

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
411 West Ocean Boulevard, 9th Floor  
Long Beach, CA 90802-4664

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MEDICAL PROVIDER NETWORK SERVICING AGREEMENT

**35505**

THIS AGREEMENT is made and entered, in duplicate, as of January 1, 2020, for reference purposes only, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting on January 7, 2020, by and between MEDEX Healthcare, a California corporation ("MEDEX"), with principal offices at 1201 Dove Street, Suite 300, Newport Beach, CA 92660, and the CITY OF LONG BEACH, a California municipal corporation ("City").

WHEREAS, City desires to secure the specialized services of MEDEX for managed care services, specifically Medical Provider Network (MPN) services.

WHEREAS City is obligated, either on its own behalf or contractually on behalf of others, to (i) make workers' compensation benefit and coverage related decisions to select injured workers; (ii) pay and adjust claims related to these workers as per applicable statutes; and (iii) provide for managed care services as may be deemed necessary; and

WHEREAS, City has selected MEDEX in accordance with City's administrative procedures using a Request for Proposals ("RFP"), and City has determined that MEDEX and its employees are qualified, certified, licensed, if so required, and experienced in performing these specialized services; and

WHEREAS, MEDEX, for the purposes of this Agreement, is in the business of providing managed care services, and authorized as having two (2) Workers' Compensation Health Care Organizations certified by the Department of Industrial Relations, Division of Workers' Compensation to provide Health Care in the approved service area and desires to arrange for the provision of Medical Provider Network (MPN) services, to workers' compensation insurance companies, self-insured employers, and municipalities; is deemed approved as an MPN pursuant to Labor Code Section 4616; and

1           WHEREAS, City desires to have MEDEX perform these specialized services,  
2 and MEDEX is willing and able to do so on the terms and conditions in this Agreement;

3           NOW, THEREFORE, in consideration of the mutual terms, covenants, and  
4 conditions in this Agreement, the parties agree as follows:

5  
6                   1. SCOPE OF WORK OR SERVICES.

7                   A.       MEDEX shall furnish specialized MPN services and medically  
8 manage each individual case submitted to MEDEX by City in accordance with the  
9 more particularly described in Exhibit "A", attached to this Agreement and  
10 incorporated by this reference, in accordance with the Laws of California including  
11 Labor Code Section 4616, the standards of the profession, and City shall pay for  
12 these services in the manner described below, an annual amount of \$72,240,  
13 authorizing a 20% contingency in the amount of \$14,448 for a total annual contract  
14 amount not to exceed \$86,688, at the rates or charges shown in Exhibit "B".

15                   B.       MEDEX shall perform the various systems implementations  
16 and transfer and maintenance duties reasonably required by policies and  
17 procedures established by City, including accessing City's electronic claims  
18 management system to review relevant documents and inputting medical  
19 management case notes, to the extent allowable under applicable State of California  
20 regulations, updating patients' progress using transfer procedures implemented with  
21 cooperation of the City.

22                   C.       City shall designate MEDEX as its exclusive provider of  
23 Medical Network Provider (MPN) services.

24                   D.       City retains the sole responsibility for, and the sole authority to  
25 make all decisions with respect to benefit and coverage determinations for workers'  
26 compensation cases covered under this Agreement. Additionally, City will also be  
27 responsible for payment of all related workers' compensation claims as may be  
28 required under applicable law. MEDEX will not be responsible for the provision of,

1 or payment of, any medical, indemnity, permanent disability or death benefits,  
2 medical-legal expenses, vocational rehabilitation, or legal and other allocated  
3 expenses to which the City's injured workers' may be entitled.

4 E. City shall be responsible for the payment of all applicable audit  
5 fees and assessments levied against City by any governmental entity.  
6 Notwithstanding the immediately preceding sentence, any late or inconsistent  
7 payment penalties or fines assessed by any governmental entity shall be paid by  
8 the party, either City or MEDEX, responsible for causing the penalty or fine.  
9 Disputes regarding responsibility for the payment of any penalty or fine shall be  
10 resolved by good faith negotiations between the parties

11 F. MEDEX shall provide to City, MEDEX's standard reports and  
12 any custom reports as may be required and previously agreed to. In the case of a  
13 special request, MEDEX will make every effort to provide the report within the  
14 specific time frame as requested by the City. There will be no additional fees for  
15 standard reports. MEDEX shall provide standard reports monthly, quarterly and  
16 annually. Standard reports are defined as:

- 17 i. Provider Relations Network Detail and Summary report  
18 information;  
19 ii. Medical Access Assistant Detail and Summary  
20 information  
21 iii. List of Suspended Providers report information pursuant  
22 to Labor Code Section 139.21(a)(1)

23 G. MEDEX shall designate a service coordinator, who shall be an  
24 employee of MEDEX to be available to City to service City's account with MEDEX.

