



**CONTRACT
FOR
WORKERS' COMPENSATION SERVICES
BETWEEN
CUYAHOGA COUNTY
AND
MARTIX CLAIMS MANAGEMENT, INC.**

This CONTRACT is entered into this _____ day of _____, 201_ ("effective date") between the County of Cuyahoga, Ohio, hereinafter referred to as "County," on behalf of Cuyahoga County Department of Human Resources (hereinafter referred to as "HR"), and Matrix Claims Management, Inc., located at 7162 Reading Rd., Suite 250, Cincinnati, Ohio 45237 (hereinafter referred to as "Matrix"), an Ohio corporation, through its duly authorized officer.

WHEREAS, the County desires to retain a Third Party Administrator to provide workers' compensation claims management services for the County; and,

WHEREAS, Matrix, in response to the County's Request for Proposals dated ("RFP"), has submitted a proposal dated, to furnish such claims management services to the County ("Matrix's Proposal").

WHEREAS, County finds Matrix's Proposal acceptable and desires to hire Matrix to furnish workers' compensation claims management services under the terms, conditions and provisions contained in this Contract.

In consideration of the foregoing, the payments and the mutual agreements contained herein, the parties agree as follows:

I. Scope of Services

A. Workers' Compensation Claims Management Services

Matrix shall provide the services described in Exhibit A, RFP and Exhibit B, Matrix's Proposal, as amended. Exhibits A and B are attached and incorporated in this Contract as fully rewritten herein.

The following services are part of this Contract:

1. Assist the County and cooperate with the existing Third Party Provider to facilitate transition to the new workers' compensation claims management system.
2. Filing claims with the Ohio Bureau of Worker's Compensation (hereafter referred to as BWC), if requested.
3. Confer with and instruct the County's workers' compensation administrator(s) regarding compliance with BWC and Ohio Industrial Commission rules and regulations; payroll compliance, and classification and reporting procedure.
4. Review the reserves and costs associated with claims in the County's experience period and file any discrepancies identified for correction with BWC.
5. Aggressively manage the County's active BWC claims to control costs using various claims management strategies, including but not limited to:
 - a. Work as a liaison between the County and your managed care organization (MCO) in accident reporting, investigations, the filing of new claims and controlling medical costs,
 - b. Identify extensive treatment plans and prolonged lost time costs.
6. Apply for Handicap Reimbursements on qualifying claims and present company's position before the BWC at handicap hearings.
7. Review, evaluate and negotiate claim settlements on behalf of the County with injured workers and/or their legal representatives and BWC.
8. Confer with the County as to disputed cases and contact the injured worker, medical providers, MCO, BWC, IC as appropriate.
9. Review and advise the County on premium reduction opportunities including, but not limited to; Drug Free Workplace Program, Retrospective Rating, Self-insurance, \$15,000 Medical Only Plan, Safety Services, Transitional Work Programs, and Safety Grants. Matrix will obtain written approval from the County before performing services that require additional cost.
10. Provide training opportunities relative to workers' compensation and risk management at the County location (per County request), as well as, periodic seminars offered to all other Matrix's clients. There may be an additional fee for customized training, training provided at the County's location or seminar attendance.

11. Prepare claim file for presentation by legal representative before the Industrial Commission of Ohio and provide written documentation of proceedings to the County after hearing, as provided in Subsection B below.

B. "Practice of Law" and Hearing Representation

1. Matrix, as a Third Party Administrator, is prohibited from providing services that constitute the unauthorized practice of law. All services provided by Matrix under this Contract shall not be in violation of rules and regulations (I.C. Resolution R-04-1-01) promulgated to govern the unauthorized practice of law. Pursuant to current and future rules and regulations, Matrix shall not provide any services that are construed to constitute the unauthorized practice of law.
2. To ensure Matrix is not in conflict with I.C. Resolution R-04-1-01, Matrix shall not represent the County at Industrial Commission hearings. Notwithstanding the foregoing, Matrix shall fulfill its duty to represent the County at workers' compensation hearing by providing the County with independent legal counsel to directly represent and act on behalf of the County at the Industrial Commission. The annual fee includes representation of the County at all hearings by an attorney provided by Matrix. Matrix will provide all documentation, notes, plans of action, and any other necessary information available to assigned legal counsel in preparation for the hearing. Matrix shall provide the County with post-hearing reports of each individual hearing.
3. To register legal counsel, the County shall sign an R-1 card and file it with the Bureau of Workers' Compensation or the Industrial Commission of Ohio. If requested by the County, Matrix will assist in obtaining counsel, filing the R-1 card, and scheduling the attorney at I.C. hearing. If the County requests Matrix's assistance in scheduling their representation, all fees related to representation will be billed separately by Matrix to County.

C. Actuarial Services

Provide annual actuarial services showing the benefits and savings of RETRO program as well as the projected out of pocket expense. Oversee the preparation of the evaluation of the Retrospective Premium Liability Report which is due in March of each year as required by the State Auditor.

D. Deliverables

1. Processing all claims filed by County employees.
2. Provide claims costs for the previous 3 years due in April of each year.
3. Complete review of all claims and detailed records of each claim.
4. Representation at all Industrial Commission hearings, as provided in Subsection B, above.

