



LAKE COUNTY
FLORIDA

MODIFICATION OF CONTRACT

1. Modification No.: 1 Effective Date: October 1, 2016 through 9/30/2017	2. Contract No.: 13-0026 Effective Date: 10/1/2013 through 9/30/2016
3. Contracting Officer: Susan Dugan Telephone Number: (352) 343-9768	5. Contractor Name and Address: Employers Mutual, Inc. dba Ascension Benefits & Insurance Solutions of Florida 700 Central Parkway Stuart, Florida 32944 Attention: Tim MCCreary 800-431-2221 tmccreary@ascensions.com
4. Issued By: Procurement Services Lake County Administration Building 315 W. Main St., Suite 441 Tavares, Florida 32778-7800	
6. SPECIAL INSTRUCTIONS: Contractor is required to sign Block 8 showing acceptance of the below written modification and <u>return this form to address shown in Block 4 within ten (10) days after receipt</u> , preferably by certified mail to ensure a system of positive receipts. Retain a photocopy of the signed copy of this modification and attach to original of contract, which was previously provided.	
7. DESCRIPTION OF MODIFICATION: Renew contract from 10/1/2016 through 9/30/17 at the same contract rates.	
8. Contractor's Signature <u>NOT REQUIRED</u> See Attached	9. Lake County, Florida By: <u>Susan Dugan</u> Senior Contracting Officer <u>11-3-2016</u> Date
10. Distribution: Original - Bid File Copies - Contractor	

Dugan, Susan

From: Perry, Barbara
Sent: Tuesday, November 01, 2016 12:09 PM
To: Dugan, Susan
Subject: FW: Signed agreement for FY 2016 - 2017
Attachments: Lake BOCC.xlsx

FYI

Thank You,

Barbara Perry

Risk and Benefits Manager
Human Resources Department
Lake County Board of County Commissioners

From: Tim McCreary [<mailto:TMcCreary@ASCENSIONINS.COM>]
Sent: Tuesday, November 01, 2016 11:37 AM
To: Perry, Barbara <bperry@lakecountyfl.gov>
Subject: RE: Signed agreement for FY 2016 - 2017

Hi Barbra, I trust you are well.

Please allow this email to serve as confirmation to the agreed upon pricing between Ascension and Lake County BOCC. To this regard, please find attached, an amended price sheet containing the cost per claim.

I wanted to get this to you in short order, if you need a more formal letter, I will certainly be happy to accommodate.

Let me know if you have any questions and enjoy the rest of your day!



Tim McCreary
President
Ascension Benefits & Insurance Solutions
700 Central Parkway, Stuart, FL 34994
800.431.2221 office | 772.919.8592 direct
772.287.1387 fax | ascensionins.com
tmccreary@ascensionins.com

From: Perry, Barbara [<mailto:bperry@lakecountyfl.gov>]
Sent: Thursday, October 27, 2016 12:46 PM
To: Tim McCreary
Subject: Signed agreement for FY 2016 - 2017

Tim – hope all is well, the year is just screaming by!

We had agreed that you would hold prices constant for this fiscal year – wondering if you could provide me with a signed letter or contract extension that would formalize our agreement – I have attached the emails where we reached the agreement the first has the original pricing chart, the second attached email at the bottom is where you agreed to lowering the cost of each service.

Barbara Perry
Risk and Benefits Manager
Human Resources Department
Lake County Board of County Commissioners
P.O. Box 7800
Tavares, Florida 32778
(352) 343-9769/(352) 343-9883 (Fax)
Email - bperry@lakecountyfl.gov

This document is intended only for the use of the individual or entity to whom it is addressed and may contain information that is privileged and confidential, or that constitutes work product and is exempt from disclosure under applicable law. If you are not the intended recipient or employee or agent of the intended recipient, you are hereby notified that any use, dissemination, distribution, or copying of the communication is strictly prohibited. Any use of this information above its intended use is also prohibited without prior authorization. If you have received this communication in error, please notify us by telephone and destroy the document.

