

HEALTH SERVICES AGREEMENT
BY AND BETWEEN
MONTGOMERY COUNTY CORRECTIONAL FACILITY
AND
PRIMECARE MEDICAL, INC. (PCM)

2012-2015

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The parties to this Agreement are the Montgomery County Correctional Facility (hereinafter referred to as "MCCF") and PrimeCare Medical, Inc. (hereinafter referred to as "PCM"). This Agreement is entered into as of this 8th day of January, 2012. It is understood and agreed that the MCCF is the financial responsibility of the County of Montgomery, Pennsylvania (hereinafter referred to as the "County"), as approved by the County Commissioners.

WITNESSETH:

WHEREAS, the County is charged by law with the responsibility for obtaining and providing reasonably necessary medical care for inmates of the Montgomery County Correctional Facilities, and,

WHEREAS, the MCCF desires to enter into this Agreement with PCM to promote this objective, and,

WHEREAS, PCM is in the business of providing correctional health care services and desires to provide such services for the MCCF under the term and conditions hereof.

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

1. **BUSINESS ENTITY**

PCM warrants that it is a Corporation licensed to do business in the Commonwealth of Pennsylvania for the purpose contained in this Agreement and in the Proposal.

2. **COUNTY FACILITIES**

The County operates the Montgomery County Correctional Facility (MCCF), the Montgomery County Community Corrections Center (CCC), and the Montgomery County Prison Farm (hereinafter collectively called "Facilities"). The services described herein shall be provided only at the MCCF and CCC.

3. **LICENSES**

PCM, as a Corporation, has obtained or shall obtain prior to entering into this agreement all licenses necessary to render medical and mental health services within the Facilities for the term of this Agreement. PCM shall ensure that all of its employees rendering services in the Facilities possess all licenses, including professional licenses, necessary to render medical services within the Facilities.

4. **TERM AND TERMINATION OF AGREEMENT**

This Agreement shall be for an initial term of three (3) years to commence on the 8th day of January, 2012, at 12:01 a.m. and terminate January 7, 2015. There shall be two (2) additional

one (1) year option periods, concluding on January 7, 2016, and January 7, 2017 respectively, as mutually agreed upon by the parties in writing.

5. SERVICES TO BE PROVIDED BY PCM

- A. Under this Agreement, the responsibility of PCM for the medical care of an inmate commences when custody is taken of the inmate by the County, to include such situations when the County accepts custody of an individual via a "Bed-Side Arraignment" at a local hospital. The term "Medical Care" includes professional medical and mental health care services for inmates in the Montgomery County Correctional Facility unless specifically indicated to the contrary.
- B. PCM will provide health care services for all persons committed to the custody of Facilities as detailed above, excepting those identified in Section 19 ("INMATES OUTSIDE THE FACILITY").
- C. It is understood and agreed that PCM shall be the sole supplier and coordinator of all medical programs including, but not limited to, eye and dental care for the Facilities and as such shall have the authority and responsibility for the implementation, modification and continuation of any and all health care and/or mental health programs for the Facilities, except that any modification or discontinuance must be done with the knowledge, consent and written approval of the Warden of MCCF (hereinafter referred to as the "Warden").
- D. Any new medical programs, implemented after the date of this Agreement, and not addressed in the RFP, shall be decided by mutual agreement of the MCCF and PCM and set forth in writing. This would include agreement on any additional cost.
- E. PCM will comply with the standards developed by the American Correctional Association (ACA) and National Commission on Correctional Health Care (NCCHC) relating to health services in correctional institutions and will also comply with all applicable state and federal laws, relating to medical services in correctional institutions in the Commonwealth of Pennsylvania.
- F. Exercise of Medical Autonomy. It is acknowledged and agreed that, in accordance with Standard J-A-03 of Standards for Health Services in Jails of the National Commission on Correctional Health Care (NCCHC), decisions and actions regarding health care services provided to inmates/patients are the sole responsibility of qualified health care personnel and cannot be compromised for security reasons; thus,

all decisions involving the exercise of medical or dental judgment are the responsibility of Company and its health care practitioners.

- G. Staff employed by the County shall be treated within the Facilities for minor injuries and/or illnesses upon request of the Warden.
- H. If clinically indicated, or if requested pursuant to PCM Policy, inmates remaining at the Facilities for more than fifteen (15) days shall be screened for Acquired Immune Deficiency Syndrome (AIDS) by PCM between the sixteenth (16th) day and the thirtieth (30th) day of confinement at the expense of PCM.
- I. Newly hired county employees at the MCCF shall be given a physical examination and psychological screening within their probationary period by PCM should the Warden desire to utilize PCM for these exams and screenings.

