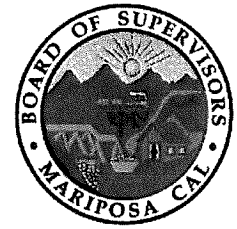


MARIPOSA COUNTY

Sheriff's Office • (209) 966-3615



RESOLUTION - ACTION REQUESTED 2016-292

MEETING: June 14, 2016

TO: The Board of Supervisors

FROM: Doug Binnewies, Sheriff-Coroner-Public Administrator

RE: 2016 CorrectCare Administration Agreement

*Third Party
Administration
Agreement
Agreements*

RECOMMENDATION AND JUSTIFICATION:

Approve the Business Associate Agreement and the Third Party Administration Agreement for Review of Medical Services Provided to Adult Detention Facility Inmates; and Authorize the Board of Supervisors Chair to Sign the Agreements (2).

CorrectCare under this Agreement will provide medical billing reviews in an attempt to identify and dispute any expenses deemed unnecessary. Since contracting with this group, CorrectCare has consistently provided a savings to the Mariposa County Adult Detention Facility for submitted medical claims.

The terms of the agreement state that all inmates will be enrolled in the Network Discount Program and all medical treatments will be reviewed by CorrectCare prior to an invoice being paid. After the review by CorrectCare; CorrectCare will advise Mariposa County Adult Detention Facility and the Medical Provider of the amount that is justified to be charged for medical services received. If disputed, CorrectCare will present the facts and justification to support the revised invoice to the medical provider.

The terms of the agreement commence July 1, 2016, to June 30, 2017 and will not exceed the total cost of \$7,200.

The Business Associate Agreement is materially the same as the previous year except the three separate addendums have been condensed into Exhibit A. Pursuant to section F of the Third Party Administrative Agreement, Mariposa as the "Covered Entity" and CorrectCare as the "Business Associate" will have access to medical information pertaining to inmates and the Health Insurance Portability and Accountability Act (HIPAA) and these requirements must be followed.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Mariposa County Adult Detention Facility has entered into contracts in the past for services to support inmate services.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve the agreement and continue to pay medical services with no review for

possible county savings by a qualified medical claims adjuster.

FINANCIAL IMPACT:

Funding amounts for this agreement were included in 2016-2017 proposed budget with no requested increase from the previous fiscal year.

ATTACHMENTS:

Business Associate Agreement (PDF)

Third Party Administration Agreement (DOC)

CAO RECOMMENDATION

Requested Action Recommended


Mary Hodson, CAO 6/7/2016

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]

MOVER: Kevin Cann, District IV Supervisor

SECONDER: Marshall Long, District III Supervisor

AYES: Rosemarie Smallcombe, Marshall Long, Kevin Cann, John Carrier

EXCUSED: Merlin Jones

THIRD PARTY ADMINISTRATION AGREEMENT

THIS THIRD PARTY ADMINISTRATION AGREEMENT ("Agreement") by and between CorrectCare-Integrated Health, Inc., 1218 South Broadway, Ste 250 Lexington, Kentucky 40504, a Kentucky corporation ("CorrectCare"), and Mariposa County, Mariposa, California (hereinafter referred to as "Mariposa"), is entered into as of the first day of July 2016.

WHEREAS, Mariposa is responsible for providing medical services at the Mariposa County Jail; and

WHEREAS, Mariposa desires to contract with CorrectCare to provide certain medical-related administrative services as enumerated herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

WITNESSETH**A. Term.**

1. The initial term of this Agreement shall be for twelve months, commencing July 1, 2016 and ending June 30, 2017 to coincide with Mariposa's fiscal year.

B. Services.

1. CorrectCare and Mariposa agree that this Agreement constitutes the master agreement between them and CorrectCare hereby agrees to provide the specific services ("Services") to Client as indicated on Exhibit A attached hereto.

C. Duties and Responsibilities of CorrectCare.

1. CorrectCare agrees to maintain an office with facilities and personnel adequate to perform the Services and to answer the inquiries of Mariposa personnel, correctional facility personnel, and the medical providers with respect thereto. CorrectCare's office shall be open daily, Monday through Friday, during normal working hours, except legal holidays. CorrectCare shall furnish all necessary telephone service and assume all routine daily mailing costs with respect to the Services it provides to Mariposa.

