

HEALTH SERVICES AGREEMENT

THIS HEALTH SERVICES AGREEMENT (hereinafter referred to as “AGREEMENT”) by and between the EAST BATON ROUGE PARISH GOVERNMENT, LOUISIANA and the CITY of EAST BATON ROUGE (hereinafter collectively referred to as “PARISH”), the SHERIFF of EAST BATON ROUGE PARISH, LOUISIANA (hereinafter referred to as “SHERIFF”), and CORRECTHEALTH EAST BATON ROUGE, LLC (hereinafter referred to as “COMPANY”), is entered into as _____ day of _____, _____, to be effective as set forth in Paragraph 6.1, below.

WITNESSETH:

WHEREAS, PARISH is charged by law with the responsibility for obtaining and providing reasonably necessary medical care for inmates or detainees of the EAST BATON ROUGE PARISH PRISON, located at 2867 Brig. General Isaac Smith, Baton Rouge, LA 70807, (hereinafter called “FACILITY”) and,

WHEREAS, PARISH desires to provide for health care to inmates in accordance with applicable law; and,

WHEREAS, the PARISH desires to enter into this Agreement with COMPANY to promote this objective; and,

WHEREAS, COMPANY is in the business of providing correctional healthcare services under contract and desires to provide such services for the PARISH under the express terms and conditions contained herein.

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter made, the parties hereto agree as follows:

ARTICLE I: HEALTH CARE SERVICES

- 1.1 General Engagement. PARISH hereby contracts with COMPANY to provide healthcare services to inmates of the FACILITY. This care is to be delivered to individuals under the custody and control of the PARISH at the FACILITY, and COMPANY enters into this Agreement according to the terms and provisions herein.
- 1.2 Scope of General Services. The responsibility of COMPANY for the healthcare of an inmate commences with the commitment of an inmate to the FACILITY. COMPANY shall provide on a regular basis, all professional medical, mental health, dental, and related health care and administrative services for the inmates, regularly scheduled sick call, nursing care, regular provider care, pharmaceuticals (utilizing 340b), on-site diagnostics (laboratory and radiology), on-site emergency medical care, medical records management, and administrative support services. COMPANY will not be financially responsible for the cost of ambulance services, out-patient and in-patient hospitalizations, or any out-of-facility healthcare services.
- 1.3 Specialty Care Services. When non-emergency specialty care is required and cannot be rendered on-site at the FACILITY, COMPANY shall make arrangements with Sheriff for the

transportation of the inmates in accordance with Section 1.8 of this Agreement for off-site healthcare services. PARISH will be financially responsible for the cost of all off-site healthcare services.

- 1.4 On-Site Emergency Services. COMPANY shall provide on-site emergency medical care, as medically necessary.
- 1.5 Injuries Incurred Prior to Incarceration; Pregnancy. COMPANY will not be financially responsible for the cost of any medical treatment for health care services provided to any inmate prior to the inmate's commitment into the custody of the FACILITY. Furthermore, COMPANY is not financially responsible for the cost of services outside the FACILITY for any medical treatment or for healthcare services provided to medically stabilize any inmate presented at booking with a life threatening injury or illness or in immediate need of emergency medical care.

Once it has been determined by COMPANY's intake medical personnel that the inmate has been medically stabilized and has been accepted by Sheriff's personnel into the custody of the FACILITY, COMPANY will, commencing at that point, then become financially responsible for the cost of all treatment for health care services rendered on-site at the FACILITY. An inmate shall be considered medically stabilized when the patient's medical condition no longer requires immediate emergency medical care or outside hospitalization, and when any and / or all applicable medical clearances have been provided to the COMPANY personnel, so that the inmate can reasonably be housed inside the FACILITY.

It is expressly understood that COMPANY shall not be responsible for medical costs associated with the medical care of any infants born to inmates. COMPANY shall provide health care services to inmates up to, during, and after the birth process, but health care services provided to an infant following birth, other than those services that may be delivered in the FACILITY prior to transport to a hospital, will not be the financial responsibility of COMPANY. In any event, COMPANY shall not be responsible for the costs associated with the performing or furnishing of elective abortions.