Request for Pricing (RFP) for Lake County Board of County Commissioners

Third Party Administration Services for Workers' Compensation and Employer's Liability

Fee Schedule

Workers' Compensation Claims	Fee per Claim	Explanation (if required)
(New) Workers' Compensation Claims		
Record Only	\$0.00	
Medical Only	\$140.00	
Indemnity	\$810.00	
Transition from Medical to Indemnity	\$660.00	
(Open) Workers' Compensation Claims		
Medical Only	\$0.00	
Indemnity	\$0.00	

Employer's Liability Claims	Fee per Claim	Explanation (if required)
(New) General Liability Claim		
Bodily Injury	\$745.00	
Personal Injury	\$745.00	
Property Damage	\$430.00	
Medical Payment	\$295.00	
(Open) General Liability Claim		
Bodily Injury	\$0.00	
Personal Injury	\$0.00	
Property Damage	\$0.00	

(New) Automobile Liability Claim		
Bodily Injury/Property Damage	\$805.00	
Physical Damage	\$305.00	
(Open) Automobile Liability Claim		
Bodily Injury/Property Damage	\$0.00	
Physical Damage	\$0.00	

(New) Public Official Liability Claim		
Public Official Liability	\$745.00	
Employment Practice Liability	\$745.00	
(Open) Public Official Liability Claim		
Public Official Liability	\$0.00	
Employment Practice Liability	\$0.00	

(New) Professional Liability Claim		
Professional Liability	\$745.00	
(Open) Public Official Liability Claim		
Professional Liability	\$0.00	

(New) Property Claim		
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Buildings	\$595.00	
Personal Property	\$595.00	
(Open) Property Claim		
Buildings	\$0.00	
Personal Property	\$0.00	

Other Services	Fee	Explanation (if required)
Systems - Interface & Reporting	\$0.00	
Standard Reports	\$0.00	
Loss Control Services - Expenses (if required)	\$100.00	per hour
Rehabilitation Services - Expenses (if required)	\$100.00	per hour
Conversion fee for data or transfer of claim files from the previous third party administrator	\$0.00	
Medical Bill Fee Scheudling (option A)	\$1.50	Per line for each medical bill
Medical Bill Fee Scheduling (option B)	\$4.50	Flat rate per bill (excludes hospital bills)
Telephonic Nurse Case Management	\$79.00	per hour rate
	\$0.00	

Rates listed above will remain flat for the first two years of the contract. In the third year of the contract, a 3% rate increase will be applied to all adjusting fees. All other fees will continue to remain flat.



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10. Distribution: Original – Bid File Copies - Contractor	

**AGREEMENT
BETWEEN
LAKE COUNTY, FLORIDA
AND
EMPLOYERS MUTUAL, INC.
FOR
THIRD PARTY ADMINISTRATIVE SERVICES FOR
WORKERS' COMPENSATION & EMPLOYER'S LIABILITY SERVICES**

RFP 13-0026

THIS AGREEMENT, made and entered into by and between Lake County, Florida, a political subdivision of the State of Florida, hereinafter referred to as the "Client" or the "County", and Employers Mutual, Inc., a Florida Corporation, d/b/a Ascension Benefits & Insurance Solutions of Florida, hereinafter referred to as "TPA".

WITNESSETH:

WHEREAS, the Client desires to engage the services of TPA to provide Third Party Administrative Services during the term of this Agreement;

WHEREAS, TPA is qualified and desires to provide the aforementioned services on behalf of the Client in accordance with this Agreement; and

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto do mutually agree as follows:

1. **RECITALS.** The foregoing recitals are true and correct and incorporated herein by reference.
2. **TERM.** This Agreement shall be effective **October 1, 2013** and shall continue through **September 30, 2016**, unless terminated as set forth herein. This Agreement may be renewed for up to two (2) successive one-year renewals.
3. **SCOPE OF SERVICES.** On the terms and conditions set forth in this Agreement, the Client hereby engages the TPA to perform the services more specifically detailed in **Exhibit A**, Scope of Services, attached hereto and incorporated herein by reference (the "Services").
4. **TPA FEES.** The TPA shall receive as consideration for the Services performed hereunder the Fees set forth in **Exhibit B**, attached hereto and incorporated herein by reference. Invoices shall contain the contract and/or purchase order number, date, and location of delivery of service, and confirmation of acceptance of the goods or services by the appropriate Client representative. Failure to submit invoices in the prescribed manner will delay payment.
5. **TPA'S OBLIGATIONS.**
 - A. **Funding of Claims.** The TPA shall have no responsibility, risk, liability or obligation for the funding of claims, losses or liabilities. The responsibility and obligation for funding the program exposures shall be solely and totally the responsibility of the Client.
 - B. **Claim Processing Errors.** The TPA shall be solely liable for the recovery of claim processing errors arising from the TPA's performance pursuant to the terms of this Agreement, excepting liability for any such error that is reasonable, made in good faith, and within acceptable industry standards. TPA shall use diligent efforts toward the recovery of any loss therefrom. TPA's liability, if any, shall be limited to the amount in excess

of the claim amount(s) payable under the terms of the Agreement.

C. Furnishing of Materials and Labor. The TPA shall, for the consideration set forth herein, and at its sole cost and expense, as an independent contractor, provide all labor, materials, equipment, tools, supplies and incidentals necessary to perform the Scope of Services.

D. Standard of Care. The TPA shall furnish, provide or fulfill its obligations under this Agreement in a professional manner to the reasonable satisfaction of the duly authorized representatives of the Client, who shall have, at all times, full opportunity to monitor the services performed under this Agreement.

E. Indemnification. The TPA understands that in performing the Services hereunder it will be responsible for the consequences of its own actions. Therefore, the TPA agrees that it will indemnify, defend and hold harmless the Client as well as the Client's commissioners, officers, directors, employees, agents and representatives and each of the heirs, executors, successors and assigns of each of the foregoing from, against and in respect of all claims, liabilities, obligations, losses, costs, expenses, penalties, fines and judgments (at equity or at law) and damages whenever arising or accruing (including, without limitation, amounts paid in settlement, costs of investigation and reasonable attorneys' fees and expenses) to the extent arising out of or caused by the TPA's performance of the Services hereunder, including, without limitation, any acts or omissions with respect thereto.

F. Additional Information. The TPA, at the request of the Client, shall further provide to the Client such other information as the Client may reasonably request from time to time. Further, the TPA shall at the Client's request meet and have its employees and representatives meet with the Client from time to time, regarding any of the Services to be rendered under the Agreement.

G. E-verify. TPA acknowledges and agrees TPA shall utilize the U.S. Department of Homeland Security's E-Verify system in accordance with the terms governing use of the system to confirm the employment eligibility of:

1. All persons employed by the TPA during the term of this Agreement to perform employment duties within Lake County; and
2. All persons, including subcontractors, assigned by the TPA to perform work pursuant to the contract.

H. Key Contractor Personnel. The TPA represents in executing this Agreement that each person listed or referenced in the TPA's proposal submitted in response to RFP 13-0018 is available to perform the services described for the Client, barring illness, accident, or other unforeseeable events of a similar nature in which case the TPA shall promptly provide a qualified replacement. In the event the TPA desires to substitute personnel, the TPA shall propose a person with equal or higher qualifications and each replacement person is subject to prior written approval of the Client. In the event the requested substitute is not satisfactory to the Client and the matter cannot be resolved to the satisfaction of the Client, the Client reserves the right to terminate this Agreement for cause.

6. CLIENT'S OBLIGATIONS. The Client shall have and perform the following duties, obligations, and responsibilities under this Agreement:

A. Obligation & Responsibility for Payment. The Client has the sole obligation and responsibility for funding the payment of liability claims made by its employees. TPA assumes no duty to fund any such claims at any time and shall have no obligation to advance funds for such payment.

B. Deposit Account. Prior to commencement of this Agreement, the Client shall establish a bank account at a bank of the Client's choosing and this account will be used to process all claim checks. The Client will be responsible for the proper funding of this account as well as all banking fees, bank interfaces and bank reconciliations. TPA shall use the funds deposited by the Client into the account to pay claim settlements within the discretionary settlement authority limit or as otherwise authorized by the Client, and to pay interim claim

payments, indemnity payments, medical expenses and allocated expenses.