25 H. MEDEX has agreed that its services will conform to the  
26 Workers' Compensation Laws of California, the California Labor Code, and any  
27 rules and regulations issued pursuant to such laws and the Code, in existence at  
28 the time of execution of this Agreement or effective during the term of this

1 Agreement, and that MEDEX shall perform its services in accordance with the  
2 leading practices and standards in the business of Medical Provider Networks  
3 (MPN). MEDEX shall obtain, maintain and, upon request, provide to City proof of  
4 any and all necessary certifications, licenses and regulatory approvals as required  
5 to manage an MPN.

6 I. MEDEX shall prepare and deliver to the City a statement  
7 calculating the fees or other charges within fifteen (15) days after the end of the  
8 month for which MEDEX provided services. City shall pay the fees to MEDEX by  
9 the statement due date. In the event City disputes any portion of the statement, City  
10 shall timely pay the undisputed portion and work with MEDEX towards the timely  
11 resolution of the disputed amount.

12 2. EFFECTIVE DATE AND TERM. This Agreement shall begin on  
13 January 1, 2020 and shall end on December 31, 2022 (both days inclusive), unless  
14 terminated earlier in accordance with Termination provisions herein. By mutual agreement  
15 and amendment of this Agreement, the parties may extend the initial term for three (3)  
16 separate, consecutive periods of one year each.

17 3. REPRESENTATIONS AND WARRANTIES.

18 A. City represents and warrants that this Agreement and the  
19 transactions and activities contemplated by it (i) are within the municipal powers of  
20 City; (ii) have been duly authorized by all necessary action of City; (iii) constitute the  
21 legal, valid and binding obligations of City, enforceable against it in accordance with  
22 their terms; and (iv) do not and will not conflict with or result in a breach of any of  
23 the provisions of, or constitute a default under the provisions of any law, regulation,  
24 licensing requirement, charter provision, or other instrument applicable to City or its  
25 employees or to which City is a party or by which City may be bound.

26 B. MEDEX represents and warrants that this Agreement and the  
27 transactions and activities contemplated hereby (i) are within the corporate powers  
28 of MEDEX; (ii) have been duly authorized by all necessary corporate action of

1 MEDEX; (iii) constitute legal, valid and binding obligations of MEDEX, enforceable  
2 against it in accordance with their terms; and (iv) do not and will not conflict with or  
3 result in a breach of any of the provisions of, or constitute a default under the  
4 provisions of any law, regulation licensing requirement, charter provision, bylaw or  
5 other instrument applicable to MEDEX or its employees or to which MEDEX is a  
6 party or by which MEDEX may be bound.

7 4. BOOKS AND RECORDS.

8 A. MEDEX and City shall maintain such books and records,  
9 including but not limited to, payment records, notices, accounting and administrative  
10 records, as shall reasonably be required to accurately account for all services  
11 provided pursuant to this Agreement and any matters necessary for the proper  
12 administration of this Agreement. Such books and records shall be maintained in  
13 accordance with the generally accepted accounting principles and shall be  
14 maintained for at least seven (7) years, and such obligation shall not terminate upon  
15 termination of this Agreement.

16 B. MEDEX and City each shall have the mutual right, during the  
17 term of this Agreement and any extension of the initial term, to inspect, audit and  
18 copy, on no less than thirty (30) days prior notice to the other party, and during  
19 normal business hours or at such other times as may be agreed upon, said relevant  
20 books and records as they pertain to this Agreement. Such information shall be  
21 provided to each party pursuant to procedures designed to protect the confidentiality  
22 of patient health care records in accordance with applicable legal requirements and  
23 recognized standards of professional practice.

