



LAKE COUNTY  
FLORIDA

MODIFICATION OF CONTRACT

<p>1. Modification No.: 2</p> <p>Effective Date: January 1, 2017</p>	<p>2. Contract No.: SHERIFF</p> <p>Effective Date: July 30, 2013</p>
<p>3. Contracting Officer: Barnett Schwartzman</p> <p>Telephone Number: (352) 343-9424</p>	<p>5. Contractor Name and Address:</p> <p>Armor Correctional Health Services, Inc. 4960 S.W. 72<sup>nd</sup> Ave., Suite 400 Miami, Florida 33155</p>
<p>4. Issued By:</p> <p>Procurement Services Lake County Administration Building 315 W. Main St., Suite 441 Tavares, Florida 32778-7800</p>	
<p>6. SPECIAL INSTRUCTIONS: Contractor is required to sign Block 8 showing acceptance of the below written modification and <u>return this form to address shown in Block 4 within ten (10) days after receipt</u>, preferably by certified mail to ensure a system of positive receipts. Retain a photocopy of the signed copy of this modification and attach to original of contract, which was previously provided.</p>	
<p>7. DESCRIPTION OF MODIFICATION:</p> <p>Contract modification to extend until September 30, 2017.</p>	
<p>8. Contractor's Signature <b><u>NOT REQUIRED</u></b></p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>9. Lake County, Florida</p> <p>By: </p> <p>Procurement Services Division Manager</p> <p><u>26 Jan 17</u></p> <p>Date</p>
<p>10. Distribution:</p> <p>Original - Bid No. Copies - Contractor Contracting Officer</p>	

FISCAL & ADMINISTRATIVE SERVICES – DIVISION OF PROCUREMENT SERVICES  
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Board of County Commissioners • www.lakecountyfl.gov

TIMOTHY I. SULLIVAN  
District 1

SEAN M. PARKS, AICP, QEP  
District 2

WENDY R. BREEDEN  
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District 4

JOSH BLAKE  
District 5

**BOARD OF COUNTY COMMISSIONERS  
LAKE COUNTY, FLORIDA  
OFFICE OF THE COUNTY MANAGER  
AGENDA ITEM COVER SHEET**

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**DATE:** 12/19/2016

**MEETING DATE:** 01/10/2017

**TO:** David Heath, County Manager

**ITEM TYPE:** Consent Item

**THRU:**

Dottie Keedy, Community Services Director

**ITEM ID:** 3337

**BY:** Linda Green, Office Associate V

**SUBJECT:** Amendment to the Extension of the Inmate Health Care Services Agreement.

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**RECOMMENDATION/REQUIRED ACTION:**

Request approval of an Amendment to the Extension of the Agreement between the Lake County Sheriff, Armor Correctional Health Services, Inc., and the Lake County Board of County Commissioners for the management and administration of inmate medical care. The Amendment to the Extension shall commence on January 1, 2017 and terminate on September 30, 2017. The purpose of this Amendment is to extend the original Agreement through the end of the County's fiscal year. Request authorization for the Board Chairman to sign the Amendment and any subsequent documents relating to this Agreement. The fiscal impact is \$1,661,536 (Expense).

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**BACKGROUND SUMMARY:**

In late 2012, in an effort to contain health care costs accrued by inmates at the Lake County Detention Facility, the Sheriff implemented a competitive bid process to identify and select a company that specializes in managing inmate medical care. Five companies responded to the bid. At the conclusion of the bid process the Sheriff selected Armor Correctional Health Services, Inc.

The Sheriff, the County and Armor entered into an Inmate Health Care Services Agreement on July 30, 2013 for the administration and management of health care services at the Lake County Detention Facility. The original Agreement terminated on September 30, 2016. On or about October 1, 2016 all parties were in consensus to extend the Agreement for an additional three month term, commencing on October 1, 2016 and terminating December 31, 2016 to allow for the close of the general election.

The purpose of this Amendment is to extend the original Agreement through the end of the County's fiscal year. The Amendment to the Extension shall commence on January 1, 2017 and terminate on September 30, 2017.

Except as set forth in this Amendment, the Agreement dated July 30, 2013 continues in full force and effect.

Fiscal Impact:	\$1,661,536	County portion – (General Fund)
	<u>\$2,089,652</u>	Sheriff portion – (Sheriff's Budget)
	\$3,751,188	Combined Fiscal Impact

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Fiscal Impact: \$1,661,536 (Expense).

Account No.:

Fund Name	Fund Number	Org Code	Object Code	Project Number	Amount
General Fund, In House Support Corrections, Inmate	0010	7073210	830337		\$1,661,536.00

Advertised Date:

Paper:

Attachments:

1.	January 2017 Amendment to Inmate Health Care Services Agreement
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**STAFF APPROVALS AND DATES:**

Linda Green	Created/Initiated - 12/19/2016
Brenda Likely	Approved - 12/20/2016
Dottie Keedy	Approved - 12/21/2016
Luis Guzman	Approved - 12/22/2016
Jennifer Barker	Approved - 12/28/2016
Steve Koontz	Approved - 12/28/2016
Melanie Marsh	Approved - 12/30/2016
Niki Booth	Final Approval - 12/30/2016

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**ACTION TAKEN BY BOARD:**

Action: Approved

Continued/Deferred Until:

Other:

**AMENDMENT TO INMATE HEALTH CARE SERVICES AGREEMENT**

THIS AMENDMENT TO INMATE HEALTH CARE SERVICES AGREEMENT between the Lake County Sheriff's Office, by and through its Sheriff, Gary S. Borders (collectively, the "Sheriff"), Lake County, a political subdivision of the State of Florida (the "County") and Armor Correctional Health Services, Inc. ("Armor") is dated for reference purposes this 23<sup>rd</sup> day of September, 2016.

**WITNESSETH:**

WHEREAS, the Sheriff, the County, and Armor entered into a Inmate Health Care Services Agreement (the "Agreement") on July 30, 2013 for the provision of health care services at the Lake County Detention Facility and the South Substation at 15855 State Road 50;

WHEREAS, the Parties desire to extend the Agreement for an additional three months;

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

1. The Agreement shall be extended for an additional three (3) months, commencing on October 1, 2016 and terminating December 31, 2016 (the "Extended Term").
2. Base compensation for the Extended Term shall be \$678,238.00, payable in three (3) equal monthly installments.
3. EMR maintenance of \$2,160 shall be paid on or before December 31, 2016;
4. Fixed Healthcare costs per Exhibit E in the main agreement shall be \$55,286.00 for the Extended Term.
5. Pharmacy costs will be \$109,656 for the Extended Term and shall be paid in three equal monthly installments.
6. All other parts of the Agreement not specifically mentioned herein shall remain as is and maintain full force and effect.

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

Lake County Sheriff's Office

By: Gary Beden

Title: Sheriff

Date: 9/26/16

Armor Correctional Health Services, Inc.

By: Todd Glass Todd Glass

Title: Regional Vice President

Date: September 23, 2016

Lake County Board of County Commissioners

By: See attached

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Extension to Inmate Health Care Services Agreement

Passed and Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2016

BOARD OF COUNTY COMMISSIONERS  
LAKE COUNTY, FLORIDA

\_\_\_\_\_  
Sean M. Parks, Chairman

This \_\_\_\_\_ day of \_\_\_\_\_ 2016

ATTEST:

\_\_\_\_\_  
Neil Kelly, Clerk of the  
Board of County Commissioners  
of Lake County, Florida

Approved as to form and legality:

\_\_\_\_\_  
Melanie Marsh  
County Attorney

## INMATE HEALTH CARE SERVICES AGREEMENT

THIS HEALTH SERVICES AGREEMENT (“Agreement”) between the Lake County Sheriff’s Office by and through its Sheriff, Gary S. Borders (both hereinafter referred to as the “Sheriff”), Lake County, a political subdivision of the State of Florida (Lake County or COUNTY) and Armor Correctional Health Services, Inc., a Florida corporation, (hereinafter referred to as “Armor”), is dated for reference purposes as of the 30 day of JULY, 2013.

### WITNESSETH:

WHEREAS, the Sheriff is charged by law with the responsibility for obtaining and providing reasonably necessary health care (including medical, dental and mental health services) for inmates in the physical care, custody and control of the Sheriff. The Sheriff operates two (2) detention facilities in Lake County which are the Lake County Detention Facility at 551 West Main Street, Tavares, Florida (hereinafter referred to as the “Jail”) and the South Substation at 15855 State Road 50, Clermont, Florida (hereinafter referred to as the “South Substation”).