C. Management of Account. It is the Client's responsibility to establish and replenish the bank account with funds sufficient to cover all claim payments. The Client may, at its discretion increase or decrease the minimum funding levels based on actual claim activity. The bank account shall remain in effect until all claims activity ceases under this Agreement.

D. Allocated Loss Adjustment Expense. Coverage costs shall include but not be limited to: cost of medical and indemnity benefits, outside investigation of claims, surveillance, vocational rehabilitation, on-site case management, legal fees, court or hearing costs, depositions, documents and exhibits, witness fees, photography, and other incidental and special costs. Coverage costs shall be borne by the Client as normal claims related expenditures and shall be charged against the bank account.

E. Instructions from Client. The Client shall duly consider all written notices and recommendations made by the TPA relative to the administration of claims, including medical and litigation services, with the understanding that the final authority rests with the Client. TPA shall not be responsible nor liable for any action or inaction of the Client, which is contrary to a lawful written recommendation or instruction by the TPA, applicable by law, that causes any claims to not be properly adjusted, administered, and/or processed.

7. **INSURANCE.** TPA shall provide general liability insurance on forms no more restrictive than the latest edition of the Commercial General Liability policy (CG 00 01) of the Insurance Services Office or equivalent without restrictive endorsements, with the following minimum limits and coverage:

Each Occurrence/General Aggregate	\$1,000,000/\$2,000,000
Products-Completed Operations	\$2,000,000
Personal & Adv. Injury	\$1,000,000
Fire Damage	\$50,000
Medical Expense	\$5,000
Contractual Liability	Included

Automobile liability insurance, including non-owned autos with the following minimum limits and coverage:

Combined Single Limit	\$1,000,000
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Workers' compensation insurance based on proper reporting of classification codes and payroll amounts in accordance with Chapter 440, Florida Statutes, and/or any other applicable law requiring workers' compensation (Federal, maritime, etc). If not required by law to maintain workers compensation insurance, TPA must provide a notarized statement that if an injury occurs they will not hold the Client responsible for any payment or compensation.

Employer's Liability insurance with the following minimum limits and coverages:

Each Accident	\$1,000,000
Disease-Each Employee	\$1,000,000
Disease-Policy Limit	\$1,000,000

Professional liability and/or specialty insurance (medical malpractice, engineers, architect, consultant, environmental, pollution, errors and omissions, etc.) as applicable, with minimum limits of \$1,000,000 and annual aggregate of \$2,000,000.

Lake County, a Political Subdivision of the State of Florida, and the Board of County Commissioners, shall be named as additional insured as their interest may appear on the general liability policy.

Certificate(s) of insurance shall provide for a minimum of thirty (30) days prior written notice to the Client of any

change or cancellation of the required insurance.

Certificate(s) of insurance shall identify the contract number in the Description of Operations section of the Certificate.

Certificate holder shall be:

LAKE COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA, AND THE BOARD OF COUNTY COMMISSIONERS.
P.O. BOX 7800
TAVARES, FL 32778-7800

TPA shall be responsible for subcontractors, if any, and their insurance.

All deductibles or self-insured retention shall appear on the certificate(s).

All insurance companies must be authorized to transact business in the State of Florida.

The Client shall be exempt from, and in no way liable for, any sums of money, which may represent a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of TPA.

Failure to obtain and maintain such insurance as set out above will be considered a breach of contract and may result in termination of the contract for default.

Neither approval by the Client of any insurance supplied by TPA, nor a failure to disapprove that insurance, shall relieve TPA of full responsibility of liability, damages, and accidents as set forth herein.

If it is not possible for the TPA to certify compliance, on the certificate of insurance, with all of the above requirements, then the TPA is required to provide a copy of the actual policy endorsement(s) providing the required coverage and notification provisions.

