

INMATE HEALTH CARE SERVICES AGREEMENT

THIS HEALTH SERVICES AGREEMENT ("Agreement") between the Sarasota County Sheriff's Office, a Florida county (hereinafter referred to as the "Sheriff" or the "SCSO"), and Armor Correctional Health Services, Inc., a Florida corporation, (hereinafter referred to as "Armor"), is entered into this twentieth day of July, 2012. Services under this Agreement shall commence on October 1, 2012 and shall continue until terminated or otherwise expired pursuant to the terms of this Agreement.

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 the detainees and inmates in the physical care, custody and control of the Sheriff, including detainees and inmates booked into the South County Holding Facility as well as those housed at the Sarasota County Correctional Facility (hereinafter these two facilities may be referred to as the "Facility," the "Facilities" or the "Jail"); and

WHEREAS, the Sheriff desires to provide for health care to the detainees and inmates in the care, custody and control of the Sheriff in accordance with applicable law; and

WHEREAS, the Sheriff 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 under the terms and conditions of this Agreement relative to detainees and inmates in the care, custody and control of the Sheriff 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: HEALTH CARE SERVICES

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 and mental health services, to detainees and inmates in the care, custody and control of the Sheriff who have been physically booked into either the South County holding facility or the Sarasota County Correctional Facility for housing therein (such detainees and inmates being hereinafter referred to in this Agreement as "Inmate" or "Inmates"), which excludes inmates and detainees who are only participating in the work release program and not housed at the Facility, and Armor accepts such 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 health care to an individual commences once the individual is in the care, custody and control of the Sheriff and has been physically booked into the Facility for housing therein.

Armor has no responsibility and shall not be liable for any health care or costs to any individual prior to becoming an Inmate. The SCSO shall notify a member of the on-site Armor staff of any bookings performed outside the Facility and, while Armor has no financial obligation for individuals booked offsite, Armor will use best efforts to provide utilization management for those individuals booked offsite and receiving inpatient care prior to becoming an Inmate. Armor shall provide when deemed reasonably necessary, all professional medical, dental, mental health, and related health care and administrative services for the Inmates, a comprehensive health evaluation of each Inmate following booking into the Facility in accordance with NCCHC Standards, Florida Corrections Accreditation Commission (FCAC), and Florida Model Jail Standards (FMJS), booking/intake health screenings, including medical evaluation for inmate work details, regularly scheduled sick call, nursing care, regular physician and dentist visits to the Facility, hospitalization, medical specialty services, emergency medical care, emergency ambulance services when medically necessary, medical records management, pharmacy services, to include HIV medications but excluding hemophiliac blood products and related supplies, medical clearances for intra and inter-agency transfers, food handling and work clearances, continuing care of identified health problems, detoxification, discharge planning, health education and training services, a quality assurance program, administrative support services, and other services, all as more specifically described herein. Armor will also provide screening and assessing of an individual's medical condition at the time the individual is being booked into the Facility, even prior to the completion to the booking process.

1.3. Specialty Services. In addition to providing the general services described above, Armor will obtain for Inmates housed at the Facility special medical services including basic radiology services and laboratory services. Armor will also evaluate the need for and feasibility of providing select onsite specialty services (e.g., Obygn) to reduce offsite transports. Those specialty services Armor determines to be feasible will be provided onsite. When non-emergency specialty care is required and cannot be rendered at the Facility, Armor will make appropriate off-site arrangements for the rendering of such care and shall make arrangements 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 provide 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 the Facility upon request of the Sheriff or his employees or agents, except when doing so would jeopardize Armor's care to an Inmate. Armor shall not be responsible for payment of emergency and follow-up services and transportation provided to correctional staff or visitors within the Facility in the event of an emergency.

1.5. Hospitalization Services and Limitations on Catastrophic Medical Services. Armor will arrange for the admission of any Inmate who, in the opinion of the Armor Medical Director requires hospitalization, and will bear the costs thereof up to the limits set forth herein. Subject to the limits set forth herein, Armor will be responsible for all

costs associated with hospitalization, all off-site and on-site specialty services, inclusive of diagnostic procedures, and emergency transportation services.