24 5. OWNERSHIP OF DATA. All materials, information and data  
25 prepared, developed or assembled by MEDEX or furnished to MEDEX in connection with  
26 this Agreement, including but not limited to documents, estimates, calculations, studies,  
27 maps, graphs, charts, computer disks, computer source documentation, samples, models,  
28 reports, summaries, drawings, designs, notes, plans, information, material and

1 memorandum ("Data") shall be the exclusive property of City. Data shall be given to City,  
2 and City shall have the unrestricted right to use and disclose the Data in any manner and  
3 for any purpose without payment of further compensation to MEDEX. Copies of Data may  
4 be retained by MEDEX but MEDEX warrants that Data shall not be made available to any  
5 person or entity for use without the prior approval of City. This warranty shall survive  
6 termination of this Agreement for seven (7) years.

7           6.     DISPUTE RESOLUTION. In the event of any controversy or dispute  
8 arising out of or relating to this Agreement, the parties agree to exercise their best efforts  
9 to resolve the dispute as soon as possible. To invoke the dispute resolution process set  
10 forth in this Section, the invoking party shall give to the other party written notice of its  
11 decision to do so, including a description of the issues subject to the dispute and a  
12 proposed resolution thereof. Within ten (10) days after receipt of notice, a face-to-face  
13 meeting by MEDEX and City shall take place to attempt to resolve the issues. If the  
14 designated representatives cannot resolve the dispute, the parties shall meet within thirty  
15 (30) days after the initial meeting and describe the dispute and their respective proposals  
16 for resolution. If the dispute cannot be resolved at the second meeting, then the parties  
17 reserve the right to pursue all legal remedies available to them.

18           7.     INSURANCE.

19           A.     Prior to commencement of work under this Agreement, MEDEX  
20 shall furnish to City one or more original Certificates of Insurance and Endorsements  
21 completed and executed by an agent authorized to bind the insurer. Subject to  
22 MEDEX's right to reasonable deductibles in such amounts as approved by City,  
23 MEDEX shall obtain and maintain for the duration of this Agreement, at MEDEX's  
24 sole expense, insurance written by companies authorized and admitted to do  
25 business in the State of California or rated A:VIII or better by A.M. Best Company in  
26 the following types and amounts:

27           (a) Commercial general liability insurance (equivalent in scope to ISO form  
28 CG 00 01 11 85 or CG 00 01 10 93) in an amount not less than \$1,000,000 per each

1 occurrence and \$2,000,000 general aggregate. This coverage shall include but not  
2 be limited to broad form contractual liability, cross liability, independent contractor's  
3 liability, and products and completed operations liability. City, its boards and  
4 commissions, and their officials, employees and agents shall be named as additional  
5 insureds by endorsement (on City's endorsement form or on an endorsement  
6 equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85), and this  
7 insurance shall contain no special limitations on the scope of protection given to City,  
8 its boards and commissions, and their officials, employees and agents. This policy  
9 shall be endorsed to state that the insurer waives its right of subrogation against  
10 City, its boards and commissions, and their officials, employees and agents.

11 (b) Workers' Compensation insurance as required by the California Labor  
12 Code and employer's liability insurance in an amount not less than \$1,000,000. This  
13 policy shall be endorsed to state that the insurer waives its right of subrogation  
14 against City, its boards and commissions, and their officials, employees and agents.

15 (c) Professional Liability Insurance or Errors and Omissions Liability  
16 Insurance with minimum limits of \$1,000,000 per claim and \$2,000,000 general  
17 aggregate. If this coverage is written on a "claims made" form, coverage shall be  
18 continuous by renewal or extended reporting period for not less than 24 months  
19 following completion of the Agreement and acceptance of the work by City.  
20 Coverage, including renewals, shall contain the same retroactive date as the original  
21 policy applicable to this Agreement.

22 (d) Commercial Automobile Liability Insurance equivalent in scope to ISO  
23 CA 00 01 06 92 covering Symbol 1 ("Any Auto") with a minimum combined single  
24 limit of \$1,000,000.

25 Any self-insurance program, self-insured retention, or deductible must be  
26 separately approved in writing by City's Risk Manager or designee and shall protect  
27 City, its officials, employees and agents in the same manner and to the same extent  
28 as they would have been protected had the policy or policies not contained retention

1 or deductible provisions.

