

**CONTRACT FOR SERVICES  
BETWEEN**

**USIS, INC.  
AND  
CITY OF HAPEVILLE**

In consideration of the mutual covenants herein contained, **USIS, INC.** hereinafter referred to as the **COMPANY**, does hereby contract and agree with the **CITY OF HAPEVILLE**, a municipal and political subdivision of the State of Georgia, hereinafter referred to as the **CITY**, as follows:

- I. This agreement shall take effect June 3, 2019, and shall continue for a one (1) year period, unless terminated by either party as set forth herein. This contract may be terminated at the request of the **COMPANY** with ninety (90) days written notice, and the **CITY**, **without cause**, with sixty (60) days written notice.
- II. All services rendered by the **COMPANY** will fully comply with the rules established by regulatory authorities. The **COMPANY** will perform all services specified herein, including but not limited to the following: Administrative Services, Claims Services, and Data Management Services.

**A. ADMINISTRATIVE SERVICES**

1. Prepare, file and maintain all records and reports as may be required by legal authorities (State, Local and Federal) or by excess insurers.
2. Prepare, file and maintain statistical information required by the Department of Insurance or other appropriate State agencies, by required date.

**B. CLAIMS SERVICES**

1. Establish reporting procedures which are compatible with the needs of the City.

2. Provide necessary forms and instructions for use.
3. Receive and examine on behalf of the **CITY** all reports of employee injury claims.
4. Conduct investigations that will disclose all of the pertinent facts on any accident as deemed necessary to allow determination as to compensability.
5. Accept or deny all reported claims for employee injuries on behalf of the **CITY** in accordance with the applicable Workers' Compensation Law.
6. Employ outside professionals such as private detectives, expert witnesses, field claim adjusters and attorneys to assist in the investigation, should it be necessary, at the expense of the **CITY**, subject to prior written approval by and consultation with **CITY**.
7. Review all medical bills and other services for which a claim is being made for reasonableness and conformity to appropriate medical and surgical fee schedules through our specialized Cost Containment Unit.
8. Adjust and settle all reported claims. Such settlement is to include preparation and execution of all necessary compromise and release agreements.
9. Prepare and maintain files necessary for legal defense of claims and/or litigation (such as actions for subrogation) or other proceedings.

10. Pay in a timely fashion and for appropriate amount all claims and expenses pertaining thereto from the Working Loss Fund. The Working Loss Fund will be established by the **CITY** and will be maintained at a dollar level sufficient to meet the monthly obligations.
11. Conduct an ongoing review of all open cases where appropriate to establish the status of each disabled employee claim in order to bring to an amicable conclusion.
12. Provide **CITY** with narrative status reports of major or litigated claims.
13. Provide coordination with rehabilitation of injured employees in the consultation, retraining and reassignment of employees with limited physical abilities arising from covered injuries, at the expense of the **CITY**.
14. In coordination with **CITY**, maintain a current roster of qualified physicians for the treatment of covered injuries on a first and specialized basis, as well as maintaining procedures for close liaison with the treating physicians.
15. All expenses regarding the maintenance of CITY checking account(s) to be at the cost of the **CITY**.
16. Employ outside professionals for field case management, rehabilitation, vocational training and catastrophic case management at the expense of the **CITY** subject to prior written approval by and consultation with the **CITY**.

**C. DATA MANAGEMENT SERVICES** - Provide City's and Liability

Claims Reports monthly with the following individual claim details:

1. Claimant's name and social security number
2. Date of injury or loss
3. Nature of injury or loss
4. Description of accident
5. Payments to date
6. Reserves for future payments
7. Allocated claims expense paid-to-date
8. Reserve for future allocated claims expense

**D. WORKING LOSS FUND RECONCILIATION** - Provide monthly reports as

follows:

1. Report will be mailed to **CITY** fifteen (15) days after close of each monthly period.
2. Report will show:
  - a. Balance of fund at inception
  - b. Total disbursement by date and claimant
  - c. Balance of fund at close
  - d. Amount of reimbursement required

**III. WORKERS COMPENSATION CLAIM SERVICES:**

A. Service fees will be charged at a flat rate of \$5,000 for the twelve (12) month period.

**B. Cost Containment Services (Medical Bill Repricing):** The fee for medical bill re-pricing by the **COMPANY** shall be \$5.50 per medical bill, which will be invoiced by the **COMPANY** on a quarterly basis.

C. **Network Savings:** A fee of 25% of network contract savings (not fee schedule savings) shall be paid related to medical providers and pharmacy networks.

IV. **TAIL CLAIMS:**

**Workers' Compensation Tail Claims:** — If applicable, the service fee shall be \$375 per lost-time file per contract year for open claims. There is no charge for tail medical only claims.

V. Other than filing of applications for self-insurance and the rendering of loss prevention services, the **COMPANY'S** performance will continue for a period of ninety (90) days after the expiration of the contract period. All reports required by regulatory authorities will be filed for the contract period. The aforementioned annual fees payable to the **COMPANY** include full consideration for all such continuing obligations.

VI. **INDEMNIFICATION:**

To the extent provided by law, each party (the "Indemnitor") shall indemnify, defend and hold harmless the other party (the "Indemnitee") and its affiliates, officers, directors, agents and employees, to the extent permitted by law, from and against any and all claims, losses, liabilities, damages, costs, penalties, fines, interest and expenses, including punitive damages and reasonable attorney's fees, arising from or caused in whole or in part by any breach of this Agreement or negligent act or omission by the Indemnitor or its officers, agents or employees. If the Indemnitee is not actively negligent, such indemnification shall be complete and total and without regard to the comparative fault of the parties. If there is active negligence on the part of the Indemnitee, such indemnification shall be partial and provided only to the extent of the comparative fault of the Indemnitor. Notwithstanding the foregoing,

USIS shall have no liability under this provision for any act or omission taken by it in accordance with the written instructions of the City of Hapeville. This provision shall survive termination of this Agreement.