(a) "*Hospitalization*" refers to those services, which will be rendered in a hospital, which provides comprehensive medical care. Such services include but are not limited to inpatient hospitalization, physician fees associated with inpatient and/or outpatient care, ambulatory surgery, emergency ambulatory care, diagnostic and therapeutic radiology, laboratory and pathological capabilities, and physical therapy capabilities. Armor will pursue preferred provider contracts/discount agreements in place with local hospitals to meet the needs of the SCSO inmate health care program at the start date of this contract. Armor agrees to check to see if inmates have private insurance. If so, Armor will direct the hospital/provider to exhaust the insurance coverage. Any fee covered by insurance is not included in the initial \$250,000 aggregate cap.

(b) "*Off-site medical specialist care*" refers to those services rendered by licensed medical specialists, which are not provided on-site at the Jail, and which are provided off-site in a hospital, physician's office or clinic, or other medical facility. Armor will pursue preferred provider contracts/discount agreements in place with offsite care providers to meet the needs of the SCSO inmate health care program at the start date of this contract. The SCSO shall have access to and be provided copies of these agreements and any subsequent renewals or amendments throughout the Armor/SCSO contract period running from October 1 through September 30.

(c) For each twelve (12) month period of the Agreement, Armor's liability for costs associated with health care for Inmates rendered outside of the Facility (i.e., hospitalization and Off-site medical specialist care defined above) will be as follows:

(1) Armor's initial liability for hospital and off-site medical specialty costs will be \$250,000 for each twelve (12) month period under this Agreement.

(2) Any hospital or off-site medical specialty costs in excess of \$250,000 but less than or equal to \$600,000 during any twelve (12) month period shall be managed and paid by Armor accordingly but shall be reimbursed to Armor by SCSO, as set forth below. Armor will assume all liability for hospital and off-site medical specialty costs beyond \$600,000 for each twelve (12) month period under this agreement

(3) Should the total hospital and off-site medical specialty costs for any twelve (12) month period fall below \$250,000 after a full reconciliation, Armor will credit 100% of the difference back to the Sheriff.

(d) *Aggregate Reconciliation* – Following the completion of each 12 month period (running from October 1 to September 30), Armor shall submit an invoice showing any amount Armor has actually paid in excess of the initial \$250,000 liability during the past 12 month period. Armor will provide supporting documentation along with this invoice. The SCSO will reimburse Armor for the excess amount up to \$350,000 within 30 days of receipt of invoice. Armor shall then, within 180 days (except for late billing beyond

Armor's control, inappropriate billings such as Medicaid and claim disputes. These shall promptly be submitted for reimbursement by SCSO after receipt and verification) after the end of each 12 month period, submit a final invoice which shall set forth all additional amounts Armor has paid in excess of the initial \$250,000 liability. The SCSO shall reimburse Armor for this excess amount up to \$350,000 within 30 days of receipt of invoice. Armor will cooperate and provide to the SCSO any cost information requested.

(e) Armor and the Sheriff's Office staff will promptly identify inmates that are negatively affecting offsite costs and assist, when possible, in finding alternative placement for the length of the contract and any extensions.

(f) In the event this Agreement is terminated during the year, then the amounts will be adjusted on a pro-rated basis.

1.6. Affordable Care Act Coverage. The Affordable Care Act will significantly change Medicaid eligibility criteria effective January 1, 2014. Armor in cooperation with the Sarasota County Sheriff's Office will have in place the mechanisms to access all provisions of this act including access to matches and the enrollment of eligible inmates.

1.7. Exceptions to Treatment. Armor shall not be financially responsible for the cost of any medical treatment or health care services provided to non Inmates. This includes any treatment received by any individual prior to being placed into the care, custody and control of the Sheriff and physical booked into the Facility for housing therein.

1.8. Once an individual has been placed into the care, custody and control of the Sheriff, and physically booked into the Facility for housing therein, Armor will be financially responsible for the cost of all medical treatment, subject to the limits noted in this Agreement, for 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 Facility. An Inmate shall be medically cleared for booking into the Facility when medically stabilized and the individual's medical condition no longer requires immediate emergency medical care or outside hospitalization so that the Inmate can be reasonably housed at the Facility.

(a) 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 medically reasonable written protocols in use at the Facility 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 Facility, and the cost of such treatment, in total aggregate, would exceed 2% of the annual base compensation for any twelve (12) month period under the initial term of this Agreement, then the Sheriff and Armor shall negotiate for additional compensation due Armor for all actual expenses incurred from newly mandated changes in treatment standards.

(b) 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 abortions unless medically necessary.

(c) Armor will not be responsible for any medical testing or obtaining samples, which are forensic in nature, except as required by Florida Statute Section 943.325, or any other law.