The additional cost of these services will be mutually agreed upon between the Warden and PCM prior to the services being rendered.

6. ACCREDITATION

- A. PCM's services shall meet the Standards for Health Services in Jails promulgated by the National Commission on Correctional Health Care (NCCHC). PCM shall, at its own cost, maintain and renew NCCHC accreditation of the Facilities' health care program. This obligation shall include the providing of written reports, on-site reviews, preparation of forms and applications and attendance at meetings as required by the Warden. PCM shall not be responsible for NCCHC requirements not under PCM's direct control nor outside the scope of PCM's services.
- B. PCM guarantees to maintain National Commission on Correctional Health Care (NCCHC) accreditation for the Facilities from the effective date of this Agreement and continuously throughout the life of the contract providing the accrediting agency schedules their field surveys within a reasonable time of PCM's request for renewal and further providing the MCCF cooperates with PCM in preparing for the field survey and by training MCCF staff as required by the Standards. If PCM fails to maintain NCCHC accreditation during the life of the contract, PCM will pay a performance penalty to the County of seventy-five thousand dollars (\$75,000.00).

7. HOLD HARMLESS CLAUSES

- A. PCM agrees to indemnify hold harmless and defend the County of Montgomery and the Board of Prison Inspectors, its agents, servants and employees from any and all

claims, actions, lawsuits, damages, judgments or liabilities of any kind whatsoever arising out of the operation and maintenance of the aforesaid program of health care services provided by PCM, its subcontractors, and its agents, servants, employees and medical staff, it being the express understanding of the parties hereto that PCM shall provide or arrange for the actual health care services and have complete responsibility for those health care services. Such claims, actions, lawsuits, damages and liabilities shall relate to either or both the medical treatment and health care services provided or arranged for by appointees of PCM, as well s to treatment and care omitted by PCM, its subcontractors, agents, servants, employees and medical staff or their appointees. Accordingly, upon notice of receipt of a claim, or action, or lawsuit for damages and/or for any liability relating either to medical and/or mental health treatment and/or care provided or omitted by PCM, its subcontractors, agents, servants, employees and medical staff including treatment and/or care arranged for by PCM, then and in that event so as to minimize and control matters, PCM shall promptly formally enter into the matter-including legal entry of appearance upon the record, so as to take the necessary action to defend, or negotiate, and/or amicably resolve such matter. The process for medical litigation management is described in Section 8 (“LITIGATION MANAGEMENT”).

- B The MCCF does hereby agree to indemnify and hold harmless PCM, its agents, servants, employees and medical staff from any and all injuries, claims, actions, lawsuits, damages, judgments or liabilities of any kind whatsoever arising out of the MCCF's negligent operation and maintenance of the Facilities, the custody of inmates and all provisions for the physical security of all PCM personnel, except as would relate to any injury, claim, action, lawsuit, damage, judgment, or liability caused by, or contributed to by negligence of PCM, its agents, servants, employees or medical staff. MCCF agrees to provide for the physical security of PCM personnel while engaged in the performance of this contract.
- C. It is expressly agreed by the parties hereto that PCM is at all times hereunder acting and performing as an independent contractor to provide professional services within the scope of the authority conferred by this Agreement. PCM is not considered to be an agent, servant or employee of the County of Montgomery and/or the MCCF for any purpose whatsoever. All agents, servants, subcontractors, employees and persons under the direction of PCM are independent contractors acting for and on behalf of PCM only.

8. LITIGATION MANAGEMENT

PCM will assume responsibility for any liability arising from the administration of healthcare services by PCM personnel, including both providing or withholding of professional services by

such medical personnel. In addition, PCM will indemnify and hold the County and the Board of Prison Inspectors, its agents, servants and employees harmless for defense costs, damages and/or liability arising from said administration of health care services. "PCM personnel." as that term is used above, includes not only PCM employees, but also any agents, contractors or others acting on behalf of PCM.

The process for medical litigation management is as follows:

- 1) If and when determined that a lawsuit (or demand from counsel) concerns medical and/or mental health issues, a copy of the lawsuit should be tendered and forwarded to the PCM at 3940 Locust Lane, Harrisburg, PA 17109.
- 2) The Montgomery County Solicitor will receive a letter acknowledging acceptance of tender and explanation of who to call with any questions. Occasionally, both Parties to this Agreement will have separate issues in a case relating to their separate functions, with both correctional and medical personnel being named for medical issues. In that case, PCM will defend the suit and indemnify and hold harmless the County and the Board of Prison Inspectors for all the medical and/or mental health issues, but reserve its rights as to defense costs incurred for and indemnification for the separate correctional issues.
- 3) PCM will notify County Counsel and the Warden if a suit that does not come through the Facility is received.
- 4) Local counsel assigned to the case will work with County Counsel in preparing responses and discovery.
- 5) PCM will work closely with the County Solicitor to keep him or her informed of the status of the case. If an appropriate settlement opportunity arises, the County Solicitor will be involved in the settlement discussions.