WHEREAS, the Sheriff desires to provide health care to these inmates in accordance with applicable law; and

WHEREAS, the Sheriff desires to enter into this Agreement with Armor to promote this objective; and

WHEREAS, County is charged by law to pay for necessary offsite medical care for inmates in the physical care, custody and control of the Sheriff, and

WHEREAS, County desires to enter into this Agreement with Armor to promote this objective, and

WHEREAS, Armor is in the business of providing correctional health care services and desires to provide such services for the Sheriff and County under the terms and conditions of this Agreement relative these inmates who are housed at the Facility.

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

### ARTICLE I: ONSITE SERVICES

Armor shall provide the following onsite health care services at the Jail:

1.1 General Engagement; Appointment. The Sheriff hereby engages and appoints Armor to provide for the delivery of reasonably necessary health care, including medical, dental, mental health and claims management services to Inmates (for this Agreement, “Inmate(s)” is defined as an individual in the physical care custody and control of the Sheriff and booked into the Jail, or an individual who, prior to being physically booked into the Jail, is arrested and taken

to a hospital by an authorized arresting agency having authority and intent to house such individual in the Jail as soon as medically able), which excludes individuals who are only participating in the work release program and not housed at the Jail. Armor accepts this appointment to perform such services in accordance with the terms and conditions of this Agreement.

1.2. Scope of General Services. The responsibility of Armor for providing services under this Agreement commences once an individual becomes an Inmate, as defined above in Section 1.1. The Sheriff shall notify a member of the on-site Armor staff of any prior to booking care performed outside the Jail and Armor will provide utilization and claims management and pay for such prior to booking care to Inmates, all in accordance with this Agreement.

(a) Armor shall provide on a regular basis, all intake screenings at the Jail (see (b) below for the South Substation), professional medical, dental, mental health, and related health care and administrative services for the Inmates, a comprehensive health evaluation of each Inmate in accordance with NCHC Standards, booking/intake health screenings, including medical evaluation for inmate work details, regularly scheduled sick call, nursing care, regular physician and dentist visits, hospitalization, medical specialty services, emergency medical care, emergency ambulance services when medically necessary, medical records management, pharmacy services, medical clearances for intra and inter-agency transfers, food handling and work clearances, continuing care of identified health problems, detoxification, health education and training services, a quality assurance program, administrative support services, and other services, all as more specifically described herein. Armor will provide screening and assessing of an individual's medical condition at the time the individual is being physically presented for booking into the Jail even prior to the completion to the booking process. NOTE: An individual shall be medically cleared for admittance into the Jail when medically stable and the individual's medical condition no longer requires immediate emergency medical care or outside hospitalization so that the Inmate can reasonably be housed in the Jail. While an Inmate, Armor will, subject to applicable laws, be responsible for the ensuring provision of constitutionally mandated health care services regardless of the nature of the illness or injury or whether or not the illness or injury occurred prior or subsequent to the Inmate being transported to the Jail.

(b) Armor staff shall be available by phone 24 hours a day, 7 days a week to address Sheriff concerns about Inmates booked at the South Substation and provide periodic training to Sheriff staff at the South Substation but no Armor staff shall be regularly present at the South Substation.

(c) Utilization Review. Armor shall implement and operate a Utilization Review Program for the Sheriff as further described herein.

1.3. Specialty Services. In addition to providing the general services described above, Armor will obtain and pay for, pursuant to this Agreement, special medical services for Inmates housed at the Jail including basic radiology, laboratory and onsite dialysis. Armor shall provide suturing when medically reasonable. When non-emergency specialty care is required and cannot

be rendered at the Jail, Armor will make appropriate off-site arrangements for the rendering of such care and shall coordinate with the Sheriff for the transportation of an Inmate in accordance with this Agreement.

1.4. Emergency Services. Armor shall provide emergency medical care, as medically necessary, to Inmates through arrangements to be determined by Armor with local hospitals. Armor shall arrange for qualified emergency ambulance transportation services when medically necessary in connection with off-site emergency medical treatment. Additionally, Armor shall provide emergency first aid to correctional staff and visitors to inmates at the Jail upon request of the Sheriff or his designee; however, if there is a simultaneous need for emergency first aid to a correctional staff member, a visitor and an Inmate, Armor staff will attempt to triage each medical need and make reasonable effort to first address the most serious medical need. Armor shall not be responsible for payment of emergency and follow-up services and transportation provided to correctional staff or visitors within the Jail in the event of an emergency.

1.5. Inmate Blood Draw Services. Armor will provide Inmate blood draw services as requested by the Sheriff, except where doing so would violate state or other applicable standards, or compromise the provider/patient relationship.

1.6. Transportation Services. To the extent Armor determines any Inmate requires off-site non-emergency health care treatment including, but not limited to, hospitalization care and specialty services, the Sheriff will, upon prior request by Armor, its agents, employees or contractors, provide transportation as reasonably available; provided that such transportation is reasonably scheduled in advance. When medically necessary, Armor shall provide all emergency ambulance transportation of Inmates in accordance with this Agreement.

1.7. HIV and Other Illnesses; Testing. Armor will administer tests and screen for HIV disease and other health hazards as directed by Armor's Medical Director.

1.8. Staffing. Armor shall provide medical, dental, mental health, technical and support personnel as necessary for the rendering of health care services to Inmates at the Jail as described in and required by this Agreement. The chart attached and incorporated herein as Exhibit A includes the agreed-upon staffing matrix generally necessary to provide the health care and support services required by the Jail for an average daily inmate population of 950 Inmates.

(a) Should the inmate population exceed 950 by 100 for three consecutive monthly averages, then the Sheriff and Armor agree to review staffing and the base contract price to ensure proper care is reasonably able to be provided. If additional staffing is needed to properly care for the Inmates, the Sheriff and Armor may agree upon additional base compensation required to provide the needed staffing.

(b) In the event the Jail operations or processes change impacting Armor's delivery of medical care and performance under this Agreement, Armor reserves the right to and may provide for additional health care staffing beyond the positions noted in the attached Exhibit A, in order to perform the necessary health care services as required under this Agreement. Should

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additional health care staffing be required, Armor also reserves the right to review the base compensation and, with the Sheriff's participation and approval, which shall not be unreasonably withheld, make necessary adjustments in base compensation in order to accommodate any additional staff positions which may be needed.

1.9 Staffing Withholds. After the first 60 days from Armor's commencement of services under this Agreement, for each medical classification governed by the staffing matrix included as Exhibit A to this Agreement, a withhold from base compensation may be imposed by the Sheriff for any unpaid hours below total hours shown on Exhibit A, by position/category. In such event, the Sheriff may deduct from its monthly payment to Armor at 100% of the average hourly/benefit rate for the position/category as set forth in Exhibit B which is attached and incorporated herein. In all cases, employees may be used to cover like positions when their credentials equal or exceed the credentials required for such position (e.g., an RN may cover for an LPN). Armor will provide Sheriff or its representative with a monthly contract staffing compliance report showing all contract positions relative to the staffing matrix. *By way of example, if during the month of February total paid hours is below 4720 (1180 total weekly hours times 4 weeks equals 4720), the Sheriff may impose a withhold for every hour below 4720 by position/category. Withholds will be calculated by adding the applicable hourly rate plus benefit hourly rate shown on exhibit B for the position/category and applying it to the number of unpaid hours in the category. So, if Armor paid a total of 4718 hours in February because there was an unpaid hour for an RN and an unpaid hour for an LP that month, the Sheriff may deduct the following: the RN deduction would be \$31.04 (\$25.25 + \$5.79) and the LPN deduction would be \$24.96 (\$19.63 + \$5.33). If total paid hours equal or exceed 4720 for February, no deduction shall be permitted.*

Unfilled hours include those hours, which are not filled due to voluntary or involuntary termination or any other reason or incident resulting in the position being unfilled; except, unfilled hours will not include those hours not filled due to illness, holidays, vacation, personal leave or paid hours, which include hours paid assisting with government or inmate litigation, excluding hours spent assisting with claims exclusively about the negligent or wrongful acts of Armor. If any position remains unfilled in excess of 15 days for reasons of illness, annual or personal leave, a corresponding amount, starting with day 16, may, at the Sheriff's request, be payable by Armor to the Sheriff, as set forth above.

1.10 Licensure, Certification and Registration of Personnel. All personnel provided or made available by Armor to render services hereunder shall be licensed, certified or registered, as appropriate, in their respective areas of expertise as required by applicable Florida law. Each license or certification shall be on file at a central location as mutually agreed upon and a copy provided to the Sheriff upon request.

1.11 Inmate and Staff Education. Armor will conduct an ongoing health education program for Inmates at the Jail with the objective of raising the level of Inmate health and health care. Armor staff will provide relevant training to the Sheriff's staff as required by accrediting bodies. Armor will work with the Sheriff to provide correctional staff with health care training as

desired by the Sheriff and as Armor is able to accommodate without jeopardizing the quality of Inmate care.

