

October 16, 2023

This addendum to Request for Proposal (RFP) serves to notify all interested proposers of clarifications and or changes to RFP No. P23CHWCA and becomes part of this RFP. Proposers are required to acknowledge receipt of this addendum in the proposal. If not acknowledged, the proposal may be considered "non-responsive."

AMENDMENT

QUESTIONS AND ANSWERS

1. To provide accurate and competitive pricing, we ask for detailed Workers' Compensation claims data 01/01/2017 thru 09/30/2023. This MS Excel loss data should include but not be limited to:
 - a. Dates: Loss Date, Report Date, Close Date, Coverage Year / Calendar Year
 - b. Claim Status: Open, Closed, Re-Opened
 - c. Litigation: Yes or No data
 - d. Employee: Job Description / Class Code / Department
 - e. Claim Type: Lost Time, Medical-Only, Incident/Report Only
 - f. Expenses:
 - i. [1] Reserves, [2] Paid, [3] Total Incurred for the following columns: (a) Indemnity, (b) Medical, (c) Legal, (d) Other and (e) Total Incurred

A: CHWCA does not have the specific report you are requesting. However, some of the data requested is contained within the answers to specific questions provided below. Furthermore, please refer to the Public Self Insurers ER Annual Report provided as part of this Addendum.

2. Does CHWCA have a risk management information system (RMIS)?
 - a. If no to an RMIS, does the CHWCA utilize the incumbent TPA's system?
 - b. If yes to having an RMIS, please indicate the system's name.

A: CHWCA utilizes the TPA's system which is currently Ventiv and under upgrade to another system by year end.

3. In addition to regularly scheduled quarterly claims review meetings, approximately how many additional administrative meetings does the CHWCA require from its TPA partner?

A: Meetings are covered under Section 33 (member services), Section 34 (employee services), and Section B.5. (Personnel). That stated, the average number of administrative meetings that the TPA has been required to attend annually, over the past 5 years, was two (2) meetings.

4. Will periodic remote meetings instead of in-person ones be authorized?

A: Remote meetings will generally be acceptable, but in person meetings could be required at the request of CHWCA or its members, as applicable.

5. How many CHWCA employees will need access to the TPA's claims management system and have personalized dashboards?
- How many with a simple viewing capability?
 - How many have read & write reporting capabilities?
 - Similarly, how many Sedgwick Program Admin employees will need access to the TPA's claims management system?

A: Three (3) employees. a. 0, b. 3, and c. 3.

6. Please provide the total number of open claims effective 10/2/23.

A: 190

7. Please provide the total number of open claims with a DOI prior to 2017.

A: 44

8. Please provide the current contracts for WC claims administration and managed care services.

A: Attached to this Addendum is the current contract for claims administration. Managed Care Services are contracted for directly by the TPA.

9. Will all open claims from all prior years be transferred to a new claims administrator?
- If yes to all prior year's claims, how many indemnity claims?

A: Yes. 154

10. Does CHWCA utilize the incumbent's nurse case managers or a separate vendor?
- What is the average number of annual telephonic nurse case mgr. assignments per year?
 - What is the average number of annual field nurse case mgr. assignments per year?

A: Managed Care Services are contracted directly by the TPA and assigned on a case-by-case basis. The answers to questions (a) and (b) are unknown by CHWCA.

11. If there is no NCM detail, what was the CHWCA annual spend for Nurse Case Management 01/01/2017 thru 09/30/2023 broken down between telephonic and field assignments?

A: The average annual amount spent is \$29,585 (not broken down).

12. Does CHWCA utilize the incumbent's PBM services or a separate vendor?

A: A separate vendor is utilized, contracting directly with the TPA.

13. May we have five years of PBM data?
- Annual aggregate incurred totals
 - Gross Savings

c. Net Savings

A: **This information is not available.**

14. Does CHWCA utilize the incumbent's Bill Review services or a separate vendor?

A: **CHWCA utilizes the incumbent's Bill Review services.**

15. May we have five years of Bill Review data?

- a. Number of bills
- b. Annual aggregate incurred totals
- c. Gross Savings
- d. Net Saving

A: **CHWCA does not have this information, but the following bill review savings information is provided, which shows the results of the bill review process for period this year compared to the same period last year:**

Period	Bills	Bill Charges	Gross Savings	Net Savings	Net % Saved
1/1/22-6/30/22	1,285	\$616,713	\$289,437	\$263,643	43%
1/1/22-6/30/23	1,201	\$910,956	\$523,571	\$488,076	54%

16. Does CHWCA utilize the incumbent's Utilization Review services or a separate vendor?

A: **The TPA contracts directly with an outside UR vendor.**

17. May we have five years of Utilization Review data?

- a. Annual aggregate incurred totals
- b. Gross Savings
- c. Net Savings

A: **This information is not available.**

18. What has been CHWCA's annual subrogation recoveries 01/01/2017 thru 01/01/2022?

A: **2017 - \$7,596**
2018 - \$12, 885
2019 - \$7,639
2020 - \$2,153
2021 - \$6,570
2022 - \$3,974
2023 - \$1,024 (midyear)

19. What is the one most important priority for the TPA?

A: First and foremost, service-oriented and effective claims administration. CHWCA desires that it be provided with efficient, assertive and effective claims management services, focused on reduction of lost time and claim closure from day 1.

20. Please provide a current breakdown of pending claims, specifying Indemnity, Medical Only and also specify the number of indemnity claims that are in "future Medical" status.

**A: Indemnity – 165
Medical Only – 25
Future Medical – 47**

21. Attachment B of the RFP refers to the Public Self Insurers Claim Liability - Annual Report for period 07/01/2021 to 036/30/2022 but there is no Report available in the original RFP or subsequent Addendums. Is this Report going to be provided?

A: The Public Self Insurers ER Annual Report, for 07/01/22 to 06/30/22, is attached.

Rebecca Kelley

Procurement Analyst

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Fresno Housing

1331 Fulton Street

Fresno, California 93721

559-612-6621

(800) 735-2929 TTY

www.fresnohousing.org

Vibrant Communities. Quality Housing. Engaged Residents.

Attachment A

Instructions to Offerors Non-Construction

Instructions to Offerors Non-Construction

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing



- 03291 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

(2) Have a satisfactory performance record;

(3) Have a satisfactory record of integrity and business ethics;

(4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and

(5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and
- (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

Certifications and Representations of Offerors Non-Construction Contract

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No: 2577-0180 (exp. 7/30/96)

Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offerors to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Contingent Fee Representation and Agreement

(a) The bidder/offeror represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offeror, the bidder/offeror:

- (1) ☐ has, ☐ has not employed or retained any person or company to solicit or obtain this contract; and
- (2) ☐ has, ☐ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a) (2) above is affirmative, the bidder/offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offeror represents and certifies as part of its bid/offer that it:

- (a) ☐ is, ☐ is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.
- (b) ☐ is, ☐ is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.
- (c) ☐ is, ☐ is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- | | |
|---|---|
| <input type="checkbox"/> Black Americans | <input type="checkbox"/> Asian Pacific Americans |
| <input type="checkbox"/> Hispanic Americans | <input type="checkbox"/> Asian Indian Americans |
| <input type="checkbox"/> Native Americans | <input type="checkbox"/> Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that—

- (1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

- (1) Is the person in the bidder/offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or
- (2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offeror's organization);
- (ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

- (c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

- (i) Award of the contract may result in an unfair competitive advantage;
- (ii) The Contractor's objectivity in performing the contract work may be impaired; or
- (iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

- (b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

- (d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

 Signature & Date:

 Typed or Printed Name:

 Title:

Attachment B

Public Self Insurers ER Annual Report

State of California



Public Self Insurers ER Annual Report

For Fiscal Year 2021-22

September 28, 2022
California Housing Workers' Compensation Authority
1750 Creekside Oaks Drive, Ste 200
Sacramento, CA 95833