2 B. Each insurance policy shall be endorsed to state that coverage  
3 shall not be reduced, non-renewed or canceled except after thirty (30) days prior  
4 written notice to City, shall be primary and not contributing to any other insurance  
5 or self-insurance maintained by City, and shall be endorsed to state that coverage  
6 maintained by City shall be excess to and shall not contribute to insurance or self-  
7 insurance maintained by MEDEX. MEDEX shall notify City in writing within five (5)  
8 days after any insurance has been voided by the insurer or cancelled by the insured.

9 C. Prior to the start of performance, MEDEX shall deliver to City  
10 certificates of insurance and the endorsements for approval as to sufficiency and  
11 form. In addition, MEDEX shall, within thirty (30) days prior to expiration of the  
12 insurance, furnish to City certificates of insurance and endorsements evidencing  
13 renewal of the insurance. City reserves the right to require complete certified copies  
14 of all policies of MEDEX and MEDEX's sub-Contractors and contractors, at any  
15 time. MEDEX shall make available to City's Risk Manager or designee all books,  
16 records and other information relating to this insurance, during normal business  
17 hours.

18 D. Any modification or waiver of these insurance requirements  
19 shall only be made with the approval of City's Risk Manager or designee. Not more  
20 frequently than once a year, City's Risk Manager or designee may require that  
21 MEDEX, MEDEX's sub-Contractors and contractors change the amount, scope or  
22 types of coverages required in this Section if, in his or her sole opinion, the amount,  
23 scope or types of coverages are not adequate.

24 E. The procuring or existence of insurance shall not be construed  
25 or deemed as a limitation on liability relating to MEDEX's performance or as full  
26 performance of or compliance with the indemnification provisions of this Agreement.

27 8. ASSIGNMENT AND SUBCONTRACTING. This Agreement  
28 contemplates the personal services of MEDEX and MEDEX's employees, and the parties



1 acknowledge that a substantial inducement to City for entering this Agreement was and is  
2 the professional reputation and competence of MEDEX and MEDEX's employees.  
3 MEDEX shall not assign its rights or delegate its duties under this Agreement, or any  
4 interest in this Agreement, or any portion of it, without the prior approval of City, except that  
5 MEDEX may with the prior approval of the City Manager of City, assign any moneys due  
6 or to become due to MEDEX under this Agreement. Any attempted assignment or  
7 delegation shall be void, and any assignee or delegate shall acquire no right or interest by  
8 reason of an attempted assignment or delegation. Furthermore, MEDEX shall not  
9 subcontract any portion of its performance without the prior approval of the City Manager  
10 or designee, or substitute an approved sub-Contractor or contractor without approval prior  
11 to the substitution. Nothing stated in this Section shall prevent MEDEX from employing as  
12 many employees as MEDEX deems necessary for performance of this Agreement.

13 9. CONFLICT OF INTEREST. MEDEX, by executing this Agreement,  
14 certifies that, at the time it executes this Agreement and for its duration, MEDEX does not  
15 and will not perform services for any other client which would create a conflict, whether  
16 monetary or otherwise, as between the interests of City and the interests of that other client  
17 of MEDEX.

18 10. DEFAULT.

19 A. The following are events of default under this Agreement:

20 i. Any breach of this Agreement that is not cured by  
21 breaching party within ten (10) days after receipt of notice of such breach by  
22 the other party.

23 ii. The discovery by City of the falsity of any representation  
24 or warranty made to City by MEDEX pursuant to Paragraph 3 hereof.

25 iii. The levying of any attachment, execution of any process  
26 against MEDEX which is not promptly removed or the filing of any petition  
27 under any bankruptcy statute against MEDEX or the appointment of any  
28 receiver or trustee to take possession of MEDEX's properties which is not set

1           aside or terminated within ten (10) days from the occurrence thereof.

2           B.     The failure of either party to declare a default upon the  
3           occurrence of an event constituting a default shall not waive that party's right to  
4           declare a default shall not waive that party's right to declare a default upon the  
5           occurrence of any subsequent event.

6           11.   TERMINATION.

7           A.     This Agreement may be terminated by City or MEDEX as  
8           follows:

- 9                   i.     Upon ninety (90) days prior notice for any reason.  
10                   ii.    Upon ten (10) days prior notice in the event of a default.  
11                   iii.   Immediately upon notice in the event of fraud,  
12           abandonment, gross or willful misconduct, insolvency, or lack of legal  
13           capacity to act by the other party.

