

1 AGREEMENT PURSUANT TO WORKERS' COMPENSATION

2 ALTERNATIVE DISPUTE RESOLUTION PROGRAM FOR CITY OF LONG BEACH

3 THIS AGREEMENT is made and entered, in duplicate, as of January 1,
4 2008 for reference purposes only, pursuant to a minute order adopted by the City Council
5 of the City of Long Beach at its meeting on October 9, 2007, by and between Dr. Ronald
6 Smith, whose address is 2651 Elm Avenue, Long Beach, California 90806, ("Physician"),
7 and the CITY OF LONG BEACH, a municipal corporation ("City").

8 WHEREAS, the City requires independent and experienced physicians to
9 provide Independent Medical Evaluations with respect to workers' compensation claims
10 filed by Long Beach Police Officers and Firefighters injured while in the employment of
11 the City of Long Beach; and

12 WHEREAS, the City of Long Beach wishes to reduce the delays inherent in
13 the workers' compensation system which lead to increased costs and the unacceptable
14 treatment of injured workers; and

15 WHEREAS, the above mentioned Physician is willing and able to
16 expeditiously provide said Independent Medical Evaluation required by the City at the
17 rates indicated in Exhibit "A";

18 NOW, THEREFORE, in consideration of the mutual terms, covenants and
19 conditions herein, the parties agree as follows:

20 1. SCOPE OF WORK OR SERVICES

21 A. The Physician shall provide the following medical services to
22 the City at the rates shown on Exhibit "A" attached hereto and incorporated herein
23 by this reference:

- 24 (a.) AOE - COE EXAMS, (exams for the determination of
- 25 industrial causation).
- 26 (b.) Evaluation for necessity of appropriate medical treatment.
- 27 (c.) Assessment of employee's present ability to return to work,
- 28 whether full duty or modified.

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333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

- 1 (d.) Advise on condition of maximum medical improvement status.
- 2 (e.) Determine nature and extent of permanent disability, including
- 3 factors of apportionment and need for future medical care.
- 4 (f.) Resolve utilization review disputes.
- 5 (g.) Determine the need for spinal surgery pursuant to Labor Code
- 6 section 4062(b).

7 B. Physician shall perform the evaluation in full accordance with
8 the standards defined by the Division of Worker's Compensation of the State of
9 California and the AMA Guides to the Evaluation of Permanent Impairment, Fifth
10 Edition. This requires a report of the injury, prior status, clinical chronology,
11 current status, and past medical history. The physical examination will document
12 all pertinent positive, negative, and non-physiological findings. For extremity
13 injuries, measurements must be documented bilaterally. Additionally, Physician
14 agrees to: (I) provide that medical exams will be set within thirty (30) days of the
15 date of appointment request, and (II) prepare a written report of medical findings
16 within thirty (30) days of the date of exam or evaluation and provide a copy to the
17 parties within said time frame. If testing is required to complete the report, the
18 testing shall be completed within 14 days of the date of the exam and the report
19 shall issue within 30 days of the completion of testing.

20 C. The parties agree that the City is not obligated to pay
21 compensation to the Physician except for agreed upon medical services and care.
22 Failure of Physician to provide a written medical report within 30 days of the date
23 of the exam or the completion of testing, if required, subjects Physician to non-
24 payment for services rendered.

25 D. Physician billing shall conform to the requirements listed in
26 section 9795 of Title 8 of the California Code of Regulations. Charges for services
27 rendered will be reviewed in accordance with section 9795 to determine
28 appropriate level of service.

1 E. City shall pay Physician pursuant to Exhibit A within forty-five
2 (45) days following receipt from Physician of invoices for services rendered and for
3 which payment has not previously been made, provided that: Physician shall
4 submit all invoices within ninety (90) days after the date of service.

5 2. TERM

6 A. The term of this Agreement shall be for the duration of the
7 Labor-Management Workers' Compensation Supplemental Dispute Resolution
8 Agreement ("Dispute Resolution Agreement").

9 B. Either party hereto may terminate this Agreement at any time
10 by giving to the other party written notice thereof at least thirty (30) days prior to
11 the effective date of such termination. Physician agrees that withdrawal from this
12 agreement is conditioned upon completion of all work in progress.