5. Detailed reports of individual hearings, including monthly summary reports. Reports will include, as appropriate, recommendations regarding further appeals of each claim.
6. Thorough review of available handicap reimbursements.
7. Consultation on medical examinations and settlements.
8. Annual loss run reports.
9. Annual handicap reimbursement reports.
10. Provide copies of Notices of Appeal at all levels.
11. Attendance of bi-monthly meetings with County, BWC and the MCO to review issues and recommend modifications.
12. Complete claims audit.
13. Recommendations on claims settlements, including detailed settlement evaluation reports.
14. Provide information on BWC programs that provide cost relief to the County.

II. Term and Cancellation

The term of this Contract shall begin on June 1, 2013 and shall, unless extended by the County or unless sooner canceled or terminated pursuant to the provisions hereof, expire on May 31, 2015, with a two-year option to renew.

III. Price And Payments

Matrix will provide the services described in Section I for a total contract price of \$370,000.00 according to the following annual fee schedule: 1) for the period of June 1, 2013 to May 31, 2014 the annual fee shall be \$195,000.00; 2) for the period of June 1, 2014 to May 31, 2015 the annual fee shall be \$175,000.00. The annual fees for the option years shall be negotiated by the parties at the time of the exercise of the option.

Each yearly annual fee shall be payable in twelve, equal, monthly installments due and payable within 30 days of the County's receipt of monthly invoice from Matrix.

Any provision of this Contract to the contrary notwithstanding, payment by the County hereunder shall be subject to annual appropriation of sufficient funds by Cuyahoga County Council. The County may terminate this contract, on 30-days written notice to Matrix, in the event of insufficient appropriation, at no additional charge or cost to the County.

IV. County Obligations

A. The County shall comply with all statutes, rules and regulations of the State of Ohio and accepts sole responsibility for understanding and complying with same;

B. The County is responsible for making timely premium payments to the Ohio Bureau of Worker's Compensation;

C. The County shall submit to Matrix all first reports of injury, supporting documentation, and any follow-up information it receives pertaining to a claim filed against it;

D. The County agrees to provide to Matrix a copy of any document received that pertains to the administration of their Workers' Compensation program, where said document does not clearly indicate that Matrix has been copied.

V. Termination

A. *For Cause:* If Matrix breaches any terms of this Contract, the County shall have the right to immediately terminate this Contract by giving written notice of termination to Matrix.

B. *For Convenience:* The County shall have the right to terminate this Contract at any time, during the base term or any of the optional extensions, with thirty (30) days advance written notice to Matrix.

VI. Indemnification

To the fullest extent permitted by law, Matrix shall indemnify, defend, and hold harmless the County, its officers, and employees against losses, damages, expenses, suits, claims, demands, fines, penalties, awards, liabilities and costs, including reasonable attorney's fees, to the extent that the liability, or the underlying harm causing the liability, is attributable to, may arise out of or be based upon, negligence, error, act, or omission by Matrix, its principals, employees, agents, brokers, or any of its subcontractors.

At the County's option, Matrix shall defend or reimburse the County in any litigation and pay on behalf of the County all sums that the County shall become legally obligated to pay as a result of any litigation or claims incurred in connection therewith and satisfy and cause to be discharged such judgments that may be obtained against the County, its officers, agents, and employees to the extent of Matrix's indemnification obligations as set forth above.

VII. Insurance

Matrix shall maintain at all times professional liability insurance with coverage of TWO MILLION DOLLARS (\$2,000,000.00) for any one incident, general commercial liability policy with coverage of TWO MILLION DOLLARS (\$2,000,000.00) for death or injury of any one person and TWO MILLION DOLLARS (\$2,000,000.00) for the death or injury of two or more persons in any one occurrence, together with TWO MILLION DOLLARS (\$2,000,000.00) for property damage in any one occurrence with an aggregate property damage of TWO MILLION DOLLARS (\$2,000,000.00) two or more occurrences. Said insurance is to be placed with an insurance company authorized to do business in the State of Ohio. Matrix shall name the County as an additional insured on all insurance and shall provide a certificate of such insurance upon request by County.

Matrix shall maintain at all times during the term of the Contract coverage for Errors & Omissions with a minimum limit of ONE MILLION DOLLARS (\$1,000,000.00).

Matrix shall secure Worker's Compensation for all of Matrix's employees as required by law. A Certificate of Compliance from the State of Ohio's Bureau of Workers' Compensation shall be provided to County upon request.

The limits of insurance specified above shall in no way constitute the upper limits of liability for which Matrix is responsible under Section VI.

VIII. Assignment

Matrix may not assign, transfer, convey, sell or pledge its rights or interest in this Contract or any part thereof, or any right or privilege created hereunder.

IX. Confidentiality

The parties agree to respect and abide by all Federal and State laws, rules, and regulations, including those pertaining to HIPPA, confidentiality, and disclosure with regard to all information and records obtained or reviewed in the course of providing services under this Contract.