FORM AR-2 (1-2016)

State of California

EmployerGeneral Information:

Certificate Number	5812	Period Of Report	Annual
(Period) From	07/01/2021	(Period) To	06/30/2022

Master Certificate Holder:

Name	California Housing Workers' Compensation Authority		
Address 1	1750 Creekside Oaks Drive, Ste 200		
Address 2		FTIN	68-0235535
City	Sacramento	State	CA Zip 95833

State of IncorporationAffiliates:

	Full Legal Name	Subsidiaries Affiliate Certificate Number	State
1)	Housing Authority of the City of Benicia	5812-002	
2)	Housing Authority of the County of San Bernardino	5812-003	
3)	Housing Authority of the County of Merced	5812-004	
4)	Housing Authority of the County of Marin	5812-005	
5)	Housing Authority of the County of Yolo	5812-006	
6)	Santa Clara County Housing Authority	5812-007	
7)	Housing Authority of the County of San Joaquin	5812-008	
8)	Housing Authority of the City of Madera	5812-009	
9)	San Diego Housing Commission	5812-010	
10)	Housing Authority of the County of Butte	5812-011	
11)	Housing Authority of the County of Alameda	5812-012	
12)	Housing Authority of the County of Kings	5812-013	
13)	Monterey County Housing Authority	5812-014	
14)	Housing Authority of the County of Stanislaus	5812-015	
15)	Housing Authority of the City and County of Fresno	5812-016	
16)	Housing Authority of the City of Alameda	5812-018	
17)	Sacramento Housing & Development Agency	5812-019	
18)	Housing Authority of the County of Tulare	5812-020	
19)	Housing Authority of the County of Contra Costa	5812-021	
20)	Housing Authority of the City of Santa Barbara	5812-022	
21)	Housing Authority of the City of San Luis Obispo	5812-023	
22)	Housing Authority of the City of Eureka	5812-025	
23)	Plumas County Community Development Commission	5812-026	
24)	Housing Authority of the City of Paso Robles	5812-028	
25)	Housing Authority of the County of San Mateo	5812-029	

State of California

Subsidiaries: (continued...)

	Full Legal Name	Subsidiaries Affiliate Certificate Number	State
26)	Area Housing Authority of the County of Ventura	5812-030	
27)	Regional Housing Authority	5812-031	
28)	Housing Authority of the City of Riverbank	5812-032	
29)	Housing Authority of the County of Kern	5812-0033	
30)	City of Wasco Housing Authority	5812-0034	

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 2,862

Total Wages and Salaries Paid \$183,039,951

The variance between Prior Year and This Year is greater than +/- 20%. Please select an explanation:

Increased workforce for special projects and filling vacancies due to retirements and pandemic turnover.

Addressed Correspondence For Related Self-Insurance Matters:

Company Name	Sedgwick		
Name	Rob Kramer	Title	CHWCA EXECUTIVE DIRECTOR
Phone	(916) 244-1172	Fax	
Email Address	Rob.Kramer@sedgwick.com		
Address 1	1750 CREEKSIDE OAKS DR., STE 200		
Address 2			
City	SACRAMENTO	State	CA Zip 95833
Web Site			

State of California

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? Yes

	Storage Name	Phone Number	Address
1)	Access	(925) 373-1122	5706 Las Positas Road Livermore, CA 94551

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? Yes

	Insurance Company Name	Policy Number	Policy Issue Date
1)	a) Local Agency Workers' Compensation Excess JPA (LAWCX)	LAWCX 21.22	07/01/2021
	Attachment CHWCA.pdf		
	Retention Limit \$5,000,000		
2)	b) Public Risk Innovation, Solutions, and Management (PRISM)	PRISM-PE 21 EWC-32	07/01/2021
	Attachment 2021.22 PRISM MOC - Dec Page.pdf		
	Retention Limit STATUTORY		

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

State of California

Certification By Authorized Representative:

Company Name	Sedgwick	Title	CHWCA EXECUTIVE DIRECTOR
Name	Rob Kramer	Fax	
Phone	(916) 244-1172		
Email Address	Rob.Kramer@sedgwick.com		
Address 1	1750 CREEKSIDE OAKS DR., STE 200		
Address 2			
City	SACRAMENTO	State	CA Zip 95833
Name of Person Legally Responsible for this Electronic Signature:			
Rob Kramer (Date/Time of Signature) - 09/28/2022 09:05			

State of California

Report Location Number: 5812-02-269 A
Identification of Location: INNOVATIVE CLAIM SOLUTIONS at SAN RAMON
Certificate Holder: California Housing Workers' Compensation Authority

CASES AND BENEFITS (to the nearest dollar)				From Date-	07/01/2021	To Date-	06/30/2022
		Incurred Liability		Paid To Date		Future Liability	
Date	#	Indemnity	Medical	Indemnity	Medical	Indemnity	Medical
1) Cases open as of 06/30/2022 reported prior to 2017/18	58	\$3,976,833	\$8,798,422	\$3,114,823	\$4,463,716	\$862,010	\$4,334,706
2) Open and closed Liabilities							
A) All Cases reported in 2017/18	132	\$972,966	\$711,043	\$741,257	\$503,011	\$231,709	\$208,032
2017/18 Cases open	9	\$605,356	\$350,008	\$373,647	\$141,976	\$231,709	\$208,032
B) All Cases reported in 2018/19	154	\$1,027,557	\$1,267,574	\$834,889	\$975,356	\$192,668	\$292,218
2018/19 Cases open	17	\$726,512	\$856,697	\$533,844	\$564,479	\$192,668	\$292,218
C) All Cases reported in 2019/20	150	\$412,027	\$818,530	\$261,300	\$431,220	\$150,727	\$387,310
2019/20 Cases open	18	\$357,539	\$635,044	\$206,812	\$247,734	\$150,727	\$387,310
D) All Cases reported in 2020/21	104	\$395,594	\$476,078	\$241,509	\$248,773	\$154,085	\$227,305
2020/21 Cases open	17	\$329,678	\$365,815	\$175,593	\$138,510	\$154,085	\$227,305
E) All Cases reported in 2021/22	145	\$291,721	\$529,703	\$127,155	\$168,320	\$164,566	\$361,383
2021/22 Cases open	65	\$281,223	\$476,968	\$116,657	\$115,585	\$164,566	\$361,383

\$ Indemnity \$ Medical

SUBTOTAL \$1,755,765 \$5,810,954

TOTAL \$7,566,719

3) Estimate Future Liability (Indemnity Plus Medical)

4) Total Benefits Paid During 2021/22 (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)

5) Number of MEDICAL-ONLY Cases Reported in 2021/22

6) Number of INDEMNITY Cases Reported in 2021/22

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

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

9) Number of Fatality Cases Reported In 2021/22

10) (a) Number of FY 2021/22 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2021/22

10) (a) Number of non-FY 2021/22 claims for which the employer or administrator was notified of representation by an attorney or legal representative in 2021/22

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.

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

66
79
145
166
0
11
6
\$0
\$0

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

State of California

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".