8. **DEFAULT.** The failure of either party to comply with any provision of this Agreement will place that party in default. Prior to terminating the Agreement, the non-defaulting party will notify the defaulting party in writing. This notification will make specific reference to the provision(s) the defaulting party failed to comply with, the exact nature of the default, and the action that needs to occur to correct the default. The non-defaulting party will give the defaulting party a minimum of twenty (20) business days to correct the default. The County Manager or designee shall be authorized to provide the written notice described herein on behalf of the Client. If the default is not corrected within the allotted time, the non-defaulting party shall be permitted to terminate this Agreement, effective upon the receipt by the defaulting party of a written termination notice.

9. **TERMINATION.**

A. This Agreement may be terminated by the Client for convenience upon thirty (30) calendar days advance written notice to the other party; but if any Service or task hereunder is in progress but not completed as of the date of termination, then this Agreement may be extended upon written approval of the Client until said Service(s) or task(s) is completed and accepted. In the event this Agreement is terminated or cancelled upon the request and for the convenience of Client with the required thirty (30) day advance written notice, Client shall reimburse TPA for actual work satisfactorily completed.

B. The Client reserves the right to terminate this Agreement, in part or in whole, or place the TPA on probation in the event the TPA fails to perform in accordance with the terms and conditions stated herein. The Client further reserves the right to suspend or debar the TPA in accordance with the appropriate County ordinances, resolutions or other administrative orders. Termination costs, if any, shall not apply. The thirty (30) day advance notice requirement is waived in the event of termination for cause.

C. If either party files a petition for bankruptcy or a petition or answer seeking reorganization, becomes or is insolvent or bankrupt, has a receiver appointed for its benefit, admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, the other party may immediately terminate this Agreement

D. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, this Agreement shall be cancelled and the TPA shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services/Tasks delivered under this Agreement. The TPA shall be given ten (10) business days notice of cancellation due to unavailability of funds.

E. The TPA may, at its sole discretion, terminate this Agreement, in the event that the Client fails to properly fund the Workers' Compensation and Employer's Liability Program within fifteen (15) business days of receiving a written request to do so from the TPA.

F. Upon termination by either party, the TPA shall, within ninety (90) days of the termination of services deliver to the Client a complete and final accounting of the financial status of the Liability Program. The TPA shall, upon the request and at the expense of the Client, provide computer runs detailing various aspects of the Client's program. Upon termination, the Client understands and agrees that, except where there is evidence of gross negligence or willful misconduct or fraud, the TPA is released from all liability, loss or damage arising in any manner out of the program or its administration or the performance by TPA pursuant to the terms of this Agreement.

10. **NOTICES.** Whenever written notice is required under the terms of this Agreement, it shall be delivered either in person or by registered mail to the appropriate party. Notice by registered mail shall be addressed as follows:

TPA
Kevin Cothron, Exec. VP & CEO
Ascension Benefits & Insurance
Solutions of Florida
700 Central Parkway
Stuart, Florida 34994

CLIENT
County Manager
Lake County BCC
315 W. Main Street
Tavares, FL 32778

ATTN: Director, Human Resources

11. **NON-ASSIGNMENT.** Client has selected the TPA to render the Services based in substantial part on the personal qualifications of the TPA; as such, the TPA may not assign or transfer any right or obligation of this Agreement in whole or in part, without the prior written consent of Client, which consent may be granted or withheld in the sole discretion of Client. Any direct or indirect change in the ownership (legal or equitable) of a controlling and/or a majority interest of the Client, whether such change in ownership occurs at one time or as a result of sequential incremental changes, and whether said change is by sale, assignment, hypothecation, bequest, inheritance, operation of law, merger, consolidation, reorganization or otherwise, shall be deemed an assignment of this Agreement subject to the consent of Client. The TPA may utilize subcontractors as otherwise permitted and provided herein. Any assignment or transfer of any obligation under this Agreement without the prior written consent of Client shall be void, *ab initio*, and shall not release the TPA from any liability or obligation under this Agreement, or cause any such liability or obligation to be reduced to a secondary liability or obligation.

12. **NON-TRANSFER OF POWERS.** Nothing contained in this Agreement shall be construed to constitute a Transfer of Powers in any way whatsoever. This Agreement is solely an Agreement for provision of services.