1.12 Medical Services Staff Education. Armor will require that its medical, professional and para-professional staff receive all necessary and requisite legal and statutorily mandated in-service, annual or proficiency training and other such professional or para-professional education and training programs needed to provide current proficiency in the professional's or para-professional's particular medical discipline or specialty.

1.13 Electronic Medical Records. Armor shall cooperate with the Sheriff in the installation of an electronic medical record program (EMR). Once this EMR is up and fully functional, Armor shall promptly transition to use of the EMR for Inmate medical records. While Armor shall have no responsibility for the functionality of the EMR, Armor will cooperate with the Sheriff and EMR vendor to identify areas of need, issue or improvement.

(a) Armor shall allow CorrecTek to load Armor proprietary forms and policies into the EMR with the express understanding those forms and policies may be utilized by the Sheriff in perpetuity, but only within the Jail and/or with other necessary healthcare providers as required to deliver proper healthcare. By allowing use of Armor forms and policies, the parties understand and agree that all intellectual property rights in these forms and policies shall remain the intellectual property of Armor. CorrecTek has no right to utilize any Armor forms, policies or refinements to their EMR for any non-Armor client.

(b) During the 10 days CorrecTek is onsite to provide EMR training, Armor shall have all staff set forth in Exhibit A reasonably available for onsite training by CorrecTek at no additional cost to the Sheriff or the County. Armor will work with CorrecTek to help them go live with the EMR within a 180 days from commencement of this Agreement, but no penalty or withhold shall apply to Armor should CorrecTek fail to meet this timeframe except if due to the acts or omissions of Armor.

1.14 Third Party Reimbursement. Armor will seek and obtain from Inmates information concerning any health insurance the Inmate might have that would cover off-site services or, as applicable, onsite services. All third party remuneration that is recovered or credited because of any Inmate third party source or entity, including without limitation, workers compensation insurance, commercial medical insurance, or local health care benefits or programs, will be credited to the Sheriff's office, as directed by the Sheriff. Armor shall provide the Sheriff with reports when such credits are to be applied. Currently Medicaid and Medicare are not available third party sources, and Armor's policies strictly forbid seeking reimbursement from Medicaid/Medicare and providing any Medicaid/Medicare information to any provider; however, should this change (e.g., the Patient Protection and Affordable Care Act), Armor shall comply with changes in the law and work with the Sheriff to maximize all third party coverages.

1.15 Comprehensive Quality Improvement. Armor shall develop a comprehensive quality improvement program of regularly scheduled audits of all Inmate health care services

provided under the Agreement, documentation of deficiencies, and plans for correction of deficiencies. The quality improvement plan shall include a provision for program and contract monitoring (peer review) by one or more “outside” detention health care consultant(s) on an annual basis. The results of the outside consultant’s review(s) shall be provided to the Sheriff and available for NCCHC review accreditation. Armor shall bear all costs associated with the outside consultants.

## **ARTICLE II: OFFSITE SERVICES**

County hereby engages and appoints Armor to manage all Inmate offsite care for Inmates (for this Agreement, “Inmate(s)” is defined as an individual in the physical care custody and control of the Sheriff and booked into the Jail, or an individual who, prior to being physically booked into the Jail, is arrested and taken to a hospital by an authorized arresting agency having authority and intent to house such individual in the Jail as soon as medically able), which excludes individuals who are only participating in the work release program and not housed at the Jail, and Armor accepts this appointment to perform such services in accordance with the terms and conditions of this Agreement.

2.1 Management of Offsite Inmate Care. Armor shall manage all Inmate offsite care. Armor’s offsite management includes, but is not limited to: negotiating preferred provider rates; contracting with hospitals and specialty care providers to develop a network of offsite providers; managing communications between onsite and offsite providers to ensure continuity of care; adherence to all privacy laws, including HIPAA and the HITECH acts; monitoring applicability and utilizing available benefits of third party payor sources, including the Patient Protection and Affordable Care Act (PPACA); coordinating and obtaining clinical information between providers; review of all claims for appropriateness; and, provision of utilization management to ensure all offsite care is timely, medically necessary and not duplicative of services Armor can provide onsite. Armor’s utilization management complements quality improvement activities of Armor’s team of providers, including clinical practice improvement initiatives, service integrity verification, and compliance risk monitoring. Armor’s utilization management identifies roles and responsibilities for service and authorization functions and how those activities are implemented, monitored, and managed. Armor’s utilization management works within a framework for oversight and guidance, assuring consistent application of care, and decisions involving the processing of requests for initial and continued authorization of offsite services. Armor’s utilization management maximizes appropriate service delivery, and is a process which is expected to evolve and change with the availability of new information, new research findings, or changes in regulatory mandates. Utilization management works to ensure only eligible Inmates receive offsite benefits, and that all Inmates receive all medically necessary care to meet their healthcare needs at the most cost effective rates.

2.2 Third Party Reimbursement. Armor will seek and obtain from inmates information concerning any health insurance the inmate might have that would cover off-site services managed by Armor. All third party remuneration that is recovered or credited because of any inmate third party source or entity, including without limitation, workers compensation

insurance, commercial medical insurance, or local health care benefits or programs, will be credited to the County. Armor shall provide the County and Sheriff with reports when such credits are to be applied. Currently Medicaid and Medicare are not available third party sources; however, should this change (e.g., the Patient Protection and Affordable Care Act), Armor shall comply with changes in the law and work with the County and Sheriff to maximize all third party coverages.

2.3 Hospital Admission. Armor will arrange for the admission of any Inmate who, in the opinion of the Armor Medical Director, requires hospitalization or specialty medical care.

### **ARTICLE III: PHARMACY SERVICES**

3.1 Provision of Pharmacy Services. Armor is responsible to prescribe, obtain and administer inmate pharmacy at the Jail. Armor shall provide for onsite pharmacy services, including prescribing, acquiring and administering pharmaceuticals. Armor shall use best efforts to dispense pharmaceuticals to Inmates within a reasonable time period, not to exceed 24 hours from the time the prescription or order was written to start.

### **ARTICLE IV: EXCEPTIONS TO TREATMENT**

4.1 Non-Inmates. Armor shall not be financially responsible for provision of or the cost of any medical treatment or health care services provided to non-inmates (i.e., any individual not in the care custody and control of an authorized arresting agency having the authority to house such individual in the Jail).

4.2 Changes in Treatment Standards. Armor shall not be financially responsible for significant changes in treatment standards which are not FDA approved at the start date of this Agreement or are not part of Armor's written medical protocols in use at the time this Agreement becomes effective. Should any new drug class or diagnostic test be mandated and approved in relation to community health care standards for treatment and or required by the Armor's Medical Director as necessary for the treatment of Inmates housed at the Jail, and the cost of such treatment, in total aggregate, would exceed 2% of the annual base compensation for any twelve (12) month term under this Agreement, then the Sheriff and Armor shall negotiate if any additional compensation is due Armor for all actual expenses incurred from newly mandated changes in treatment standards.

4.3 Prenatal, Delivery and Post Partum Services. Armor shall provide prenatal, delivery and post partum health care services to pregnant Inmates, but health care services provided to an infant following birth will not be the responsibility of Armor. Armor shall not be responsible for the costs or furnishing of any elective medical services.

4.4 Inmates Outside the Facility. Health care services are only for Inmates as defined in Section 1.1, above. Inmates on any sort of temporary release (authorized or unauthorized), including, but not limited to, Inmates temporarily released for the purpose of attending funerals or other family emergencies, Inmates on escape status, Inmates on pass, parole or supervised

custody who do not sleep in the Jail at night, will not be included in the daily population count, and will not be the responsibility of Armor with respect to any claim, liability, cost or expense for the payment or furnishing of health care services. The care for Inmates who become ill or are injured while on temporary release will, pursuant to the terms of this Agreement, become Armor's responsibility after the Inmate returns to the Jail. Individuals not meeting the definition of Inmate set forth in Section 1.1, above are likewise excluded from the population count and are not the responsibility of Armor for the furnishing or payment of health care services.

4.5. Elective Medical Care. Armor will not be responsible for providing elective medical care to Inmates. For purposes of this Agreement, "elective medical care" means medical care, which, if not provided, would not, in the opinion of Armor's Medical Director, cause the Inmate's health to deteriorate or cause definite harm to the Inmate's well-being. Such decisions concerning medical care shall be consistent with applicable laws and NCCHC standards. In the event of a dispute between Armor's Medical Director and the Sheriff regarding elective medical care, Armor will state in writing to the Sheriff reasons why the medical care is being denied. If the Sheriff determines that the medical care being sought or recommended is medically necessary rather than elective medical care, the determination of the Sheriff shall be final and binding on Armor. and the Sheriff shall pay all related costs and release and indemnify Armor from and against any claims arising from or relating to the Sheriff's determination. Any referral of Inmates for elective medical care must be reviewed and approved by the Sheriff prior to the provision of such services.