9. **FACILITIES SECURITY**

- A. PCM and the Warden acknowledge that adequate security services, consistent with the correctional setting, are necessary for the safety of PCM's agents, employees and subcontractors as well as for the security of inmates and the Warden's staff. The Warden will provide security sufficient to enable PCM and its personnel to safely provide the health care services described in this Agreement. Nothing herein shall be construed to make the MCCF, the Warden, his deputies or employees a guarantor of the safety of PCM employees, agents or subcontractors, including their employees.
- B. The MCCF shall not be liable for loss of or damage to equipment and supplies belonging to PCM, its agents, employees or subcontractors unless such loss or

damage was directly and solely caused by the negligence of the Warden and/or his employees.

- C. The Warden will provide security as necessary and appropriate in connection with the transportation of any inmate between the Facilities and any other location for off-site services as contemplated herein.
- D. Facility personnel shall notify PCM staff whenever, in a layman's opinion, any inmate is believed to require immediate medical or mental health care as provided under this Agreement.
- E. The Facilities agree not to confine any person in any hospital or the MCCF medical housing unit for disciplinary reasons, unless spatially necessary.
- F. Both parties agree that mentally ill inmates awaiting transfer to a state psychiatric facility will be housed as clinically necessary in the MCCF medical housing unit until such time as their transfer can be affected.

It is acknowledged and agreed that inmates will be lodged in the medical housing unit only on the direction of PCM employees. Consequently, inmates lodged in the medical housing unit shall be the responsibility of PCM for the purpose of observation, care and treatment.

10. PROFESSIONAL LIABILITY INSURANCE

- A. PCM shall maintain professional liability insurance covering itself and that all physicians, dentists, psychiatrists and nurses rendering medical services to persons committed to the custody of the Facilities acceptable to the MCCF in the amount of One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) in the aggregate. The MCCF, the County of Montgomery, and their officials and employees shall be named as additional insured's on said policy. In addition, PCM will require that all physicians, dentists, psychiatrists and nurses rendering medical services to persons committed to the custody of the Facilities will maintain professional liability insurance acceptable to the MCCF in the amount of One Hundred Thousand Dollars (\$100,000.00) per occurrence and Three Hundred Thousand Dollars (\$300,000.00) in the aggregate.
- B. If "Claims made" is the form of coverage provided, continuing liability coverage ("Tail Coverage") or an extended reporting endorsement of two (2) years will be provided. Such coverage shall be provided by PCM for covered individuals for the time period(s) covered under the terms of this Agreement. The previous health care

vendor shall be responsible for providing such coverage for its staff through the end date of their respective Agreement with County. PCM will not provide prior acts coverage for time periods occurring prior to the commencement of this Agreement.

- C. PCM's obligation under this paragraph shall extend only to persons who are employees or under contract with PCM or otherwise subject to PCM's control.

11. MEDICAL RECORDS

- A. PCM shall cause and require to be maintained a complete and accurate medical record for each inmate who has received health care services. PCM shall provide MCCF with a complete, electronic medical records system immediately upon a contract award. This guarantee is contingent upon the timely cooperation of the County's Information Technology Department. Should this Contract be terminated at any time, PCM shall provide MCCF with either an electronic or paper copy of each patient's health record. Each medical record will be maintained in accordance with applicable laws, NCHC Standards, the Pennsylvania Department of Corrections Minimum Standards and the Facilities' Policies and Procedures. Medical records shall be kept separate from the inmate's confinement record. Upon execution of the required Business Associates Agreement, a complete legible copy of the applicable medical record shall be available to the Warden or his appointee at all times consistent with state and federal privacy laws and regulations and a Medical Transfer Summary shall be available to accompany each inmate who is transferred from the Facilities to either another location for off-site medical services or to another correctional institution. Medical records shall be kept confidential subject to applicable law regarding confidentiality of such records. PCM shall comply with the Warden's policy with regard to access by inmates and MCCF staff to medical records. No information contained in the medical records shall be released by PCM except as provided by the Warden's policy, by a court order, or otherwise in accordance with the applicable law. PCM shall, at its own cost, provide all medical records, forms, jackets, and other materials necessary to maintain the medical records. At the termination of this Agreement, all medical records shall be delivered to and remain with the Warden. However, the Warden shall provide PCM with reasonable ongoing access to all medical records even after the termination of this Agreement for the purposes of defending litigation.
- B. Subject to applicable Pennsylvania law, in order to assist PCM in providing appropriate health care services to inmates, the Warden will provide PCM with information pertaining to inmates that PCM and the Warden mutually identify as reasonable and necessary for PCM to adequately perform its obligations hereunder. The MCCF, its agents, employees, or contractors understands that many of the

