA 92612		INSURER(S) AFFORDING COVERAGE INSURER A: Sentinel INSURER B: AmTrust INSURER C: Ironshore INSURER D: National Specialty Insurance Company NODE INSURER E: INSURER F:	
		NAIC #	
		11000	
		15954	
		25445	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

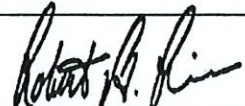
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			72SBABD4427	08-22-2024	08-22-2025	EACH OCCURRENCE	\$ 2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ 2,000,000
							GENERAL AGGREGATE	\$ 4,000,000
							PRODUCTS - COMP/OP AGG	\$ 4,000,000
								\$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			72SBABD4427	08-22-2024	08-22-2025	COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	QWC1349888	03/30/2024	03/30/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
C	Managed Care Errors & Omissions			HC7SACCUSA004	08/24/2024	08/24/2025	Per Claim	1,000,000
							Aggregate	2,000,000
							Deductible	50,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Huntington Beach, its officers, elected or appointed officials, employees, agents, and volunteers is hereby named as an additional insured regarding policy number 72SBABD4427, pursuant to the written contract between the nameinsured and certificate holder, as relates to the operations of the named insured.

D. Cyber Policy# BLU-RBC-V3XKW6ULF-02, 09/11/2023 -09/11/2024 , \$3,000,000 Per Claim Limit, \$3,000,000 Aggregate Limit, Per claim retention \$10,000

CERTIFICATE HOLDER**CANCELLATION**

The City of Huntington Beach 2000 Main St Huntington Beach CA 92648	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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EXHIBIT "A"

A. STATEMENT OF WORK: (Narrative of work to be performed)

Reduce the total costs of Workers' Compensation utilization review through a combination of rules based technology, clinical expertise, fee schedules, MTUS guidelines, California Formulary through the integration of bill review and pharmacy benefit management services.

B. CONSULTANT'S DUTIES AND RESPONSIBILITIES:

CONSULTANT'S duties and responsibilities shall follow provisions specified in the City of Huntington Beach Scope of Work shown in Exhibit A1. Detailed services shall include but is not limited to the Scope of work in Exhibit A.1.

C. CITY'S DUTIES AND RESPONSIBILITIES:

City shall collaborate with CONSULTANT to promote compliance with Scope of Work requirements; foster a high level of communication, trust, transparency, and commitment which is imperative to the success of the program.

D. WORK PROGRAM/PROJECT SCHEDULE:

Work program is required per the Scope of Services as requested by the CITY.

EXHIBIT A.1 UTILIZATION REVIEW

- The consultant shall establish a UR program in compliance with all California workers' compensation statutes and regulations. The program plan shall include the development of utilization review policies, procedures, and processes. The plan shall be customized for the City of Huntington Beach and shall include provisions for the oversight of the UR authorization process. UR decisions shall be coordinated in the bill review platform to ensure consistency in the medical approval and payment processes.
- The consultant shall demonstrate the ability to utilize industry standard best practices, nationally accepted medical criteria and the MTUS adopted by the State of California to accurately assess the request for medical services in timeframes mandated by the State of California.
- The consultant must utilize a California based Medical Director and Reviewer/Expert Reviewer panel to delay, modify or deny requests for authorization of medical treatment that does not meet medical criteria establishing medical necessity to cure or relieve the effects of the industrial injury.
- Physician Reviewer means a medical doctor, doctor of osteopathy, psychologist, acupuncturist, optometrist, dentist, podiatrist, or chiropractic practitioner licensed in the State of California, competent to evaluate the specific clinical issues involved in the medical treatment services and where these services are within the individual's scope of practice.
- Medical Director is the physician and surgeon licensed by the Medical Board of California or Osteopathic Board of California who holds an unrestricted license to practice medicine in the State of California. The Medical Director is responsible for all decisions made in the utilization review.
- Consultant must be URAC certified.
- Consultant will utilize special resources, procedures, or approaches to include:

UR software, namely VCMS. The VCMS system will coordinate activities with TPA, in-house staff, bill review and all ancillary vendors. The UR platform, VCMS, will combine evidence medicine-based criteria (MTUS, ACOE, ODG, REEDMD, etc.) with the City's specific protocols to create a highly customizable platform for utilization review decisions.

- Consultant's software includes an Auto-Approve feature that will allow auto-approval of first line treatment by utilizing in-dwelling protocols (MTUS, ACOEM, ODG, as well as custom protocols for the City) to determine medical necessity.
- Referrals meeting the necessary criteria for auto-approval, will be approved through the system and incur a nominal fee of \$8.00.
- When Consultant receives an RFA from the city, their coordinators will input all data into the VCMS system to begin the evaluation process. When a determination has been made, whether auto-approved based on the protocols of the City or by a physician reviewer, the system will update and generate the custom letters to be mailed out. Determination letters, including proofs of service, are sent to all the necessary parties, the City, employee, provider, attorneys of records, by both secure efax and U.S. Mail.