4.6 Responsibility for Work Release Inmates. Notwithstanding any other provisions of this Agreement to the contrary, all parties agree that Inmates assigned to the work release program who are not housed at the Jail are personally responsible for the costs of any medical services provided to them. Armor shall assist with arranging the necessary transportation for Inmates participating in the work release program who are not housed at the Jail to obtain medical care.

4.7 Inmates from Other Jurisdictions. Medical care rendered within the Jail to Inmates from other jurisdictions housed in the Jail pursuant to contracts between the Sheriff and such other jurisdictions will be the responsibility of Armor. Armor will arrange medical care that cannot be rendered in the Jail, but Armor shall have no financial responsibility for such services, unless the parties mutually agree in writing otherwise.

## **ARTICLE V: GENERAL**

5.1 Satisfaction with Health Care Personnel. If the Sheriff becomes dissatisfied with any health care personnel provided by Armor hereunder, or by any independent contractor, subcontractors or assignee of Armor, Armor, in recognition of the sensitive nature of correctional services, shall, following receipt of written notice from the Sheriff of the grounds for such dissatisfaction, exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to the Sheriff, Armor shall remove or shall cause to be removed any employee, agent, independent contractor, subcontractor, or assignee about which the Sheriff has expressed

dissatisfaction. Should removal of an individual become necessary as outlined in this section, Armor will be allowed 30 days from date of removal to find an acceptable replacement, without penalty or prejudice to the interests of Armor.

5.2 Use of Inmates in the Provision of Health Care Services. Inmates shall not be employed or otherwise engaged by Armor in the direct rendering of any health care services.

5.3 Subcontracting and Delegation. In order to discharge its obligations hereunder, Armor may engage upon written approval of the Sheriff certain health care professionals as independent contractors rather than as employees. The Sheriff will not unreasonably withhold such approval. Subject to the approval described above, the Sheriff consents to such subcontracting or delegation. As the relationship between Armor and these health care professionals will be that of independent contractor, Armor will not be considered or deemed to be engaged in the practice of medicine or other professions practiced by these professionals. Armor will not exercise control over the manner or means by which these independent contractors perform their professional medical duties. However, Armor shall exercise administrative supervision over such professionals necessary to ensure the strict fulfillment of the obligations contained in this Agreement. For each agent and subcontractor, including all hospitals, patient care centers, medical professionals, physicians, dentists and nurses performing duties as agents or independent contractors of Armor under this Agreement, Armor shall provide the Sheriff proof, prior to provision of care, that there is in effect a professional liability or medical malpractice insurance policy, as applicable coverage for each health care professional identified herein, with limits of at least one million dollars (\$1,000,000.00) per occurrence/three million dollars (\$3,000,000.00) annual aggregate limit, with a tail coverage or other coverage for applicable statutes of limitations periods. If Armor is unable to locate a provider with these limits, Armor will either not utilize said agent or subcontractor or will arrange to have them covered under Armor's policy or, if that is not possible without additional cost, obtain the Sheriff's approval to accept less coverage.

5.4 Discrimination. During the performance of this Agreement:

(a) Armor and its employees, agents, subcontractors and assignees shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, Vietnam Veteran status, disability as defined in the Americans with Disabilities Act or national origin, except where age, religion, sex, disability or lack thereof or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. Armor shall post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(b) In all solicitations or advertisements for employees, Armor shall 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 this section.

5.5 Accreditation - Obligation of Armor. To the extent the Jail and South Substation allows, Armor's services shall be designed to meet the standards promulgated/developed by the National Commission on Correctional Health Care for Jails (NCCHC), Florida Model Jail (FMJ) and Florida Corrections Accreditation Commission (FCAC). Armor will cooperate fully with the Sheriff in all efforts to maintain the Sheriff's accreditations including of the Jail health care program. Armor will be responsible for the payment of the fees for maintaining or renewing NCCHC accreditation. Armor will obtain NCCHC accreditation within 18 months from commencement of services, unless unable to do so due to Sheriff, Jail make up or unavailability of NCCHC surveyors.

5.6 Medical Records. Armor shall cause and require to be maintained a complete and accurate medical record for each Inmate receiving health care services from Armor. Each medical record will be the property of the Sheriff and such records shall be maintained by Armor in accordance with applicable laws and standards, as well as the Sheriff's policies and procedures. The medical records shall be kept separate from the Inmate's confinement record. A complete legible copy of the applicable medical record shall be available, within a reasonable time, to the Sheriff and may be available to accompany each Inmate who is transferred from the Jail to another location for off-site services or transferred to another institution with reasonable notice. Medical records shall be kept confidential. Subject to applicable law regarding confidentiality of such records, Armor shall comply with Florida and Federal law and the Sheriff's policies and procedures with regard to access by Inmates and Sheriff's staff to medical records. No information contained in the medical records shall be released by Armor except as directed by the Sheriff, by a court order, or otherwise in accordance with applicable law. Armor shall provide all medical records, forms, jackets, and other materials necessary to maintain the medical records. Upon the expiration or termination of this Agreement, all medical records shall be delivered to and remain with the Sheriff.

5.7 Regular Reports by Armor to the Sheriff. By the 20<sup>th</sup> of each month, Armor shall provide to the Sheriff and County, and/or designee, monthly clinical, offsite care costs, pharmacy costs and operational reports relating to services rendered under this Agreement.

5.8 Inmate Information. Subject to the applicable Florida law, in order to assist Armor in providing the best possible health care services to Inmates, the Sheriff will provide Armor with information pertaining to Inmates that Armor and the Sheriff mutually identify as reasonable and necessary for Armor to adequately perform its obligations hereunder.

5.9 Armor Records Available to the Sheriff with Limitations on Disclosure. With reasonable notice, Armor shall make available to the Sheriff, at the Sheriff's request, all records, documents and other papers relating to the direct delivery of health care services to Inmates under this Agreement. The Sheriff understands that many of the systems, methods, procedures,

written materials and other controls employed by Armor in the performance of its obligations hereunder are proprietary in nature and will remain the property of Armor. Information concerning such may not, at any time, be used, distributed, copied or otherwise utilized by the Sheriff, except if disclosure is approved in advance and in writing by Armor or if in connection with the delivery of health care services hereunder, and as permitted or required by law, unless such disclosure is approved in advance in writing by Armor.

5.10 Sheriff's Records Available to Armor with Limitations on Disclosure. During the term of this Agreement and for a reasonable time thereafter, the Sheriff will provide Armor, at Armor's request, access to Sheriff's and Inmates records as permitted by law relating to the provision of health care services to Inmates pursuant to this Agreement as may be reasonably requested by Armor or as are pertinent to the investigation or defense of any claim involving Armor's services provided under this Agreement. Consistent with applicable law, the Sheriff will make available to Armor such records as are maintained by the Sheriff, hospitals and other outside health care providers involved in the care or treatment of Inmates pursuant to this Agreement (to the extent the Sheriff has any control over those records) as Armor may reasonably request. Any such information provided by the Sheriff to Armor that the Sheriff considers confidential and clearly labeled confidential shall be kept confidential by Armor and shall not, except as may be required by law, be distributed to any third party without the prior written approval of the Sheriff.

5.11 Public Record Law. Armor acknowledges that it is familiar with the provisions of the Public Records Law of Florida. In the event Armor should assert any proprietary or confidential status to any of its systems, methods, procedures or written materials and other controls employed by Armor in the performance of its obligation pursuant to this Agreement, then Armor shall assert such claim on its own, and shall defend and hold harmless the Sheriff, the County, the employees, officers, appointees and agents of Sheriff or County against all liabilities for Armor's failure to comply with the requirements of the law with regard to the release of records.

5.12 HIPAA Compliance. To the extent HIPAA applies to Armor, Armor shall comply with those requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended, relating to Armor's responsibilities pursuant to this Agreement.

5.13 Changes in the Law/Care. If any statute, rule or regulation is passed, any order issued, any statute or guideline change or adopted, any change in standards of care, any change in Inmate movement or facility layout, or the imposition of any other event beyond the control of Armor which materially increases the cost to Armor of providing health care services pursuant to this Agreement, Armor, the County and the Sheriff may agree on additional compensation to be paid to Armor as a result of such changes. If the parties are unable to agree on appropriate compensation, the matter may be submitted to mediation according to the provisions of this Agreement. Should the parties be unable to agree upon reasonable compensation to cover such material costs, any party may cancel this Agreement with 90 days advance written notice to the other parties.

