AN AGREEMENT BY AND BETWEEN THE TEXAS A&M UNIVERSITY SYSTEM OFFICES AND WELLCOMP MANAGED CARE SERVICES, INC.

This Services Agreement ("Agreement") is entered into and effective upon final execution of this Agreement (the "Effective Date"), by and between The Texas A&M University System (hereafter referred to as "TAMUS"), an agency of the state of Texas, and WellComp Managed Care Services, Inc. (hereafter referred to as "PROVIDER"). TAMUS and PROVIDER are sometimes hereafter referred to as "Party" individually or "Parties" collectively).

TAMUS and PROVIDER hereby agree as follows:

1. SCOPE OF WORK

PROVIDER will work with TAMUS to provide workers' compensation medical bill audit and medical claims management services as outlined in RFP01 RISK-15-024. The services included (but not limited to) in the scope of this Agreement are listed in Exhibit A, attached hereto.

2. TERM OF THE AGREEMENT

The initial term of this Agreement shall begin upon the final execution of the Agreement and will extend for three (3) years. This Agreement can be extended for two (2) additional one (1) year terms upon written agreement of both parties. Any extensions shall be at the same terms and conditions plus any approved changes to be determined by TAMUS and negotiated in writing with the PROVIDER.

3. DELIVERY OF SERVICES

Delivery of services shall begin no later than February 29, 2016. PROVIDER shall complete preliminary work and testing of services prior to this date.

4. PAYMENT TERMS

- A. The payment rate schedule is attached as Exhibit B and made a part of this Agreement.
- B. PROVIDER can invoice TAMUS monthly for the Scope of Work identified in Section 1. For reimbursement of travel expenses, PROVIDER'S invoice(s) must include supporting documents. Payment will be made to PROVIDER upon approval of such invoice by TAMUS. It is the policy of the state of Texas to make payment on a properly prepared and submitted invoice within thirty (30) days of the latter of any final acceptance of performance or the receipt of a properly submitted invoice, in conformance with the Texas Prompt Payment law. Generally, payment will be made on the 30th day unless a discount has been arranged for more immediate payment.
- C. Business-related travel, lodging and/or meal expenses will be reimbursed by TAMUS according Texas rates, to the State of rules, and regulations (http://www.window.state.tx.us//procurement/prog/stmp/). PROVIDER is required to submit all travel receipts when requesting reimbursement. Under no circumstance will the PROVIDER be reimbursed for alcohol purchases. State travel rates are subject to



change without notice and will be adjusted accordingly. Mileage rates will be calculated from point-to-point (PROVIDER's place of business to job site) using the State of Texas mileage. Should the contract be renewed for an additional term, travel reimbursement amounts will be renegotiated at that time.

If the PROVIDER's place of business is located more than 60 miles from the job site, then a round trip charge of \$120 per trip will be allowed, regardless of the number of people in a vehicle(s) and of the time it takes to reach the site. This is to help offset personnel travel time which is NOT chargeable. If your PROVIDER's place of business is located closer than 60 miles to the job site, a round trip charge will not be allowed. Mileage reimbursement still applies in either case.

Overtime and holidays will be paid at straight time.

- D. All payments shall be made by electronic direct deposit. PROVIDER is required to complete and submit to TAMUS a Vendor Direct Deposit Authorization form prior to the first payment request. The form can be accessed at;
 - http://www2.tamus.edu/offices/budget-acct/acct/general/.
- E. All invoices must reference the TAMUS purchase order number (which will be provided to PROVIDER within 15 days of the execution of this Agreement) and description of services provided to include but not limited to time, deliverables, and activities.

5. DEFAULT AND TERMINATION

- A. In the event of substantial failure by PROVIDER to perform in accordance with the terms hereof, TAMUS may terminate this Agreement upon twenty (20) days written notice of termination setting forth the nature of the failure (the termination shall not be effective if the failure is fully cured prior to the end of the fifteen-day period), provided that said failure is through no fault of TAMUS.
- B. TAMUS may terminate this Agreement at any time upon twenty (20) days prior notice to PROVIDER.

6. PUBLIC INFORMATION

- A. PROVIDER acknowledges that TAMUS is obligated to strictly comply with the Public Information Act, Chapter 552, *Texas Government Code*, in responding to any request for public information pertaining to this Agreement, as well as any other disclosure of information required by applicable Texas law.
- B. Upon TAMUS's written request, PROVIDER will provide specified public information exchanged or created under this Agreement that is not otherwise excepted from disclosure under chapter 552, Texas Government Code, to TAMUS in a non-proprietary format acceptable to TAMUS. As used in this provision, "public information" has the meaning assigned Section 552.002, *Texas Government Code*, but only includes information to which TAMUS has a right of access.
- C. PROVIDER acknowledges that TAMUS may be required to post a copy of the fully executed Agreement on its Internet website in compliance with Section 2261.253(a)(1), Texas Government Code.