systems, methods, procedures, written materials and other controls employed by PCM in the performance of its obligations hereunder and which can be identified as proprietary in nature and will remain the property of PCM and may not at any time be used, distributed, copied or otherwise utilized by the MCCF, its agents, employees, or contractors except in connection with delivery of health care services hereunder, or as required by counsel in any lawsuit, or as permitted or required by law, unless such disclosure is approved in advance in writing by PCM.

- C. During the term of this Agreement and for a reasonable time hereafter, the Warden will provide PCM, at PCM's request, the Warden's records relating to the provision of health care services to inmates as may be reasonably requested by PCM or as are pertinent to the investigation or defense of any claim related to PCM's conduct. Consistent with applicable law, the Warden will provide the records of hospitals and other outside health care providers involved in the care or treatment of inmates (to the extent the Warden has any control over those records) as PCM may reasonably request. Any such information provided by the Warden to PCM that the Warden considers confidential shall be kept confidential by PCM and shall not, except as may be required by law, be distributed to any third party without the prior written approval by the Warden. Notwithstanding any provision of this Agreement the contrary, the Warden's office internal affairs investigative records shall not be required to be provided to PCM or any other person or entity.

12. PCM TO SUBMIT REPORTS TO THE COUNTY/FACILITIES

- A. PCM shall submit monthly reports to designated representatives of the MCCF concerning the overall operation of the health care services program, the general health of the persons committed to the custody of the Facilities and a monthly staffing report.
- B. PCM shall regularly confer with designated representatives of the MCCF concerning existing health related procedures at MCCF and any proposed changes in health related procedures as well as any other matter which either party deems appropriate.
- C. The Health Services Administrator is also responsible for providing the Warden or his designee with a daily report which includes:
- Inmates transferred to off-site hospitals and emergency departments.
 - Status of inmates in local hospitals and infirmaries.

In addition, the Health Services Administrator will provide the Warden or his designee with a monthly report by the fifth business day of each month that addresses, but is not limited to, the following:

- Inmates seen at sick call by the physician, dentist or psychiatrist; and medical specialty consultation referrals.
- Off site hospital admissions, emergency room visits, Medical Observation Unit admissions; patient days; average length of stay; receiving screenings; health assessments; staffing vacancies by position and number of days vacant, and noteworthy accomplishments and events.
- Suicide data, attempts and precautions.

13. PAYMENTS TO PCM

The County will pay to PCM the base price sums set forth below:

- A. For the Contract Year January 8, 2012 through January 7, 2013, Five Million Two Hundred Seventy-Two Thousand Seven Hundred Ninety-Five Dollars and Seventy-One Cents (\$5,272,795.71), payable in twelve (12) equal monthly installments of Four Hundred Thirty-Nine Thousand Three Hundred Ninety-Nine Dollars and Sixty-Four Cents (\$439,399.64).
- B. For the Contract Year January 8, 2013 through January 7, 2014, Five Million Four Hundred Thirty Thousand Nine Hundred Seventy-Nine Dollars and Fifty-Eight Cents (\$5,430,979.58), payable in twelve (12) equal monthly installments of Four Hundred Fifty-Two Thousand Five Hundred Eighty-One Dollars and Sixty-Three Cents (\$452,581.63).
- C. For the Contract Year January 8, 2014 through January 7, 2015, Five Million Five Hundred Ninety-Three Thousand Nine Hundred Eight Dollars and Ninety-Seven Cents (\$5,593,908.97), payable in twelve (12) equal monthly installments of Four Hundred Sixty-Six Thousand One Hundred Fifty-Nine Dollars and Eight Cents (\$466,159.08).
- D. The above pricing is based upon a three (3%) percent increase each year. Should the Agreement be mutually extended for any of the two (2) additional one (1) year options, the annual compensation shall be based upon the Consumer Price Index for the Philadelphia Area for the preceding year, but not to exceed three (3%) percent. At the conclusion of this five (5) year period, should the Health Services Agreement not be renewed (i.e., pending negotiations, etc.) and PCM continues to meet the terms

set forth in this Agreement, PCM shall be entitled to continue receiving its monthly compensation in accordance with the above outlined fee schedule to include annual increases during each year in which a new contract has not been executed.