\$

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Certification

Administering Agency's Certificate Number 269

☐ 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 INNOVATIVE CLAIM SOLUTIONS

Name Angela Argiros

Phone (925) 904-2402

Fax

Email Address aargiros@ics-claims.com

Address 1 12677 Alcosta Blvd. Ste 335

Address 2

City San Ramon

State CA

Zip 94583

Name of Person Legally Responsible for this Electronic Signature:

Gary Archibald (Date/Time of Signature) - 08/05/2022 07:04

Attachment C

Current Contract with CHWCA

Effective Until 12/31/2023

**AGREEMENT FOR
WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES**

THIS AGREEMENT IS HEREBY MADE AND ENTERED INTO BY AND BETWEEN THE CALIFORNIA HOUSING WORKERS' COMPENSATION AUTHORITY (HEREINAFTER REFERRED TO AS, "CHWCA") AND THE INDEPENDENT CONTRACTOR SET FORTH BELOW ACCORDING TO THE FOLLOWING TERMS, CONDITIONS, AND PROVISIONS:

RECITALS

WHEREAS, CHWCA DESIRES TO OBTAIN SERVICES FOR THIRD PARTY ADMINISTRATION AND COST CONTAINMENT SERVICES OF WORKERS' COMPENSATION BENEFITS; AND

WHEREAS, INDEPENDENT CONTRACTOR, INNOVATIVE CLAIM SOLUTIONS, INC. (HEREINAFTER REFERRED TO AS, "ICS"), HAS THE NECESSARY PROFESSIONAL SKILLS, EXPERTISE, AND EXPERIENCE TO PROVIDE SAID SERVICES AND IS AGREEABLE TO PERFORMING SUCH SERVICES TO THE CHWCA;

NOW, THEREFORE, THE PARTIES HEREUNDER AGREE AS FOLLOWS:

1. IDENTITY OF THE CLIENT

The client is identified as follows:

California Housing Workers' Compensation Authority, (hereinafter "CHWCA")

Type of Authority: ☐ Municipal Corporation
 ☐ Special District
 ☒ Joint Powers Authority

1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833
Telephone: 800-541-4591
Fax: 916-244-1199

2. IDENTITY OF THE INDEPENDENT CONTRACTOR

The Independent Contractor is identified as follows:

Name: Innovative Claim Solutions, Inc., (hereinafter "ICS")

Type of Entity: ☐ Sole Proprietorship
 ☐ Partnership
 ☒ Corporation

Bishop Ranch #6, 2430 Camino Ramon, #200
San Ramon, CA 94583
Telephone: 925-327-8050
Fax: 925-327-8078
Employer Identification Number: 68-0454747
License Type, Number, and Expiration Date, if any:
Certificate of Consent to Administer Self-Insurance Plans Number: 269 Exp. June 30, 2020.

Agreement for Workers' Compensation Claims Administration
Between CHWCA and Innovative Claim Solutions
Effective January 1, 2019
Page 2

3. INDEPENDENT CONTRACTOR

It is understood and agreed that ICS, in the performance of the work and services agreed to be performed by ICS, shall act as and be an independent contractor and not an agent, joint venturer, partner, or employee of CHWCA; and, as an independent contractor, ICS shall obtain no rights to retirement, pension, or health benefits or other benefits which accrue to CHWCA employees, and ICS hereby expressly waives any claim it may have to any such rights.

4. TERM OF AGREEMENT

The term of this AGREEMENT shall be three years, from January 1, 2019, to December 31, 2023, subject to Section 15 of this AGREEMENT, entitled "Termination."

5. SCOPE OF WORK TO BE PERFORMED

CHWCA desires that ICS perform, and ICS agrees to perform, services specified in detail in EXHIBIT A, entitled "SCOPE OF WORK," EXHIBIT D entitled "SPECIAL PROVISIONS," and EXHIBIT E entitled "PERFORMANCE STANDARDS," which are attached hereto and incorporated by reference herein. ICS shall provide sufficient workspace in San Ramon, California, to ensure that CHWCA's claims can be adjusted in an effective and efficient manner. Such office space shall be equipped with an adequate theft and fire alarm system in an effort to protect CHWCA's records.

6. SCHEDULE OF PERFORMANCE

The services of ICS shall begin on January 1, 2019, and continue without interruption to the completion of the term of this AGREEMENT, unless terminated pursuant to the provisions of Section 15. Time is of the essence in this AGREEMENT.

7. TERMS OF PAYMENT

CHWCA shall pay ICS according to the rate and compensation schedule set forth in EXHIBIT B, entitled "COMPENSATION."

8. METHOD OF PAYMENT

Each month, ICS shall furnish to CHWCA a statement of the work performed for compensation during the preceding month. All such invoices are due and payable upon receipt. ICS shall allow CHWCA up to thirty (30) days to process payments.

9. REIMBURSEMENT OF EXPENSES

CHWCA shall not be liable to ICS for any expenses paid or incurred by ICS in performing services for CHWCA unless otherwise previously agreed upon in writing.

10. LABOR, EQUIPMENT, TOOLS, MATERIALS, AND SUPPLIES

ICS shall supply, at ICS's sole expense, all labor, equipment, tools, materials, and/or supplies to accomplish the scope of work to be performed by ICS under this AGREEMENT. ICS shall provide a designated toll-free telephone number for use by CHWCA. ICS shall also provide a facsimile in its San Ramon office to expedite the claims-handling process.

11. FEDERAL, STATE, AND LOCAL TAXES

ICS is responsible for paying all required state, local, and federal taxes. As ICS is not an employee of CHWCA, CHWCA will not make, nor obtain on ICS's behalf, nor will it withhold from ICS's payment, any required state and/or federal income taxes. This includes, but is not limited to, the following:

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 Effective January 1, 2019
 Page 5

2, as applicable. Notice may be initially served by facsimile followed by written notice served in the manner described in this Section. Any party may change its address stated herein by giving notice of the change in accordance with this Section. Notice shall be deemed effective on the date personally delivered or, if mailed, five (5) days after mailing.

20. ASSIGNABILITY

The parties agree that the expertise and experience of ICS are material considerations for this AGREEMENT. ICS shall not assign or transfer any interest in this AGREEMENT, nor the performance of any of ICS's obligations hereunder, without the prior written consent of CHWCA's administrator, and any attempt by ICS to so assign this AGREEMENT or any rights, duties, or obligations arising hereunder shall be void and of no effect and shall be deemed to be a material breach of this AGREEMENT.

21. CONTRACTOR'S BOOKS AND RECORDS

- A. ICS shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures, and disbursements charged to CHWCA for a minimum of three (3) years, or for any longer period required by law or CHWCA's Record Retention Policy, from the date of final payment to ICS pursuant to this AGREEMENT.
- B. ICS shall maintain all documents and records that demonstrate performance under this AGREEMENT for a minimum of three (3) years, or for any longer period required by law or CHWCA's Record Retention Policy, from the date of termination or completion of this AGREEMENT.
- C. Any records or documents required to be maintained pursuant to this AGREEMENT shall be made available for inspection or audit, at any time during regular business hours, upon written request by CHWCA's attorney, administrator, governing body, or a designated representative of any of these. Copies of such documents shall be provided to CHWCA for inspection at ICS's premises, when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at ICS's address indicated for receipt of notices in this AGREEMENT.
- D. Where CHWCA has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment, or termination of ICS's business, CHWCA may, by written request by any of the above-named individuals and officers, require that custody of the records be given to CHWCA and that access to the records and documents shall be granted to any party authorized by ICS, ICS's representative, or ICS's successor-in-interest.

22. CONFIDENTIAL INFORMATION

All data, documents, discussions, or other information developed or received by or for ICS in performance of this AGREEMENT are confidential and not to be disclosed to any person, except as authorized by CHWCA, or as required by law.

Both parties agree that it is ICS responsibility to develop and implement processes and procedures relating to the protection of CHWCA's electronic data, including a suitable security and back-up system for all stored data and a written policy with respect to disaster recovery, physical and electronic data security, and electronic data retention, as per the standards for Accreditation with Excellence by the California Association of Joint Powers Authorities.

23. OWNERSHIP OF MATERIALS

All reports, documents, or other materials developed or discovered by ICS or any other person engaged directly or indirectly by ICS to perform the services required hereunder shall be and remain the property of CHWCA without restriction or limitation upon their use.