7. DISPUTE RESOLUTION

The dispute resolution process provided in Chapter 2260, Texas Government Code, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by TAMUS and PROVIDER to attempt to resolve any claim for breach of contract made by PROVIDER that cannot be resolved in the ordinary course of business. PROVIDER shall submit written notice of a claim of breach of contract under this Chapter to Billy Hamilton, Executive Vice Chancellor and Chief Financial Officer for TAMUS, who shall examine PROVIDER's claim and any counterclaim and negotiate with PROVIDER in an effort to resolve the claim.

8. INSURANCE

A. This process is described in Exhibit C, attached hereto.

9. MISCELLANEOUS

- A. <u>Indemnification. PROVIDER agrees to indemnify and hold harmless TAMUS from any claim, damage, liability, expense or loss to the extent arising out of PROVIDER's negligent or willful errors or omissions under this Agreement.</u>
- B. Independent Contractor. PROVIDER is an independent contractor, and neither PROVIDER nor any employee of PROVIDER shall be deemed to be an agent or employee of TAMUS. PROVIDER will have no responsibility to provide transportation, insurance or other fringe benefits normally associated with employee status. PROVIDER shall observe and abide by all applicable laws and regulations, policies and procedures, including but not limited to those of TAMUS relative to conduct on its premises.
- C. Delinquent Child Support Obligations. A child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to receive payments from state funds under an agreement to provide property, materials, or services until all arrearages have been paid or the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency. The *Texas Family Code* requires the following statement: "Under Section 231.006, *Texas Family Code*, the vendor or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate."
- D. Payment of Debt or Delinquency to the State. Pursuant to Section 2252.903, *Texas Government Code*, PROVIDER agrees that any payments owing to PROVIDER under this Agreement may be applied directly toward certain debts or delinquencies that PROVIDER owes the State of Texas or any agency of the State of Texas regardless of when they arise, until such debts or delinquencies are paid in full.
- E. Previous Employment. PROVIDER acknowledges and understands that Section 2252.901, Texas Government Code, prohibits TAMUS from using state appropriated funds to enter into any employment contract, consulting contract, or professional services contract with any individual who has been previously employed, as an employee, by the agency within the past twelve (12) months. If PROVIDER is an individual, by signing this Agreement, PROVIDER certifies that Section 2252.901, Texas Government Code,



- does not prohibit the use of state appropriated funds for satisfying the payment obligations herein.
- F. Franchise Tax Certification. If PROVIDER is a taxable entity subject to the Texas Franchise Tax (Chapter 171, *Texas Tax Code*), then PROVIDER certifies that it is not currently delinquent in the payment of any franchise (margin) taxes or that PROVIDER is exempt from the payment of franchise (margin) taxes.
- G. State Auditor's Office. PROVIDER understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Section 51.9335(c), Texas Education Code. PROVIDER agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation, providing all records requested. PROVIDER will include this provision in all contracts with permitted subcontractors.
- H. Entire Agreement. This Agreement constitutes the sole agreement of the parties and supersedes any other oral or written understanding or agreement pertaining to the subject matter of this Agreement. This Agreement may not be amended or otherwise altered except upon the written agreement of both parties.
- I. Severability. If any provisions of this Agreement are rendered or declared illegal for any reason, or shall be invalid or unenforceable, such provision shall be modified or deleted in such manner so as to afford the Party for whose benefit it was intended the fullest benefit commensurate with making this Agreement, as modified, enforceable, and the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but shall be enforced to the greatest extent permitted by applicable law.
- J. Headings. Headings appear solely for convenience of reference. Such headings are not part of this Agreement and shall not be used to construe it.
- K. **Non-Assignment.** PROVIDER shall neither assign its rights nor delegate its duties under this Agreement without the prior written consent of TAMUS.
- L. HUB Subcontracting Plan. If a subcontractor will be used to provide any commodity or service as part of the scope on a specific assignment, the PROVIDER will be required to make a good faith effort and complete the state of Texas HSP found at http://www.tamus.edu/business/facilities-planning-construction/forms-guidelines-wage-rates/. If there are pre-existing agreements in place with companies who will be hired as subcontractors, the PROVIDER will show those companies as subcontractors on the HSP and provide an explanation as to why solicitations were not done, e.g. contractual requirements. If no pre-existing agreements with companies who will be hired as subcontractors exist, then the PROVIDER will be expected to make a good faith effort according to the HSP instructions.