13. **PUBLIC RECORDS.** Client is a political subdivision of the State and is subject to Florida's

Public Records Act, Chapter 119, Florida Statutes. It is possible that the TPA, as a result of this Agreement, may also be subject to the Public Records Act and, if so, the TPA will promptly respond in accordance with said statute to any and all third party requests for "public records," as that term is defined in the Public Records Act. In regard to any such request, the TPA will promptly notify Client. Client's determination as to the necessity of such response shall be presumptively correct.

14. **SEVERABILITY.** Should any provision of this Agreement be declared invalid by a Court of competent jurisdiction, same shall be deemed stricken herefrom and all other terms and conditions of this Agreement shall continue in full force and effect as if the invalid provision had never been made a part hereof.

15. **NON-WAIVER.** No delay by either party in enforcing any covenant or right hereunder shall be deemed a waiver of such covenant or right, and no waiver of any particular provision hereof shall be deemed as waiver of any other provision or a continuing waiver of such particular provision, and except as so expressly waived, all provisions hereof shall continue in full force and effect.

16. **ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding of the parties with respect to provision of services. It may not be modified nor any of its provisions waived unless such modification and/or waiver is in writing and is agreed to and signed by both parties.

17. **THIRD PARTY BENEFICIARIES.** There are no third party beneficiaries of this Agreement, either intended or implied.

18. **RIGHT TO AUDIT.** The County reserves the right to require TPA to submit to an audit by any auditor of the County's choosing. TPA shall provide access to all of its records, which relate directly to this Agreement at its place of business during regular business hours. TPA shall retain all records pertaining to this Agreement and upon request make them available to the County for five (5) years following expiration of the Agreement. TPA agrees to provide such assistance as may be necessary to facilitate the review or audit by the County to ensure compliance with applicable accounting and financial standards. This provision is hereby considered to be included within, and applicable to, any subcontractor agreement entered into by the Contractor in performance of any work hereunder.

If an audit inspection or examination pursuant to this section discloses overpricing or overcharges of any nature by the TPA to the County in excess of five percent (5%) of the total contract billings, in addition to making adjustments for the overcharges, the reasonable actual cost of the County's audit shall be reimbursed to the County by the Contractor. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor's invoices and/or records shall be made within a reasonable amount of time, but in no event shall the time exceed ninety (90) days, from presentation of the County's audit findings to the Contractor.

19. **PUBLIC ENTITY CRIMES.** A person or affiliate who has been placed on the convicted vendor list following a conviction of a public entity crime may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity in excess of the threshold amount provided in Florida Statutes, section 287.017, for Category Two for a period of thirty-six (36) months from the date of being placed on the convicted vendor list. TPA certifies that it is not now on the convicted vendor list, and acknowledges that if TPA is later placed on such list, the Client shall have the option to terminate this Agreement.

20. **INDEPENDENT CONTRACTOR.** It is understood and agreed that the TPA is and shall remain an independent contractor with respect to the services being performed by the TPA pursuant to this Agreement and shall not for any purpose be deemed an employee of the Client, nor shall the relationship of the parties be deemed that of partners or joint ventures. The TPA does not assume any responsibility, risk, liability or obligation for the general policy direction of the program, the adequacy of the funding thereof, or any act or omission or breach of duty by parties other than the TPA. TPA shall not be deemed an insurer, underwriter or guarantor with respect to any expenses payable under the program.

21. **OWNERSHIP AND RETENTION OF CLAIM FILES.** The TPA shall retain all TPA claim

files during the time the Agreement is in effect. Subject to the foregoing, the TPA shall make available to the Client for copying, at the Client's expense, or inspection any records relating to any TPA claim files created pursuant to this Agreement upon written request of the Client. TPA shall also make TPA claim files available to any other third party as required by and in accordance with applicable Florida law. All claim files created pursuant to this Agreement, including but not limited to all records, files, transcripts, computer tapes, including loss run data files and other materials, are the sole property of the Client, and must be relinquished to the Client in good order and condition upon termination of this Agreement. However, the TPA may keep a copy of all such claim files for its legitimate business purposes and shall not use any such claim files in a manner inconsistent with this Agreement or in violation of applicable law.