24. CONFLICTS OF INTEREST

Agreement for Workers' Compensation Claims Administration
Between CHWCA and Innovative Claim Solutions
Effective January 1, 2019
Page 6

ICS shall avoid all conflicts of interest or appearance of conflicts of interest in performance of this AGREEMENT. If ICS receives compensation from CHWCA for services not contemplated or included in this AGREEMENT, ICS shall disclose such fees received on an annual basis to CHWCA. Such disclosure shall be in the form of a letter and shall be received by CHWCA on or before April 1 of each year.

25. SPECIAL PROVISIONS

Special provisions, if any, to this AGREEMENT are specified in EXHIBIT D entitled, "SPECIAL PROVISIONS," which is attached hereto and incorporated by reference herein.

26. ARBITRATION

If any dispute, controversy, or claim arises out of or relates to the performance owed under this AGREEMENT and/or the enforcement and/or interpretation of this AGREEMENT or any part thereof, the parties agree to submit the dispute, controversy, or claim to binding arbitration. A single arbitrator shall conduct such arbitration. If, within twenty (20) days from the receipt of a request to arbitrate (or such longer period agreed to by the parties), the parties are unable to agree on an arbitrator, then a single arbitrator, who shall be a lawyer with the expertise in commercial contract interpretation, shall be appointed pursuant to the Commercial Arbitrator Rules of the American Arbitration Association. The arbitrator shall conduct the arbitration in accordance with the Rules of the American Arbitration Association then in effect. The arbitration will be held in Sacramento County. The prevailing party shall be entitled to reasonable attorneys' fees and arbitration costs in addition to any other relief awarded by the arbitrator.

27. CHOICE OF LAW

CHWCA and ICS agree that this AGREEMENT shall be governed by and in accordance with the laws of the State of California.

28. ENTIRE AGREEMENT

This AGREEMENT, including all EXHIBITS attached hereto, represents the entire understanding of the parties as to those matters contained herein. This AGREEMENT supersedes any and all prior agreements, either oral or written, between the parties hereto with respect to the rendering of services to CHWCA by ICS and contains all the covenants and agreements between the parties with respect to those matters covered hereunder. Each party to this AGREEMENT acknowledges that no representations, inducements, promises, understandings, or agreements, oral or written, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this AGREEMENT nor any amendment to this AGREEMENT, shall be valid or binding unless in writing and duly executed by all parties hereto.

29. SEVERABILITY

If any part or provision of this AGREEMENT shall be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this AGREEMENT will nevertheless remain in full force and effect.

Agreement for Workers' Compensation Claims Administration
 Between CHWCA and Innovative Claim Solutions
 Effective January 1, 2019
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Agreement for Workers' Compensation Claims Administration
Between CHWCA and Innovative Claim Solutions
Effective January 1, 2019
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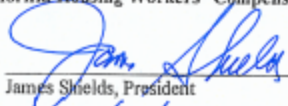
29. SEVERABILITY

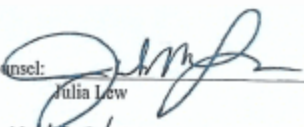
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Agreement for Workers' Compensation Claims Administration
Between CHWCA and Innovative Claim Solutions
Effective January 1, 2019
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APPROVED AS TO FORM:

California Housing Workers' Compensation Authority:

By: 
James Shields, President
Date: 12/21/2018

Legal Counsel: 
Julia Lew
Date: 12/20/18

Innovative Claim Solutions, Inc.:

By:  Date: 12/21/18
Cheryl Western
Title: _____
President and COO

Agreement for Workers' Compensation Claims Administration
Between CHWCA and Innovative Claim Solutions
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EXHIBIT A

SCOPE OF WORK

1. Subject to the terms and conditions set forth in this AGREEMENT, ICS shall provide CHWCA professional services as contained within this AGREEMENT. ICS shall ensure that all claims are processed in accordance with the California Labor Code as well as California law, codes, rules, and regulations as promulgated by the Administrative Director and the Manager of the Department of Self Insurance Plans.
2. ICS agrees to initiate prompt processing of all claims presented to ICS upon notification in writing or facsimile transmission from CHWCA. For emergency circumstances claims may also be called in via telephone.
3. Penalties and Fines:
 - a. ICS and CHWCA acknowledge the various penalties and administrative fines that are contained in The California Workers' Compensation Reform Act of 1989 (effective January 1, 1990, and January 1, 1991) that may be imposed on both employers and claim administrators.
 - b. ICS will be responsible for any fines or penalties associated with questionable or controverted claims that ICS denies without first consulting and obtaining approval by CHWCA for denial of the claim(s). ICS will not be responsible for any fines or penalties levied by the Division of Workers' Compensation or any other judicial or quasi-judicial organization for improper denial of a claim(s) if, over the objections of ICS, ICS has denied said claim(s) at the direction of CHWCA.
 - c. Any penalties assessed by the Division of Workers' Compensation for delays in benefits that are the direct result of delay by ICS shall be the responsibility of ICS. Conversely, those penalties that are the direct result of delay by CHWCA shall be the responsibility of CHWCA.
 - d. Any penalties assessed by the Division of Workers' Compensation Audit Unit based on errors by ICS as identified by a State auditor shall be the responsibility of ICS. CHWCA shall be responsible for paying penalties, based on errors by CHWCA as identified by a State auditor.
 - e. ICS shall be responsible for any and all penalties that are the result of its negligence in making late payments pursuant to the statutory requirements for timely payments.
 - f. Penalties shall be reimbursed to CHWCA on a quarterly basis.
 - g. CHWCA shall be responsible for all penalties where ICS has not been given sufficient notice such that ICS has had at least seven (7) working days in which to investigate the claim and to pay temporary disability or send the required wage continuation notice before the penalties were assessed. ICS shall be responsible for all penalties in which it has had more than seven (7) working days in which to investigate and pay temporary disability or send a wage continuation notice. For the purposes of this section "working day" means all days except Saturdays, Sundays, and commonly-observed holidays.
4. Licenses, Permits, etc.: ICS represents and warrants to CHWCA that it has all professional licenses, permits, qualifications, and approvals of any nature which are legally required for ICS to practice its profession. ICS represents and warrants to CHWCA that it shall, at its sole cost and expense, keep in effect at all times during the term of this AGREEMENT any licenses, permits, and approvals which are legally required for ICS to practice its profession.
5. Standard of Performance: ICS shall perform all services required pursuant to this AGREEMENT in a manner and according to the standards observed by a competent practitioner of the profession in which the ICS is engaged. All products and services of any nature that ICS provides to CHWCA pursuant to this AGREEMENT shall conform to the standards of quality normally observed by licensed, competent professionals practicing in ICS's profession.

Agreement for Workers' Compensation Claims Administration
Between CHWCA and Innovative Claim Solutions
Effective January 1, 2019
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6. Cooperation by CHWCA: CHWCA shall, to the extent reasonable and practicable, assist and cooperate with ICS in the performance of the ICS services hereunder. Such assistance and cooperation may include, as reasonably necessary, providing initial claim information, employee work status, and material available from CHWCA's files. CHWCA shall also provide ICS with all payroll, financial, and other data and information necessary or appropriate to enable ICS to perform under this AGREEMENT and to otherwise cooperate with ICS in its performance of this AGREEMENT. CHWCA shall maintain or participate in a trust back account which shall at all times contain sufficient funds to enable ICS to make timely payments of claims, allocated loss expenses, and all other amounts which ICS is authorized or required to make pursuant to this AGREEMENT or otherwise on behalf of CHWCA.

Agreement for Workers' Compensation Claims Administration
Between CHWCA and Innovative Claim Solutions
Effective January 1, 2019
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EXHIBIT B

COMPENSATION

1. For services outlined in this AGREEMENT, ICS shall be compensated, as follows:

It is understood this agreement replaces the compensation agreement in place between CHWCA and ICS effective January 1, 2014, without duplication of the costs in the prior agreement.