PCM will bill the County on the fifteenth day of each month immediately preceding the month for which services will be rendered. The County agrees to pay PCM on or about the first day of the month for which services will be 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 will be pro-rated accordingly to the shortened month.

14. MONTHLY ADJUSTMENTS IN PAYMENTS

- A. The payments set forth in Section 13 are based on the understanding that the average daily population of the MCCF Facility for Year #1 shall be between 1,700 ("minimum daily population") and 1,800 ("maximum daily population"). This ADP range does not include those inmates/patients on approved / active work release status (inmates assigned to work release who presently maintain employment and are responsible for their own health care in the community, which includes prescriptions, out-patient and in-patient care).
- C. For each day that the average daily population exceeds 1,800 as detailed at paragraph A above, PCM shall be entitled to a Per Diem of \$3.97 times the difference between the maximum average daily population and the actual daily population.
- D. This increase or decrease is recorded on a daily basis, and overages and underages are accumulated for the calendar month.
- E. The population count of the inmate population will be representative of the average daily population and will be taken at the same time(s) every day.
- F. The per diem is intended to cover additional costs in those instances where a minor, short-term increase in the inmate population results in PCM providing more services than it would anticipate providing at the agreed upon count of 1,800 inmates. The per diem also is meant to cover the additional variable costs which PCM would incur as a result of the higher utilization of routine supplies and services by an inmate population larger than 1,800. However, the per diem is not intended to provide for any additional fixed costs (i.e., new staffing positions) which might prove necessary if the inmate population grows significantly and if the population increase is permanent. In such cases, PCM reserves the right to increase its staffing complement and adjust its contract price in order to continue to provide

services to the increased number of inmates and maintain the quality of care. This would only be done with the full knowledge and approval of the Warden, which approval shall not be unreasonably withheld, and following appropriate notification of and the provision of supporting documentation to the Warden by PCM.

- G. Inmates/Patients transferred to MCCF from other facilities where PrimeCare Medical, Inc. is also the provider shall be the financial responsibility of PrimeCare Medical, Inc. Such medical costs shall be subject to the catastrophic limits at MCCF. Inmates/Patients transferred to MCCF from any other facility where PrimeCare Medical, Inc. is not the provider, shall be the financial responsibility of the transferring institution as to all medical costs unless agreed to by Company in writing prior to any such transfer.

Company shall be financially responsible for the non-routine medical costs of MCCF inmates/patients housed at other jurisdictions where PrimeCare Medical, Inc. is also the provider when mutually agreed upon by Company and County prior to such transfer occurring. Such medical costs shall be subject to the catastrophic limits of either MCCF or the housing institution, whichever is lowest. MCCF inmates/patients housed at other jurisdictions where PrimeCare Medical, Inc. is not the provider shall not be the financial responsibility of PrimeCare Medical, Inc.

- H. As detailed within the Proposed Daily / Weekly Staffing Plan (Exhibit 1 to this Agreement), PCM shall provide mental health staffing (0.5 Psychiatrist FTE's, 2.0 Psychologist FTE's, and 2.0 Social Worker FTE's) consistent with these requirements. However, County shall reimburse PCM on a monthly basis for the costs associated with staffing 1.0 Psychologist FTE's and 1.0 Social Worker FTE's (A Forensic Case Worker is currently filling one of the two Social Worker positions). Such reimbursements shall be in addition to the monthly compensation paid by County to PCM. For purposes of this reimbursement, the costs associated with staffing these positions shall be defined as the respective employee's base wages (i.e., his/her current hourly rate).
- I. For the second and third years, respectively, of the contract, the Per Diem figures in B. and C. above shall be replaced with the following. This ADP range does not include those inmates/patients on approved / active work release status (inmates assigned to work release who presently maintain employment and are responsible for their own health care in the community, which includes prescriptions, out-patient and in-patient care).

Year 2	January 8, 2013 - January 7, 2014	\$4.09 over 1900
Year 3	January 8, 2014 - January 7, 2015	\$4.21 over 2000

15. THIRD PARTY PAYMENTS

In the event that health services provided to an inmate in the custody of Facilities are covered by third party payment, (e.g., no fault insurance, group health insurance, Medicare), PCM shall bill these services on behalf of itself and/or Facilities in the same manner as if they were provided by a private physician or health care organization. Any payments received will be retained by PCM.

