

AMENDMENT #1
TO
HEALTH SERVICES AGREEMENT

This AMENDMENT #1, to Health Services Agreement dated October 1, 2011, between Montague County, Texas (hereinafter referred to as "County", and Southern Health Partners, Inc., d/b/a SHP Vista Health Management, Inc., a Delaware Corporation, (hereinafter referred to as "SHP"), is entered into as of this 25th day of June, 2018.

WITNESSETH:

WHEREAS, County and SHP desire to amend the Health Services Agreement dated October 1, 2011, between County and SHP.

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

Section 1.2 is hereby amended and replaced in its entirety by the following:

1.2 Scope of General Services. The responsibility of SHP for medical care of an inmate commences with the booking and physical placement of said inmate into the Jail. The health care services provided by SHP shall be for all persons committed to the custody of the Jail, except those identified in Section 1.6. SHP shall provide and/or arrange for all professional medical, dental, mental health and related health care and administrative services for the inmates, regularly scheduled sick call, nursing care, regular physician care, medical specialty services, emergency medical care, emergency ambulance services when medically necessary, medical records management, pharmacy services management, administrative support services, and other services, all as more specifically described herein.

SHP shall be financially responsible for the costs of all physician and nurse staffing, over-the-counter medications, routine prescription medications for Montague County inmates, medical supplies, on-site clinical lab procedures, medical hazardous waste disposal, office supplies, forms, folders, files, travel expenses, long-distance telephone calls, publications, administrative services and nursing time to train officers in the Jail on various medical matters. County acknowledges that certain costs associated with providing medical care to inmates are excluded from this Agreement and shall be the financial responsibility of County, including, but not limited to, the costs of all non-routine prescription medications for Montague County inmates (psychotropic medications prescribed by other providers and medications related to treatment of HIV+/AIDS, renal failure, hepatitis, cancer, muscular dystrophy, multiple sclerosis, hemophilia, Crohn's disease and tissue/organ rejection), all biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), all off-site clinical lab procedures, all x-ray procedures (inside and outside the Jail), all dental services (inside and outside the Jail) and all medical and mental health services rendered outside the Jail, and further, that such costs shall not otherwise be the financial responsibility of SHP. The costs of emergency kits and restocking of emergency kit supplies and any necessary license or permit fees are excluded from this Agreement, the charges for which shall be paid by SHP on the County's behalf and thereafter invoiced to County for one-hundred percent (100%) reimbursement to SHP, payable by County within thirty days of the SHP invoice date.

Should new legislation require substantial or new medical directives to SHP in the provision of services under this Agreement, SHP will not be financially responsible for changes to its program, rather SHP would have the ability to seek from the County any additional monies to fund such directives.

Section 2.1 is hereby amended and replaced in its entirety by the following:

2.1 Staffing. SHP shall provide medical and support personnel reasonably necessary for the rendering of health care services to inmates at the Jail as described in and required by this Agreement. County acknowledges that SHP will provide an on-site staffing plan averaging thirty (30) nursing hours per week, according to a regular schedule of six (6) hours per weekday. Staffing hours worked in excess of this contracted staffing plan, not to include SHP training hours, may be billed back to the County on a monthly basis, at the actual wage and benefit rate, for staffing services performed on-site at the facility. Further, County acknowledges that SHP will not provide medical staff on SHP-designated holidays, and there will be an allowance for a reasonable number of absences for medical staff vacation and sick days. If any such absences exceed five (5) consecutive days, not to include vacation time or SHP-designated holidays, SHP will refund the County the cost of the staffing hours on the next month's base fee billing.

Further, it is understood the Professional Provider may be filled by a Physician, or Mid-Level Practitioner. Either will be duly licensed to practice medicine in the State of Texas, and will be available to our nursing staff for resource, consultation and direction twenty-four (24) hours per day, seven (7) days per week.

The scheduling of staff shifts may be flexible and adjusted by SHP in order to maintain stability of the program and consistency with staff. Any adjustments or changes to fixed schedules would be made after discussions with the Jail Administrator. Professional Provider visit times and dates will be coordinated with Jail Management, and may include the use of telehealth services. Some of the Professional Provider time may be used for phone consults with medical staff and for other administrative duties.