5.14 Independent Contractor Status. The parties acknowledge that Armor is an independent contractor and that all medical care decisions will be the sole responsibility of Armor. Nothing in this Agreement is intended, nor shall they be construed, to create an agency relationship, an employer/employee relationship, a joint venture relationship, joint employer or any other relationship allowing the Sheriff or the County to exercise control or direction over the manner or method by which Armor, its employees, agents, assignees or its subcontractors perform hereunder.

5.15 Badges and/or Visitor Passes. All Armor employees will wear identification badges at the Jail and South Substation at all times in a visible manner. Armor shall return identification badges and/or visitor passes immediately after an employee's, subcontractor's, independent contractor's or per diem employee's resignation, removal, termination, or re-assignment.

5.16 Subcontracting. Any subcontract shall include the obligations contained in this Agreement, and shall not relieve Armor of its obligation to provide the services and be bound by the requirements of this Agreement. The Sheriff, the County and Armor each binds itself, its successors, assigns and legal representatives to the other party hereto and to the successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained herein. Sheriff shall have the right to reject or approve, in advance, all subcontracts entered into by Armor for the purpose of completing the provisions of this contract; however, the approval of the Sheriff shall not be unreasonably withheld. Armor will not sell, assign, transfer, nor convey any of its rights or obligations except with the written consent of the Sheriff or its designee. Armor will make reasonable effort to enter all subcontracts to meet its obligations of this Agreement within thirty (30) days of the contract start date. After contract start date no subcontracted services and or activities contracted between Armor and subcontracted parties may lapse or remain unassigned more than thirty (30) days.

5.17 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 when delivered according to this section. Delivery shall be by certified or registered mail, return receipt requested, postage prepaid, 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:

**Lake County Sheriff's Office:**

Sheriff Gary S. Borders  
Sheriff of Lake County, Florida  
360 W. Ruby Street  
Tavares, FL 32778

**Lake County Board of County Commissioners**

County Manager  
P. O. Box 7800  
315 West Main Street, Room 308  
Tavares, Florida 32778-7800

**Armor:**

Bruce Teal, CEO  
Armor Correctional Health Services, Inc.  
4960 S.W. 72<sup>nd</sup> Ave, Suite 400  
Miami, Florida 33155

With a copy to: Kenneth Palombo, COO  
Armor Correctional Health Services, Inc.  
4960 S.W. 72<sup>nd</sup> Ave, Suite 400  
Miami, Florida 33155

5.18 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 Florida, with exclusive state court venue in Lake County, Florida, notwithstanding any conflicts of law principles to the contrary.

5.19 Entire Agreement. This Agreement, attachments and exhibits specifically incorporated herein constitute 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. In the event of any conflict or ambiguity in this Agreement, the controlling order of preference for clarification shall be, first, this Agreement; second, Armor's Proposal dated August 31, 2013; third, answers to questions; and, fourth, RFP number 1-572012.

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

5.21 Mediation of Disputes. Prior to bringing any lawsuit under this Agreement, the parties hereto agree to submit any and all disputes to pre-suit mediation under the Florida Rules for Certified and Court-Appointed Mediators and the Florida Rules of Civil Procedure. The parties agree to share equally the cost of the mediation.

5.22 Waiver of Breach. The waiver by any 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.

5.23 Enforcement. In the event either party incurs legal expenses or costs to enforce the terms of this Agreement, the prevailing party in any proceeding hereunder shall be entitled to recover the reasonable cost of such action so incurred, including without limitation, reasonable

attorney's fees. The County and Sheriff's obligation under this section shall only be to the extent permitted by law and shall not be interpreted to waive any applicable sovereign immunity.

5.24 Other Contracts and Third-Party Beneficiaries. 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.

5.25 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.

5.26 Force Majeure. The parties shall not be held responsible for any delay or failure in performance (other than payment obligations) to the extent that such delay or failure is caused, without limitation, by Inmate disturbances, acts of public enemy, fire, flood, earthquakes, hurricanes, failure of transportation, explosion, war, embargo, government regulation, civil or military authority, acts of God, acts or omissions of carriers or other similar causes beyond the control of the party.

5.27 Default. Unless Armor's performance is specifically exempted by this Agreement, Sheriff shall be entitled to a credit or reimbursement for any reasonable cost the Sheriff incurs for any medical services required to be performed by Armor when and to the extent that Armor shall fail to perform and a thirty (30) day cure period has passed. The credit or reimbursement provided for in this section shall not be deemed to be the sole remedy of the Sheriff and the Sheriff is otherwise entitled to seek all other lawful remedies the Sheriff is entitled to under this Agreement, including any and all damages stemming from the failure of Armor to pay as is required under this Agreement.

5.28 Permits and License. Armor acknowledges that it will maintain all relevant permits and licenses required for Armor to perform the services required by this Agreement. This will include, but not be limited to licenses and permits for radiology and pharmacy. Armor shall ensure that all individuals or entities performing the services required under this Agreement, including but not limited to its employees, agents, assignees, subcontractors or independent contractors shall be appropriately licensed, registered or certified as required by applicable law. Armor shall notify the Sheriff of any revocation, suspension, termination, expiration, restrictions, etc., of any required license, registration or certification of any individual or entity to perform the services herein specified.

5.29 Effect of this Agreement. This Agreement constitutes the complete understanding between the parties with respect to the terms and conditions set forth herein and supersede all previous written or oral agreements and representations. This Agreement may be modified only in writing that expressly references this Agreement and is executed by the parties hereto.

5.30 Liaison. The Sheriff or his designee (so designated in writing by the Sheriff) shall be the liaison with Armor.

5.31 Authority. Each party hereto expressly represents and warrants that the person executing this Agreement is the legal, valid and binding representative of that party.

5.32 Sheriff's Correctional Healthcare Advocate. The Sheriff may designate a Correctional Health Care Monitor who will be its representative and who shall require Armor to meet all contract requirements; monitor Armor's compliance and any corrective action to resolve areas of non-compliance or deficiencies; recommended liquidated damages/penalties based on non-compliance and as set forth within this Agreement; and facilitate dispute resolution.

5.33 Appearances. Armor's representatives shall cooperate with the Sheriff as necessary for required court appearances related to medical services at the Jail.

5.34 Civic Groups. Upon mutual agreement of the Sheriff and Armor, Armor shall discuss the services provided under this Agreement with local civic groups or visiting officials.

5.35 Sheriff's Facility. The Sheriff may prohibit entry to the Jail or the South Substation or remove from a Facility any of Armor's subcontractors, independent contractors or employees who do not perform their duties in a professional manner, who violate the security regulations or procedures of the Sheriff, or who present a security risk or threat as determined in the sole discretion of the Sheriff. The Sheriff reserves the right to search any person, property or article entering the Jail or the South Substation. Armor's employees, independent contractors, and subcontractors, their desks, lockers, personal effects, and vehicles parked in or on the premises of the Jail or South Substation are subject to search at any time.

5.36 Computer Security. Armor shall use its best efforts to ensure that any of its actions do not corrupt or infect any of Sheriff's computer equipment, computer software, data files, or databases.

5.37 Media Requests. If media requests are received, Armor may be responsible for responding to the media after coordinating its response with Sheriff's Public Information Office.

5.38 Emergency Notification. Armor shall promptly notify the Sheriff of any unusual illnesses, any emergency care, any Inmate death, and any potential media concern.

5.39 Infection Control. Armor shall implement an infection control program which includes but is not limited to concurrent surveillance of staff and Inmates, prevention techniques, treatment, and reporting of infections in accordance with local, state and federal laws, OSHA and Governing Standards.

5.40 Inmate Grievances, Complaints. Inmate complaints or grievances regarding services under this Agreement shall be forwarded to the Armor's Medical Director or designee

who shall promptly review the complaint or grievance, gather all information concerning the complaint or grievance, discuss such with the Sheriff's Administrative Lieutenant and take appropriate action in accordance with the Sheriff's grievance procedures.

5.41 Medical Disaster Plan. Subject to the approval of the Sheriff, Armor shall maintain procedures from the effective date of the Agreement for the delivery of medical services in the event of a disaster, including but not limited to, fire, tornado, hurricane, epidemic, riot, strike or mass arrests. Such procedures shall be maintained and/or modified by Armor's Medical Director working closely with the Sheriff's staff and may include:

- (A) Communications system;
- (B) Recall of key staff;
- (C) Assignment of health care staff;
- (D) Establishment of command post;
- (E) Safety and security of the patient and staff areas;
- (F) Use of emergency equipment and supplies to include automatic external defibrillators (AED's);
- (G) Establishment of a triage area;
- (H) Triage procedures;
- (I) Medical records –identification of injured;
- (J) Use of ambulance services;
- (K) Transfer of injured to local hospitals;
- (L) Evacuation procedures (to be coordinated with security personnel); and
- (M) Practice drills annually at Jail and South Substation involving staff from each shift in accordance with NCCHC standards.