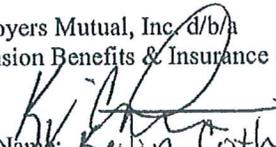
21. **EXHIBITS.** This Agreement contains the following Exhibits:

Exhibit A	Scope of Services
Exhibit B	Fees

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective dates under each signature: COUNTY through its Board of County Commissioners, signing by and through its Chairman, authorized to execute same by Board Action on the 9 day of July, 2013 and by TPA through its duly authorized representative.

TPA

Employers Mutual, Inc. d/b/a
Ascension Benefits & Insurance Solutions of Florida


Print Name: Kevin Cothren
Title: COO

This 19 day of June, 2013

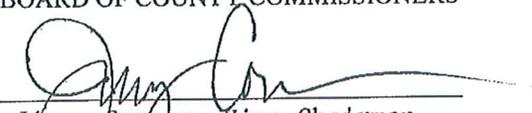
Agreement Between Lake County and Employers Mutual for Third Party Administration Services for Workers Compensation & Employer's Liability; RFP 13-0026

COUNTY

ATTEST:


Neil, Kelly, Clerk
of the Board of County
Commissioners of Lake County, Florida

LAKE COUNTY, through its
BOARD OF COUNTY COMMISSIONERS


Jimmy Corner, Vice-Chairman
This 4 day of July, 2013

Approved as to form and legality:

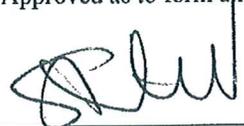

Sanford A. Minkoff
County Attorney

EXHIBIT A: Scope of Services

SCOPE OF SERVICES

Provide Third Party Administrative Services for Workers Compensation and Employer's Liability including but, not limited to the following:

- * Responsible for all claims reported with a date of accident on or after October 1, 2013, to provide a transition with no disruption or delay in the processing of claims. Provide a detailed work plan for the implementation and transition of claims incurred and reported prior to the effective date of the Contract to assure that the transition occurs with no delays in delivery of medical benefits or delays in payments to any claimants or clinicians or in the general handling of all claims.
- * Make initial contact with the employee and establish a claims file within twenty-four (24) hours of receipt of the Employers' First Report of Injury or Illness for the County. Claim files will be available for review by the County at any time during the TPA's regular business hours.
- * Contact County employees to explain Division of Workers' Compensation (DWC) benefit notices and other required letters and forms.
- * Respond to County staff inquiries within twenty-four (24) hours and critical issues on the same day.
- * Monitor treatment programs for injured employees to ensure that they receive proper care and to avoid over treatment situations.
- * Meet state law utilization review guidelines and standards.
- * Establish claim reserves and provide a continual review and update of reserves to reflect changes during the life of the claim.
- * Administer workers' compensation benefits in accordance with established practice parameters and protocols of treatment as provided for in Chapter 440, Florida Statutes.
- * All penalties incurred because of failure of the TPA to comply with statutory laws and/or administrative regulations shall be the sole responsibility of the TPA.
- * Maintain accurate and timely loss runs in a format and system acceptable to the County and/or required by law.
- * The County will select defense and subrogation counsel with input from the TPA.
- * The TPA is responsible for proceeding against responsible persons, agencies, and/or agents in subrogation actions to recover losses suffered by the County due to employee injuries.
- * The County reserves the right to approve, disapprove or select any and all service providers including medical case managers, rehabilitation counselors, primary medical treatment inpatient and out-patient facilities, physicians, specialists, chiropractors, legal services, etc.
- * Investigate and recommend special, outside investigations for questionable claims with the coordination and assistance of the County.

* Provide advance notice and explanation to the County of any claim for workers' compensation benefits that is contested and may be denied by the TPA.

* The County and/or excess insurer reserve the right to, at any time, inspect, copy or audit the files, including the right to conduct an independent claims audit paid for by the County, excess insurer, and/or State Managed Care Program.

* Provide viewing and reporting access to the TPA's online claims tracking system.

* **Closing of Claims**

- All claims files remain the property of the County and will not be disposed of without the County's prior authorization.
- Close files that meet closing criteria in a timely manner.