Section 2.5 is hereby amended to read as follows consistent with an increased aggregate insurance policy limit:

2.5 Subcontracting and Delegation. In order to discharge its obligations hereunder, SHP shall engage certain health care professionals as independent contractors rather than as employees. County consents to such subcontracting or delegation. As the relationship between SHP and these health care professionals will be that of independent contractor, SHP shall not be considered or deemed to be engaged in the practice of medicine or other professions practiced by these professionals. SHP shall not exercise control over the manner or means by which these independent contractors perform their professional medical duties. However, SHP shall exercise administrative supervision over such professionals necessary to insure the strict fulfillment of the obligations contained in this Agreement. For each agent and subcontractor, including all medical professionals, physicians, dentists and nurses performing duties as agents or independent contractors of SHP under this Agreement, SHP shall provide County proof, if requested, that there is in effect a professional liability or medical malpractice insurance policy, as the case may be, in an amount of at least one million dollars (\$1,000,000.00) coverage per occurrence and five million dollars (\$5,000,000.00) aggregate.

Section 4.1 is hereby amended and replaced in its entirety by the following:

4.1 General. SHP and County understand that adequate security services are essential and necessary for the safety of the agents, employees and subcontractors of SHP as well as for the security of inmates and County's staff, consistent with the correctional setting. County shall take all reasonable steps to provide sufficient security to enable SHP to safely and adequately provide the health care services described in this Agreement. It is expressly understood by County and SHP that the provision of security and safety for the SHP personnel is a continuing precondition of SHP's obligation to provide its services in a routine, timely, and proper fashion, to the extent that if, in SHP's sole discretion, the safety and security of SHP personnel are compromised, SHP may exercise its right to immediately terminate services, in accordance with the provisions of Section No. 6.2(b) of this Agreement.

Section 6.1 is hereby amended and replaced in its entirety by the following:

6.1 Term. This Agreement shall commence on October 1, 2011. The renewal term of this Agreement shall run from October 1, 2018, through September 30, 2019, and the Agreement shall thereafter be automatically extended for additional terms of one year each, subject to County funding availability, unless either party provides written notice to the other of its intent to terminate, or non-renew, in accordance with the provisions of Section No. 6.2 of this Agreement.

Section 6.2 is hereby amended and replaced in its entirety by the following:

6.2 Termination. This Agreement, or any extension thereof, may be terminated as otherwise provided in this Agreement or as follows:

- (a) Termination by agreement. In the event that each party mutually agrees in writing, this Agreement may be terminated on the terms and date stipulated therein.
- (b) Termination for Cause. SHP shall have the right to terminate this Agreement at any time for Cause, which may be effected immediately after establishing the facts warranting the termination, and without any further obligation to County, by giving written notice and a statement of reasons to County in the event:
 - (i) the safety and security of SHP personnel is determined by SHP, in its sole discretion, to be compromised, either as a direct, or indirect, result of County's failure to provide adequate security services, the provision of which is a continuing precondition of SHP's obligation to perform work under this Agreement, or
 - (ii) County fails to compensate SHP for charges or fees due, either in whole, or in part, under this Agreement, according to the terms and provisions as stated herein.

Cause shall not, however, include any actions or circumstances constituting Cause under (i) or (ii) above if County cures such actions or circumstances within a specified period following delivery of written notice by SHP setting forth the actions or circumstances constituting Cause, during which period SHP may permit County, solely by express agreement, time to provide sufficient remedy to SHP's satisfaction. In all cases, this Agreement may be terminated immediately by SHP, without notice, if, in SHP's sole discretion, such immediate termination of services is necessary to preserve the safety and well-being of SHP personnel.

Upon such a termination for Cause, County acknowledges that, SHP shall be entitled to all compensation fees and charges due for services rendered hereunder, without penalty or liability to SHP, up through and including the last day of services, and further that, County shall be obligated to compensate SHP accordingly for such services rendered up through and including the last day of services, consistent with the terms and provisions of this Agreement. If any costs relating to the period subsequent to such termination date have been paid by County in the case of (i) above, SHP shall promptly refund to County any such prepayment.