During the term of this AGREEMENT, CHWCA shall pay ICS for services rendered on behalf of CHWCA a fee of:

\$340,895 for the initial 12-month period of this Agreement. Fees for year two (2), three (3), four (4) and five (5) are \$351,122, \$351,122, \$361,656 and \$372,506 respectively.

ICS will provide CHWCA free licenses for all CHWCA members in order to access the Renaissance Risk Management Information System.

ICS and CHWCA shall have the right at any time during the AGREEMENT to ask for an adjustment in the multiplier if the caseloads are substantially increased or decreased due to any of the following:

- A. Government intervention or direction;
- B. a sudden catastrophic incident resulting in more than fifty (50) claims filed from any such single event; or
- C. an increase or decrease in annual indemnity claim submissions of more than 20% based on an average over the last 3 years.

ICS shall submit a billing for services to CHWCA on a monthly basis, which shall be one-twelfth (1/12th) of the annual fee.

It is hereby mutually understood by CHWCA and ICS that this AGREEMENT and the fees generated for services stated above are all-inclusive. There will be no additional payments made to ICS for additional services, supplies, index checks, etc., other than as set forth in this AGREEMENT.

2. The above fee arrangement shall include all services included in this AGREEMENT except for payments made by ICS on CHWCA's behalf for medical, disability, or other benefits and allocated loss expense.

Allocated Loss Expense shall mean all Workers' Compensation Appeals Board or court costs, fees, and expenses; fees for service of process; fees to attorneys; fees of independent adjusters or attorneys for investigation or adjustment of claims for AOE/COE investigations not performed by ICS' workers' compensation claims personnel; the cost of employing experts for the purpose of preparing maps, photographs, diagrams, chemical or physical questions; the cost of copies of transcripts of testimony of coroner's inquests or private records; the cost of depositions and court reporter or recorded statements; index report fees; and any similar costs or expenses properly chargeable to the defense of a particular claim or to the protection of the subrogation rights of CHWCA, including those allocated expenses as defined by Self Insurance Plans; provided, however, that all of the above services performed by claims employees of ICS shall not be considered allocated loss expenses.

Agreement for Workers' Compensation Claims Administration
 Between CHWCA and Innovative Claim Solutions
 Effective January 1, 2019
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EXHIBIT C

INSURANCE

ICS shall procure and maintain for the duration of the AGREEMENT insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by ICS, its agents, representatives, employees, or subcontractors.

Minimum Scope of Insurance:

Coverage shall be at least as broad as:

1. Insurance Services Office Form Number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office Form Number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("Occurrence" Form CG 0001).
2. Insurance Services Office Form Number CA 0001, covering Automobile Liability, Code 1 (any auto) or Code 8, 9, if non-owned autos.
3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employer's Liability insurance.

All required insurance coverages shall be provided by an insurance company or companies with an AM Best rating of at least A: VII.

Minimum Limits of Insurance:

ICS shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to ICS or the general aggregate limit shall be twice the required occurrence limit. Such insurance shall include CHWCA, its officers, agents, and employees as additional insureds. Such insurance shall provide thirty (30) days' notice of intent to cancel or non-renewal to CHWCA. Such insurance shall be subject to a deductible or self-insured retention of no greater than \$1,000 (one thousand dollars). Upon execution of this AGREEMENT, ICS shall provide CHWCA with a Certificate of Insurance evidencing that such general liability insurance has been obtained and is in full force and effect. In addition to the Certificate of Insurance and upon request by CHWCA, ICS shall provide to CHWCA a certified copy of the insurance policy or policies.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage. If Automobile Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to ICS or the general aggregate limit shall be twice the required occurrence limit. Such insurance shall include CHWCA, its officers, agents, and employees as additional insureds. Such insurance shall provide thirty (30) days' notice of intent to cancel or non-renewal to CHWCA. Such insurance shall be subject to a deductible or self-insured retention of no greater than \$1,000 (one thousand dollars). Upon execution of this AGREEMENT, ICS shall provide CHWCA with a Certificate of Insurance evidencing that such automobile liability insurance has been obtained and is in full force and effect. In addition to the Certificate of Insurance and upon request by CHWCA, ICS shall provide to CHWCA a certified copy of the insurance policy or policies.

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3. **Workers' Compensation and Employer's Liability:** Workers' Compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of \$500,000 per occurrence. Upon execution of this AGREEMENT and upon renewal of such coverage, ICS shall provide CHWCA with a Certificate of Insurance evidencing that such Workers' Compensation and Employer's Liability insurance has been obtained and is in full force and effect. In addition to the Certificate of Insurance and upon request by CHWCA, ICS shall provide to CHWCA a certified copy of the insurance policy or policies.
4. **Errors and Omissions:** \$3,000,000/\$5,000,000 per occurrence/aggregate and shall not be subject to a deductible and/or self-insured retention of greater than \$100,000. ICS shall maintain errors and omissions insurance applying to all claims arising out of an occurrence or events during the term of the insurance and made during, or subsequent to, the term of this AGREEMENT. Such insurance shall apply whether the claim arises out of the operations of ICS, its officers, employees, consultants, agents, or anyone else acting, directly or indirectly, on behalf of any of the foregoing. Such insurance shall be severable and, except as respects the limits of liability and self-insured retention, apply to each insured as if no other insureds exist. Such coverage shall provide thirty (30) days' notice of intent to cancel or non-renewal to CHWCA. Upon execution of this AGREEMENT and upon renewal of such coverage, ICS shall provide CHWCA with a Certificate of Insurance evidencing that such errors and omissions insurance has been obtained and is in full force and effect. In addition to the Certificate of Insurance and upon request by CHWCA, ICS shall provide to CHWCA a certified copy of the insurance policy or policies.
5. **Employee Dishonesty:** \$1,000,000 to include comprehensive employee dishonesty, disappearance, theft, and forgery or alteration coverage in a form and issued by an insurance or bonding company or companies acceptable to CHWCA. Such insurance shall not have a deductible greater than \$1,000 for any one (1) claim. Upon execution of this AGREEMENT, ICS shall provide CHWCA with a Certificate of Insurance evidencing that such insurance has been obtained and is in full force and effect. Such coverage shall provide thirty (30) days' notice of intent to cancel or non-renewal to CHWCA.

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EXHIBIT D

SPECIAL PROVISIONS

Additional Terms:

1. **Financial Administration:** CHWCA will establish a zero-balance trust account from which ICS shall make all indemnity, medical, and allocated loss expense payments. Payment authorization limits and payment policies will be established by CHWCA and reviewed from time to time with ICS. ICS's monthly service fee shall not be paid from the trust account.

ICS shall maintain complete and accurate records with respect to costs, expenses, receipts, and other such information required by CHWCA that relate to the performance of services under this AGREEMENT. ICS shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally-accepted accounting principles and shall be clearly identified and readily accessible.

ICS shall notify CHWCA prior to issuance of any payment in excess of \$30,000.

2. **Allocated Loss Expenses:** All allocated loss expenses as defined in EXHIBIT B, Section 2, shall be the responsibility of CHWCA. It is agreed and understood that allocated loss expenses will be paid directly from the claim file and the bills will be paid from the trust account.
3. **Right to Audit:** CHWCA or its designated representative is authorized to visit ICS's processing and/or storage premise, for purpose of performing a claims audit, and shall have access to all data, including paper documents, microfilm, microfiche, and magnetically stored data which relate to payments or non-payments made by ICS on behalf of CHWCA. Any assistance or service provided in response to a claims audit as described above will be rendered at no additional cost to CHWCA.
4. **Invalid Payments:** No charges to CHWCA for payments made on behalf of persons who were not valid employees of CHWCA at the date of injury shall be accepted for payment by CHWCA.
5. **Personnel:** ICS agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services pursuant to this AGREEMENT. Failure to assign such competent personnel shall constitute grounds for termination of this AGREEMENT pursuant to Section 15.B. of this AGREEMENT.