5.42 Security - General. Armor and the Sheriff understand that adequate security services are necessary for the safety of the agents, employees and subcontractors of Armor as well as for the security of the Inmates and the Sheriff's staff, consistent with the correctional setting. The Sheriff will take all reasonable measures to provide sufficient security to enable Armor, and its personnel, to safely and adequately provide the health care services described in this Agreement. Armor, its staff and personnel, understand that the facility in which services will be rendered is a detention facility and that working in such a facility involves inherent dangers. Armor, its staff and personnel further understand that the Sheriff cannot guarantee anyone's safety in such a facility and nothing herein shall be construed to make the Sheriff, his deputies or employees a guarantor of the safety of Armor employees, agents or subcontractors, including their employees. In the event that any clinical recommendation by Armor for particular health services for any Inmate should not be implemented and carried out for security reasons or otherwise by the Sheriff, Armor will be released from professional liability for any damages resulting from any such decision on the part of the Sheriff, as long as Armor's request was made in writing.

5.43 Loss of Equipment and Supplies. The Sheriff shall not be liable for loss of or damage to equipment and supplies of Armor, its agents, employees or subcontractors unless such loss or damage was caused by the negligence of the Sheriff or his employees.

5.44 Security During Transportation Off-Site. The Sheriff will provide security as necessary and appropriate in connection with the transportation of any Inmate between the Jail and any other location for off-site services as contemplated herein.

5.45 Office Space. The Sheriff agrees to provide Armor with office space at the Jail, the use of the equipment (including office furniture) currently being used at the Jail to provide health care services to Inmates, and utilities (such as electricity, local phone, internet, only to the extent of current internet offerings at the Jail, and water) sufficient to enable Armor to perform its obligations hereunder. Armor will supply and be responsible for payment of long distance telephone carrier services and equipment within the Jail for use of its personnel. The Sheriff will provide necessary maintenance and housekeeping of the office space at the Jail. Armor agrees it has inspected the Jail and medical office space at the Jail and that such space and the Jail can be utilized to perform the obligations required under this Agreement.

5.46 Delivery of Possession. The Sheriff will provide to Armor, beginning on the date of commencement of this Agreement), possession and control of all medical and office equipment and supplies that are the Sheriff's property, in place at the Jail's health care unit. Furthermore, to assist in the transition of health care to Armor, the Sheriff will make reasonable effort to accommodate Armor's requests to review the Jail and gather information prior to the contract start date. At the termination of this or any subsequent Agreement, Armor will return to the Sheriff possession and control of all pharmacy, supplies, medical and office equipment, in working order, reasonable wear and tear excepted, which are in place at the Jail's health care unit at the termination of this Agreement.

5.47 Maintenance and Replenishment of Equipment. Armor will maintain all equipment necessary for the performance of this Agreement by Armor in working order during the term of this Agreement. Armor shall at its sole expense provide all medical and office equipment, above what is currently at the Jail, needed to perform services pursuant to this Agreement. At the full conclusion of the initial term of this Agreement, all equipment purchased by Armor for the Jail shall become the property of the Sheriff. If the contract with Armor is terminated prior to the initial contract term and extension, the Sheriff will be provided the opportunity to purchase the equipment at the time of the contract termination at its then depreciated value.

Prior to the start of the initial contract period, the Sheriff shall provide Armor a complete listing of all equipment within the medical unit that will be available for Armor to use (see Exhibit D which shall be attached and is incorporated herein). Armor shall monthly provide Sheriff with a list of all Armor equipment specifically purchased for the Facilities (see Exhibit C which shall be attached and is incorporated herein).

5.48 General Maintenance Services. The Sheriff will provide for each Inmate receiving health care services at the Jail the same services provided by the Sheriff for all Inmates at the Jail including, but not limited to, daily housekeeping services, dietary services, building maintenance services, personal hygiene supplies and services, and linen supplies.

5.49 Supplies. Armor warrants and represents that the quality and quantity of supplies on hand during this Agreement will be sufficient to enable Armor to perform its obligations hereunder, barring a significant deviation from standard usage (e.g., riot). Armor shall be responsible, at its sole expense, to purchase any and all additional medical and office supplies needed, from time to time, to provide health services to the Inmates pursuant to the provisions of this Agreement, including medically necessary prosthesis, eye glasses and dentures, as well as repair thereto. Upon termination of this Agreement, Armor will ensure pharmacy supplies are in placed at the same levels provided by the Sheriff at commencement of this Agreement.

5.50 Biohazardous Waste. Armor shall be responsible, at its sole cost, for the proper disposal of all biohazardous medically generated waste occurring at the Jail during the term of this Agreement.

5.51 Software and Electronic Information. All Armor software programs and other information technology purchased or developed by Armor and used in its performance of this Agreement are proprietary to and/or the property of Armor, and Sheriff shall not have any right, title or interest, in or to such property, except as otherwise provided in this paragraph. At the expiration or termination of this Agreement, Armor will provide the Sheriff with all Inmate data that has been stored electronically on Armor's systems and/or the Sheriff's EMR system in a useable format, and ensure that all paper Inmate medical records and / or electronic documents are complete and remain in the Sheriff possession.

## **ARTICLE VI: TERM AND TERMINATION**

6.1 Term. This Agreement will be effective at 12:01 a.m. on October 1st, 2013, as to the providing of services hereunder, although the parties have been bound to adhere to the terms of this Agreement upon the signing of this Agreement, even if prior to the effective date. The initial term of this Agreement shall be three (3) years, ending midnight of September 30, 2016. Subject to Section 6.2, this Agreement may be renewed under like terms for an additional two (2) year term thereafter, renewal, if any, shall only be upon written mutual agreement of all the parties.

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 each of the parties mutually agrees in writing, this Agreement may be terminated on the terms and date stipulated therein.

(b) Termination by Cancellation. This Agreement may be cancelled as to all the parties without cause by any or all parties upon one hundred twenty (120) days prior written notice in accordance with Section 5.17 of this Agreement.

(c) Termination for Default. In the event any party shall give written notice to the other parties that a party has materially defaulted in the performance of any of its material obligations hereunder and such default shall not have been cured within thirty (30) days following the giving of such notice in writing, the party giving the notice shall have the right immediately to terminate this Agreement as to all parties.

(d) Annual Appropriations and Funding. All parties acknowledge that the performance of this Agreement and payment for medical services to Armor pursuant to this Agreement is predicated on the continued annual appropriations by the Board of County Commissioners of Lake County to the Sheriff.

6.3 Responsibility for Inmate Health Care. Upon termination of this Agreement, all of Armor's responsibility for providing health care services to all Inmates, including Inmates receiving health care services at sites outside the Jail, will terminate.

6.4 Owner of Documents Upon Early Termination. Upon any termination of this Agreement (i.e. prior to its expiration or upon its expiration), copies of all finished or unfinished documents, studies, correspondence, reports or other products prepared by Armor for Sheriff shall be provided to the Sheriff.

## **ARTICLE VII: COMPENSATION**

### **7.1 Compensation to Armor by Sheriff:**

Base Compensation. Beginning with the initial term of this Agreement, the base monthly compensation shall be invoiced by Armor to the Sheriff in advance of the month in which services are provided. The Sheriff shall pay the base monthly compensation invoice by the end of the month of service. All monthly adjustments (e.g., withholds, per diem) shall be invoiced or credited, as the case may be, the following month. In the event this Agreement should terminate or be amended on a date other than the end of any calendar month, compensation to Armor will be prorated accordingly based on the fractional portion of the month during which Armor actually provided services. Any properly submitted invoice not paid within 30 days from receipt shall accrue interest at 1.5% per month until paid in full.

(a) For the first twelve (12) month period of the initial term of this Agreement running from October 1, 2013 through September 30, 2014, the Sheriff shall pay to Armor the base price sum of \$2,518,982.00 for an average daily inmate population up to 950, payable in twelve (12) equal monthly installments. For each Inmate in excess of 1000 average daily inmate population, the Sheriff shall pay Armor a per diem of \$2.27. For each Inmate below 900 average daily inmate population, Armor shall credit the Sheriff a per diem of \$2.27

(b) For the second twelve (12) month period running from October 1, 2014 through September 30, 2015, the Sheriff shall pay to Armor the base price sum of \$2,614,142.00 for an average daily inmate population up to 970, payable in twelve (12) equal monthly installments. For each Inmate in excess of 1020 average daily inmate population, the Sheriff shall pay Armor a per diem of \$2.37. For each Inmate below the 920 average daily inmate population, Armor shall credit the Sheriff a per diem of \$2.37.

