

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Lona Beach, CA 90802-4664

1 FIRST AMENDMENT TO BILL REVIEW SERVICING AGREEMENT NO. 34570

2 **34570**

3 THIS FIRST AMENDMENT TO AGREEMENT NO. 34570 is made and
4 entered, in duplicate, as of March 18, 2019, for reference purposes only, pursuant to a
5 minute order adopted by the City Council of the City of Long Beach at its meeting on March
6 7, 2017, by and between MEDATA, INC., a California corporation ("MEDATA"), with
7 principal offices at 5 Peters Road, #250, Irvine, California 92606, and the CITY OF LONG
8 BEACH, a municipal corporation ("City").

9 WHEREAS, City and MEDATA (the "Parties") entered into Agreement No.
10 34570 (the "Agreement") whereby MEDATA agreed to provide medical billing review
11 services and information utilizing proprietary software and expertise to City for two (2)
12 years; and

13 WHEREAS, now the Parties desire to extend the term;

14 NOW, THEREFORE, in consideration of the mutual terms, covenants, and
15 conditions herein contained, the Parties agree as follows:

16 1. Section 1 of Agreement No. 34570 is amended to extend the term an
17 additional year as follows:

18 EFFECTIVE DATE AND TERM. This Agreement shall begin on May 1, 2019,
19 and shall end on April 30, 2020, unless terminated earlier in accordance with
20 Section 12. By mutual agreement and amendment of this Agreement, the
21 parties may extend the initial term for another two (2) separate, consecutive
22 periods of one (1) year each."

23 2. Section 4.A. of Agreement No. 34570 is hereby amended to modify
24 the fees therein as follows:

25 "In consideration for the services provided by MEDATA to City under this
26 Agreement, City shall pay to MEDATA the fees set forth in Exhibit "B", in an
27 annual amount not to exceed Six Hundred Ninety Thousand Dollars
28 (\$690,000), attached to and made part of this Agreement by this reference."

3. Exhibit "B" of Section 4.A. of Agreement No. 34570 is hereby amended to modify the fees therein as follows:

COMPENSATION

Pricing Matrix	
Medical Bill Review	
<p>Flat Fee Per Bill – Paperless</p> <p>This flat rate includes fee schedule review, scanning/imaging, reconsiderations, state reporting, WCAB appearance, EDI to iVOS and all other managed care vendors, ad-hoc and standard report suite and access to Toolbox. Bills requiring high level specialist review are routed for Complex Bill Review (CBR) including:</p> <ul style="list-style-type: none"> o IP and OP hospital bills o Surgical bills o High complexity bills o Other bill type determined during the implementation <p>Includes all the services outlined above plus Mailroom services (paperless) include receipt of bills and related documents, sorting, batching, indexing, imaging/scanning, storage, and destruction of paper.</p>	<p>\$9.25 + CBR rate at 4% of savings</p> <p>** CBR Criteria Below</p>
Review Only Charge Flat Fee Per Bill – Paperless	\$8.25
Duplicate Bills Included in Flat Fee Per Bill – Paperless	\$0.00
Direct Negotiation Fee (out of network) percentage of savings with proposed cap on total fee to be reimbursed for catastrophic or extraordinary events.	15% of savings with a not to exceed \$12,500 per review
PPO - percentage of savings – PRIME Only	18% of Savings
State Reporting and any applicable report fees	No Charge
Provide any applicable charges for computer time, licensing, system utilization, and interface.	No Charge

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Billing disputes between Medata and the City of Long Beach are subject to Section 9. <u>Dispute Resolution</u> of this Agreement.	As agreed upon and/or outlined in accordance with the California Labor Code and this Agreement.
Disputed bills by medical providers are subject to processes outlines in the California Labor Code and Exhibit "A", Section 1.8 of this Agreement.	
Include any other charges or pricing (one-time data/information requests or for other services not listed).	Not Applicable

** CBR Criteria

- All hospital and ambulatory surgical center (facility) bills
- Any surgical line charge for CPT code range 10000 – 69999 in which charges exceed \$250.00
- Any un-listed procedure codes (CPT 99199) when billed in conjunction with injection procedures
- Any anesthesia line charge for CPT code range 00100 – 09999 with a modifier of P3, P4, or P5
- Any charges for somatosensory testing CPT code range 95925 – 95927
- Any nerve conduction study line charge CPT code range 95900 – 95935 in which charges exceed \$500.00
- All higher-level office visits or consultations in which level of service is adjusted

4. Except as expressly modified herein, all of the terms and conditions contained in Agreement No. 34570 are ratified and confirmed and shall remain in full force and effect.

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IN WITNESS WHEREOF, the Parties have caused this document to be duly executed with all formalities required by law as of the date first stated above.

March 3, 2019

MEDATA, INC., a California corporation

By [Signature]
Name THOMAS HEINON
Title Pres. Dent

MARCH 3, 2019

Tom Modica
Assistant City Manager

By [Signature]
Name DANA M. JOHNSON
Title CHIEF FINANCIAL OFFICER

**EXECUTED PURSUANT
TO SECTION 01 OF
THE CITY CHARTER**

"MEDATA"

CITY OF LONG BEACH, a municipal corporation

April 11, 2019

By [Signature]
City Manager

"City"

This First Amendment to Agreement No. 34570 is approved as to form on

April 8, 2019.

CHARLES PARKIN, City Attorney

By [Signature]
Principal Deputy

APPROVED AS TO FORM
[Signature] April 8, 2019
CHARLES PARKIN, City Attorney
By [Signature]
DEPUTY CITY ATTORNEY