16. ADDITIONAL COMPENSATION

With the exception of normal increases in inmate population (covered under Article 14, "MONTHLY ADJUSTMENTS IN PAYMENTS") or written amendments agreed to by the parties, PCM shall not be entitled to receive or seek additional compensation from the County for services under this Agreement.

17. LIMITATIONS ON CATASTROPHIC ACCIDENT OR ILLNESS

- A. PCM shall, at its own cost, arrange for the outside medical service of any inmate who in the opinion of PCM's Medical Director requires such care.

Liability for health care services shall be limited in the following circumstances to the following amounts:

PCM shall be liable only for the first \$1,100,000.00 per contract year for all of the following medical services, (off-site medical care, hospitalizations, specialty consults, hemodialysis and peritoneal dialysis, chemotherapeutic treatments, radiation treatments, infectious disease treatments and medications, laboratory services, radiology services, and all pharmaceutical medications) provided to the total inmate/patient population per contract year.(the "Aggregate Catastrophic CAP").

Any costs in excess of the catastrophic limits delineated above shall be paid by PCM and reimbursed by the County within thirty (30) days of the submission of an invoice by PCM. Catastrophic limits shall be calculated on the basis of a contract year.

For any contract year that the Aggregate Catastrophic CAP amount is not reached, PCM shall return seventy (70%) percent of the remaining Aggregate Catastrophic CAP balance to County.

- B. Any costs other than employee-related costs in excess of the catastrophic limits shall be paid by PCM and reimbursed by the County the following month. The County and MCCF shall, however, reserve the right to review such costs. When PCM reasonably anticipates catastrophic costs in excess of the Aggregate Catastrophic CAP will occur, it will so notify the Warden in advance where possible to permit the Warden to take such action as may be available to them to limit or to plan for such costs. In addition, PCM shall provide the Warden with a monthly report that identifies the catastrophic costs.
- C. PCM will assume payments up to the Aggregate Catastrophic CAP on a contract year basis for an illness or injury of an inmate.
- D. PCM will make payments on any and all appropriate inmates, including inmates presently in the hospital, for services rendered beginning with the first day of this Agreement and thereafter.

18. INJURIES INCURRED PRIOR TO INCARCERATION: PREGNANCY

- A. PCM will not be financially responsible for the cost of any medical treatment or health care services provided to any inmate prior to custody being taken of the inmate by the County, to include such situations when the County accepts custody of an individual via a "Bed-Side Arraignment" at a local hospital. Further, PCM will not be financially responsible for the cost of any medical treatment or health care services provided to medically stabilize any inmate presented at booking with a life threatening injury or illness and in immediate need of emergency medical care.
- B. Once an inmate has been physically placed in the Facilities, PCM will be financially responsible for the cost of all medical treatment for health care services regardless of the nature of the illness or injury or whether or not the illness or injury occurred prior to or subsequent to the individual's incarceration at the Facilities. An inmate shall be considered medically stabilized when the medical condition no longer requires immediate emergency medical care or outside hospitalization so that the inmate can be reasonably housed inside the Facilities.
- C. PCM shall not be responsible for medical costs associated with the medical care of any infants born to inmates. PCM shall provide health services to pregnant inmates, but health care services provided to an infant following birth will not be the responsibility of PCM.

19. INMATES OUTSIDE THE FACILITY

- A. Notwithstanding any other provisions of this Agreement, it is agreed that health care services are intended only for those inmates in the actual physical custody of the Facilities.
- B. "Inmates in the actual physical custody of the Facilities" includes inmates under guard in outside hospitals (subject to Section 18. A, immediately above) who are included in the daily population count.
- C. Inmates granted "temporary release" or "work release" are not eligible for health services provided by or paid by PCM. This would include extended furlough, parole, supervised custody, or escape status. Inmates who become ill or are injured during their "temporary release" will not be the financial responsibility of PCM. However, upon return to the Facilities, the inmates' medical financial responsibility will be resumed by PCM. Other related and unrelated illnesses and injuries will also be the financial responsibility of PCM upon return to the Facilities.
- D. Inmates will be required to sign an agreement in which they assume responsibility for arranging and paying for their own health services while on "temporary release".
- E. Inmates in the custody of other police or penal jurisdictions are excluded from the population count and are not the financial responsibility of PCM.

20. ELECTIVE MEDICAL CARE

PCM will not be responsible for providing elective medical care to inmates. For purposes of this Agreement, "elective medical care" means medical care which, in the opinion of PCM or its Medical Director, is not medically urgent or life or limb threatening.

21. MENTAL HEALTH SERVICES

PCM will provide Facilities with a detailed plan covering psychiatric and psychological services as clinically indicated within the Facilities. PCM shall not be responsible for the cost of inpatient psychiatric hospitalizations nor other psychiatric services provided outside the Facilities.