13 C. Any notices required or desired to be given hereunder shall be
14 in writing and personally served or deposited in the U.S. Postal Service, first class,
15 postage prepaid to: Robert Johnson, Claims Manager, 333 West Ocean
16 Boulevard, 8th Floor, Long Beach, California 90802. Notice shall be deemed
17 given on the date deposited in the mail or on the date personal delivery is made,
18 whichever occurs first.

19 3. INSURANCE

20 As a condition precedent to the effectiveness of this Agreement, Physician
21 shall procure and maintain at Physician's expense for the duration of this Agreement from
22 insurance companies that are admitted to write insurance in California or from authorized
23 non-admitted insurance companies that have ratings of or equivalent to A:VIII by A.M.
24 Best Company:

25 (a) Commercial general liability insurance equivalent in scope to ISO
26 form CG 00 01 11 85 or CG 00 01 1093 in an amount not less than One
27 Million Dollars (\$1,000,000) per occurrence and Two Million Dollars
28 (\$2,000,000) general aggregate. Such coverage shall include but not be

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limited to broad form contractual liability, cross liability independent contractors liability, and products and completed operations liability. The City, its officials, employees and agents shall be named as additional insured by endorsement on the City's endorsement form or on an endorsement equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85, and this insurance shall contain no special limitations on the scope of protection given to the City, its officials, employees and agents.

(b) Workers' Compensation insurance as required by the Labor Code of the State of California and employer's liability insurance in an amount not less than One Million Dollars (\$1,000,000) per occurrence.

(c) Professional (Medical Malpractice) or errors and omissions liability insurance in an amount not less than One Million Dollars (\$1,000,000) per claim.

Any self-insurance program, self-insured retention, or deductible must be separately approved in writing by City's Risk Manager or designee and shall protect City, its officials, employees and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained retention or deductible provisions. Each insurance policy shall be endorsed to state that coverage shall not be reduced, non-renewed or canceled in coverage except after thirty (30) days prior written notice to City, and shall be primary and not contributing to any other insurance or self-insurance maintained by City, its officials, employees and agents. Physician shall notify the City in writing within five (5) days after any insurance required herein has been voided by the insurer or cancelled by the insured.

Physician shall require that all contractors and subcontractors which Physician uses in the performance of services hereunder maintain insurance in compliance with this Section unless otherwise agreed in writing by City's Risk Manager or designee.

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1 Prior to the start of performance hereunder, Physician shall deliver to City
2 certificates of insurance and required endorsements, including any insurance required of
3 Physician's contractors and subcontractors, for approval as to sufficiency and form. The
4 certificates and endorsements for each insurance policy shall contain the original
5 signature of a person authorized by that insurer to bind coverage on its behalf. In
6 addition, Physician shall, within thirty (30) days prior to expiration of the insurance
7 required hereunder, furnish to City certificates of insurance and endorsements evidencing
8 renewal of such insurance. City reserves the right to require complete certified copies of
9 all said policies of Physician and Physician's contractor and subcontractors at any time.
10 Physician shall make available to City all records and other information relating to the
11 insurance coverage required herein during normal business hours.

12 Any modification or waiver of the insurance requirements herein shall only
13 be made at the request of the City department administering this Agreement and with the
14 written approval of the City's Risk Manager or designee. Not more frequently than once
15 a year, the City's Risk Manager or designee may require that Physician, Physician's
16 contractors and subcontractors change the amount, scope or types of coverages required
17 herein if, in his or her sole opinion, the amount, scope, or types of coverages are not
18 adequate.

19 The procuring or existence of insurance shall not be construed or deemed
20 as a limitation on liability relating to Physician's performance of services or as full
21 performance of or compliance with the indemnification provisions of this Agreement.

22 4. INDEPENDENT CONTRACTOR

23 In performing services hereunder, Physician is an independent contractor
24 and not an employee, agent, or representative of the City. Physician acknowledges and
25 agrees that the City will not secure workers' compensation or pay unemployment
26 insurance to, for on Physician's behalf nor provide any of the usual rights, benefits or
27 privileges of City employees.

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5. INDEMNITY

Physician shall defend, protect, indemnify and hold the City, its officials, employees, and agents harmless from and against any and all claims, suits, causes of action, losses, damages, demands, liabilities, costs and expenses including reasonable attorney's fees, whether or not reduced to judgment or paid through settlement, which may be asserted against City, its officials, employees and agents attributable to or caused directly or indirectly by Physician, its employees or agents in the performance of this Agreement, or caused by any alleged negligent or intentional act, omission or misrepresentation by Physician, its employees or agents, which act, omission or misrepresentation is connected in any way with performance of this Agreement.

