

**AMENDMENT NO. 1
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
SEDGWICK CLAIMS MANAGEMENT SERVICES, INC.**

PREAMBLE

This agreement (Amendment No. 1) is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Sedgwick Claims Management Services, Inc., an Illinois corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California and Sedgwick Claims Management Services, Inc., dated October 19, 2020 (Agreement); and
- B. The Parties entered into the Agreement for the purpose of having Contractor provide Third Party Administrator services supporting the City's Self-Insured Workers' Compensation Program, and the Parties now wish to extend the term of the agreement and increase compensation by One Million Two Hundred Eighty-Nine Thousand and Seventy-Eight Dollars (\$1,289,078) for a revised not to exceed amount of Three Million, One Hundred Forty-Three Thousand Six Hundred and Fifty-Seven Dollars (\$3,143,657) for the duration of the Agreement.

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 2 of the Agreement, entitled "TERM OF AGREEMENT" is amended to read as follows:

"Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on July 1, 2020 and terminate on June 30, 2028."
- 2. Section 6 of the Agreement, entitled "COMPENSATION AND PAYMENT" is amended to read as follows:

"In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and services rendered by Contractor in accordance with First Revised Exhibit B, entitled "SCHEDULE OF FEES". The maximum compensation payable for Services provided throughout the duration of this Agreement is Three Million, One Hundred Forty-Three Thousand Six Hundred and Fifty-Seven Dollars (\$3,143,657) subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. Rates for other ancillary services in First Revised Exhibit B shall be paid as needed as a claim file expense not associated with this maximum compensation. All other work performed or materials provided in excess of the maximum compensation not included in First Revised Exhibit B shall be at Contractor's

expense. Contractor shall not be entitled to any payment above the maximum compensation according to these terms and conditions under any circumstance.”

3. Exhibit B of the Agreement, entitled “SCHEDULE OF FEES” is hereby deleted in its entirety and replaced with the First Revised Exhibit B, attached hereto and incorporated into this Amendment No. 1.
4. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: _____

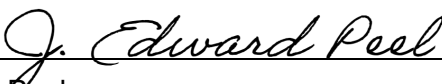
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“CITY”

SEDGWICK CLAIMS MANAGEMENT SERVICES, INC.
an Illinois corporation

Dated: June 5, 2025

By (Signature): 
Name: J. Edward Peel
Title: Vice President
Principal Place of Business Address: 8125 Sedgwick Way
Memphis, TN 38125
Email Address: _____
Telephone: (901) 415-7400
Fax: (901) 415-7409
“CONTRACTOR”

FIRST REVISED EXHIBIT B SCHEDULE OF FEES

Pricing for subparagraphs A and B of this First Revised Exhibit B is based on the estimated claim volumes outlined in Section C and the estimated required staffing to service those claims. Sedgwick reserves the right to request modification of the annual flat fee if changes in program requirements or an increase in claim volume of greater than 10% impacts the staffing requirements of the unit. Any such request must be tendered no later than December 31 of any fiscal year in order to afford time for the City to process an amendment and request for additional appropriations to the City Council for approval. Any such modification will be contingent upon City Council approval. Claim administration services are contingent on Contractor also providing Managed Care services.

A. Claims Administration Services

City shall pay Contractor for Claims Administration Services on a monthly basis throughout the term of this Agreement, according to the table below.

Term	Monthly Fee	Annual Total
Year 1 – July 1, 2020 – June 30, 2021	\$22,655.17	\$271,862.00
Year 2 – July 1, 2021 – June 30, 2022	\$24,241.00	\$290,892.00
Year 3 – July 1, 2022 – June 30, 2023	\$25,937.83	\$311,254.00
Year 4 – July 1, 2023 – June 30, 2024	\$26,845.67	\$322,148.00
Year 5 – July 1, 2024 – June 30, 2025	\$27,785.25	\$333,423.00
Year 6 – July 1, 2025 – June 30, 2026	\$28,757.75	\$345,093.00
Year 7 – July 1, 2026 – June 30, 2027	\$29,764.25	\$357,171.00
Year 8 – July 1, 2027 – June 30, 2028	\$30,806.00	\$369,672.00

B. Bill Review Services

City shall pay Contractor for Bill Review Services on an annual basis throughout the term of this Agreement, according to the table below.