22. SECURITY SCREENING

The Warden will take all reasonable and customary steps necessary to screen health care personnel to ensure that such personnel will not constitute a security risk to the institution or to

the inmates. If any person appears, in the opinion of the Warden to be a security risk, PCM will not assign such person to work at the Facilities.

23. COUNTY TO PROVIDE OFFICE SPACE

The County shall provide, at its expense, office space for staff employed by PCM. The County shall also provide all necessary utilities, including all local telephone costs. Long distance telephone or special telephone line costs will be the responsibility of PCM and PCM shall reimburse such costs monthly to the County.

24. FOOD LINEN AND OTHER SERVICES

The Warden will provide for each inmate receiving health care services those services and facilities provided by the Warden for all inmates at the Facilities including, but not limited to, daily housekeeping services, dietary services, building maintenance services, personal hygiene supplies and services and linen supplies.

25. TRANSPORTATION

The Warden shall provide for routine transportation of inmates between the prison and any medical facility within the State, and between medical facilities, as PCM may deem necessary and appropriate for the medical care of the inmate. The Warden shall provide for vehicles and drivers available for emergency transportation in the event that PCM deems it necessary and appropriate to use such a vehicle for emergency transportation. The County shall provide and pay for security in connection with all transportation mentioned in this paragraph.

Ambulance services, when deemed necessary by PCM, will be paid by PCM.

26. FURNITURE AND EQUIPMENT

PCM will continue to maintain in good working order all County equipment necessary for the performance of this contract by PCM during the term of this Agreement unless otherwise agreed to by both parties. If additional equipment and instruments are required by PCM during the term of this Agreement it shall be the responsibility of PCM to purchase such items at its own cost unless the County agrees to purchase the equipment and/or instruments. At the end of this Agreement, or upon termination, the Warden or the County shall be entitled to purchase PCM's equipment and instruments upon a mutually agreed depreciation schedule. During the term of this Agreement PCM shall provide sufficient dental equipment to deliver routine dental care. The maintenance of the water and electrical sources for this equipment will continue to be the responsibility of the Warden and the County.

27. EQUIPMENT SECURITY

PCM hereby agrees to be responsible for any direct loss or damage, excluding reasonable wear and tear, to property or equipment of the Facility caused by health care staff. In like manner, the County hereby agrees to be responsible for any direct loss or damage to property or equipment of PCM caused by its employees or inmates.

28. USE-OF MEDICAL HOUSING

PCM will not provide Nursing Home or similar custodial-type services. Rather, post-hospitalization and convalescent care will be provided in the Facilities' medical housing unit.

29. SUBCONTRACTS

In complying with the contract PCM shall be permitted to enter into subcontracts for the health care delivery programs as PCM deems necessary subject to Article 30, Section "E" with prior approval of Warden. PCM shall be responsible for the performance of and for payments to its subcontractors for services tendered to Facilities. PCM shall include in subcontractor contracts that subcontractor has no direct cause of action against the County if a cause of action exists. Copies of such Subcontractors' Agreements will be provided to the Warden upon execution. If PCM has, or hereafter has "Non-Competitive Agreements" with any health services personnel, such "Non-Competitive Agreements" shall not now or any time hereafter be used to restrain or bar such health care individuals from engaging in the performance of the delivery of health care services at, or for, Facilities.

30. EMPLOYEES OF PCM

- A. PCM shall provide medical, mental health, dental, technical and support personnel necessary for the rendering of health care services to inmates at Facilities as described in and required by this Agreement. The agreed upon staffing pattern necessary to provide the health care services required by Facilities can be found at Exhibit 1 to this Agreement.

Professional, administrative and support staff positions will not be backfilled for holidays. Weekend staffing coverage will be provided for any holiday observed by the Facilities that falls during the week. Administrative and non-clinical support staff positions (such as the Health Services Administrator, clerical, etc.) will not be backfilled for paid leave time.

- B. This staffing pattern is based on the assumption that there will be between the minimum and maximum inmate populations indicated in Section 14. If inmate

population should increase significantly over the maximum daily population for a period of thirty (30) days or longer, it might necessitate additional health care staffing beyond the positions noted above. Should this occur, PCM reserves the right to review the staffing and pricing, and with the written agreement of both parties, make necessary adjustments in staffing and pricing in order to accommodate any additional staff positions which may be needed to service the increased inmate population.