**VII.** The **COMPANY** will not assign this agreement or any responsibilities pursuant to said agreement without the express consent, in writing, of the **CITY**.

**VIII. Participation in Federal Work Authorization Program.** The Company shall participate in the federal work authorization program throughout the contract period, as provided for in O.C.G.A. § 13-10-91. The Company shall be required to, at the time of the contract, provide a signed, notarized affidavit, attesting that it has registered with, is authorized to use, and uses the federal work authorization program; it will continue to use the federal work authorization program throughout the contract period; and the Company will contract for the physical performance of services in satisfaction of such contract only with subcontractors who present an affidavit containing the above information. Further, the subcontractor's federal work authorization program user identification number and the date of authorization shall be included in the affidavit. The Company's/Contractor's affidavit is attached as Exhibit A.

To the extent that a subcontractor is utilized, the subcontractor shall participate in the federal work authorization program throughout the contract period, as provided for in O.C.G.A. § 13-10-91. The subcontractor shall be required to, at the time of the contract, provide a signed, notarized affidavit, attesting that the subcontractor has registered with, is authorized to use, and uses the federal work authorization program; the subcontractor will continue to use the federal work authorization program throughout the contract period; and the subcontractor will contract for the physical performance of services in satisfaction of such contract only with subcontractors who present an affidavit to the subcontractor containing the above information. Further, the contractor's federal work authorization program user

identification number and the date of authorization shall be included in the affidavit.

**IX. Assignment and Subcontracting:** The Company shall not assign this Agreement or any portion of this Agreement, nor shall the Company subcontract for goods or completed or substantially completed services purchased hereunder without the prior express written consent of the City. No assignment or subcontract by the Company, including any assignments or subcontract to which the City consents, shall in any way relieve the Company from complete and punctual performance of this Agreement, including without limitation all of the Company's obligations under the WARRANTY provisions of this agreement.

**X. Risk Management Requirements:** The Company shall abide by the City's applicable Risk Management Requirements attached to this Agreement as Exhibit B and hereby incorporated into this Agreement.

**XI. Notices:** All notices required or permitted to be given hereunder shall be deemed to be properly given if delivered in writing personally or sent by United States certified or registered mail addressed to the Company or the City, as the case may be, with postage thereon fully prepaid. The effective time shall be at the time of mailing:

**If to the City:  
City Manager  
Hapeville City Hall  
3468 N Fulton Ave  
Hapeville, GA 30354**

With copies to:  
**City Clerk  
Hapeville City Hall  
3468 N Fulton Ave  
Hapeville, GA 30354**

**If to the Company:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**XII. Attorney's Fees:** The Company shall pay reasonable attorneys' fees to the City should the City be required to incur attorneys' fees in enforcing the provisions of this Agreement.

**XIII. Relationship of Parties**

a. Independent Contractors. Nothing contained herein shall be deemed to create any relationship other than that of independent contractor between City and Company. This Agreement shall not constitute, create, or otherwise imply an employment, joint venture, partnership, agency or similar arrangement between City and Company. It is expressly agreed that Company is acting as an independent contractor and not as an employee in providing the Services under this Agreement.

b. Employee Benefits. Company shall not be eligible for any benefits available to employees of Hapeville including, but not limited to, workers' compensation insurance, state disability insurance, unemployment insurance, group health and life insurance, vacation pay, sick pay, severance pay, bonus plans, pension plans, or savings plans.

- c. Payroll Taxes. No income, social security, state disability or other federal or state payroll tax will be deducted from payments made to Company under this Agreement. Company shall be responsible for all FICA, federal and state withholding taxes and workers' compensation coverage for any individuals assigned to perform the Services for Hapeville.

#### **XIV. Conflict of Interest**

Company warrants and represents that:

- a. the Services to be performed hereunder will not create an actual or apparent conflict of interest with any other work it is currently performing, and
- b. Company is not presently subject to any agreement with a competitor or with any other party that will prevent Company from performing in full accord with this Agreement; and
- c. Company is not subject to any statute, regulation, ordinance or rule that will limit its ability to perform its obligations under this Agreement. The parties agree that Company shall be free to accept other work during the term hereof; provided, however, that such other work shall not interfere with the provision of Services hereunder.

#### **XV. Governing Law and Consent to Jurisdiction**

This Agreement is made and entered into in the State of Georgia and 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 Georgia without giving effect to the principles of conflicts of laws. The jurisdiction for resolution of any disputes arising from this Agreement shall be in the States Courts of Fulton County, Georgia.

**XVI. Waiver of Breach**

The waiver by either party of a breach or violation of any provision of this Agreement shall no operate or be construed to constitute a waiver of any subsequent breach or violation of the same or other provision thereof.

**XVII. Severability**

If 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 enforcement in accordance with its terms.

**XVIII Entire Agreement**

This Agreement which includes the exhibits hereto contain the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersedes and replaces any and all prior discussions, representations and understandings, where oral or written.

IN WITNESS WHEREOF, the **COMPANY** and the **CITY** agree to the above terms, conditions and provisions, and hereby cause this agreement to become effective.

**CITY OF HAPEVILLE**

By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**USIS, INC.**

By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness Signature

Executive Vice President

Title

\_\_\_\_\_

Date