- 1.6 Inmates outside the Facility. The health care services contracted in the Agreement are intended only for those inmates in the actual physical custody of the PARISH in the FACILITY. This does not include inmates who are under guard in facilities outside of the FACILITY. Such inmates are not to be included in the daily population count. No person(s), including those who are in any outside hospitals who are not under guard, shall be the financial responsibility of COMPANY with respect to the payment or the furnishing of their health care services.

The cost of medical services provided to inmates who become ill or are injured while on such temporary release, work release, or escape status will not be the responsibility of COMPANY. However, inmates on work detail who are supervised by Sheriff's personnel and become injured will be the responsibility of COMPANY as long as they are returned to the FACILITY to be treated by COMPANY personnel or are referred to the hospital by COMPANY personnel. These inmates must be part of the daily census count.

Persons in the physical custody of other public safety or other law enforcement/penal jurisdictions at the request of PARISH are likewise excluded from the population count and are not the responsibility of COMPANY for the furnishing of or payment for health care services.

- 1.7 Elective Medical Care. COMPANY is not responsible for providing elective medical care to inmates, unless expressly contracted for by the PARISH. For purposes of the Agreement, "elective medical care" means medical care, which, if not provided, would not cause definite harm to the inmate's well-being.
- 1.8 Transportation Services. To the extent any inmate requires off-site non-emergency health care treatment including, but not limited to, hospitalization care and specialty health care services, the Sheriff's Office will, upon prior request by COMPANY, provide transportation as reasonably available. When medically necessary, COMPANY shall arrange for emergency ambulance transportation of inmates.

ARTICLE II: PERSONNEL

- 2.1 Staffing. COMPANY shall provide medical and support personnel reasonably necessary for the rendering of health care services to inmates at the FACILITY, as identified on Exhibit A, which is attached hereto. Some services may be provided via tele-medicine, at the discretion of COMPANY.
- 2.2 Licensure, Certification and Registration of Personnel. All personnel provided or made available by COMPANY to render services hereunder shall be licensed, certified or registered, in their respective areas of expertise as required by applicable Louisiana law.
- 2.3 PARISH's Satisfaction with Health Care Personnel. If the Corrections Department Head and/or Warden of the FACILITY becomes dissatisfied with any health care personnel provided by COMPANY hereunder, or by any independent contractor, subcontractor or assignee, COMPANY, in recognition of the sensitive nature of correctional services, shall following receipt of written notice from the Corrections Department Head and/or Warden of the FACILITY of the grounds for such dissatisfaction and in consideration of the reasons therefore, exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to the Corrections Department Head and/or Warden of the FACILITY, COMPANY shall remove or shall cause any independent contractor, subcontractor, or assignee to remove the individual about whom the Corrections Department Head and/or Warden has expressed dissatisfaction. Should removal of an individual become necessary, COMPANY will be allowed reasonable time, prior to removal, to find an acceptable replacement, without penalty or any prejudice to the interests of COMPANY.
- 2.4 Use of PARISH Personnel and Inmates in the Provision of Health Care Services. PARISH personnel and/or inmates shall not be employed or otherwise engaged by either COMPANY or PARISH in the direct rendering of any health care services.

- 2.5 Subcontracting and Delegation. In order to discharge its obligations hereunder, COMPANY may engage certain health care professionals as independent contractors rather than as employees. PARISH consents to such subcontracting or delegation. As the relationship between COMPANY and these health care professionals will be that of independent contractor, COMPANY will not be considered or deemed to be engaged in the practice of medicine or other professions practiced by these professionals. COMPANY will not exercise control over the manner or means by which these independent contractors perform their professional medical duties. However, COMPANY shall exercise administrative supervision over such professionals necessary to insure the strict fulfillment of the obligations contained in this Agreement.
- 2.6 Discrimination. During the performance of this Agreement, COMPANY, its employees, agents, subcontractors, and assignees agree as follows:
- a. None will discriminate against any employee or applicant for employment because of race, religion, color, gender or national origin, except where religion, gender or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.
 - b. In all solicitations or advertisements for employees, each will state that it is an equal opportunity employer.
 - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of the section.