1.8. Inmates Outside the Facility. Health care services are only for Inmates. 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 Facility 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 cost of medical services provided to Inmates who become ill or are injured while on temporary release will not be the financial responsibility of Armor after their return to the Facility. This relates solely to the costs relating to the particular illness or injury incurred while on such temporary release. The cost of medical services for other illnesses and injuries will be the responsibility of Armor.

(a) Inmates in the custody of other police or other penal jurisdictions are likewise excluded from the population count and are not the responsibility of Armor for the furnishing or payment of health care services.

1.9. 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 general 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 SCSO 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 release and indemnify Armor from and against any claims arising from or relating to the Sheriff's determination and pay all offsite, hospital and specialty costs associated with that determination. Any referral of Inmates for elective medical care must be reviewed and approved by the Sheriff prior to the provision of such services.

1.10. Transportation Services. To the extent any Inmate requires off-site non-emergency health care treatment including, but not limited to, hospitalization care and specialty services, for which care and services Armor is obligated to provide under this Agreement, 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.

1.11. HIV and Other Illnesses; Testing. Armor will administer tests, whether voluntary, court ordered or otherwise required by law, to Inmates in the Facility to screen for HIV disease and other health hazards as directed by the Sheriff or required by law.

1.12. Pharmacy/Pharmacy Annual Aggregate Cap. Armor shall provide pharmacy services management, including providing and administering medicines, including prescribed drugs to the Inmates. 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. Armor's total liability for pharmacy costs will be limited to \$400,000 for each twelve (12) month period under this Agreement.

1.13. Pharmacy Reconciliation. Should the total pharmacy cost exceed \$400,000, the Sheriff shall reimburse Armor the excess. Should the total pharmacy cost be less than the \$400,000, Armor shall credit the Sheriff the difference. Following the end of each 12 month period, Armor shall submit either a credit or and invoice showing actual pharmacy paid by Armor. Any credit to the Sheriff shall be reflected on Armor's next monthly invoice; and any excess shall be reimbursed by the Sheriff to Armor within 30 days of receipt of invoice receipt. Armor agrees to check to see if inmates have private insurance. If so, Armor shall instruct the pharmacy to seek payment from the insurance. Any fee covered by insurance is not included in the initial \$400,000 aggregate cap.

1.14. 340b Pricing. Pending successful implementation of 340b pricing by the state department of corrections, Armor will recommend collaboration with the SCSC and the Sarasota County Health Department on a strategy for achieving Federal agency and grantee approval as a 340b covered entity.

ARTICLE II: PERSONNEL

2.1. 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 Facility as described in and required by this Agreement. The chart attached as Exhibit A includes the agreed-upon staffing matrix necessary to provide the health care and support services required by the Facility for an average daily inmate population of 1150 Inmates. Armor agrees to conduct thorough background checks of all employees and be fully responsible for any negligent hiring or negligent supervision claims that arise out of Armor's hiring process.

(a) Should the inmate population exceed 1150 by 100 for three consecutive monthly averages, then both parties agree to review staffing and contract price to ensure proper care is reasonably able to be provided. If additional staffing is needed to properly care for the increased population, the Sheriff and Armor shall agree upon additional compensation required to provide the additional staffing.

(b) In the event the Facility 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 additional health care staffing be required, Armor also reserves the right to review the base compensation and, with the SCSO'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.

2.2. Staffing Withholds. For each medical classification governed by the staffing matrix included as Exhibit A of this Agreement, a withhold may be imposed by the SCSO for any hours under the contract hours required as reflected on Exhibit A. For any hours below the contract hours required by position, the SCSO may deduct from its monthly payment to Armor at 100% of the hourly rate plus 21% for benefits for the position as reflected on Exhibit A, after giving proper consideration to the backfill assumptions set forth subsection (b), below. In all cases, employees may be used to cover like positions when their credentials equal or exceed the credentials required for such position. Armor will provide the SCSO or its representative with a monthly contract staffing compliance report showing all contract positions relative to the staffing matrix. The report shall list all contract positions and the individual by name providing the service, hours each individual worked, to include paid time off, in relation to the contract hours required for that period. The staffing compliance report will be due no later than fifteen days following each monthly pay period.

(a) 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 assistance with government or inmate litigation not involving the negligent or wrongful acts of Armor.

(b) Backfill Assumptions are based on the table below.