- Consultant's UR program will be conducted by physician reviewers and nurses. This will expedite the time frames and allows doctors to have conversations with the treating physicians at the onset of a claim.
- The City's claims adjustor/examiner will have authority to approve specific treatment for injured workers as outlined in the City's Utilization Review Referral Criteria.

EXHIBIT "B"

Payment Schedule (Fixed Fee Payment)

SEE EXHIBIT B.1 – FIXED FEE PAYMENT SCHEDULE

1. CONSULTANT shall be entitled to monthly progress payments toward the fixed fee set forth herein in accordance with the following progress and payment schedules.

2. Delivery of work product: A copy of every memorandum, letter, report, calculation and other documentation prepared by CONSULTANT shall be submitted to CITY to demonstrate progress toward completion of tasks. In the event CITY rejects or has comments on any such product, CITY shall identify specific requirements for satisfactory completion.

3. CONSULTANT shall submit to CITY an invoice for each monthly progress payment due. Such invoice shall:

- A) Reference this Agreement;
- B) Describe the services performed;
- C) Show the total amount of the payment due;
- D) Include a certification by a principal member of CONSULTANT's firm that the work has been performed in accordance with the provisions of this Agreement; and
- E) For all payments include an estimate of the percentage of work completed.

Upon submission of any such invoice, if CITY is satisfied that CONSULTANT is making satisfactory progress toward completion of tasks in accordance with this Agreement, CITY shall approve the invoice, in which event payment shall be made within thirty (30) days of receipt of the invoice by CITY. Such approval shall not be unreasonably withheld. If CITY does not approve an invoice, CITY shall notify CONSULTANT in writing of the reasons for non-approval and the schedule of performance set forth in **Exhibit "A"** may at the option of CITY be suspended until the parties agree that past performance by CONSULTANT is in, or has been brought into compliance, or until this Agreement has expired or is terminated as provided herein.

4. Any billings for extra work or additional services authorized in advance and in writing by CITY shall be invoiced separately to CITY. Such invoice shall contain all of the information required above, and in addition shall list the hours expended and hourly rate charged for such time. Such invoices shall be approved by CITY if the work performed is in accordance with the extra work or additional services requested, and if CITY is satisfied that the statement of hours worked and costs incurred is accurate. Such approval shall not be unreasonably withheld. Any dispute between the parties concerning payment of such an invoice shall be treated as separate and apart from the ongoing performance of the remainder of this Agreement.

EXHIBIT B.1

UTILIZATION REVIEW PRICING	
Non Physician Review (per hour) – Optional Nurse only	N/A
Physician Review	See Medical Director Review
Expert Physician (Specialty Medical Director) (per hour)	\$175.00/RFA- unlimited request
Medical Director Review (per hour)	\$100.00/RFA unlimited request
OTHER	
UR Claims Examiner/Extensions/Revisions	\$10.00/RFA unlimited request
Medications Review	N/A

PROFESSIONAL SERVICE AWARD ANALYSIS

SERVICE: Utilization Review

SERVICE DESCRIPTION: Cost containment firm specializing in Workers' Compensation medical Bill Review, focused on achieving savings via extensive audits with defined processes and procedures for Bill Review activities.

VENDOR: Arissa Cost Strategies

OVERALL RANKING: 1

SUBJECT MATTER EXPERTS/RATERS: 1. City of H.B. Risk Manager 2. City of Santa Ana Risk Manager 3. City of Placentia Director of Human Resources 4. Genex Services Managed Care Consultant 5. Director of Cypress Reporting/MSA Settlements

I. MINIMUM QUALIFICATIONS REVIEW

- Written Proposal Score: 1906.25

Arissa Cost Strategies – Minimum Qualifications Review		
<u>Criteria</u>	<u>Total Weighted Score</u>	<u>Maximum Score</u>
Compliance with RFP	200.00	250
Approach & Methodology	456.35	625
Qualifications & Experience	390.00	500
Partnership & Value Added		
Features	385.00	500
Proposed Cost	380.00	500
References	95.00	125
Total	1906.25	2500

II. DUE DILIGENCE REVIEW

- Interview Ranking: 1

Arissa Cost Strategies – Summary of Review
<ul style="list-style-type: none">• Successful compliance with RFP, inclusion of required URAC accreditation. They are the incumbent.• Methodology is excellent, - has appropriate technology to protect networks and data.• Services public agencies, counties, public works and school districts for 13 years; management has over 36 yrs experience.• Value-added features include a powerful technological software that creates a highly-customizable platform for utilization review decisions.

Lien On Me – Pricing
<ul style="list-style-type: none">• Very competitive bid of \$100,000/yr to include flat rate fees (lowest of 10 proposals submitted).

UTILIZATION REVIEW BIDDER'S LIST

Vendors	Rank
Arisa Cost Strategies	1
Mitchell International	2
EK Health Services Inc	3
Pacific Secured Equities, Inc.	4
CorVel Corporation	5
MEDEX	6
Accuro Solutions	7
EHIM & Partners	8
Broadspire Services Inc.	9
EHIM	10