ARTICLE III: REPORTS AND RECORDS

- 3.1 Medical Records. COMPANY shall cause and maintain complete and accurate medical records for each Inmate who has received health care services, which records shall be owned by and be the property of the PARISH. COMPANY agrees to, as soon as practicable, begin maintaining all inmate medical records in a digital or electronic format, utilizing the Parish's Electronic Health Record system, and to cooperate with PARISH in any efforts by PARISH to convert inmate medical records to a digital or electronic format.

Each medical record will be maintained in accordance with applicable laws and the PARISH policies and procedures. The medical records shall be kept separate from the inmate's confinement record. A complete legible copy of the applicable medical records shall be available at all times to PARISH as custodian of the person of the patient. Medical records shall be kept confidential. Subject to applicable law regarding confidentiality of such records, COMPANY shall comply with all laws and PARISH policy with regard to access by inmates and PARISH personnel to medical records. No information contained in the medical records shall be released by COMPANY except as provided by PARISH policy, by a court order, or otherwise in accordance with the applicable law. COMPANY shall, at its own cost, provide all medical personnel necessary to maintain the medical records. At the termination of this Agreement, all medical records shall be delivered to and remain with the PARISH. However, PARISH shall provide COMPANY with reasonable ongoing access to all pertinent medical records even after the termination of this Agreement for the purposes of defending or investigating litigation.

- 3.2 Regular Reports by COMPANY to PARISH. COMPANY shall provide to PARISH, on a date and in a form mutually acceptable to COMPANY and PARISH, reports relating to services rendered under this Agreement.
- 3.3 Inmate Information. Subject to the applicable State law, in order to assist COMPANY in providing the best possible health care services to inmates, PARISH will provide COMPANY with information pertaining to inmates that COMPANY and PARISH mutually identify as reasonable and necessary for COMPANY to adequately perform its obligations hereunder.
- 3.4 COMPANY Records Available to PARISH with Limitations on Disclosure. COMPANY shall make available to PARISH, at PARISH's request, records, documents and other papers relating to the direct delivery of health care services to Inmates hereunder. PARISH understands that written operating policies and procedures employed by COMPANY in the performance of its obligations hereunder are proprietary in nature and will remain the property of COMPANY and shall not be disclosed without written consent. Information concerning such may not, at any time, be used, distributed, copied or otherwise utilized by PARISH, except in connection with the delivery of health care services hereunder, or as permitted or required by law, unless such disclosure is approved in advance writing by COMPANY. Proprietary information developed by COMPANY shall remain the property of COMPANY.
- 3.5 PARISH Records Available to COMPANY with Limitations on Disclosure. During the term of this Agreement and for a reasonable time thereafter, PARISH will provide COMPANY at COMPANY's request, PARISH's records relating to the provision of health care services to inmates as may be reasonably requested by COMPANY or as are pertinent to the investigation or defense of any claim related to COMPANY's conduct. Consistent with applicable law, PARISH will make available to COMPANY such inmate medical records as are maintained by PARISH, hospitals and other outside health care providers involved in the care or treatment of inmates (to the extent PARISH has any control over those records) as COMPANY may reasonable request. Any such information provided by PARISH to COMPANY that PARISH considers confidential shall be kept confidential by COMPANY and shall not, except as may be required by law, be distributed to any third party without the prior written approval of the PARISH.