Position	Holiday	PTO/Vacation	Training
Health Services Administrator	N	N	N
Medical Director	Y	Y	Y
ARNP	Y	Y	Y
Director of Nursing	N	N	N
RN	Y	Y	Y
LPN	Y	Y	Y
Medical Assistant	Y	Y	Y
Medical Records Clerk	Y	Y	N
Administrative Assistant	N	N	N
Psychiatrist	Y	Y	Y
LMHC/LCSW	Y	Y	Y
Dentist	Y	Y	Y
Dental Assistant	Y	Y	Y

The Regional Vice President will be onsite when the Health Services Administrator is on extended leave due to vacation, PTO or training.

2.3. 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:

2.4. Sheriff's 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, Armor will be allowed thirty (30) days from date of removal to find an acceptable replacement, without penalty or prejudice to the interests of Armor.

2.5. Use of Inmates in the Provision of Health Care Services. Inmates shall not be employed or otherwise engaged by either Armor or the Sheriff in the direct rendering of any health care services. Upon prior written approval of the Sheriff, Inmates may be used in positions not involving the rendering of health care services directly to Inmates.

2.6. Subcontracting and Delegation. In order to discharge its obligations hereunder, Armor will engage certain health care professionals as independent contractors rather than as employees. Armor agrees to conduct thorough background checks of all independent contractors and be fully responsible for any negligent hiring or negligent supervision claims that arise out of Armor's engagement process. The Sheriff may request to approve such professionals, but approval will not be unreasonably withheld. 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 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 the effective date of this Agreement, that there is in effect a professional liability or medical malpractice insurance policy, as applicable coverage for each health care professional identified herein, in an amount of at least One Million Dollars (\$1,000,000) coverage per occurrence and Three Million Dollars (\$3,000,000) aggregate or

as otherwise required to be maintained by such professionals under Florida law. If requested by the Sheriff, Armor will provide to the Sheriff copies of subcontractor agreements providing service under the Agreement.

2.7. Discrimination. During the performance of this Agreement, Armor and SCSO, their employees, agents, subcontractors, and assignees agree as follows:

- (a) None will 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. Each will agree to 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, each will state that it is an equal opportunity employer.
- (c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2.8. Armor shall provide one qualified nurse to be a member of the Sheriff's inspection team on Florida Model Jail Inspections. The Sheriff shall deduct Armor's actual costs (e.g., hotel, travel, backfill, meals,) associated with providing this nurse from penalties and /or withholds that may otherwise be applied to Armor

ARTICLE III: ACCREDITATION

3.1. Obligation of Armor. Armor's services shall be designed to meet the standards promulgated/developed by the National Commission on Correctional Health Care for Jails (NCCHC), Florida Correctional Accreditation Commission (FCAC) and the Florida Model Jail Standards. Armor will cooperate fully with the Sheriff in all efforts to maintain formal accreditation of the Facilities health care program. Armor will be responsible for the payment of the fees for maintaining or renewing NCCHC accreditation as well as those associated with the medical portion of FCAC, and Florida Model Jails. Any deficiency in Armor's performance of health care services under this Agreement resulting in notice from any regulatory or accrediting organization may constitute a material breach of this Agreement and shall be rectified immediately provided that such a breach is directly attributed to Armor, including Armor's employees, agents and subcontractors. Failure to rectify any such deficiency within a thirty (30) day cure period may result in causing the Sheriff, in his sole discretion, to terminate this Agreement. In the event accreditation from the NCCHC is not maintained during the term of this Agreement for failure on the part of Armor to comply with NCCHC standards, then Armor will pay a penalty of Fifty Thousand Dollars (\$50,000.00) to the SCSO as liquidated damages in

addition to any damages that arise as a result of an act or omission inconsistent with the accreditation.

(a) This obligation shall include the providing of written reports, on-site reviews, preparation of forms and applications and attendance at meetings as required for accreditation. Armor shall not be responsible for NCCHC requirements not under Armor's direct control or within the scope of Armor services.

ARTICLE IV: EDUCATION

4.1. Inmate and Staff Education. Armor shall conduct an ongoing health education program for Inmates at the Facility with the objective of raising the level of Inmate health and health care. Armor staff will provide relevant training to the SCSO's staff as required by accrediting bodies. Armor will also 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.

4.2. 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.