ICS shall provide examiners who may be dedicated to the CHWCA program unless, to support the consistent assignment of claims personnel, the CHWCA inventory of open claims supports the assignment of additional files not to exceed the maximum indicated in Exhibit E.1. Other examiner(s) will be assigned who will not be primary or dedicated to CHWCA's program, and caseloads cannot exceed the number specified in EXHIBIT E.1. Each examiner shall have passed the State of California, Department of Industrial Relations, Self Insurance Administrator's Examination, or be enrolled in appropriate courses leading to obtaining such certification within 2 years. It is understood that CHWCA has the right to request examiners be removed from their program based on unsatisfactory performance.

ICS shall ensure that other personnel, such as management, clerical, accounting, and data processing, which may be required to satisfactorily provide the services required by this AGREEMENT, shall be provided by ICS within the agreed fee for services contained in this AGREEMENT. It is understood that the personnel referred to in this Section need not be dedicated to the exclusive use of CHWCA.

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6. During the period of this AGREEMENT, and for a period of not less than one (1) year thereafter, ICS agrees not to solicit for employment, or employ any CHWCA employee contacted during the performance of the AGREEMENT; and CHWCA agrees not to solicit for employment, or employ during the period of this AGREEMENT, and for a period of not less than one (1) year thereafter, any ICS employee contacted during the performance of the AGREEMENT.
7. Claim Reports: ICS shall, at its expense, provide two (2) weeks prior to any governing meeting of CHWCA, a written summary report showing the number of claims reported during the prior month, separated by category (i.e. indemnity or medical only), the number of claims closed during the prior month, separated by category, and any medical cost savings. This report shall show a comparison of the same information for the same month for the prior year.

ICS shall, at its expense, by the 7th day of the following month, unless otherwise specified below:

- A. Provide the following *weekly* reports to CHWCA's Administrator electronically.
 - a. A month-to-date check register subtotaled separately from the voids, recoveries, and refunds with the exception of voids that occurred in the same period. If recoveries, refunds, or voids occur, they should be subtotaled at the bottom of the report, below checks issued.
 - b. A month-to-date voucher register run by fiscal year and by member of CHWCA.
- B. Provide the following *monthly* reports to CHWCA's Administrator electronically.
 - a. A month-to-date check register subtotaled separately from the voids, recoveries, and refunds with the exception of voids that occurred in the same period. If recoveries, refunds, or voids occur, they should be subtotaled at the bottom of the report, below checks issued.
 - b. A month-to-date voucher register run by fiscal year and by member of CHWCA.
 - c. A report of all open and closed claims by fiscal year and then alphabetically by member of CHWCA, to include the employee's name, claim number, date of injury, paid amount separated by type, future liability or reserves separated by type, total incurred, and any amounts recovered for subrogation or excess insurance.
 - d. As of the end of each month, a listing of all open and closed claims with a total incurred value in excess of \$125,000 to be run by fiscal year and then alphabetically by CHWCA member. The report should include the employee's name, claim number, date of injury, future liability, total incurred, and any excess insurance or subrogation recoveries.
 - e. As of the end of each month, a listing of all open and closed claims with a total incurred value in excess of \$250,000 to be run by fiscal year and then alphabetically by CHWCA member. The report should include the employee's name, claim number, date of injury, paid amount, future liability, total incurred, and any excess insurance or subrogation recoveries.
 - f. Summary Loss Run. A summary report of all open and closed claims by fiscal year with the paid amount separated by type, future liability or reserves separated by type, total incurred, and any amounts recovered for subrogation or excess insurance.

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- C. Provide the following information monthly to the member entities electronically.
 - a. A listing of all open claims showing the employee's name, claim number, date of injury, paid amount, future liability, total incurred, and any amounts recovered.
 - b. A listing of all information needed for the member to complete the OSHA 300 log to include claims were temporary disability benefits were paid during the applicable month showing the paid to date amounts, from and through dates of temporary of disability benefits paid, claim number, and date of injury.
 - c. A summary listing by fiscal year showing paid to date amounts, future liability or reserve amounts, total incurred amounts, number of open claims, number of closed claims, and average cost per claim.
- D. Provide the following quarterly reports, in addition to the regular monthly reports, to CHWCA's Administrator electronically:
 - a. A listing of any administrative penalties paid during the quarter, indicating which is the responsibility of ICS, and which were the responsibility of the prior administrator(s), and a check from ICS payable to CHWCA for reimbursement.
- E. Provide other special reports required of CHWCA or its Administrator including, but not limited to, loss trend reports, claim abstract reports, reports required by actuaries, excess insurance carriers, etc., provided that such reports do not require data elements that have not previously been collected by ICS on behalf of CHWCA.
 - a. Any corrections to the loss runs shall be made within thirty (30) days of a request for correction.
- F. Except as set forth in subparagraph e., special report requests that require programming time, outside of the reports outlined above, will be charged to CHWCA at \$150 per hour.
- 8. Online Interface: ICS shall provide free on line access which will interface with its database, accessible from CHWCA's computers for use by CHWCA or its Administrator. Such data will be put in a format that will permit CHWCA or its Administrator to make print copies of the data on its printers. If CHWCA or its Administrator, under ICS's guidance, is not able to maintain an online interface with data maintained by ICS, ICS may be required to provide a copy of all data processed during the past week to CHWCA's Administrator's office at the end of each month in a disk media format which is transferable and useable with CHWCA's computers.

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EXHIBIT E

PERFORMANCE STANDARDS

1. Caseload

ICS shall provide qualified staff such that those working with CHWCA claims will have manageable caseloads. To achieve this, it is recommended that each examiner maintain a caseload of 150 open indemnity claims; however, at no time shall an examiner's caseload exceed 165 open indemnity claims. Each claims assistant shall have a caseload not to exceed 100 open medical-only claims. The supervisor shall not carry a caseload.

2. Forms

ICS shall provide all forms necessary for the processing of benefits or claims information including: the Employer's Report of Injury, DWC Form 1, medical service orders, return-to-work slips, lost time information reports, vouchers, checks, and other related forms. The cost of providing these forms shall be included within the AGREEMENT price.

3. Claim File Set-Up

Within one business (1) day of receipt of the Employer's Report of Injury or any notice of a claim, ICS will prepare and input into the computer an individual claim file.

4. Claim File Documentation

All activity, contact, notification, reconciliation, referrals, reviews, verification, etc. shall be clearly documented in the computer notepad and maintained in the applicable claim file. A copy of all written documentation, notices, letters, reports, etc. will be maintained in the applicable claim file. This requirement shall apply to all standards contained in this section of the Agreement.

Use of electronic claim files is appropriate only with assurance all claim file documentation can be recreated in hard copy as requested and access provided to the electronic claim files.

5. Coverage

ICS shall verify the coverage period and that coverage was provided to the member by CHWCA on the date of injury or illness in accordance with member program dates and governing documents. If applicable, ICS shall exercise due diligence in joining applicable co-defendants. All activity to verify coverage and join co-defendants shall be clearly documented in the computer notepad.

6. Employer Contact

ICS shall immediately request the Employer's Report of Injury form when or if the Doctor's First Report of Injury or any notice of a claim is received first.

If the DWC Form 1 has not been received by ICS within two (2) business days after receiving the Employer's Report of Injury (5020) and where the 5020 does not indicate the form has been provided to the employee, the examiner will contact the member to ensure that the DWC Form 1 was given to the employee within one (1) working day of the employer's date of knowledge of the injury. If a DWC Form 1 was not provided to the injured employee, ICS shall immediately send the DWC Form 1 directly to the employee.