ARTICLE IV: SECURITY

- 4.1 General. COMPANY and the PARISH understand that adequate security services are essential and necessary for the safety of the agents, employees, and subcontractors of COMPANY as well as for the security of inmates and FACILITY personnel, consistent with the correctional setting. The Sheriff's personnel will take all reasonable steps to provide sufficient security to enable COMPANY to safely and adequately provide the health care services described in this Agreement. It is expressly understood by the Sheriff's Office and COMPANY that the provision of security and safety for the COMPANY personnel is a continuing precondition of COMPANY's obligation to provide its services in a routine, timely, and proper fashion. This provision, however shall not be considered to and shall not be construed to be a waiver of any defense, including sovereign or official immunity, to any claim against the Sheriff's Office by an inmate, employee of company or any other person in anyway whatsoever.

- 4.2 Security During Transportation Off-Site. The Sheriff's Office personnel will provide prompt and timely security as medically necessary and appropriate in connection with the transportation of any inmate between the FACILITY and any other location for off-site services as contemplated herein.

ARTICLE V: OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES

- 5.1 General. PARISH agrees to provide COMPANY with reasonable and adequate office and medical space, facilities, telephone equipment with dedicated line in the medical area, and secured internet access (minimum speeds 3MB down/3MB up) with a static public IP address as required for high definition telehealth and / or the operation and access to the Electronic Health Record. This connection will be for sole and exclusive use by the medical staff. The Sheriff will be responsible for ensuring that the FACILITY's Jail Management Software appropriately integrates with the Electronic Health Record for patient demographics and location purposes, only. Further, PARISH will cooperate with COMPANY in ensuring that the installation of the secured internet access is sufficient to allow for unencumbered access by the medical staff and operational remote support from the COMPANY corporate office IT staff for the COMPANY line of business applications.

PARISH will pay for the utilities (gas, electric, water, phone lines, long distance telephone service, and internet access, as described above). Further, PARISH will provide for all capital (greater than \$500) medical equipment. PARISH will provide for necessary maintenance and housekeeping of the office space and medical facilities.

COMPANY will pay for all medical and office supplies, biohazardous waste removal, and non-capital (less than \$500) medical equipment.

- 5.2 Delivery of Possession. At the commencement of service by COMPANY an inventory of all supplies, medical and office equipment as described herein will be completed in writing by PARISH personnel. This inventory will be reviewed and approved in writing by the authorized agent of the PARISH as well as the COMPANY. PARISH will provide to COMPANY beginning on the date of commencement of this Agreement, possession and control of all medical and office equipment and supplies in place at the FACILITY's health care unit. At the termination of this or any subsequent Agreement, COMPANY will return to the PARISH possession and control all supplies, medical and office equipment, in working order, reasonable wear and tear accepted, which were in place at the FACILITY's health care unit prior to the commencement of services under this Agreement. Any such return will require written confirmation, executed by the PARISH personnel, for proper acceptance.

ARTICLE VI: TERM AND TERMINATION OF AGREEMENT

- 6.1 Initial Term. The initial term of this Agreement will be January 1, 2017 through December 31, 2017. This Agreement is renewable for one-year annual terms, subject to negotiation of the service component and agreed-upon compensation adjustments, unless either party delivers written notice of non-renewal to the other party at least one hundred and twenty (120) days prior to the expiration of the then-existing term.

- 6.2 Termination. This Agreement may be terminated as otherwise provided in this Agreement or as follows:
- a. Termination by Agreement. In the event that the PARISH and COMPANY mutually agree in writing, this Agreement may be terminated on the terms and date stipulated therein.
 - b. Termination by Cancellation. This Agreement may be canceled, without cause, by either the PARISH or the COMPANY upon hundred and twenty (120) days prior written notice in accordance with Section 9.3 this Agreement.
 - c. Termination for Cause. The PARISH may terminate this contract for cause based upon the failure of the COMPANY to comply with the terms and/or conditions of the Agreement, or failure to fulfill its performance obligations pursuant to this Agreement, provided that the PARISH shall give the COMPANY written notice specifying the COMPANY's failure. If within thirty (30) days after receipt of such notice, the COMPANY shall not have either corrected such failure or, in the case of failure which cannot be corrected within (30) days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the PARISH may, at its option, place the COMPANY in default and the Agreement shall terminate on the date specified in such notice.
- 6.3 Responsibility for Inmate Health Care. Upon termination of this Agreement, all responsibility for providing health care services to all inmates, including inmates receiving health care services at sites outside the FACILITY, will be transferred from COMPANY to PARISH. In addition, upon the termination of this Agreement, PARISH will be responsible for all billing related activity as it relates to off-site healthcare claims, regardless of the date of service for the off-site healthcare. COMPANY will provide adjudication for off-site healthcare claims as requested by the PARISH for the last month of service of this Agreement.