ARTICLE V: REPORTS AND RECORDS

5.1. 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, NCCHC standards and the Sheriff's policies and procedures. The medical records including any electronic 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 Facility 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 law and the Sheriff's policy with regard to access by Inmates and Facility staff to medical records. No information contained in the medical records shall be released by Armor except as provided by the Sheriff's policy, 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. However, the Sheriff shall, within the limits of applicable law, provide Armor with reasonable ongoing access to all medical records even after the termination/expiration of this Agreement to enable Armor to properly prepare for litigation or anticipated litigation or any other legal or regulatory claim or action brought or threatened by third persons in connection with services rendered during the term hereof.

5.2. Electronic Medical Records. Armor shall install an electronic medical records system that successfully interfaces with the SCSO jail management system. The EMR system will provide comprehensive EMR functionality and interoperability.

- (1) The system must provide easy and efficient means for medical staff to effectively manage individual patient treatment. Its functionalities will include: Patient Management Capabilities, Computerized Provider Order Entry, flexible Reporting and Querying. The EMR software must interface with the pharmacy, providing orders of new medications entered into the EMR directly to the pharmacy vendors. Similarly, the software must interface with the laboratory vendor, providing orders to and/or results from the laboratory vendor containing lab values to populate directly into the inmate's chart.
- (2) Procedures will be instituted for the receipt and filing of all outside consultations, x-rays, emergency room visits and inpatient hospitalizations.
- (3) The system must be robust and can be accessed simultaneously by multiple users from multiple stations.
- (4) Armor shall be solely responsible for the system's performance, hardware, software, and technical support.
- (5) Armor shall implement policies and procedures to assure confidentiality and compliance with HIPAA, as well as informed consent and access/disclosure of records.

5.3. Regular Reports by Armor to the Sheriff. Armor shall provide to the Sheriff, on a date and in a form mutually acceptable to Armor and the Sheriff, monthly and annual reports relating to services rendered under this Agreement.

5.4. 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 Sheriff's office, as directed by the Sheriff. Armor shall provide the Sheriff with timely reports when such credits are to be applied. Armor and the Sheriff specifically understand that Medicaid and Medicare are not available third party sources, and Armor's policies strictly forbid asking about Medicaid/Medicare and providing any Medicaid/Medicare information to any provider.

5.5. 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.

5.6. 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 hereunder. 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 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.

5.7. 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, Sheriff's records relating to the provision of health care services to Inmates as may be reasonably requested by Armor or as are pertinent to the investigation or defense of any claim related to Armor's conduct. 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 (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.

5.8. Florida Public Record Law. Armor acknowledges that it is familiar with the provisions of Florida's Public Records Law (Chapter 119, F.S.) and all of its records as they pertain to health care services for the Sheriff may be subject to the provisions of the Public Records Law of Florida, unless specifically exempted under Chapter 119, Florida Statutes, or other such provisions of Florida law providing for the confidentiality of medical records. In the event that 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, indemnify and hold harmless the Sheriff, the Sheriff's employees, officers, appointees and agents against all liabilities for Armor's failure to comply with the requirements of the law with regard to the release of records.

5.9. 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) relating to Armor's responsibilities pursuant to this Agreement.

ARTICLE VI: SECURITY

6.1. 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.

(a) In the event that any recommendation by Armor for particular health services for any Inmate or transfers to a medical facility should not be implemented and carried out for security reasons, Armor will be released from professional liability for any damages resulting from any such decision on the part of the Sheriff not to respond or to institute a requested transfer of any Inmate as long as the request was made in writing.

6.2. 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.

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

ARTICLE VII: OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES

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

7.2. 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 Facility's health care unit. At the termination of this or any subsequent Agreement, Armor will return to the Sheriff's possession and control of all supplies, medical and office equipment, in working order, reasonable wear and tear accepted, which were in place at the Facility's

health care unit prior to the commencement of services by Armor under the initial and subsequent Agreements.

7.3. Maintenance and Replenishment of Equipment. Armor will maintain all equipment, whether owned by Armor or the Sheriff, necessary for the performance of this Agreement by Armor in working order during the term of this Agreement. Based on input from the Armor Medical Administrator and in consultation with the SCSO, the SCSO will consider submitting an annual budget for capital equipment items, with a value in excess of \$2,500, necessary to provide health care services in the Facility. Armor shall at its sole expense purchase medical and office equipment it needs to perform services pursuant to this agreement with an individual item cost of \$2,500 or less. At the full conclusion of this contract all equipment purchased by Armor shall become the property of the SCSO. If the contract with Armor is terminated prior to the initial contract term and extensions the SCSO will be provided the opportunity to purchase the equipment at the time of the contract termination at its depreciated value, based on a three year depreciation schedule.