14           B.     Notwithstanding the termination of this Agreement, this  
15           Agreement shall continue to apply to the extent needed for all obligations and  
16           liabilities incurred by each party prior to such termination to be fully performed and  
17           discharged by such parties.

18           C.     City shall have the right, in the event of a termination of this  
19           Agreement, to immediate possession of all electronic records and data not  
20           previously provided, and this right may be exercised at any time after termination.

21           12.   CONFIDENTIALITY.

22           A.     MEDEX shall keep all Data confidential and shall not disclose  
23           the Data or use the Data directly or indirectly, other than in the course of performing  
24           its services, during the term of this Agreement and for seven (7) years following  
25           expiration or termination of this Agreement. In addition, MEDEX shall keep  
26           confidential all information, whether written, oral or visual, obtained by any means  
27           whatsoever in the course of performing its services for the same period of time.  
28           MEDEX shall not disclose any or all of the Data to any third party, or use it for

1 MEDEX's own benefit or the benefit of others except for the purpose of this  
2 Agreement.

3 B. The parties acknowledge and agree that each has developed  
4 certain trade secrets and other proprietary information (collectively "Confidential  
5 Information"). For purposes of this Agreement, the party that has developed  
6 Confidential Information to which the other has access is referred to as the  
7 "Protected Party." Except with the express written consent of the Protected Party,  
8 or as provided herein, other one party shall not disclose to others or take or use for  
9 its own purposes or the purpose of others at any time any Confidential Information  
10 of the Protected Party not otherwise in the public domain that may have been or  
11 may be obtained by the other party by reason of its relationship with the Protected  
12 Party. The parties further agree that this provision shall also be applied to all  
13 information that is designated as confidential or proprietary in writing by the  
14 Protected Party, whether by letter or by use of a stamp or legend before or at the  
15 time any such information is disclosed or delivered to the other party unless  
16 disclosure is required by subpoena, court order, the Public Records Act, or the  
17 confidential information becomes publicly available without breach of this  
18 Agreement by City.

19 C. This Agreement shall not be construed to grant either party any  
20 license or similar rights to Confidential Information disclosed or delivered to it by the  
21 other party. The parties agree that any breach by a receiving party of its obligation  
22 under this Agreement may result in irreparable injury to the Protected Party.  
23 Accordingly, in seeking enforcement of any of these obligations, the Protected Party  
24 shall be entitled, in addition to all other remedies, to seek injunctive and other  
25 equitable relief to prevent or restrain the breach of this Agreement.

26 13. HIRING AND ASSIGNMENT OF EMPLOYEES.

27 A. City agrees that during the term of and for a period of two (2)  
28 years after the termination of this Agreement, it will not, without prior written consent

1 of MEDEX, hire any employee of MEDEX or its affiliate who was assigned to, or  
2 performed, any service for City in connection with this Agreement.

3 B. Each party reserves the right to change its designated  
4 representative or staff assigned to the services performed under this Agreement.  
5 The City requires thirty (30) day notice for changes in the designated representative  
6 and fourteen (14) day notice in changes in staff.

7 14. BREACH OF CONFIDENTIALITY. MEDEX shall not be liable for a  
8 breach of confidentiality with respect to Data that: (a) MEDEX demonstrates MEDEX knew  
9 prior to the time City disclosed it; or (b) is or becomes publicly available without breach of  
10 this Agreement by MEDEX; or (c) a third party who has a right to disclose does so to  
11 MEDEX without restrictions on further disclosure; or (d) must be disclosed pursuant to  
12 subpoena or court order.

13 15. AMENDMENT. This Agreement, including all Exhibits, shall not be  
14 amended, nor any provision or breach waived, except in writing signed by the parties which  
15 expressly refers to this Agreement.

16 16. LAW. This Agreement shall be governed and construed in  
17 accordance with the laws of the State of California, and the venue for any legal actions  
18 brought by any party with respect to this Agreement shall be the County of Los Angeles,  
19 State of California for state actions and the Central District of California for any federal  
20 actions. If any part of this Agreement is found to be in conflict with applicable laws, that  
21 part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but  
22 the remainder of the Agreement will remain in full force and effect.