ARTICLE VII: COMPENSATION

- 7.1 Base Compensation & Per Diem Compensation. PARISH will pay COMPANY an annual base of **\$5,292,430.02**. Payments will be **\$ 441,035.83** per month. This compensation level assumes a maximum inmate population of **1500** inmates.
- COMPANY will invoice PARISH during the month prior to the month of service. PARISH agrees to pay COMPANY within thirty (30) days of receipt of the invoice. In the event this agreement should terminate on a date other than the end of a calendar month, compensation to COMPANY will be prorated accordingly for the shortened month.
- 7.2 Inmates from Other Jurisdictions. Healthcare rendered within the FACILITY to inmates from jurisdictions other than PARISH, and housed in the FACILITY pursuant to written contracts between PARISH and such other jurisdictions or the State of Louisiana, or by statute will be the responsibility of COMPANY but as limited by this Agreement. Healthcare that cannot be rendered within the FACILITY will be arranged by COMPANY and the costs of such care subject to reimbursement by the other jurisdiction, the State of Louisiana, or the PARISH. This Section does not apply to sentenced felons awaiting

transfer to State facilities or inmates housed in the FACILITY on ex parte orders. COMPANY shall directly bill other jurisdictions for onsite professional healthcare fees, supplies, tests and medications. COMPANY will forward other bills for offsite healthcare and program support services provided to other jurisdictions housing inmates in the FACILITY. A nominal standard fee schedule will be utilized and is available upon request. PARISH agrees to assist COMPANY with these billing activities.

- 7.3 Change in Standard of Care or Scope in Services. The price in Section 7.1, above reflects the scope of services as outlined herein and the current community standard of care with regard to health care services and the current FACILITY. Should the PARISH build a new FACILITY or substantially change the existing FACILITY, PARISH agrees to negotiate in good faith with COMPANY for increased services and increased compensation.

Further, should there be any change in or modification of inmate distribution, standards of care, scope of services, cost of goods or services or available workforce pool, any statute, rule or regulation is passed or any order issued or any statute or guideline adopted that results in material increase in costs, the increased costs related to such change of modification are not covered in this Agreement and will be negotiated with the PARISH.

- 7.4 Late Payments. The PARISH shall pay COMPANY interest on all undisputed payments hereunder that are not paid within sixty (60) days from date due, as specified in Section 7.1, above. Interest shall accrue from the date the original payment was due at a rate of one percent (1%) per month until the payment is made in full.

ARTICLE VIII: LIABILITY AND RISK MANAGEMENT

- 8.1 Insurance. At all times during this Agreement, COMPANY shall maintain professional liability insurance covering COMPANY for its work at PARISH, its employees and its officers. Upon request, COMPANY will make available a Certificate of Insurance.
- 8.2 Indemnification. COMPANY shall indemnify, defend and hold PARISH harmless from and against any and all claims against PARISH based on COMPANY's performance of its obligations hereunder; provided, however, that COMPANY will not be responsible for any claim arising out of the PARISH or its employee or agent preventing an inmate from receiving medical care ordered by COMPANY or its agent or in failing to promptly present an ill or injured inmate to COMPANY for treatment. This provision, however, shall not be considered and shall not be construed to be a waiver of any defense, including sovereign or official immunity, to any claim against PARISH by an inmate, employee of company or any other person in any way whatsoever.