In the event that you determine you will be using a subcontractor, please contact Mr. Jeff Zimmermann from the A&M System's HUB Program at (979) 458-6410 or jzimmermann@tamus.edu for assistance in determining available HUB subcontractors and proper completion of the HSP.

M. Force Majeure. Neither party is required to perform any term, condition, or covenant of this Agreement, if performance is prevented or delayed by a natural occurrence, a fire, an act of God, an act of terrorism, or other similar occurrence, the cause of which is not



reasonably within the control of such party and which by due diligence it is unable to prevent or overcome.

- N. Loss of Funding. Performance by TAMUS under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature"). If the Legislature fails to appropriate or allot the necessary funds, TAMUS will issue written notice to PROVIDER and TAMUS may terminate this Agreement without further duty or obligation hereunder. PROVIDER acknowledges that appropriation of funds is beyond the control of TAMUS.
- O. Governing Law. The validity of this Agreement and all matters pertaining to this Agreement, including but not limited to, matters of performance, non-performance, breach, remedies, procedures, rights, duties, and interpretation or construction, shall be governed and determined by the Constitution and the laws of the State of Texas.
- P. Venue. Pursuant to Section 85.18, Texas Education Code, venue for any suit filed against TAMUS shall be in the county in which the primary office of the chief executive officer of TAMUS is located, which is Brazos County, Texas.
- Q. Non-Waiver. PROVIDER expressly acknowledges that TAMUS is an agency of the State of Texas and nothing in this Agreement will be construed as a waiver or relinquishment by TAMUS of its right to claim such exemptions, privileges, and immunities as may be provided by law.
- Notices. Any notice required or permitted under this Agreement must be in writing, and R. shall be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address set out below. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, email or other commercially reasonably means and will be effective when actually received. TAMUS and PROVIDER can change their respective notice address by sending to the other party a notice of the new address. Notices should be addressed as follows:

TAMUS: The Texas A&M University System

> 301 Tarrow St., Suite 361 College Station, Texas 77840 Attention: Jeff Zimmermann Phone: (979) 458-6410

Fax: (979) 458-6250

E-mail: jzimmermann@tamus.edu

PROVIDER: WellComp Managed Care Services, Inc.

761 Old Hickory Blvd., Suite 300

Brentwood, TN 37027 Attn: Doug Markham

Phone: (615) 221-2625 Ext. 27904 Email: Doug.Markham@wellcomp.com

WellComp Managed Care Services, Inc. One Upper Pond Road, Bldg. F, 4th Floor

Parsippany, NJ 07054

Attn: Michael Krawitz SVP, GC



Phone: (973) 404-1235
Email: Michael.Krawitz@yorkrsg.com

IN WITNESS WHEREOF, intending to be bound, the Parties have entered into this Agreement as of the Effective Date.

By	1/25/2016	
Jeff Zimnfermann	Date	
Director, Procurement and Business Services		
WellComp Managed Carp Services, Inc.		
By Lee Managed Care Services, Inc.	1.22.16	
Doug Markham	Date	
President \(\lambda \)		

EXHIBIT A - SCOPE

The PROVIDER selected by the A&M System shall assume responsibility for all services offered in its proposal, and shall be the sole point of contact on contractual matters, including payment of any and all fees under the terms of the Agreement. The A&M System will establish a method by which to review or audit PROVIDER's performance to determine sufficiency of performance and compliance with the requirements of the Agreement. The Agreement shall specify sanctions for PROVIDER's failure to comply with the requirements of the Agreement. The PROVIDER selected by the A&M System shall be totally responsible for management of the services provided under the Agreement.

Specific Duties Required

The A&M System requires specific automated medical bill review and adjustment services to be conducted in conjunction with the processing of workers' compensation medical bills. Specifically, the A&M System desires to contract with a qualified Contractor to provide the following services:

- A. Make arrangements for the daily transportation and for PROVIDER's ability to electronically receive medical bills, of the nature described below, from the A&M System, at PROVIDER's cost:
 - 1. Hospital bills (UB-04s);
 - 2. Pharmacy and medical supplier bills (DWC form 66s);
 - 3. Medical bills (CMS-1500s).
- B. Provide review and adjustment on each bill described above. Review must, at a minimum, screen for the following factors:
 - 1. 1. Relationship of treatment to injury;
 - 2. Code "unbundling";
 - 3. Billing for incidental procedures;
 - 4. Previously billed treatment (i.e., duplicate billing);
 - 5. Usual and customary pricing:
 - 6. Over-utilization:
 - 7. Treatments or services that have not been preauthorized;
 - 8. Treatments or services rendered by an unauthorized provider;
 - 9. PPO repricing;
- C. Return the adjusted bills (the bills that are in compliance with the provisions of the Texas Workers' Compensation Law, the Texas Workers' Compensation Medical Fee Guidelines, and any other applicable Texas rules or statues) to the A&M System in a format specified by the A&M System and to facilitate updating payment information files to claim files. PROVIDER shall also maintain the original bill in an individual claim file on the Contractor's site and electronically transmit the notice of medical payment dispute forms and/or DWC form 62 format to the A&M System and the medical provider.
- D. Electronically transmit payment recommendation information along with an Explanation of Benefits (approved alternate DWC form 62, annotated bill and/or a DWC form 62 as required by DWC rules.
- E. Submit monthly management information reports to the A&M System summarizing certain items including, but not limited to, the following items:
 - 1. Number of bills processed since the previous report;

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- 2. Number of line items included in the processed bills;
- 3. Amount charged by providers on processed bills;
- 4. Amount of adjustment or reduction on bills;
- 5. Amount of payment on processed bills;
- 6. Number of bills submitted for reconsideration since the previous report (that is, appealed charges); and
- 7. Amount of payment made on charges previously denied.
- F. File with the A&M System any forms or reports required in conjunction with the medical bill payment process for reporting to the Texas Workers' Compensation Division.
- G. Maintain at least 48 months of payment history for all bills processed for the A&M System in such a manner as to prevent duplicate billings/payments and to identify possible over-utilization.
- H. Serve as a liaison between the A&M System and medical service providers to resolve any problems or discrepancies resulting from the review and adjustment process.
- I. Submit to the A&M System a monthly invoice for services rendered and for payments made to medical providers. The monthly invoice must be itemized by claim number and submitted in an EDP format prescribed by the A&M System, so that each itemized charge may be posted to the appropriate claim records.
- J. Keep apprised of changes in DWC rules and regulations that affect medical bill processing and make necessary adjustments in operating procedures to promptly comply with these changes.
- K. Provide all medical cost management services for the A&M System preferably out of an office or offices located in Texas.
- L. Maintain a toll-free telephone number for use by the A&M System and medical providers.
- M. Receive and process electronic billing from medical providers.



EXHIBIT B - Pricing

Pricing for Services

- 1. Cost for automated bill review \$9.95 per bill
- 2. Cost for utilization review services \$160.00 per review
- 3. Cost for preauthorization services \$90.00 nurse review / \$160.00 physician review
- 4. Cost for case management services \$90 per hour

Other fees or charges not specified in the above pricing.

1. Should TAMUS elect to participate in WellComp's CompKey Plus 1305 Certified Network, we will provide pricing at that time.



EXHIBIT C – INSURANCE

PROVIDER shall obtain and maintain, for the duration of this Agreement or longer, the minimum insurance coverage set forth below. With the exception of Professional Liability (E&O), all coverage shall be written on an occurrence basis. All coverage shall be underwritten by companies authorized to do business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code and have a financial strength rating of A- or better and a financial strength rating of VII or better as measured by A.M. Best Company or otherwise acceptable to TAMUS. By requiring such minimum insurance, the Owner shall not be deemed or construed to have assessed the risk that may be applicable to PROVIDER under this Agreement. PROVIDER shall assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage. PROVIDER is not relieved of any liability or other obligations assumed pursuant to this Agreement by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types. No policy will be canceled without unconditional written notice to TAMUS at least ten days before the effective date of the cancellation.

Insurance:

Coverage	<u>Limit</u>	
A. Worker's Compensation		
Statutory Benefits (Coverage A)	Statutory	
Employers Liability (Coverage B)	\$1,000,000 Each Accident	
• • • • • • • • • • • • • • • • • • •	\$1,000,000 Disease/Employee	
	\$1,000,000 Disease/Policy Limit	

Workers' Compensation policy must include under Item 3.A. on the information page of the workers' compensation policy the state in which work is to be performed for TAMUS. Workers' compensation insurance is required, and no "alternative" forms of insurance will be permitted

B. Automobile Liability

Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 Single Limit of liability per accident for Bodily Injury and Property Damage;

If a separate Business Auto Liability policy is not available, coverage for hired and non-owned auto liability may be endorsed on the Commercial General Liability policy.

Additional Endorsements

The Auto and Commercial General Liability Policies shall name the Texas A&M University System Board of Regents for and on behalf of The Texas A&M University System as additional insured's.)]