X. Miscellaneous

A. *Governing Law and Jurisdiction.* This Contract shall be governed by and construed under the laws of the State of Ohio without regard to conflicts of law provisions. The parties agree that the state and federal courts sitting in Ohio will have exclusive jurisdiction over any claim arising out of this Contract, and each party consents to the exclusive jurisdiction of such courts. Matrix hereby agrees not to challenge any provision in this contract, including this Governing Law and Jurisdiction provision, and not to attempt to remove any legal action outside of Cuyahoga County for any reason.

B. *No Indemnification by County.* Matrix acknowledges that as an Ohio political subdivision, the County is prohibited by law from agreeing to indemnify any person or entity, and agrees that no provision of this Contract or any other contract or agreement between Matrix and the County may be interpreted to obligate the County to indemnify or defend Matrix or any other party.

C. *Notices.* Any notice to be given under this Contract by either party to the other may be effected either by personal delivery in writing or by certified mail, postage-prepaid, return receipt requested. Notice delivered personally shall be deemed received upon actual receipt; notice sent by certified mail shall be deemed received on the date the return receipt is either signed or refused. Mailed notices shall be addressed to the parties at the addresses appearing below:

To the County: Attn: Workers' Compensation Coordinator
1255 Euclid Avenue, Suite 310
Cleveland, Ohio 44115

With a copy to: Attn: Cuyahoga County Director of Law
Cuyahoga County Department of Law
1219 Ontario Street, 4th Floor
Cleveland, Ohio 44113

To Matrix: Matrix Companies, Inc.
7162 Reading Road, Suite 250
Cincinnati, Ohio 45237

D. Entire Agreement. This Contract constitutes the entire agreement between the parties, either express or implied, with respect to the subject matter hereof. No modification of this Contract shall be binding upon the parties unless set forth in writing and signed by both parties, or their respective successors or assigns.

E. No Apparent Authority/Proper Approvals. Matrix recognizes and agrees that no public official or employee of Cuyahoga County may be deemed to have apparent authority to bind the County to any contractual obligations not properly authorized pursuant to the County's Contracting and Purchasing Procedures Ordinance.

F. Parties Bound and Benefited. This Contract shall bind and benefit the parties hereto and, as applicable, their respective owners, members, directors, officers, representatives, successors, and assigns.

G. Non-Waiver. The County's failure to require performance of any provision of this Contract, or if it requires performance and does not follow through, shall not affect the County's right to require performance at any time thereafter. Additionally, the County's waiver of any breach or default of this Contract shall not constitute a waiver of any subsequent breach or default or a waiver of the provision itself or any other provision.

H. Contract Interpretation and Construction. In the event an ambiguity or question of intent or interpretation arises, this Contract shall be construed as though drafted by both parties, and no presumption or burden of proof shall arise favoring or disfavoring one party by virtue of the authorship of any of the provisions of this Contract.

I. Counterparts and Facsimile/Electronic Execution. This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract (and each amendment, modification and waiver in respect of it) by facsimile or other electronic transmission, including email, shall be as effective as delivery of a manually executed original counterpart of each such instrument.

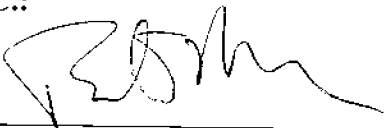
J. *Severability.* If any provision of this Contract is invalid or unenforceable for any reason, this Contract shall be divisible as to such provision and the remainder of this Contract shall be and remain valid and binding as though such provision was not included *Applicable County Ordinances.* All County contracts, including this Contract, are subject to all applicable County ordinances, including, but not limited to, the Cuyahoga County Ethics Ordinance, Cuyahoga County Inspector General Ordinance, and Cuyahoga County Contracting and Purchasing Procedures Ordinance. Copies of all County ordinances are available on the County Council's web site at <http://council.cuyahogacounty.us>.

K. *Public Records.* All parties hereto acknowledge that County is a political subdivision in the State of Ohio and as such is subject the Ohio Revised Code and other law related to the keeping and access to Public Records, including any and all applicable Sunshine Laws, open meeting requirements, and retention schedules effecting any and all manner of communication with the County and any and all documents in any format or media.

L. *Electronic Signature.* By entering into this Contract, Matrix agrees on behalf of its respective officers, employees, subcontractors, subgrantees, agents or assigns, to conduct this transaction by electronic means by agreeing that all documents requiring County signatures may be executed by electronic means, and that the electronic signatures affixed by County to said documents shall have the same legal effect as if that signature was manually affixed to a paper version of the document. Matrix also agrees to be bound by the provisions of Chapters 304 and 1306 of the Ohio Revised Code as they pertain to electronic transactions, and to comply with the electronic signature policy of County.

IN WITNESS WHEREOF, the parties have hereunto set their hands by their duly authorized respective officer(s), and affixed the seals of said parties:

**MATRIX CLAIMS MANAGEMENT,
INC.:**

By: 

Title: President/ceo

Date: 5/21/13

COUNTY OF CUYAHOGA, OHIO

Edward FitzGerald, County Executive

By: 
Edward FitzGerald, County Executive

Date: _____