23 17. ENTIRE AGREEMENT. This Agreement, including all Exhibits,  
24 constitutes the entire understanding between the parties and supersedes all other  
25 agreements, oral or written, with respect to the subject matter in this Agreement. It shall  
26 not be construed or interpreted against either party as the drafter. No supplement,  
27 modification or amendment of this Agreement shall be binding unless executed in writing  
28 by all the parties. No waiver of any of the provisions of this Agreement shall be deemed,

1 or shall constitute, a waiver of any other provision, whether or not similar, nor shall any  
2 waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing  
3 by the party making the waiver.

4 18. INDEMNITY.

5 A. MEDEX shall defend, indemnify, and hold harmless City, its  
6 officers, agents and employees, from and against any and all liability, loss, damage  
7 or expense, including punitive damages and attorney's fees, incurred in connection  
8 with claims or demands for damages of any nature whatsoever, except to the extent  
9 such claims or demands arise from or are caused by the sole negligence of City.

10 B. In addition to MEDEX's duty to indemnify, MEDEX shall have a  
11 separate and wholly independent duty to defend Indemnified Parties at MEDEX's  
12 expense by legal counsel approved by City, from and against all Claims, and shall  
13 continue this defense until the Claims are resolved, whether by settlement, judgment  
14 or otherwise. No finding or judgment of negligence, fault, breach, or the like on the  
15 part of MEDEX shall be required for the duty to defend to arise. City shall notify  
16 MEDEX of any Claim, shall tender the defense of the Claim to MEDEX, and shall  
17 assist MEDEX, as may be reasonably requested, in the defense.

18 C. If a court of competent jurisdiction determines that a Claim was  
19 caused by the sole negligence or willful misconduct of Indemnified Parties,  
20 MEDEX's costs of defense and indemnity shall be (1) reimbursed in full if the court  
21 determines sole negligence by the Indemnified Parties, or (2) reduced by the  
22 percentage of willful misconduct attributed by the court to the Indemnified Parties.

23 D. The provisions of this Section shall survive the expiration or  
24 termination of this Agreement.

25 19. FORCE MAJEURE. In the event that the operations or any portion of  
26 MEDEX or of City are substantially interrupted due to events beyond the control of MEDEX  
27 or City, as the case may be, including but not limited to, fire, earthquake, riot, act of war,  
28 civil insurrection, tidal wave, hail, tornado, hurricane, either party shall be relieved from its

1 obligations under this agreement so long as necessary because of such events; but in no  
2 event longer than ninety (90) days. Notwithstanding the previous sentence, no substantial  
3 interruptions of the operations of City or of one portion of MEDEX shall relieve it from the  
4 obligation to continue to provide Health Care to employees through those employers whose  
5 operations have not been substantially interrupted and MEDEX shall use its commercially  
6 reasonable best efforts to provide adequate continuity of care.

7           20. AMBIGUITY. In the event of any conflict or ambiguity between this  
8 Agreement and any Exhibit, the provisions of this Agreement shall govern.

9           21. NONDISCRIMINATION.

10           A. In connection with performance of this Agreement and subject  
11 to applicable rules and regulations, MEDEX shall not discriminate against any  
12 employee or applicant for employment because of race, religion, national origin,  
13 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or  
14 disability. MEDEX shall ensure that applicants are employed, and that employees  
15 are treated during their employment, without regard to these bases. These actions  
16 shall include, but not be limited to, the following: employment, upgrading, demotion  
17 or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay  
18 or other forms of compensation; and selection for training, including apprenticeship.

19           22. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in  
20 accordance with the provisions of the Ordinance, this Agreement is subject to the  
21 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the  
22 Long Beach Municipal Code, as amended from time to time.

23           A. During the performance of this Agreement, MEDEX certifies  
24 and represents that the MEDEX will comply with the EBO. MEDEX agrees to post  
25 the following statement in conspicuous places at its place of business available to  
26 employees and applicants for employment:

27           "During the performance of a contract with the City of Long Beach,  
28 MEDEX will provide equal benefits to employees with spouses and its

1 employees with domestic partners. Additional information about the City of  
2 Long Beach's Equal Benefits Ordinance may be obtained from the City of  
3 Long Beach Business Services Division at 562-570-6200."

4 B. The failure of the MEDEX to comply with the EBO will be  
5 deemed to be a material breach of the Agreement by the City.