(c) For the third twelve (12) month period running from October 1, 2015 through September 30, 2016, the Sheriff shall pay to Armor the base price sum of \$2,712,953.00 for an average daily inmate population up to 990, payable in twelve (12) equal monthly installments. For each Inmate in excess of 1040 average daily inmate population, the Sheriff shall pay Armor a per diem of \$2.44. For each Inmate below the 940 average daily inmate population, Armor shall credit the Sheriff a per diem of \$2.44.

7.2. Inmate Population. The average daily inmate population shall be based upon the count taken at 4:30am eastern each day. The average daily population counts are added for each day of the month and divided by the number of days in the month to determine the average monthly inmate population. The excess, if any, over the applicable inmate population cap (see 12 month period, above) will be multiplied by the per diem rate and the number of days in the month to arrive at the increase in compensation payable to Armor for the month. Should the Sheriff designate any site other than the Jail requiring the provision of health care services to Inmates by Armor, the parties agree to negotiate the additional staff and compensation prior to Armor commencing services at the newly designated facility.

7.3 Compensation for Additional Renewal Terms. Pricing may be adjusted for the renewal terms, as described in Section 6.1, based on the mutual written agreement of the parties.

7.4 Failure to Perform/Reimbursement. For any services required to be performed by Armor under this Agreement, but that are performed by the Sheriff due to Armor's failure to perform, Armor shall reimburse Sheriff for those expenses and such expenses shall be reduced from the monthly payment due Armor from the Sheriff under this Agreement.

7.5 Compensation to Sheriff by Armor

Armor shall pay the Sheriff an annual EMR maintenance fee of \$8,640 on or before the 30<sup>th</sup> day of September of each year of this contract beginning with the first yearly payment on or before September 30, 2014.

7.6 Specialty Services. Sheriff shall reimburse Armor \$200.00 for each suturing event on-site (i.e. at the Jail).

7.7 Compensation to Armor by County.

(a) Offsite Care Reimbursement. Under this agreement with County, the County shall

reimburse Armor for all offsite and all non-Armor employee specialty medical care, including, but not limited to, hospitalization, offsite costs, on-site specialty services, offsite diagnostic procedures, emergency transportation services, x-ray, lab, and ultrasounds.

(b) Billing. Following the incurrence of an event set forth in section (a), above, Armor shall review, scrub, process (including contesting claims when appropriate) and pay all medically appropriate associated costs. Then, on a quarterly basis, Armor shall invoice the County for reimbursement of all amounts paid for services set forth in section (a), above, providing proof of all paid amounts to the County with a copy to the Sheriff for the Sheriff's review and approval, if correct, or dispute, if incorrect, within 1 week of receipt by the Sheriff. If correct, such invoice shall be approved by Sheriff or his representative. The County shall reimburse Armor within 30 days of receipt of each invoice, approved by the Sheriff, except for any claims reasonably disputed by the County. In the event of a dispute, the County shall pay all undisputed amounts while the disputed claims are promptly resolved. Events resolved in favor of Armor shall be paid along with interest of 1% per month commencing 30 days from the date of receipt of Armor's initial invoice in question.

(c) Fixed Healthcare. The County shall also pay Armor for certain annual fixed healthcare costs set forth in **Exhibit E**. This annual fixed healthcare cost figure shall be invoiced to the County in quarterly installments and paid within 45 days of receipt by the County. Because these are fixed annual costs, Armor will provide a simple quarterly invoice. For any extension of healthcare services after the initial three (3) year term of the Inmate Healthcare Agreement, this Agreement may be extended and amended to include payment to Armor for corresponding fixed healthcare costs agreed in any extension of the Inmate Healthcare Agreement.

(d) Pharmacy. For each applicable period set forth below, Armor shall bill the COUNTY the amounts set forth below. Should actual pharmacy costs for any year exceed the amount set forth below for any period, Armor shall pay the excess. Conversely, should Armor's total pharmacy expenditures in any year be less than the applicable amount for the period, Armor shall reimburse the COUNTY the savings. Within ninety (90) days after the end of each year, Armor shall provide an accounting, approved by Sheriff or his designee, showing the amount of pharmaceuticals used during the previous year and the costs thereof. Such accounting shall be the basis for any reimbursement. Reimbursement, if one is due, shall be made within thirty (30) days of the finalization of the accounting.

(i.) For the first twelve (12) months of this Agreement running from October 1, 2013 through September 30, 2014, Armor shall bill the COUNTY \$396,744, to be billed in 12 equal monthly installments.

(ii) For the second twelve (12) months of this Agreement running from October 1, 2014 through September 30, 2015, Armor shall bill the COUNTY \$417,246, to be billed in 12 equal monthly installments.

(iii) For the third twelve (12) months of this Agreement running from October 1, 2015 through September 30, 2016, Armor shall bill the COUNTY \$438,625, to be billed in 12 equal monthly installments.

## **ARTICLE VIII: LIQUIDATED DAMAGES**

8.1 Liquidated Damages. The Sheriff and Armor recognize that, since time is of the essence for this agreement, the Sheriff will suffer financial loss if performance by Armor of obligations under this Agreement are not completed timely or not completed at all. The Sheriff will be entitled to assess, as Liquidated Damages, but not as a penalty, the following amounts. Armor hereby expressly waives and relinquishes any right which it may have to seek to characterize the Liquidated Damages as a penalty. The parties agree that the Liquidated Damages sum represents a fair and reasonable estimate of the Sheriff's actual damages at the time of contracting if Armor fails to complete the work in a timely manner or fails to complete portions of the work. The Liquidated Damages shall be as follows:

(a) The parties agree that no liquidated damages shall be applied during the first ninety (90) days of the initial term.

(b) The Sheriff may assess Armor, on a monthly basis, liquidated damages of Two Hundred and 00/100 Dollars (\$200.00) for each Inmate History and Physical Examination not completed within the required fourteen (14) days of booking. This liquidated damages will not be assessed if Armor's staff does not have reasonable access to any inmate in order to complete the history or examination.

(c) The Sheriff may assess Armor, on a monthly basis, liquidated damages of One Hundred Fifty and 00/100 Dollars (\$150.00) for each intake screening at the Jail not initiated within 120 minutes of notification and reasonable opportunity to complete

(d) Armor shall not be liable for liquidated damages when Armor's failure arises as a result of any reason beyond its control, including but not limited to physical plant limitations, strikes or labor disputes by the Sheriff's staff, inmate disturbances, acts of God, or any other similar causes beyond the reasonable control of either party.

(e) Should accreditation fail to be obtained or retained due exclusively to the acts or omissions of Armor, the Sheriff may levy liquidated damages against Armor of \$50,000.00 and Armor shall pay said money to the Sheriff within two (2) weeks of Armor becoming aware of such failure.

## **ARTICLE IX: LIABILITY AND RISK MANAGEMENT**

9.1 Insurance. At all times during the term and any renewal term of this Agreement, Armor shall maintain (i) Professional Liability insurance covering Armor, its employees and officers in the minimum amount of at least one million dollars (\$1,000,000) per occurrence and

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three million dollars (\$3,000,000) in the aggregate annually; (ii) Comprehensive General Liability Insurance in the minimum amount of One Million Dollars (\$1,000,000.00); and (iii) statutorily required Comprehensive Automobile Liability Insurance. All insurance policies shall be with insurers qualified and doing business in Florida. Physicians, physician assistants, nurses and dentists provided by Armor will be included in the coverage. The Sheriff and the Lake County Board of County Commissioners shall be named on the Certificate of Insurance as additional insureds. In the event that the coverage changes, Armor shall provide the Sheriff with thirty (30) days' notice in writing. Armor shall also provide thirty (30) days advance notice to the Sheriff, in writing, of any changes in policy coverage or amount and cancellation or non-renewal of insurance coverage.

(a) All insurance policies shall be with insurers qualified to do business in Florida. Armor also agrees to make accessible to the Sheriff copies of policies and subsequent renewal policies. Sheriff will be notified if there are any changes in contract or providers from insurance carriers on a timely basis. Failure to maintain such coverage will be determined as a material breach of contract, and as such, the Sheriff may elect to terminate contract with no notice or economic loss.

(b) Armor shall maintain over the term and any renewal term of this Agreement, Worker's Compensation Insurance for all Armor employees connected with the work of this Agreement, and in the case of any subcontracting, Armor will require and ensure that the subcontractor have sufficient coverage as well. Such insurance will comply fully with the Florida Workers' Compensation Law. Should an Armor subcontractor fail to maintain such insurance, Armor will ensure statutory workers' compensation coverage for that subcontractor or terminate the use of such subcontractor.

9.2 Lawsuits Against the Sheriff or County. In the event that any lawsuit (whether frivolous or otherwise) is filed against one or more of the Sheriff, his employees, County, its employee or agents, based on allegations concerning medical care of Inmates or on the performance of Armor's employees, agents, or subcontractors, the parties agree that Armor, its employees, agents, subcontractors, assignees or independent contractors, as the case may be, may be joined as parties defendant in any such lawsuit and shall be responsible for their own defense and any judgments rendered against them, the Sheriff, County or the employees, or agents of either, pursuant to Section 9.4 of this Agreement. Nothing herein shall prohibit any of the parties to this Agreement from joining the remaining parties hereto as defendants in lawsuits filed by third parties.

