

August 10, 2017

Sheriff Marshall Thomas Montague County Sheriff's Office Post Office 127 Montague, TX 76251

Re: Health Services Agreement

Dear Sheriff Thomas:

Southern Health Partners values serving Montague County as the on-site provider of inmate medical care at the Jail and it will be our pleasure to continue serving you and the County. Beginning in October, we will need a rate adjustment on the contract to help us keep up with the costs of doing business and providing medical services, which continue to rise each year. We were able to let the contract go for the last two years without an annual fee increase for renewal. This year, however, we must allow for higher fixed costs for items such as employee wages and benefits, plus many of our other operating costs have increased over time, including those related to insurance, administration and travel.

We have planned on a 3% inflationary increase for the 2017-2018 period, which is lower than the Consumer Price Index (CPI) for Medical Care in All Urban Areas. The renewal pricing terms are noted below for your records.

Contract period:

October 1, 2017 through September 30, 2018

Base annualized fee:

\$96,327.84 (\$8,027.32 per month)

Per diem greater than 75:

\$1.59

We are requesting a signature below on behalf of the County to acknowledge the new base price and per diem rate for the 2017-2018 period, rather than formally extending our Agreement for another year by contract Amendment. Please keep this letter for your records and return a signed copy to my attention by email (jeanette.rodriguez@southernhealthpartners.com) or by fax (423-305-6964) on or before September 15, 2017. Except as modified above, or as may be further amended or modified by mutual agreement between the parties, all provisions of the contract will remain in full force and effect.

If you have any questions or concerns you would like to discuss, then please feel free to contact me directly in our Chattanooga Corporate Office at 423-553-5635, ext. 9-22.

We appreciate Montague County's business and look forward to another year of providing our services.

Sincerely,

CC:

SOUTHERN HEALTH PARTNERS, INC.

MONTAGUE COUNTY, TX

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Jeanette Rodriguez **Contracts Administrator**