6 C. If the MEDEX fails to comply with the EBO, the City may cancel,  
7 terminate or suspend the Agreement, in whole or in part, and monies due or to  
8 become due under the Agreement may be retained by the City. The City may also  
9 pursue any and all other remedies at law or in equity for any breach.

10 D. Failure to comply with the EBO may be used as evidence  
11 against MEDEX in actions taken pursuant to the provisions of Long Beach Municipal  
12 Code 2.93 et seq., MEDEX Responsibility.

13 E. If the City determines that the MEDEX has set up or used its  
14 contracting entity for the purpose of evading the intent of the EBO, the City may  
15 terminate the Agreement on behalf of the City. Violation of this provision may be  
16 used as evidence against the MEDEX in actions taken pursuant to the provisions of  
17 Long Beach Municipal Code Section 2.93 et seq., MEDEX Responsibility.

18 23. NOTICES. Any notice or approval required by this Agreement shall  
19 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,  
20 postage prepaid, addressed to MEDEX Healthcare, 1201 Dove Street, Suite 300, Newport  
21 Beach, CA 92660, and to City at 411 West Ocean Boulevard, Long Beach, California  
22 90802, Attn: City Manager, with a copy to the City Attorney, 9<sup>th</sup> Floor at the same address.  
23 Notice of change of address shall be given in the same manner as stated for other notices.  
24 Notice shall be deemed given on the date deposited in the mail or on the date personal  
25 delivery is made, whichever occurs first.

26 24. WAIVER. The acceptance of any services or the payment of any  
27 money by City shall not operate as a waiver of any provision of this Agreement or of any  
28 right to damages or indemnity stated in this Agreement. The waiver of any breach of this

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Agreement shall not constitute a waiver of any other or subsequent breach of this Agreement.

25. CONTINUATION. Termination or expiration of this Agreement shall not affect rights or liabilities of the parties which accrued prior to termination or expiration of this Agreement.

26. ADVERTISING. MEDEX shall not use the name of City, its officials or employees in any advertising or solicitation for business or as a reference, without the prior approval of the City Manager or designee.

27. AUDIT. City shall have the right at all reasonable times during the term of this Agreement and for a period of seven (7) years after termination or expiration of this Agreement to examine, audit, inspect, review, extract information from and copy all books, records, accounts and other documents of MEDEX relating to this Agreement.

28. THIRD PARTY BENEFICIARY. This Agreement is not intended or designed to or entered for the purpose of creating any benefit or right for any person or entity of any kind that is not a party to this Agreement.



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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.

MEDEX Healthcare, a California corporation

March 13, 2020

By [Signature]  
Name David Kim  
Title COO

March 13, 2020

By [Signature]  
Name FRED U. ODAKA  
Title CFO

"MEDEX"

CITY OF LONG BEACH, a municipal corporation

March 20, 2020

By [Signature]  
**EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER**

"City"

This Agreement is approved as to form on March 19, 2020

CHARLES PARKIN, City Attorney

By [Signature]  
Deputy

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
411 West Ocean Boulevard, 9th Floor  
Long Beach, CA 90802-4664

EXHIBIT "A"

I. MEDICAL PROVIDER NETWORK (MPN). MEDEX shall provide Medical Provider Network (MPN) services as listed below:

1. MEDEX OBLIGATIONS.

1.1 Provision of Health Care to Employees. MEDEX shall make available the provision of Health Care services to Covered Employees as required by the Workers' Compensation Laws of California through the management of a Medical Provider Network (MPN). MEDEX shall ensure an adequate number of Primary Care Physicians as well as specialists shall be available individually and/or at each occupational medical clinic contracted with MEDEX to assure the provision of an adequate level of Health Care to Covered Employees. MEDEX shall provide all medically necessary and reasonable services in accordance with requirements of the Labor Code (LC) Section 4616 et seq. and California Code of Regulations (CCR) Section 9767 et seq., regardless of the availability of a contracted network provider.