9.3 Indemnity. Armor agrees to indemnify, defend and hold harmless the Sheriff, County, their respective officers, appointees, agents and employees from any claim, loss, damage, cost, charge or expense arising out of any act or omission of Armor, except that neither Armor nor any of its subcontractors shall be liable for any injury or damage caused by or resulting from the acts or omissions of the Sheriff, County, their Employees, officers, or agents.

(a) In no event shall Armor's obligations in this section apply or extend to:

(1) any claim, liability, cost or expenses arising or incurred at any time in connection with treatment of any Inmate's injury if such treatment occurred prior to the individual being an Inmate, or while the Inmate was not the responsibility of Armor pursuant to this Agreement (e.g., on release); or

(2) any claim, liability or cost arising out of the acts or omissions of any Sheriff's officers, agents or employees which prevent an Inmate from receiving medical care as directed by Armor; prevent an Inmate through the failure to exercise good judgment, to obtain prompt medical review or examination by Armor's employees or contractors; or which amount to willful misconduct.

(b) Nothing herein is intended to or shall be construed to waive any rights the Sheriff or County may have under the laws of Florida.

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

LAKE COUNTY SHERIFF'S OFFICE

ARMOR CORRECTIONAL HEALTH SERVICES, INC.

By: *Gary Berden*

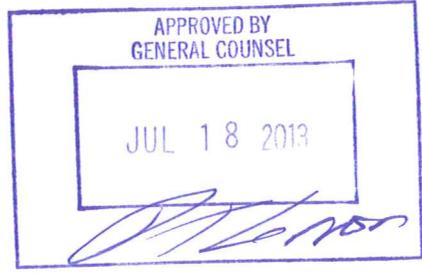
By: *[Signature]*  
Ken Palombo

Title: *Sheriff*

Title: *COO* Chief Operating Officer

Date: *7/19/13*

Date: *7/18/2013*



LAKE COUNTY BOARD OF COUNTY COMMISSIONERS

By: *[Signature]*  
Leslie Campione, Chairman

Date: *7-30-13*

ATTEST:

Approved as to form and Legality:

By: *[Signature]*  
Neil Kelly, Clerk of the Board of County Commissioners of Lake County, Florida

*[Signature]*  
Sanford A. Minkoff, County Attorney

**EXHIBIT A**

<b>ROLL-UP</b>										
<b>POSITION</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>	<b>Sunday</b>	<b>TBS*</b>	<b>Hrs/ Wk</b>	<b>FTE</b>
Health Services Administrator	8	8	8	8	8	0	0	0	40	1.0
Medical Director	0	0	0	0	0	0	0	20	20	0.5
ARNP/PA	8	8	8	8	8	0	0	0	40	1.0
Director of Nursing	8	8	8	8	8	0	0	0	40	1.0
RN - Charge	24	24	24	24	24	24	24	0	168	4.2
RN	8	8	8	8	8	0	0	0	40	1.0
LPN	88	88	88	88	88	88	80	0	608	15.2
Administrative Assistant	8	8	8	8	8	0	0	0	40	1.0
Medical Records Clerk	16	8	16	8	16	8	8	0	80	2.0
Psychiatrist	0	0	0	0	0	0	0	8	8	0.2
Mental Health Professional (LMHC)	8	8	8	8	8	0	0	40	80	2.0
Dentist	0	0	0	0	0	0	0	8	8	0.2
Dental Assistant	0	0	0	0	0	0	0	8	8	0.2
<b>Total Hours / FTE</b>	<b>176</b>	<b>168</b>	<b>176</b>	<b>168</b>	<b>176</b>	<b>120</b>	<b>112</b>	<b>84</b>	<b>1,180</b>	<b>29.5</b>

*\*To be scheduled.*

**EXHIBIT B**

<b>Position Title</b>	<b>Weekly Worked Hours<sup>1</sup></b>	<b>Base Hourly Rate - Year 1</b>	<b>Benefit Hourly Rate - Year 1</b>	<b>Base Hourly Rate - Year 2</b>	<b>Benefit Hourly Rate - Year 2</b>	<b>Base Hourly Rate - Year 3</b>	<b>Benefit Hourly Rate - Year 3</b>
Health Services Administrator	40	\$40.00	\$7.55	\$40.80	\$7.94	\$41.62	\$8.35
Medical Director	20	\$100.00	\$7.89	\$102.00	\$8.23	\$104.04	\$8.59
ARNP/PA	40	\$43.50	\$7.84	\$44.37	\$8.22	\$45.26	\$8.62
Director of Nursing	40	\$32.00	\$6.74	\$32.64	\$7.10	\$33.29	\$7.48
RN - Charge	168	\$26.75	\$6.10	\$27.29	\$6.42	\$27.83	\$6.76
RN	40	\$25.25	\$5.79	\$25.76	\$6.10	\$26.27	\$6.43
LPN	608	\$19.63	\$5.33	\$20.02	\$5.62	\$20.42	\$5.94
Administrative Assistant	40	\$18.00	\$5.08	\$18.36	\$5.37	\$18.73	\$5.69
Medical Records Clerk	80	\$13.28	\$4.60	\$13.55	\$4.88	\$13.82	\$5.18
Psychiatrist	8	\$125.00	\$9.93	\$127.50	\$10.42	\$130.05	\$10.94
Mental Health Professional (LMHC)	80	\$27.00	\$5.96	\$27.54	\$6.28	\$28.09	\$6.62
Dentist	8	\$80.00	\$8.16	\$81.60	\$8.55	\$83.23	\$8.98
Dental Assistant	8	\$16.00	\$3.03	\$16.32	\$3.11	\$16.65	\$3.20
<b>Total</b>	<b>1,180</b>	<b>\$25.23</b>	<b>\$5.71</b>	<b>\$25.73</b>	<b>\$6.02</b>	<b>\$26.25</b>	<b>\$6.35</b>

### EXHIBIT C

EQUIPMENT	Manufacturer	Qty
STRETCHER	Gendron, Inc.	1
WHEELCHAIR W/ ADJUSTABLE ARM and FOOTREST HEAVY	Invacare	1
OPHTH/ OTO WALL SET	Heine USA Ltd	3
INFUSION PUMP	First Biomedical, Inc	1
SCALE HEAVY DUTY BALANCE	Detecto Scales Co	1
CENTRIFUGE	BD Primary Care Diagnostic	1
OXYGEN CONCENTRATOR	Devibliss Co	1
VENIPUNCTURE CHAIR	Clinton Industries, Inc	1
PORTABLE SUCTION MACHINE	Soma Technology	2
URINALYSIS MACHINE	Henry Schein Inc.	1

EXHIBIT D



Master Inventory Value Report

	<u>Category</u>	<u>Asset Value</u>	<u>Number of Assets</u>
	<b>Medical</b>	<b>35,124.28</b>	<b>17</b>
11061	EKG MACHINE	3,100.00	0.00
11065	ISOLATION CART	1,194.00	0.00
11076	RESUSCITATOR	620.95	0.00
13064	DENTAL CHAIR	2,995.00	0.00
13065	MOUNTED LIGHT	1,005.00	0.00
13066	BELMONT XRAY	2,095.00	0.00
13069	DENTAL DEL SYSTEM	3,095.00	0.00
17167	MEDICATION CART	2,023.23	2,023.23
17168	MEDICATION CART	2,023.24	2,023.24
17508	MIDMARK STERILIZER	1,500.00	1,500.00
18927	ELECTROCARDIOGRAPH	4,250.00	4,250.00
18930	STERILIZER, CLAVE	3,296.00	3,296.00
19823	CART, MEDICAL	1,559.16	1,559.16
19824	CART, MEDICAL	1,559.16	1,559.16
20239	SPOT VITAL SIGN	1,210.00	1,210.00
20425	CART, MED	1,799.27	1,799.27
10426	CART, MED	1,799.27	1,799.27
		<b>24,966,521.80</b>	<b>5,110</b>

EXHIBIT E

Contract Year	Year 1	Year 2	Year 3
TOTAL	\$200,026	\$210,364	\$221,143

The above amounts include the following items:

- Office Expense
- Printing
- Waste Removal
- Minor Equipment Lease
- Licenses & Permits
- Dues & Subscriptions
- Repairs & Maintenance
- Computer Supplies/Support
- Seminars
- Telephone Expense
- Pagers & Cell Phones
- Laboratory
- Ultrasound
- X Ray Tech
- Dental Supplies
- Medical Supplies