C. Commercial General Liability

Each Occurrence Limit	\$1,000,000
General Aggregate Limit	\$2,000,000
Products / Completed Operations	\$1,000,000
Personal / Advertising Injury	\$1,000,000
Damage to rented Premises	\$300,000

Or

The required commercial general liability policy will be issued on a form that insures PROVIDER's or its subcontractors' liability for bodily injury (including death), property damage, personal and advertising injury assumed under the terms of this Agreement

D. PROVIDER will deliver to TAMUS:

Evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all insurance after the execution and delivery of this Agreement and prior to the performance of any services by PROVIDER under this Agreement. Additional evidence of insurance will be provided on a Texas Department of Insurance approved certificate form verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.

<u>All insurance policies</u>, with the exception of worker's compensation, employer's liability and professional liability will be endorsed and name The Board of Regents for and on behalf of The Texas A&M University System and The Texas A&M University System as Additional Insureds up to the actual liability limits of the policies maintained by PROVIDER. Commercial General Liability and Business Auto Liability will be endorsed to provide primary and non-contributory coverage. The Commercial General Liability Additional Insured endorsement will include ongoing and completed operations and will be submitted with the Certificates of Insurance.

<u>All insurance policies</u> will be endorsed to provide a waiver of subrogation in favor of The Board of Regents of The Texas A&M University System and The Texas A&M University System. No policy will be canceled without unconditional written notice to TAMUS at least ten days before the effective date of the cancellation. <u>All insurance policies</u> will be endorsed to require the insurance carrier providing coverage to send notice to TAMUS ten (10) days prior to the effective date of cancellation, material change, or non-renewal relating to any insurance policy required in this Section 11.

Any deductible or self-insured retention must be declared to and approved by TAMUS prior to the performance of any services by PROVIDER under this Agreement. PROVIDER is responsible to pay any deductible or self-insured retention for any loss. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be mailed, faxed, or emailed to the following TAMUS contact in Section 9R.

The insurance coverage required by this Agreement will be kept in force until all services have been fully performed and accepted by TAMUS in writing, except as may be noted.



AMENDMENT No. 1 TO AN AGREEMENT BY AND BETWEEN THE TEXAS A&M UNIVERSITY SYSTEM OFFICES AND CAREWORKS MANAGED CARE SERVICES, INC.

It is mutually understood and agreed by and between the undersigned contracting parties of the above Agreement to amend said contract as follows:

PROVIDER NAME. All references to "WellComp Managed Care Services, Inc." are hereby deleted and replaced with "CareWorks Managed Care Services, Inc.".

2. TERM OF THE AGREEMENT

This agreement shall be extended for the period beginning January 25, 2019 and ending on January 24, 2021.

9. MISCELLANEOUS

- S. Conflict of Interest. By executing this Agreement, PROVIDER and each person signing on behalf of PROVIDER certifies, and in the case of a sole proprietorship, partnership or corporation, each party thereto certifies as to its own organization, that to the best of their knowledge and belief, no member of The A&M System or The A&M System Board of Regents, nor any employee, or person, whose salary is payable in whole or in part by The A&M System, has direct or indirect financial interest in the award of this Agreement, or in the services to which this Agreement relates, or in any of the profits, real or potential, thereof.
- **T. Prohibition on Contracts with Companies Boycotting Israel.** If PROVIDER is a forprofit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit, by executing this Agreement, the PROVIDER certifies it does not and will not, during the performance of this contract, boycott Israel. PROVIDER acknowledges this Agreement may be terminated if this certification is or becomes inaccurate.
- U. Certification Regarding Business with Certain Countries and Organizations. Pursuant to Subchapter F, Chapter 2252, Texas Government Code, PROVIDER certifies it is not engaged in business with Iran, Sudan, or a foreign terrorist organization. PROVIDER acknowledges this Agreement may be terminated if this certification is or becomes inaccurate.

EXHIBT B – Pricing

Pricing for Services for the two year extension will be as follows:

Service	Year 1	Year 2
Cost for automated bill review	\$9.95	\$10.45
Cost for utilization review services	\$160.00	\$163.00
Cost for preauthorization services (nurse review)	\$90.00	\$93.00
Cost for preauthorization services (physician review)	\$160.00	\$163.00
Cost for case management services	\$90.00	\$93.00

All other terms and conditions not hereby amended are to remain in full force and effect.

The Texas A&M University System:	CareWorks Managed Care Services, Inc.:
Docusigned by: By: Limmermann	By: Jody a Moses
Mr. Jeff Zimmermann Director of Procurement	F6034B47BE18400
Date: 2/7/2019 08:38:01 CST	Date: 1/30/2019