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ICS shall contact the member within one (1) business day of receipt of notice of a claim on all lost time claims, or claims where compensability is in question. Such contact with the member shall be documented in the computer notepad.

7. Employee Contact

In all non-litigated, lost time cases where the employee has not returned to work, telephone or personal contact will be attempted with the injured employee within one (1) business day of receipt of notice of a claim. The attempt(s) to contact the employee will also be documented in the computer notepad within one (1) business day of receipt of notice of a claim. Such contact will continue as often as necessary, but at least monthly until the employee has returned to work. Such contact with the employee shall be documented in the computer notepad.

Return phone calls to employees will be accomplished within one (1) business day.

All correspondence from employees will be responded to within five (5) calendar days of receipt.

8. Reserves

Reserves shall be established based upon the ultimate probable cost of each claim. All reserve categories shall be reviewed on a regular basis but not less than at least every ninety (90) calendar days for open, unresolved Indemnity claims and every 180 days for Future Medical claims allowing a two-week grace period for completion. Companion files which relate to the same coverage period will not require regular reserve evaluations as it is expected these files will not incur actual payments. However, should this determination change, the companion file will then require regular ninety (90) calendar-day review. Such review shall be indicated in the computer notepad. The examiner shall utilize a reserve worksheet for each review.

A claims assistant shall have the authority to establish reserves up to \$3,000. An examiner shall have authority to establish reserves up to \$50,000. A senior examiner shall have authority to establish reserves up to \$75,000. The supervisor shall have authority to establish reserves up to \$150,000. A director, vice president, or president of ICS shall review and approve all reserves in excess of \$150,000.

9. Medical Administration

ICS shall select a panel of general practitioners, specialists, hospitals, and emergency treatment facilities to which injured employees should be referred, as approved by the member, and ICS shall regularly review and update the panel.

The physician's office will be contacted within five (5) business days of notice of claim on all lost time claims. Such contact will continue as needed during the continuation of temporary disability to assure that treatment is related to a compensable injury or illness.

ICS shall maintain contact with treating physicians to ensure employees receive proper medical treatment and are returned to full or modified employment at the earliest possible date.

ICS shall maintain direct contact with medical service providers to ensure their reports are received in a timely manner.

ICS shall arrange medical evaluations when needed, when reasonable, and/or as requested in compliance with the current California Labor Code.

ICS shall ensure that medical bills are reduced to the Relative Value Schedule (RVS) and recommended rates established by the Administrative Director of the Division of Workers' Compensation. The use of a service contractor is acceptable, provided CHWCA's approval is first obtained. CHWCA shall pay for the use and benefits of the services provided.

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ICS shall assign, at the CHWCA's expense, utilization review services. ICS may obtain approval to utilize an outside agency to perform these services.

ICS shall assign, at the CHWCA's expense, professional managed care services on an as needed basis to injured employees.

10. Medical Payments

Medical bills will be matched to the file, reviewed for correctness, approved for payment, and paid within time limits established by California Labor Code section 4603.2. If all or part of the bill is being disputed, ICS will notify the medical provider on the appropriate form letter within time limits established by California Labor Code 4603.2.

11. Plan of Action

Each claim file shall contain the examiner's Plan of Action outlining the strategic steps to be taken to bring the claim to conclusion. Action Plans must be updated at least every forty-five (45) calendar days, allowing a two-week grace period for completion on active indemnity claims upon which indemnity benefits are being paid or are at issue, or whenever a material event has occurred that will significantly affect the outcome of the claim. Action Plans must be updated at least every one hundred eighty (180) calendar days, allowing a two-week grace period for completion on future medical claims. The supervisor shall monitor the diary reviews by printing a "No Activity" report each month to identify any files that have fallen off diary. Such Action Plans will be identified as such in the computer notepad.

12. Investigation

ICS shall subscribe to the Index Bureau. The examiner shall request a report from the Index Bureau on all new indemnity claims. The review of each Index report will be documented in the computer notepad. Subsequent requests should be made every six (6) to twelve (12) months thereafter on all active indemnity claims.

13. Compensability

The compensability determination (accept claim, deny claim, or delay acceptance pending the results of additional investigation) and the reasons for such determination will be made and documented in the file within five (5) business days of the receipt of the notification of the loss. Delay of Benefit letters shall be mailed in compliance with the Department of Industrial Relations' guidelines.

ICS shall notify the member of delay or denial of any claim.

In no case shall a final compensability decision be extended beyond ninety (90) calendar days from the member's knowledge of the claim.

14. Provision of Benefits

ICS shall provide all compensation and medical benefits in a timely manner and in compliance with the statutory requirements of the California Labor Code. ICS shall compute and pay temporary disability benefits to injured employees based upon earnings information and authorized disability periods. ICS shall review, compute, and pay all informal ratings, death benefits, findings and awards, life pensions, or compromise and release settlements.

15. Initial Indemnity Payment

The initial indemnity payment or voucher will be issued and mailed to the injured employee within fourteen (14) calendar days of the first day of disability. The completed DWC notice will be mailed under separate cover. Such benefits shall be paid from the trust fund.

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16. Subsequent Indemnity Payments

All indemnity payments or vouchers subsequent to the first payment will be verified, except for obvious long-term disability, and issued in compliance with California Labor Code Section 4651. Such benefits shall be paid from the CHWCA trust fund.

17. Return-to-Work

ICS shall provide assistance to the CHWCA members in returning injured employees to modified duty while recovering and prior to their return to regular duties.

ICS shall consult frequently with the member in those cases where the injury residuals might involve permanent work restrictions and/or retirement potential.

18. Transportation Expense

Transportation reimbursement will be mailed within five (5) business days of the receipt of the claim for reimbursement. Advance travel expense payments will be mailed to the injured employee ten (10) business days prior to the anticipated date of travel. Such benefits shall be paid from the CHWCA trust fund.

19. Permanent Disability

ICS shall explain and assist injured employees in completing the necessary forms to obtain a permanent disability rating.

ICS shall determine the nature and extent of permanent disability and arrange for an informal disability rating whenever possible to avoid Workers' Compensation Appeals Board (WCAB) litigation.

All permanent disability benefit notices shall be sent to the employee as required by the California Labor Code.

20. Litigated Cases

ICS shall promptly initiate investigation of issues identified as material to potential litigation. The member shall be alerted to the need for an outside investigation as soon as possible and shall be kept informed on the scope and results of all investigations.

When defense counsel is not necessary, ICS shall work closely with the applicant's attorney in informal disposition of litigated cases.

The member shall be alerted to the need for outside counsel as soon as possible and shall be kept informed as to outside counsel's progress.

Settlement proposals directed to the CHWCA Workers' Compensation Program Manager (WCPM) shall be forwarded by ICS or defense counsel in a concise and clear written form with a reason(s) for such recommendation. The member shall be notified of all potential settlements.

All preparation for a trial shall involve the member so that all material evidence and witnesses are utilized to obtain a favorable result for the defense.

The supervisor or the examiner shall attend Workers' Compensation Appeals Board (WCAB) hearings, meetings with defense counsel, and meetings with member's staff, departments, and employee groups as necessary and when requested to do so.

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22. Settlements

ICS, with the member's notice, has total settlement authority from \$0 to \$25,000. ICS, shall seek total settlement authority from CHWCA's WCPM from \$25,001 to \$50,000. Total settlement above \$50,000 shall be approved by a majority of the CHWCA Executive Committee. All requests for settlement authority shall include a written claim summary, estimate of permanent disability, and the defense counsel's comments and recommendations.

All settlements involving excess coverage will be referred to the excess carrier for authority. The excess carrier will be notified of settlement proposals if the proposed settlement will exceed the assigned retention level.