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

7.5. 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 office supplies needed, from time to time, to provide health services to the Inmates pursuant to the provisions of this Agreement.

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

7.7. Software and Electronic Information. All 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 SCSO 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 SCSO with all Inmate data that has been stored electronically, in a useable format for the SCSO, on Armor systems and shall ensure that all paper Inmate medical records and / or electronic documents are complete and remain in the SCSO possession.

ARTICLE VIII: TERM AND TERMINATION OF AGREEMENT

8.1. Term. This Agreement will be effective at 12:01 a.m. on October 1, 2012, 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 commencing October 1, 2012. Subject to Section 8.2, this Agreement may be renewed under like terms for two (2) additional one (1) year terms thereafter, each renewal subject to mutual agreement by the parties.

8.2. 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 without cause by either party upon one hundred twenty (120) days prior written notice in accordance with Section 11.4 of this Agreement.
- (c) Termination for Default. In the event either party shall give notice to the other that such other 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.
- (d) Annual Appropriations and Funding. Both 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 Sarasota County to the Sheriff with specific funds allocated to meet the medical needs of the Inmates in the Facility and the Sheriff's ability to perform under this Agreement.

8.3. 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 Facility, will terminate.

8.4. Owner of Documents upon Early Termination. Upon early termination of this Agreement prior to its expiration, all finished or unfinished documents, studies, correspondence, reports or other products prepared by Armor for SCSO shall become the exclusive property of the SCSO.

ARTICLE IX: COMPENSATION

9.1. Base Compensation. For each twelve (12) month period under the initial term of this Agreement, the base monthly compensation shall be invoiced at the end of the month in which services are provided. The Sheriff shall pay the base monthly compensation invoice within 30 days of the end of the month of service. All monthly adjustments (e.g., withholds, per diems) 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.

(a) For the first twelve (12) month period of the initial term of this Agreement, the Sheriff is required to pay to Armor the base price sum of \$3,361,722 for the daily average base inmate population up to 1150, payable in twelve (12) equal monthly installments. For each Inmate in excess of the 1150 average daily population, the Sheriff shall pay Armor a per diem of \$1.09.

(b) For the second twelve (12) month period of the initial term of this Agreement, the Sheriff is required to pay Armor the base sum of \$3,407,447 for a daily average base population up to 1150, payable in twelve (12) equal monthly installments. For each Inmate in excess of the 1150 average daily population, the Sheriff shall pay Armor a per diem of \$1.09.

(c) For the third twelve (12) month period of the initial term of this Agreement, the Sheriff is required to pay Armor the base sum of \$3,484,138.00 for a daily average base population up to 1150, payable in twelve (12) equal monthly installments. For each Inmate in excess of the 1150 average daily population, the Sheriff shall pay Armor a per diem of \$1.09.

9.2. Inmate Population. The average daily inmate resident population shall be based upon the count taken at 11:00 p.m. 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 inmate population caps 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.

(a) Should the Sheriff designate any other Sarasota County site as a facility requiring the provision of health care services by Armor, the parties agree to negotiate the additional staff and compensation prior to Armor commencing services at the newly designated facility.

9.3 Compensation for Additional Renewal Terms. Pricing will be adjusted for the renewal terms, as described in Section 8.1, based on the mutual written agreement of the Sheriff and Armor. 9.4 Failure to Perform/Reimbursement. For any services required to be performed by Armor under this Agreement, but that are performed by SCSO 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 under this Agreement.

9.5. <u>Penalties.</u>	<u>Explanation/Time</u>	<u>\$ Amount</u>	<u>Per (hour, day, etc)</u>
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Penalties to which Armor is subject include the following: Payback Item			
Receiving Screening	6 hours of arrival	\$100	Inmate/Hour
Health Assessment	14 days of arrival	\$100	Inmate/Day
Mental Health Assessment	14 days of arrival	\$100	Inmate/Day
Oral Screening	14 days of arrival	\$100	Inmate/Day
Periodic Health Assess.	12 months	\$100	Inmate/Day
Sick Call Triage	24 hours	\$100	Inmate/Day
Sick Call Clinics	72 Hours of Referral	\$100	Inmate/Day
Chronic Care Clinics	90 days	\$100	Inmate/Day
License/Certification	Throughout Employment	\$100	Staff Member/Day
Accreditation Status	Loss of /Failure to obtain – NCCHC ACA, FMJS	\$10,000	Occurrence

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

9.6. Inmates from Other Jurisdictions. Medical care rendered within the Facility to Inmates from other jurisdictions housed in the Facility pursuant to contracts between the County and such other jurisdictions will be the responsibility of Armor. Armor will arrange medical care that cannot be rendered in the Facility, but Armor shall have no financial responsibility for such services.