1.2 Administration of MPN Network. MEDEX shall complete, on behalf of City, and maintain, pursuant to the directives of the Division, an application for a Medical Provider Network as described in CCR Section 9767.3, to include at least the following items of information:

- (a) Type of MPN Applicant: Employer or Entity that Provides Network Services.
- (b) Name of MPN Applicant.
- (c) MPN Applicant's Taxpayer Identification Number.
- (d) Name of Medical Provider Network, if applicable.
- (e) Division Liaison: Provide the name, title, address, e-mail address, and telephone number of the person designated as the liaison for the Division, who is responsible for receiving compliance and informational communications from the Division and for disseminating the same within the MPN.
- (f) The application must be verified by an officer or employee of the MPN applicant authorized to sign on behalf of the MPN applicant. The

1 verification shall state: "I, the undersigned officer or employee of the MPN applicant, have  
2 read and signed this application and know the contents thereof, and verify that, to the best  
3 of my knowledge and belief, the information included in this application is true and correct".

4 (g) Nothing in this section precludes a network, entity,  
5 administrator, or other third-party, upon agreement with an MPN applicant from preparing  
6 an MPN application on behalf of an employer.

7 (h) Describe how the MPN complies with the second and  
8 third opinion process set forth in CCR 9767.7.

9 (i) Describe the geographic service area or areas to be  
10 served, including the geographic service location for each provider rendering professional  
11 services on behalf of the employer and affirm that this access plan complies with the access  
12 standards set forth in CCR 9767.5.

13 (j) Describe the employee notification process, and attach  
14 a sample of the employee notification material.

15 (k) Attach a copy of the written continuity care policy as  
16 described in LC section 4616.2 and CCR 9767.10.

17 (l) Attach a copy of the written transfer of care policy that  
18 complies with CCR 9767.9 with regard to the transfer of on-going cases to the MEDEX  
19 MPN.

20 (m) Attach a copy of the policy or procedure that is used by  
21 the MPN applicant to conduct "economic profiling of MPN providers" pursuant to LC section  
22 4616.1 and affirm that a copy of the policy or procedure has been provided to the MPN  
23 providers.

24 1.3 Utilization Review and Quality Assurance. MEDEX shall  
25 provide City with copies of MEDEX's relevant contracting, credentialing, utilization review,  
26 quality assurance, peer review, or other such programs as necessary and upon request of  
27 City.

28 1.4 Provider Performance Guidelines. MEDEX shall ensure that its  
providers adhere to the physician performance guideline as required, including, but not  
limited to, those outlined in the MEDEX Policies and Procedures Manual and the MEDEX  
Quality Assurance Plan.

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1.5 Credentialing. MEDEX shall be ultimately responsible for the credentialing of all of its providers. Such credentialing may be sub-contracted to an NCQA approved central verification organization, subject to City approvals.

1.6 List of Providers. Upon the effective date, MEDEX shall provide to City a list of all Contracted Providers. MEDEX shall also provide all Employees with a list of Contracted Providers or the methodology to acquire such a list. MEDEX shall update such lists periodically.

1.7 Breach by Contracted Provider. MEDEX shall provide City with written notice within seven (7) days of any termination or breach of contract, or inability to perform, of a Contracted Provider, if City may be materially and adversely affected thereby.

2. CITY'S OBLIGATIONS.

2.1 Health Care Provided After Termination or Expiration of Agreement. Notwithstanding the termination or expiration of this Agreement, Health Care provided to Employees pursuant to this Agreement shall be paid for pursuant to the provisions of this Agreement.

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**EXHIBIT "B"**

**COMPENSATION**

<b>MEDEX Healthcare</b>	
<b>Medical Provider Network</b>	
Program Set-Up / Implementation	\$3,500.00
Managed Care Data Integration	Included
Initial Program Training	Included
Annual Program Stewardship	Included
Program Administration – Monthly	\$4,200.00
Customized Network, Development, Maintenance, Oversight & Search Tool	\$500.00 per month
Claims Network Administration (One-time fee to claim file; New claims only – medical only/indemnity)	\$60.00
MPN Application and Filing for DWC Approval	Included
Medical Access Assistance	Included
MPN Transfer of Care	Included
Provider Search Tool	Included
Standard MEDEX Network, Development, Maintenance, and Oversight	Included
Provider Credentialing / Management	Included
Associate Management Tracking	Included
Program Technical Support (Telephonic)	Included
Claims & Legal Technical Support (Telephonic - Includes basic claims training on the MEDEX program. Additional services may result in additional fees)	Included
Notification to Employees (Per Notice - Includes all printing, postage, supplies, materials & proof of service costs)	\$2.50