2. CorrectCare shall furnish data pertinent to the Services it provides to Mariposa in a format agreed upon by Mariposa and CorrectCare.

3. CorrectCare shall maintain a record of any inquiry with respect to the Services it provides to Mariposa and the disposition of the inquiry. These records or summaries thereof shall be made available to Mariposa at such intervals as shall be established from time to time.

4. CorrectCare shall prepare and maintain all necessary records regarding the Services it provides to Mariposa for audit purposes and shall cooperate in providing such data to Mariposa, pursuant to applicable state or federal laws.

5. CorrectCare shall, at all times during the term of this Agreement and as reasonably requested by Mariposa given the nature of the Services provided, maintain in force such insurance as is normal and customary in the industry or required by law or regulation, including the following:

a. Errors and Omissions insurance providing coverage in the amount of not less than Two Million dollars aggregate (\$2,000,000.00) and One Million dollars (\$1,000,000.00) per occurrence with a per claim deductible not to exceed Twenty-five Thousand dollars (\$25,000.00); and

b. A fidelity bond providing coverage, including "money and securities" coverage, for all officers (except the shareholders) and other employees of the TPA in the amount not less than Five hundred Thousand (\$500,000.00) with a deductible not to exceed Twenty-five Thousand dollars (\$25,000); and

c. General Liability Insurance; and

d. Appropriate Employers Liability/Workers Compensation insurance covering CorrectCare's employees.

6. CorrectCare's duties and responsibilities are further set forth in the Exhibit A attached hereto, which is incorporated herein by reference.

D. Duties and Responsibilities of Mariposa.

1. Mariposa's duties and responsibilities are further set forth in Exhibit A attached hereto, which is incorporated herein by reference.

E. Indemnification.

1. CorrectCare agrees to defend, indemnify and hold harmless Mariposa and its employees, officers, directors and agents from and against any and all claims, causes of action, proceedings, penalties, fines, losses, damages, costs, expenses or other liabilities of whatever nature, including, without limitation, settlement costs and reasonable attorney fees, court costs and other expenses incurred in investigating, prosecuting or defending any claim or action, or any threatened claim or action, which is based upon or arises out of or in connection with any of the following:

a. Any actual or alleged act or omission on the part of CorrectCare or its affiliates, or any of its employees officers, directors, agents or independent contractors which is unreasonable in accordance with standards of its industry, unless the act or omission was at the express direction of Mariposa; provided, however, that said claims, losses or other liabilities were not directly caused by instructions from Mariposa based upon erroneous advice given to Mariposa by CorrectCare; or

b. The breach of any agreement or representation made by CorrectCare in this Agreement.

2. Mariposa agrees to defend, indemnify and hold harmless CorrectCare and its employees, officers, directors and agents from and against any and all claims, causes of action, proceedings, penalties, fines, losses, damages, costs, expenses or other liabilities of whatever nature, including, without limitation, settlement costs and reasonable attorney fees, court costs and other expenses incurred in investigating, prosecuting or defending any claim or action, or any threatened claim or action, which is based upon or arises out of or in connection with any of the following:

a. Any actual or alleged act or omission by CorrectCare performed at the specific direction of Mariposa or any of its employees, officers, directors, other agents or

independent contractors with respect to the Services provided under this Agreement; provided however, that said claims, losses or other liabilities were not directly caused by instructions from Mariposa based upon erroneous advice given to Mariposa by CorrectCare; or

b. The breach of any agreement, or representation made by Mariposa in this Agreement.

3. Termination of this Agreement shall not relieve either party of its indemnification obligations.

F. Confidentiality of Protected Health Information.

1. The parties acknowledge that Mariposa is a "Covered Entity" and that CorrectCare is a "Business Associate", as those terms are defined under the Health Insurance Portability and Accountability Act ("HIPAA"). The parties further acknowledge and agree that they may be exchanging "protected health information" in the course of fulfilling the obligations under this Agreement. Consequently, as of the date of this Agreement and during its Term and any renewals thereof, each of the parties shall be and shall thereafter remain compliant with all applicable provisions of 45 C.F.R. Part 164, Subpart E, Privacy of Individually Identifiable Health Information, and Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and C, and any amendments thereto.