- (c) Termination by Cancellation. This Agreement may be canceled without cause by either party upon sixty (60) days prior written notice in accordance with Section 9.3 of this Agreement.
- (d) Annual Appropriations and Funding. This Agreement shall be subject to the annual appropriation of funds by the Montague County Commissioners' Court. Notwithstanding any provision herein to the contrary, in the event funds are not appropriated for this Agreement, County shall be entitled to immediately terminate this Agreement, without penalty or liability, except the payment of all contract fees due under this Agreement through and including the last day of service.

Section 7.1 is hereby amended and replaced in its entirety by the following:

7.1 Base Compensation. Effective October 1, 2018, County will compensate SHP according to the twelve-month annualized price of \$93,426.12 during the term of this Agreement, payable in monthly installments. Monthly installments based on the twelve-month annualized price of \$93,426.12 will be in the amount of \$7,785.51 each. SHP will bill County approximately thirty days prior to the month in which services are to be rendered. County agrees to pay SHP prior to the tenth day of the month in which services are rendered. In the event this Agreement should commence or terminate on a date other than the first or last day of any calendar month, compensation to SHP will be prorated accordingly for the shortened month.

Section 7.2 is hereby amended and replaced in its entirety by the following:

7.2 Increases in Inmate Population. County and SHP agree that, effective October 1, 2018, the annual base price is calculated based upon an average daily inmate population of up to 70. If the average daily inmate population exceeds 70 inmates for any given month, the compensation payable to SHP by County shall be increased by a per diem rate of \$1.59 for each inmate over 70. The average daily inmate resident population shall be calculated by adding the population or head count totals taken at a consistent time each day and dividing by the number of counts taken. The excess over an average of 70, if any, will be multiplied by the per diem rate and by the number of days in the month to arrive at the increase in compensation payable to SHP for that month. In all cases where adjustments become necessary, the invoice adjustment will be made on the invoice for a subsequent month's services. For example, if there is an average population for any given month of 75 inmates, resulting in an excess of five (5) inmates, then SHP shall receive additional compensation of five (5) times the per diem rate times the number of days in that month. The resulting amount will be an addition to the regular base fee and will be billed on a subsequent monthly invoice.

This per diem is intended to cover additional cost in those instances where minor, short-term changes in the inmate population result in the higher utilization of routine supplies and services. However, the per diem is not intended to provide for any additional fixed costs, such as new fixed staffing positions that might prove necessary if the inmate population grows significantly and if the population increase is sustained. In such cases, SHP reserves the right to negotiate for an increase to its staffing complement and its contract price in order to continue to provide services to the increased number of inmates and maintain the quality of care. This would be done with the full knowledge and agreement of the Jail Administrator, Sheriff and other involved County officials, and following appropriate notification to County.

Section 9.3 is hereby amended and replaced in its entirety by the following:

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(s) at the following address or to any other person at any other address as may be designated in writing by the parties:

- a. County: Montague County Judge
Montague County Commissioners' Court
Post Office Box 475
Montague, Texas 76251

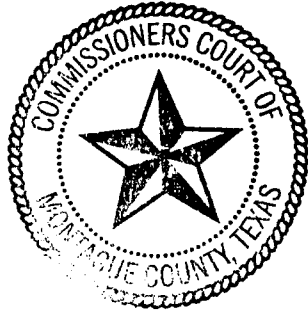
- b. SHP: Southern Health Partners, Inc.
2030 Hamilton Place Boulevard, Suite 140
Chattanooga, Tennessee 37421
Attn: President


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

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

MONTAGUE COUNTY, TX

BY:

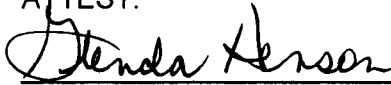




Montague County Judge

Date: 25 JUNE 2018

ATTEST:



Date: 6-25-18

SOUTHERN HEALTH PARTNERS, INC.

BY:

Jennifer Hairsine, President and CEO

Date: _____