Term	Annual Fees
Year 1 – July 1, 2020 – June 30, 2021	\$62,500
Year 2 – July 1, 2021 – June 30, 2022	\$62,500
Year 3 – July 1, 2022 – June 30, 2023	\$65,000
Year 4 – July 1, 2023 – June 30, 2024	\$67,500
Year 5 – July 1, 2024 – June 30, 2025	\$67,500
Year 6 – July 1, 2025 – June 30, 2026	\$70,274
Year 7 – July 1, 2026 – June 30, 2027	\$72,360
Year 8 – July 1, 2027 – June 30, 2028	\$74,508

- C. The following claim administration fees and services will be provided by the Contractor's managed care services. Managed care fees not set forth above are detailed below and will be charged to the appropriate claim file requiring the service, which is the industry custom. Contractor may update these fees from time to time with 60 days written notice to the City.

SERVICE DESCRIPTION	RATE DESCRIPTION
Medical Bill Review and Provider Networks	
Preferred provider organization (PPO) networks/out of network services	<p>-The annual flat fee for Bill Review set forth above covers up to 3,640 bills per year; Bills exceeding that threshold will be charged at \$20.37 per bill.</p> <p>-Additionally, bills \$100,000 or greater, will have PPO fees charged at 17% of savings. Surgical implant bills discounted have PPO fees charged at 27% of savings.</p>
Clinical Services	
Clinical consultation	<p>\$99 per call</p> <p>Implementation fee (one-time) — \$1,550</p> <p>Fees to be determined for changes to standard workflows/script.</p>
Clinical consultation with intake (FROI)	<p>\$105 per call</p> <p>Implementation fee (one-time) — \$1,550</p> <p>Fees to be determined for changes to standard workflows/script.</p>
Telephonic case management	<p>Evaluation and recommendation \$150</p> <ul style="list-style-type: none"> • 1–30 days: \$436 • Every 30 days thereafter: \$325 <p>Surgery nurse service charged at same TCM rates as outlined above.</p> <p>Surgery nurse app - \$75 per case</p>
Nurse advocate	\$99 per hour
Behavioral health specialist	\$99 per hour
Utilization review	\$138 per review
Physician advisor/peer review	\$304 per review

Complex pharmacy management	<p>Pharmacy nurse management/pain coaching: \$115 per hour</p> <p>Option #1</p> <ul style="list-style-type: none"> • First medication \$375 • 2 to 4 meds \$650 • 5 to 7 meds \$975 • 8 to 12 meds \$1,400 • More than 12 meds \$1,400 + \$100 per each additional med (script) with cap of \$2,200 <p>Option #2 - Physician and PharmD management (as needed): \$250 per hour</p>
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Work Placement Solutions	
Transitional work placement (at Not-for-Profit)	<p>\$900 for placement</p> <p>\$450 No-show</p>
Vocational expert	<p>\$95 per hour</p> <p>Custom return to work program design, development or consultation</p> <p>\$95 per hour, plus direct expenses Exceptions to standard rate:(1)</p>
Field case management: Full field	Catastrophic case management: \$140 per hour
Field case management: Clinical assessment	<p>\$660: One visit</p> <p>\$795: Two visits</p>
Field case management: Vocational screening/testing	\$695
Field case management: Vocational assessment	\$870
Field case management: Job analysis	\$640
Field case management: Ergonomic evaluation	\$710
Field case management: Labor market survey	\$580
Field case management: Automated transferable skill analysis	\$325
Field case management: Life care plan	\$145 per hour

Field case management: Expert witness/expert testimony	\$150 per hour
Field case management: Customized RTW services	\$145 per hour
Field case management: Limited assignment	\$116 per hour (1)
Field case management: IME facilitation/attendance	\$118 per hour

Sedgwick Managed Care Administrative Services	
Sedgwick standard medical card	No charge; customization starts at \$3,500
Standard provider panel postings	Included in Sedgwick Bill Review program fees