G. Termination.

1. This Agreement may be terminated by Mariposa or CorrectCare as follows:

a. Upon thirty (30) days prior written notice, for any reason;

b. Upon ten (10) days prior written notice in the event of a default or material change in circumstances under this Agreement by CorrectCare or Mariposa; or

c. Immediately upon written notice in the event of dissolution, loss of license, abandonment, actual, alleged or suspected fraud, gross or willful misconduct, insolvency or lack of legal capacity to act on the part of CorrectCare or Mariposa.

2. The following are events of default or material change in circumstances under this Agreement:

a. any material breach of a term of this Agreement which is not cured by the breaching party within ten (10) days after receipt of notice of such breach from the other party;

b. the discovery of the falsity of any representation or warranty made by one party to the other; or

c. the levying of any attachment, execution or any process against CorrectCare which is not promptly removed or the filing of any petition under any bankruptcy statute against either party or the appointment of any receiver or equivalent to take possession of its properties which is not set aside or terminated within ten (10) days from the occurrence thereof.

3. Notwithstanding the termination of this Agreement as provided herein, the provisions of this Agreement shall continue to apply to the extent needed for all obligations and liabilities incurred by each party under this Agreement prior to such termination to be fully performed and discharged by such parties up to the date of termination. In addition, at the

request of Mariposa, CorrectCare shall continue to perform its obligations pursuant to the Agreement post termination in order to effect the orderly transfer of files, subject to the payment of compensation on the same basis as provided for herein.

H. Limitation of Liability.

1. To the fullest extent permitted by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of CorrectCare and its employees, officers, directors and agents, and any of them, to the Client and anyone claiming by or through the Client, for any and all claims, losses, costs or damages, including attorneys' fees and costs resulting from or in any way related to the Agreement from any cause or causes shall not exceed the total compensation received by CorrectCare under this Agreement for the previous twelve (12) months. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

I. Miscellaneous.

1. The parties acknowledge that CorrectCare is an independent contractor. Nothing in this Agreement is intended nor shall be construed to create an agency relationship or an employer/employee relationship between CorrectCare and Mariposa.

2. CorrectCare shall not assign this Agreement to any other corporation, other than by merger, without the prior written consent of Mariposa, which consent shall not be unreasonably withheld.

3. Unless otherwise provided herein, all notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by certified mail, return receipt requested, postage prepaid, or by overnight delivery using a nationally recognized overnight delivery service, and addressed to the appropriate party at the following address or to any other person at any other address as may be designated in writing by the parties:

a. CorrectCare CorrectCare – Integrated Health, Inc.
12180 South Broadway, Ste 250
Lexington, Kentucky 40504

Attn: President

With copy to: Moynahan, Irvin & Mooney, P.S.C.
110 North Main Street
Nicholasville, Kentucky 40356
Attn: James M. Mooney, Esq.

b. Mariposa Mariposa County Sheriff's Office
PO Box 276
Mariposa, CA 95338

Attn: Undersheriff

With copy to: _____

Attn: _____

4. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of California.

5. This Agreement hereto constitutes the entire agreement of the parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions and agreements that have been made in connection with the subject matter hereof. No modifications or amendments to this Agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto. All prior negotiations, agreements and understandings with respect to the subject matter of this Agreement are superseded hereby.

6. This Agreement hereto may be amended or revised only in writing and signed by all parties.

7. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

8. The parties agree that they have not entered into this Agreement for the benefit of any third person or persons, and it is their express intention that the Agreement is intended to be for their respective benefit only and not for the benefit of others who might otherwise be deemed to constitute third party beneficiaries hereof.

9. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of the Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

10. Neither party shall be held responsible for any delay or failure in performance to the extent that such delay or failure is caused by fire, flood, explosion, war, strike, labor action, terrorism, embargo, government regulation, riot, civil or military authority, act of God, acts or omissions of carriers or other similar causes beyond its control.

11. In performing their respective obligations under this Agreement, each party shall comply with all requirements, as applicable to that party, of federal, state and local laws, including without limitation, HIPAA, and all regulations promulgated under any federal, state and local statute or ordinance.

12. If the parties hereto are unable to agree on any matter arising under this Agreement, the parties shall jointly select an individual to mediate the dispute. This individual may or may not be known to either or both parties and may be selected based on his or her knowledge of the subject matter of the dispute. After selection, the mediator shall promptly review the situation and shall meet jointly and severally with the parties, as the mediator shall determine. All matters prepared for or discussed with the mediator shall be an attempt to settle a dispute without resort to litigation and shall not be admissible as evidence should litigation arise. If the parties are not able to agree on a mediator within thirty (30) days after one party requests mediation, or if the mediation does not result in a resolution of the dispute within sixty (60) days thereafter, the parties shall have no further obligation under this paragraph.

IN WITNESS WHEREOF, the parties have executed this Agreement in their official capacities with legal authority to do so.

MARIPOSA COUNTY



By: John Carrier
Its: Chair

CORRECTCARE – INTEGRATED HEALTH,
INC.



By: Linda Goins
Its: President

APPROVED AS TO FORM:



STEVEN W. DAHLEM
COUNTY COUNSEL

EXHIBIT A
SERVICES AND COMPENSATION

_____ A. CLAIMS ADMINISTRATION

1. CorrectCare agrees to perform the duties of claims processing, including payment of claims, and to answer the inquiries of Client with respect to claims processing for each inmate in custody at the time of service.

2. CorrectCare shall furnish claim schedules and other data in a format agreed upon by Client and CorrectCare.

3. Providers shall submit properly coded claims on standard CMS claim forms – HCFA1500/UB04 directly to the Mariposa County. Incomplete or incorrect claims will be returned to the provider with appropriate explanation for return.

4. CorrectCare shall furnish a monthly claim record in a format agreed upon by Client and CorrectCare.

5. It is understood and agreed that the services performed by CorrectCare under this Agreement shall be ministerial in nature and shall be performed within the framework of policies, interpretations, rules, practices and procedures made or established by Client.

6. Upon receipt of complete information with respect to a claim, CorrectCare shall process that claim, supply documentation thereof, and return the adjudicated claim to Client for payment.

7. In consideration for its performance of the functions of claims processing for the then existing discount plan and assuming the responsibilities of such functions, Client shall pay CorrectCare an amount equal to Twelve dollars (\$12.00) for each claim adjudicated during such month.

_____ B. PROVIDER NETWORK ACCESS

1. CorrectCare will provide Client access to network providers for each inmate covered by MultiPlan or applicable network (“Primary Network”).

2. In consideration for providing access to the Primary Network and for assuming the responsibilities of such functions, Client shall pay CorrectCare (revise below based on network):

- a. A fee of Twelve Dollar (\$12.00) per claim for participating network providers.
- b. A fee of 25% of savings for secondary or wrap networks if the Primary Network cannot be used.

C. UTILIZATION MANAGEMENT

1. CorrectCare will provide Client Utilization Review / Pre-certification services for each inmate who is in custody at the time of service.

2. In consideration for providing Utilization Review / Pre-certification and for assuming the responsibilities of such functions, Client shall pay CorrectCare monthly during the term of the Agreement on the first day of the month in which services are rendered an amount equal to one dollar and eighty-five cents (\$1.85) per inmate per month.

3. Client shall provide CorrectCare with the monthly inmate count within ten (10) days after the end of each month via the CorrectCare portal system. The monthly inmate count is determined by the average of the daily population (ADP) for the month. If Client does not provided the ADP within this timeframe, CorrectCare will invoice the Client based on the last reported ADP or rated facility capacity, whichever is higher.

Total annual payment for all services provided by CorrectCare to Mariposa shall not exceed Seven thousand two hundred dollars (\$7200) without the execution of a new addendum.