6. AMENDMENT

This Agreement, including all exhibits, shall not be amended nor any provision or breach thereof waived except in writing signed by the parties.

7. LAW

This Agreement shall be governed by and construed according to the laws of the State of California. Physician shall comply with all laws, ordinances, rules and regulations of and obtain such permits, licenses, and certificates required by all federal, state, and local governmental authorities.

8. CONFLICT OF INTEREST

Physicians who act as an employee's independent medical examiner ("IME") under this agreement shall not act as the same employee's treating physician for the injury in dispute, unless otherwise mutually agreed by the City and the employee.

9. ENTIRE AGREEMENT

This Agreement including all exhibits constitutes the entire understanding of the parties and supersedes all other agreements, oral or written, with respect to the subject matter herein.

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10. COSTS

In the event that there is any legal proceeding between the parties to enforce or interpret this Agreement or to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

11. WAIVER

The acceptance of any services or the payment of any money by the City shall not operate as a waiver of any provision hereof, or of any rights or remedies hereunder. The waiver of any breach of any provision of this Agreement shall not constitute a waiver of any other or subsequent breach.

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

Dec. 17, 2007

By *[Signature]*
Physician

CITY OF LONG BEACH, a municipal corporation

January 7, 2007/8

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

This Agreement is approved as to form on Jan. 3, 2007/8

ROBERT E. SHANNON, City Attorney

By *[Signature]*
Deputy

Exhibit A Fee Schedule

AOE-COE Exam

In the case of a simple AOE-COE examination for the determination of Industrial causation, reimbursement will be at the basic rate with a modifier of 1.35. This would equal \$675.00. Conditions anticipated in this category would be Hearing loss, skin cancer, hernia, conjunctivitis, eye strain and dermatitis. This may not include all types in this category.

A more complex exam that involves review of records, tests and expert opinion will be reimbursed at the ML 103 with the 1.35 modifier. This would be at \$1012.50.00. It is anticipated this would include new vs old injuries, internal exams, orthopedic exam with prior injuries or non-industrial conditions, cardiovascular cases, respiratory conditions, pneumonia, bronchitis, blood born pathogens, overuse syndromes and any CT type claim.

Treatment and Temporary Disability Issues

When there is an issue on treatment or the employee's ability to perform some modified duty and an exam is not necessary the reimbursement would be at the ML 102 with the 1.35 modifier. This would be \$675.00. If an exam is needed to resolve the issue the payment would be \$1012.50. This would include issues regarding spinal surgery.

Permanent and Stationary (MMI)

All Permanent and Stationary exams will be at the \$1012.50 level. If the parties agree the exam will reach a ML 104 the reimbursement will be at rate of \$350.00 per hour. The factors needed to support the ML 104 are outlined in Cal. Code of Regulations 9795.

Deposition Fee

The hourly rate for depositions will be \$350.00, payable in quarter hours.

Review of Records

The hourly rate for review of records will be \$350.00, payable in quarter hours.

December 18, 2007

**THE CITY OF LONG BEACH, LONG BEACH POLICE OFFICERS AND
FIREFIGHTER'S ASSOCIATIONS PROPOSED WORKERS' COMPENSATION
ALTERNATIVE DISPUTE RESOLUTION PROGRAM
EXHIBIT A**

RE: Alternative Dispute Resolution Program – Exhibit A

Dear Physician Participant:

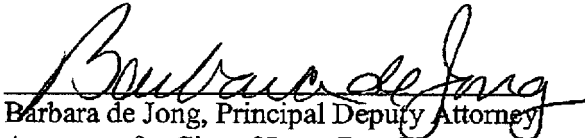
It was pointed out to me that there is a typographical error in Exhibit A attached to the contract regarding our Alternative Dispute Resolution.

The reimbursement amount in the second paragraph, line 3, under the heading AOE/COE Exam, should be \$1,012.50. This is the reimbursement for ML103 with the 1.35 modifier.

Enclosed please find a corrected Exhibit A. Please attach this to your copy of the contract.

Thank you for your attention to this.

ROBERT E. SHANNON, CITY ATTORNEY


Barbara de Jong, Principal Deputy Attorney
Attorneys for City of Long Beach
333 West Ocean Boulevard, 8th Floor
Long Beach, California 90802

BDJ:imm
Enclosure