

1 FIRST AMENDMENT TO AGREEMENT NO. 35566

2 **35566**

3 THIS FIRST AMENDMENT TO AGREEMENT NO. 35566 is made and
4 entered, in duplicate, as of September 8, 2020, for reference purposes only, pursuant to
5 Resolution No. RES-20-0095 adopted by the City Council of the City of Long Beach at its
6 meeting on August 4, 2020, by and between FULGENT THERAPEUTICS LLC, a
7 California corporation ("Contractor"), with a place of business located at 4978 Santa Anita
8 Ave, Suite 205, Temple City, CA 91780, and the CITY OF LONG BEACH, a municipal
9 corporation ("City").

10 WHEREAS, City requires specialized services to provide COVID-19
11 diagnostic testing to physicians, hospitals and other laboratories; and

12 WHEREAS, City and Contractor (the "Parties") entered into Agreement No.
13 35566 ("Agreement") on July 6, 2020 pursuant to Chapters 2.69 and 2.85 of the Long
14 Beach Municipal Code whereby Contractor agreed to provide these services; and

15 WHEREAS, the Parties desire to revise the annual not to exceed amount
16 and amend the Agreement to add terms regarding medical billing;

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

19 1. Section 1.B of the Agreement is hereby amended to read as follows:

20 "B. Contractor shall sell, furnish and deliver to the City COVID-19
21 testing services of substantially the same type and kind purchased under the St.
22 Charles County Agreement, except as modified by Exhibit "B" attached hereto and
23 incorporated by this reference, in an annual amount not to exceed Eight Million
24 One Hundred Six Thousand Dollars (\$8,106,000), including tax and fees. To the
25 extent that the St. Charles County Agreement and this Agreement are
26 inconsistent, the following priority shall govern: (1) this Agreement and (2) the St.
27 Charles County Agreement."

28 2. Section 1 of the Agreement is hereby amended to add the following

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4511

1 terms:

2 "F. Medical Billing.

3 1. Contractor, under this contract, shall provide all
4 services necessary to collect for services provided by the City related to
5 COVID-19 testing. Contractor will be responsible for and must include all
6 the items listed below in their pricing.

7 2. Contractor shall submit electronic and/or paper claims
8 to all insurance companies within time filing limitations.

9 3. Contractor will initially only bill patients with insurance.
10 In the future, at the City's request, non-insured patients may be billed.

11 4. Contractor shall follow-up with responsible party for
12 collection of the receivable after the initial billing date.

13 5. Contractor shall be responsible for the initial collection,
14 generation of all insurance forms, filings, record maintenance, and
15 reporting.

16 6. Contractor shall conduct any follow-up required to
17 obtain necessary insurance information for accurate billing, collection, and
18 payment processing.

19 7. Contractor must establish a process by which all
20 rejected claims for payment are reviewed, corrected, and resubmitted.

21 8. Contractor shall comply with all HIPAA policies. Any
22 violations of HIPAA by the Contractor will be grounds to terminate all
23 contractual agreements.

24 9. Monthly reporting to the City that details the activity for
25 the month as it relates to billing services, collection efforts, and accounts
26 receivables, including but not limited to an Aging Report and Accounts
27 Receivable report on the 1st of every month.

28 10. Contractor must provide reports on an "as needed

1 basis” as determined solely by the City at no additional charge.

2 11. Provide monthly statistical reports to allow the City to
3 accurately track and manage its billing activity.

4 12. Contractor must have access to COVID-19 related
5 diagnostic codes and procedure codes.

6 13. Contractor must possess the ability to use and add
7 necessary ICD-10 diagnosis codes.

8 14. Contractor shall perform third party billing in
9 compliance with applicable local, state, and federal government rules and
10 regulations.

11 15. Contractor shall credit the City any funds (payments)
12 collected by Contractor from insurance for City purchases made pursuant to
13 this Agreement in an amount not to exceed the costs outlined in Exhibit “B”.
14 Contractor shall credit the City within thirty (30) days of receipt of funds
15 collected from insurance.

16 16. On a case by case basis, the Contractor shall provide
17 access to Explanation of Benefit (EOBs) Payments for review.

18 17. Contractor must submit a complete listing and
19 description of the information that the City must record before, during, or
20 after testing, in order to fulfill the Contractor’s billing requirement.

21 18. Contractor must submit a detailed plan of how the
22 billing and collection process will work. This aspect is extremely important
23 in that this plan must be completely operational within 30 days after
24 approval of the contract terms.

25 19. Given reasonable notification, the City has the right to
26 audit all financial records pertaining to the billing and collection for COVID-
27 19 testing for a period of three (3) years after contract terminates.”

28 3. Except as expressly modified herein, all the terms and conditions

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contained in Agreement No. 35566 are ratified and confirmed and shall remain in full force and effect.

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.

FULGENT THERAPEUTICS LLC, a California corporation

SEPTEMBER 21, 2020

By [Signature]
Name JAMES XIE
Title CHIEF OPERATING OFFICER

By _____
Name _____
Title _____

"Contractor"

CITY OF LONG BEACH, a municipal corporation

October 5, 2020

By [Signature]
EXECUTED City Manager
TO SECTION 301 OF
"City" THE CITY CHARTER.

This First Amendment to Agreement No. 35566 is approved as to form on

Sept. 29, 2020.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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Long Beach, CA 90802-4511