9.7. Responsibility for Work Release Inmates. Notwithstanding any other provisions of this Agreement to the contrary, both 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.

9.8. Changes in the Law. If any statute, rule or regulation is passed or any order issued or any statute or guideline adopted which materially increases the cost to Armor of providing health care services pursuant to this Agreement, Armor and the Sheriff will agree on additional compensation to be paid by the Sheriff to Armor as a result of such changes; provided, however, that if the parties are unable to agree on appropriate compensation, the matter shall be submitted to mediation according to the provisions of this Agreement.

ARTICLE X: LIABILITY AND RISK MANAGEMENT

10.1. 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 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) bodily injury and property liability damage combined single limit; (iii) Comprehensive Automobile Liability Insurance in the minimum amount of One Million Dollars (\$1,000,000.00) bodily injury and property liability damage combined single limit, and (iv) Employee Fidelity Insurance in the minimum amount of One Million Dollars (\$1,000,000.00). 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 shall be named on the Certificate of Insurance as additional insured. 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 provide Sarasota Sheriff's Office with copies of policies and subsequent renewal policies. Sarasota Sheriff's Office 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. Sarasota Sheriff's Office may elect to terminate contract with no notice or economic loss.

(b) In addition, Armor shall maintain over the term and any renewal term of this Agreement, Worker's Compensation Insurance for all of its employees connected with the work of this Agreement and in any case of subcontracting, will require that the subcontractor have sufficient coverage as well. Such insurance will comply fully with the Florida Worker's Compensation Law.

10.2. Lawsuits against the Sheriff or Sarasota County. In the event that any lawsuit (whether frivolous or otherwise) is filed against one or more of the Sheriff, his employees or agents, based on allegations concerning medical care of inmates or on the performance of Armor's employees, agents, subcontractors or assignees, 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 or the employees or agents of either, pursuant to Section 10.4 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.

10.3. Indemnity. Armor agrees to indemnify, defend and hold harmless the Sheriff, their respective officers, appointees, agents and employees from any claim, loss, damage, cost, charge or expense arising out of any act, action, neglect, omission or failure to act by Armor, except that neither Armor nor any of its subcontractors shall be liable for

the portion of an injury or damage caused by or resulting from the negligence of the Sheriff, his officers, agents and employees.

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

(1) the portion of 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 Inmate's being in the care, custody and control of the Sheriff and not under the responsibility of Armor's care pursuant to this Agreement; or

(2) the portion of 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 may have under the laws of Florida, included but not limited to, the provisions of Section 768.28 of the Florida Statutes or create any rights for 3rd party beneficiaries that otherwise do not exist in law or equity.

10.4. Limitation of Liability. It is the intent of the parties to this Agreement that Armor in providing the services contemplated hereunder is acting on behalf of the Sheriff, consequently, it is intended that any and all statutory, common law or legislative limitations on the liability of instrumentality's of the Sheriff are applicable to Armor and its health care providers to the extent allowable by law.

ARTICLE XI: MISCELLANEOUS

11.1. 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 to exercise control or direction over the manner or method by which Armor, its employees, agents, assignees or its subcontractors perform hereunder.

11.2. Warranty against Contingent Fees. Armor acknowledges and warrants that no person or selling agency has been employed or retained to solicit this Agreement for a commission, percentage, brokerage or contingency, except bona fide employees or selling agents maintained by Armor for the purpose of securing this Agreement.

11.3. Assignment and Subcontracting. Except as otherwise permitted in this Agreement, Armor shall not assign or subcontract this Agreement, in whole or in part, to any other entity or person without the express written consent of the Sheriff, which consent

shall not be unreasonably withheld. Any such assignment or subcontract shall include the obligations contained in this Agreement. Any assignment or subcontract shall not relieve Armor of its independent obligation to provide the services and be bound by the requirements of this Agreement. The Sheriff 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.

