



# STAFF REPORT

DATE: 06/18/2025  
TO: Honorable Mayor and City Council Members  
FROM: Legal and Risk Management Department

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**2025-232**

## REQUEST FOR CITY COUNCIL ACTION

### SUBJECT:

FOURTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH GENEX SERVICES, LLC (FKA EXCEL MANAGED CARE) FOR WORKERS' COMPENSATION MANAGED CARE SERVICES

### EXECUTIVE SUMMARY:

This staff report asks the City Council to approve an amendment to the Professional Services Agreement with Genex Services, LLC (FKA Excel Managed Care) to authorize an annual adjustment to their Field Rate Case Management Fee equal to the lesser of two percent (2%) or the change in the Consumer Price Index. The amendment also implements staff's authority to extend the agreement for the first of four one-year extensions, as approved by the City Council on July 3, 2024.

### RECOMMENDED ACTION:

That the City Council:

- a. Authorize the attached Fourth Amendment to the professional services agreement with Genex Services, LLC (FKA Excel Managed Care) for Workers' Compensation Managed care Program Services (Utilization Review, Nurse Case Management and Return to Work Services) to extend the term for one year through June 30, 2026, leaving three one-year optional extensions, to revise the rate schedule provided for in Exhibit "C" (Compensation) to increase the Field Case Management

Fee by 2% from \$98.90 to \$100.88 per hour for FY 2026, and to authorize an annual adjustment to the Field Rate Case Management Fee equal to the lesser of two percent (2%) or the change in the Consumer Price Index.

- b. Authorize the City Manager, or his designee, ~~Purchasing Manager~~ to extend purchase orders to the above firm in the required amount.
- c. Authorize the City Attorney/Legal and Risk Management Director to approve amendments to each agreement up to the amount provided for in Corona Municipal Code Section 3.08.070(I).
- d. Authorize the City Attorney/Legal and Risk Management Director to (1) exercise the City's discretion regarding whether to extend the agreement for three (3) additional one-year periods, as discussed herein, and to execute the amendments to the agreement to implement the same; and (2) approve and execute any additional non-substantive amendments to the agreement which are consistent with the direction provided for herein.

That the Corona Utility Authority review, ratify, and to the extent necessary, direct that the City Council take the above actions.

#### **BACKGROUND & HISTORY:**

In 2018, LRM completed an extensive RFP process for the City's Workers Compensation Program ("Program"), which had previously been "bundled" into one agreement with one service provider, and determined that "unbundling" our Program would be more efficient and cost effective. This resulted in the approval of agreements with a Program team, including our third party administrator (Adminsure) and three management care program consultants (Lien-On-Me, myMatrixx, and Genex). Genex (fka Excel) was selected as the vendor to provide services for Utilization Review, Nurse Case Management and Return to Work.

The unbundled Program team has proven to be very successful and has saved the City considerable money. Accordingly, on July 3, 2024, the City Council approved extensions of the agreements with the City's Program team.

Each of the agreements authorized the City Attorney to extend them for up to four (4) additional one (1) year terms, and all but Genex's agreement authorized annual CPI adjustments to certain rates (with caps). The exclusion of this term from Genex's agreement was an oversight.

#### **ANALYSIS:**

Genex Services specializes in disability and nurse case management services. They continue to provide dedicated and responsive service not only to LRM staff, but also to our injured employees. The nurse case managers that have been assigned to our

account have extensive knowledge and contacts within their field and are often requested by employees to guide them through the process.

In terms of fees, Genex remains competitive and has never raised its Utilization Review fees or Return to Work Fees, and are not requesting to do so now. They are asking only for the Case Management Fee to be increased by CPI or 2%, whichever is less for each potential renewal term. For FY 2026, since CPI was 2.5% for the latest 12 month period, the increase would be 2% (\$98.90 to \$100.88 per hour).

**FINANCIAL IMPACT:**

~~Funding for the recommended actions was included in the~~ ~~Sufficient funds have been included in the~~ Proposed/Adopted FY 2026 Legal and Risk Management operating budget within the Workers' Compensation Fund 683. Future funding requests will be recommended through the annual budget process.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The proposed action is not a project governed by CEQA. Therefore, no environmental analysis is required.”

**PREPARED BY:** AMANDA DEFOREST, WORKERS' COMPENSATION MANAGER

**REVIEWED BY:** DEAN DERLETH, CITY ATTORNEY/LRM DIRECTOR

**ATTACHMENTS:**

1. Exhibit 1 – Fourth Amendment to PSA with Genex Services, LLC for MCP Services (Utilization Review, Nurse Case Management and Return to Work Services) (05-21-25)