23. Subrogation

In all cases where a third party is responsible for the injury to the employee, ICS will send a letter to the member indicating they will pursue subrogation unless instructed otherwise by the member. When subrogation is to be pursued, the third party shall be contacted within ten (10) days of identification, with notification of the member's right to subrogation and the recovery of certain claim expenses. If the third party is a governmental member, a claim shall be filed with the third party's governing body within six (6) months of the injury or notice of injury.

Periodic contact shall be made with the responsible party and/or insurer to provide notification of the amount of the estimated recovery to which the member will be entitled.

If the injured worker brings a civil action against the party responsible for the injury, ICS shall consult with the member about the value of the subrogation claim and other considerations. Upon member authorization, subrogation counsel shall be assigned to file a Lien or a Complaint in Intervention in the civil action.

Whenever practical, ICS should take advantage of any settlement in a civil action by attempting to settle the workers' compensation claim by means of a Third Party Compromise and Release. If such attempt does not succeed, then every effort should be made via the WCAB to offset claim expenses through a credit against the proceeds from the injured worker's civil action.

24. Vocational Rehabilitation / SJDB

In accordance with all applicable California laws in place at the date of injury, ICS shall:

- A. Determine the Qualified Injured Worker/Non Qualified Injured Worker status;
- B. Advise the injured worker of his/her rehabilitation benefits/SJDB;
- C. Provide appropriate vocational rehabilitation benefits/SJDB;
- D. Control rehabilitation costs/SJDB; and
- E. Attempt to secure the prompt conclusion of vocational rehabilitation benefits/SJDB.

25. Claim Reconciliation

All claim files shall be reconciled to ensure all indemnity payments have been made correctly. The reconciliation should verify that payments were in the correct amount and paid from the correct claim file. The physical claim file should be verified with the computer information. All open claim files shall be reconciled at the time of a request for settlement authorization and at the time of submission for closure. Proof of the reconciliation should remain in the claim file.

26. Excess Insurance

Cases that have the potential to exceed the member's self-insured retention shall be reported in accordance with the reporting criteria established by the excess insurance policies. All settlements which may involve reportable excess claims will be included in regularly filed excess reports.

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All cases that meet the established reporting criteria are to be reported within five (5) days of the day on which it is known the criterion has been met.

27. Award Payment

Payments on awards, commutations, or Compromise and Release agreements will be issued within ten (10) days following receipt of the appropriate document. Such awards, commutations, or Compromise and Release agreements shall be paid from the CHWCA trust fund.

28. Penalties and Self Imposed Increases

Late payment of all benefits must include the self-imposed increase in accordance with California law. ICS will provide CHWCA with a quarterly listing of any administrative penalties/increases paid the quarters ending March 31, June 30, September 30, and December 31. The report shall designate the party responsible for the penalty/increase. If the penalty/increase was the responsibility of ICS, ICS shall issue a check payable to CHWCA for reimbursement of the penalties/increases. The check and report shall be submitted to CHWCA by the 20th of the following month after the quarter ends.

29. Case Closure

The supervisor must review all medical-only claims open beyond ninety (90) days from the date of entry by ICS, for potential closure or conversion to Indemnity claim status. Claims with \$3,000 or more paid to date, and any claim open beyond one hundred eighty days (180) from date of entry, must be converted to Indemnity status and a reasonable, precautionary indemnity reserve placed on the claim(s). All indemnity cases where permanent disability is not an issue will be closed within sixty (60) days of the final financial transaction or final correspondence to the injured worker as required by law. All resolved indemnity claims with open future medical awards in which there is a reasonable expectation that no future benefits will be provided may be administratively closed one year from the last payment of benefits with the understanding these files will be reopened upon notice of activity or receipt of requests for payment or bills. ICS will monitor stipulated cases with future medical provisions. Reserves for future medical will be reviewed semi-annually and adjusted according to use.

30. Claims Reporting

ICS shall maintain all loss information as required by the Workers' Compensation Insurance Rating Bureau (WCIRB).

ICS shall assist in the preparation of all reports that are now or will be required by the State of California or other government agencies with respect to self-insurance programs. ICS will also assist in the preparation of all reports or databases required by the California Institute for Public Risk Analysis (CIPRA) or other statistical database organizations as requested by CHWCA. ICS has the right to request from CHWCA the costs associated with the data programming.

31. Record Retention

All claim files shall be maintained in accordance with statutory time requirements and the CHWCA's Record Retention Policy.

32. Claim Supervision

ICS shall provide supervisory staff that will regularly review the work product of the claims examiners. The supervisor shall review each examiner's caseload to ensure each examiner is following the performance standards outlined in this agreement.

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In addition, the supervisor shall conduct a review of all unresolved open indemnity claims every one-hundred twenty (120) calendar days, allowing a two-week grace period for completion, documenting this review in the computer notepad. Future medical claims will be reviewed every one-hundred eighty (180) calendar days, allowing a two week grace period for completion.

33. Availability of Personnel

ICS shall ensure at least one (1) or more of ICS's staff assigned to the member's dedicated unit is available to the member and/or CHWCA every business day throughout the term of this agreement.

34. Examiner Training

ICS shall annually certify to CHWCA that each claims examiner handling the members' claims is in compliance with all legal and regulatory licensing and continuing educational requirements as presently, or in the future, shall be promulgated and required by the State of California. Where required by law or regulation, copies of all such certifications shall be provided at least annually by ICS to CHWCA.

35. Member Services

ICS shall provide annual on-site training services to CHWCA members, as requested, to ensure that the staff, which process workers' compensation claims, are effectively carrying out the procedures required for a successful program. The annual visit shall also include an on-site claims review, when requested. The claims to be reviewed will be mutually decided upon by the individual member and ICS.

ICS shall require its examiners or other ICS personnel, as necessary, to attend CHWCA's annual Board of Directors meeting to report on the general state of the program since the last meeting and on any particular cases of interest to the Board. ICS shall require the supervisor or other ICS personnel, as necessary, to attend CHWCA's periodic Executive Committee meetings to report on the general state of the program and on any particular cases of interest to the Executive Committee.

ICS shall require an examiner to be available and readily respond to a member's or CHWCA's request for assistance with problem cases.

ICS shall provide CHWCA with information regarding statutes, proposed changes to statutes, and changes to the rules and regulations affecting CHWCA and its responsibility as a permissively self-insured workers' compensation joint powers authority.

36. Employee Services

As required, ICS will develop, for review by CHWCA, materials which will provide information and guidance regarding workers' compensation and the self-insurance program.

As required, ICS will assist injured employees in resolving problems that arise from injury or illness claims.

37. Conflict of Interest

ICS shall avoid all conflicts of interest or appearance of conflicts of interest in performance of this document. If ICS receives compensation from CHWCA for services not included in this document, such as bill review services, managed care, or investigations, ICS shall disclose all fees received from CHWCA. Such disclosure shall be in the form of a letter and shall be received by CHWCA each April 1.

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38. Overpayments

ICS shall be responsible for attempting the collection of any overpayment of any benefit. In the event ICS is unable to collect the overpayment, ICS may be responsible to reimburse CHWCA for the amount of the overpayment if the basis for the overpayment relates to an error or errors by ICS.

Attempted recovery will be documented in the claims file. Any overpayment not recovered will NOT BE credited against "new and further" disability without the approval of the CHWCA WCPM.

Overpayments which have not been recovered will be evaluated by ICS for reimbursement to CHWCA.

It is understood overpayment of benefits resulting from good faith attempts at benefit administration (such as estimating Permanent Disability Advance Payments) will require attempts at recovery; however, the resulting overpayment will not be the responsibility of ICS to reimburse CHWCA.

END OF AGREEMENT