* **Additional Services**

- Attend Workers' Compensation Appeals Board hearings, status conferences and trials along with depositions, conferences with legal defense counsel, and meetings with County staff as required.
- Provide all forms, posters, and pamphlets as required by Chapter 440, Florida Statutes, that are necessary for the processing of claim and benefit information at the TPA's own expense.
- Prepare the Public Entities Self-Insured Annual Report, and any additional reports required by Federal or State law (e.g., OSHA 300 Log).
- Coordinate with and report all claims meeting the County's excess insurance carrier's reporting criteria as established by the excess insurance carrier.
- Demonstrate knowledge of an Early Return to Work Program.
- Any additional services agreed upon by the County and TPA.

* **Medical Cost Control**

- Provide details of medical service/facility cost savings resulting from your Preferred Provider Network.
- Provide details of cost savings from your TPA operation or contracted bill review activities.

* **Litigation**

- Discuss medical control on litigated claims with the County before allowing defense counsel to select a physician.
- Closely monitor litigation efforts and communicate regularly with the County. The County must authorize all depositions and investigations.
- The County must approve settlement authority on all claims.
- Prior to any settlement conference, hearing or trial, the claims administrator and defense counsel will provide a written analysis of the case, including options and recommendations for settlement. All permanent disability ratings must include the rating formula and dollar amount.
- Establish controls and procedures to manage and contain claim defense costs.

Exhibit B: Fees

Ascension Benefits & Insurance Solutions of Florida Negotiated Rates *
Workers' Compensation & Employer's Liability Third party Administrator Arrangement (13-0026)

Type of Claim/Service	1st Year	2nd Year	3rd Year
	10/1/2013 to 9/30/2014 Fees	10/1/2014 to 9/30/2015 Fees	10/1/2015 to 9/30/2016 Fees
Workers' Compensation Claims			
Record Only	\$0.00	\$0.00	\$0.00
Medical Only	\$140.00	\$140.00	\$140.00
Indemnity	\$810.00	\$810.00	\$810.00
Transition from Medical to Indemnity	\$660.00	\$660.00	\$660.00
General Liability Claim			
Bodily Injury	\$745.00	\$745.00	\$745.00
Personal Injury	\$745.00	\$745.00	\$745.00
Property Damage	\$430.00	\$430.00	\$430.00
Medical Payment	\$295.00	\$295.00	\$295.00
Automobile Liability Claim			
Bodily Injury/Property Damage	\$805.00	\$805.00	\$805.00
Physical Damage	\$305.00	\$305.00	\$305.00
Public Official Liability Claim			
Public Official Liability	\$745.00	\$745.00	\$745.00
Employment Practice Liability	\$745.00	\$745.00	\$745.00
Professional Liability Claim			
Professional Liability	\$745.00	\$745.00	\$745.00
Property Claim			
Buildings	\$595.00	\$595.00	\$595.00
Personal Property	\$595.00	\$595.00	\$595.00
Other Services			
Systems - Interface & Reporting	\$0.00	\$0.00	\$0.00
Standard Reports	\$0.00	\$0.00	\$0.00
Loss Control Services - Expenses per hour (if required)	\$85.00	\$85.00	\$85.00
Rehabilitation Services - Expenses per hour (if required)	\$100.00	\$100.00	\$100.00
ADHOC Reports per hour	\$0.00	\$0.00	\$0.00
Telephonic Nurse Case Management per hour	\$75.00	\$75.00	\$75.00
Insurance Services Office (ISO) review/report (per claim)	\$7.75	\$7.75	\$7.75
PPO Access/Managed Care Services (percentage of savings)	28%	28%	28%
Hospital Bill "Only" Review/Managed Care Services per line	\$1.50	\$1.50	\$1.50
Bill Review/Managed Care Services per bill (Hospital Bills Excluded)	\$4.50	\$4.50	\$4.50
Administrative Fee per month	\$0.00	\$0.00	\$0.00
Claim System Access	\$0.00	\$0.00	\$0.00
1099 and Check Processing	\$0.00	\$0.00	\$0.00
Subrogation	\$0.00	\$0.00	\$0.00

* Rates are guaranteed for three years October 1, 2013 through September 30, 2016.