11.4. 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:

Sheriff Thomas Knight:

Sheriff of Sarasota County
Sheriff Thomas Knight
2071 Ringling Boulevard
Sarasota, Florida 34237

with a copy to: Major Kurt Hoffman
Sarasota Sheriff's Office
2071 Ringling Boulevard
Sarasota, Florida 34237

Armor:

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

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

11.5. 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, notwithstanding any conflicts of law principles to the contrary, and exclusive venue for the interpretation or enforcement of this Agreement or relative to any dispute

arising regarding or under this Agreement shall be in the appropriate state court located in Sarasota County, Florida, even if venue would be proper elsewhere.

11.6. Entire Agreement. This Agreement, attachments, exhibits and schedules 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.

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

11.8. 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 1.700 through 1.730, and FRCP 1.750, excluding subsection (b) together with the rules of the American Arbitration Association or the Foundation for Dispute Resolution. The parties agree to share equally the cost of the mediation.

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

11.10. 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 cost of such action so incurred, including without limitation, reasonable attorney's fees. The Sheriff's obligation under this section shall be to the extent permitted by law.

11.11. 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.

11.12. 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.

11.13. Force Majeure. Neither party shall 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 strikes, 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 its control.

11.14. 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.

11.15. Funding Sources. Both parties acknowledge that performance of this Agreement and payment for medical service to Armor pursuant to this Agreement is predicated on the continued annual appropriations by Sarasota County to the Sheriff with specific funds allocated to meet the medical needs of the Inmates in the Jail and the Sheriff's ability to perform under this Agreement.

11.16. 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 fully perform the services herein specified.

11.17. 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. The terms and conditions of this Agreement shall control over any terms and conditions in any solicitation, request for proposal, proposal, purchase order, acknowledgment, or other written form. This Agreement may be modified only in writing that expressly references this Agreement and is executed by both of the parties hereto.

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

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

11.20. Counterparts; Facsimile Signatures. This Agreement may be executed in multiple counterparts and by facsimile signatures, each of which shall be deemed to be an original and all of which together shall be deemed to be the same instrument.

11.21. 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; recommend or recommend to the Sheriff the assessment of liquidated damages/penalties based on non-compliance and as set forth within this Agreement; and facilitate and dispute resolution.

11.22. Appearances. Armor's representatives shall cooperate with the SCSO as necessary for required court appearances and any other court related purpose related to medical services at the SCSO.

11.23. 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.

11.24. Sheriff's Facility. The Sheriff may prohibit entry to any Facility 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 and 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 any facility. Armor's employees, independent contractors, and subcontractors, their desks, lockers, personal effects, and vehicles parked in the premises are subject to search at any time.

11.25. 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.

11.26. 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.

11.27. Emergency Notification. Armor shall promptly notify SCSO of any Inmate hospitalizations, any unusual illnesses, any emergency care, any Inmate death, and any potential media concern.

11.28. 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.

11.29. 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, and take appropriate action in accordance with the

Sheriff's grievance procedures. Armor shall respond to all Inmate complaints or grievances concerning services under this Agreement within seventy-two (72) hours of Armor's receipt of such complaint or grievance.

11.30. Utilization Review. Armor shall implement and operate a Utilization Review Program for the Sheriff.

11.31. 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 FCAC, FMJS and NCCHC review accreditation. Armor shall bear all costs associated with the outside consultants.

11.32. The Sheriff's Office will assist with the implementation of an Electronic Medical Records (EMR) program by providing IT support. Armor will make its best effort to fully implement an Electronic Medical Records program by October 1, 2012 but no later than December 31, 2012, unless due to interface issues on the side of the third party provider (e.g., pharmacy, lab...in which case it shall be completed as fast as commercially reasonable). Armor will maintain the EMR program for the length of the contract and any extensions.

11.33. Medical Master 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 each Facility involving staff from each shift in accordance with NCCHC standards.

11.34. Badges and/or Visitor Passes. All Armor employees will wear identification badges 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.

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

ATTEST:

By: [Signature]
Officer of Corporation
Date: Aug 3rd 2012

ARMOR CORRECTIONAL HEALTH SERVICES, INC. a Florida corporation

By: [Signature]
Title: COO
Date: 8/3/2012

THE SARASOTA SHERIFF'S OFFICE

Thomas Knight, Sheriff of Sarasota County,
Florida

Date: [Signature] 8-8-12

APPROVED AS TO FORM AND CONTENT

BY [Signature] 8-8-12
Major Kurt A. Hoffman Date
General Counsel