ARTICLE IX: MISCELLANEOUS

- 9.1 Independent Contractor Status. The parties acknowledge that COMPANY is an independent contractor engaged to provide medical care to Inmates at the FACILITY under the direction of COMPANY management. Nothing in this Agreement is intended nor shall be construed to create an agency relationship, an employer - employee relationship, or a joint venture relationship between the parties.

9.2 Court Appearance by COMPANY Employees. In the event COMPANY's personnel are required to devote time with regard to litigation or threatened litigation by or on behalf of PARISH this shall be part of their service time pursuant to this agreement. PARISH shall be responsible for reasonable costs of substitute personnel to fill positions, which would be vacant due to such court or trial appearance requirements.

9.3 Notice. 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 delivered personally in hand or sent by certified mail, return receipt requested, postage prepaid, and addressed to the appropriate party at the following address or to the other person at any other address as may be designated in writing by the parties:

(a) PARISH: _____

(b) COMPANY: CorrectHealth East Baton Rouge, LLC
ATTN: Carlo A. Musso, M.D.
3384 Peachtree Road, NE, Suite 700
Atlanta, GA 30326

(c) SHERIFF: _____

Notices shall be effective upon receipt regardless of the form used.

9.4 Entire Agreement. This Agreement 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 amendment 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.

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

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

9.7 Other Contracts and Third-Party Beneficiaries. The parties acknowledge that COMPANY is neither bound by nor aware of any other existing contracts to which PARISH is a party

and which relate to the providing of medical care to inmates at the FACILITY. 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.

- 9.8 Severability. 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.
- 9.9 Cooperation. On and after the date of this Agreement, each party shall, at the request of the other, make, execute and deliver or obtain and deliver all instruments and documents and shall do or cause to be done all such other things which either party may reasonable require to effectuate the provisions and intentions of this Agreement.
- 9.10 Time of Essence. Time is and shall be of the essence of this Agreement.
- 9.11 Authority. The parties signing this Agreement hereby state that they have the authority to bind the entity on whose behalf they are signing.
- 9.12 Binding Effect. This Agreement shall be binding upon the parties hereto, their heirs, administrators, executors, successors and assigns.
- 9.13 Cumulative Powers. Except as expressly limited by the terms of this Agreement, all rights, power and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.
- 9.14 Governing Law. 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 Louisiana, except as specifically noted.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, by and through their duly authorized officers, the day, month and year given below.

EAST BATON ROUGE PARISH, LOUISIANA

By: _____
Title: _____
Print Name: _____
Date: _____

CORRECTHEALTH EAST BATON ROUGE, LLC (“COMPANY”)

By: _____
Title: President
Print Name: Carlo A. Musso, M.D.
Date: _____

SHERIFF OF EAST BATON ROUGE PARISH, LOUISIANA

By: _____
Title: _____
Print Name: _____
Date: _____

EXHIBIT A – STAFFING

East Baton Rouge Detention Center		
STAFFING MATRIX		
Personnel	FTE	Hours/Week
Medical Providers		
Medical Director	0.50	20
Nurse Practitioner	1.00	40
Mental Health Providers		
Psychiatrist	0.20	8
Nurse Practitioner - Mental Health	0.60	24
Licensed Clinical Social Worker	1.00	40
Dental Providers		
Dentist	0.20	8
Management		
Health Services Administrator	1.00	40
Director of Nursing	1.00	40
CQI / Infection Control Coordinator	1.00	40
Administrative Assistant	1.00	40
Intake		
LPN AP	2.10	84
LPN PA	2.10	84
Clinic		
RN House Supervisor AP	2.10	84
RN House Supervisor PA	2.10	84
LPN D	1.00	40
Infirmery		
LPN AP	4.20	168
LPN PA	4.20	168
CT AP	2.10	84
CT PA	2.10	84
Medication Administration		
LPN AP	8.40	336
Medical Records		
Supervisor Medical Records / IT Support	1.00	40
Totals	38.90	1556