- C. PCM agrees to replace health services personnel who leave their position at MCCF for any reason within thirty (30) working days of their departure or the County may withhold the equivalent of one day's salary for that position for each day the position remains open beyond the 30th working day. This provision likewise, applies to initial staffing, unless alterations are mutually agreed upon.
- D. The Medical Director, Psychiatrist and Dentist shall make sick, dental and emergency calls (visits) at the Facilities sufficient for the Facilities to meet or exceed National Commission on Correctional Health Care (NCCHC) accreditation standards. The Health Services Administrator shall have on call responsibility; shall be a Registered Nurse; and shall be at the Facilities during regular business hours, five days a week.
- E. If the Warden becomes dissatisfied with any health care personnel provided by PCM hereunder, or by any independent contractor, subcontractors or assignee, PCM, in recognition of the sensitive nature of correctional services, shall, following receipt of written notice from the Warden of dissatisfaction and the reasons therefore, exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to the Warden, PCM shall remove or shall cause any independent contractor, or assignee to remove the individuals about whom the Warden has expressed his dissatisfaction, unless such action would violate Section 31("PCM TO COMPLY WITH CIVIL RIGHTS LAW"). Should removal of an individual become necessary, PCM will, prior to removal, be allowed reasonable time to find an acceptable replacement. Should at any time, a substantial employment change be necessary (i.e., employee termination), the Warden and/or his designee shall be notified of such change prior to such change actually occurring. Nothing in this Section shall relieve PCM of its obligation to, at all times, meet the staffing requirements of Section 30, Subparagraph A.
- F. PCM agrees that all PCM health care staff who work at the Facilities will abide by the rules and regulations of the Montgomery County Correctional Facility.
- G. Inmates shall not be employed or otherwise engaged by either PCM or the Warden in the direct rendering of any health care services. Upon prior written approval of the

Warden, inmates may be used in positions not involving the rendering of health care services directly to inmates.

31. PCM TO COMPLY WITH CIVIL RIGHTS LAW

PCM agrees to comply with all Federal and State laws including civil rights laws and agrees as follows:

- A. PCM will not discriminate against any employee or applicant for employment because of race, creed, color, sex, age, marital status or national origin. PCM will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed color, sex, age, marital status or national origin. Such action shall include, but not be limited to the following: employment upgrade, demotion or transfer, recruitment or recruitment advertising; lay off or termination; rates of pay or forms of compensation; and selections for training, including apprenticeship.
- B. PCM agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the County setting forth the provisions of this nondiscrimination clause.
- C. PCM will, in all solicitations or advertisement for employees placed by or on behalf of PCM, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, age, marital status or national origin.

32. PCM AN INDEPENDENT CONTRACTOR

The parties acknowledge that PCM is an independent contractor and is not an agent, employee, partner or joint venturer with the County or the MCCF.

33. PCM NOT BOUND BY EXISTING CONTRACTS

The parties acknowledge that PCM is not bound by any existing contracts to which the County or the MCCF may be a party other than any contract expressly mentioned in this Agreement. Contracts that are not binding on PCM include, but are limited to, services, supply, equipment, personnel contract, physician services, dental services or psychiatric service agreements or understandings both written and unwritten.

34. THIRD PARTY BENEFICIARIES

The Parties do not enter into this Agreement for the benefit of any person other than the Parties to this Agreement. The Parties do not intend that any person, other than the County or the

MCCF be or become a third-party beneficiary to this Agreement, except that all inmates in the custody of the Facilities shall be provided health services as described herein.

35. SEPARATE AND DISTINCT CONDITIONS

The terms and conditions of this Agreement are agreed to be distinct and separable. If any clause, term or condition shall be held to be illegal or void, such holding shall not affect the validity or legality of the remaining clauses, terms and conditions of this Agreement, which shall thereafter constitute the agreement of the Parties. This Agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania.

36. ASSIGNMENT BY CONSENT

This Agreement shall bind and benefit the successors and assigns of the parties, but it shall not be assigned by either party without the prior written consent of the other party.

37. TERMINATION OF CONTRACT

- A. This Agreement may be terminated as otherwise provided in this Agreement as follows:
 - 1. Termination by Agreement. In the event that each of the Parties mutually agrees in writing, this Agreement may be terminated on terms and date stipulated.
 - 2. Termination by Cancellation. This Agreement may be canceled without cause by either Party upon one hundred eighty (180) days prior written notice in accordance with Section 38 of this Agreement.
- B. Upon termination of this Agreement, responsibility for providing health care services to all inmates, including inmates receiving health care services at facilities outside the Facilities will be transferred from PCM to the Warden.

38. NOTICES AND COMMUNICATION

All notices or other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if mailed first class, postage prepaid, on the date posted or, if personally delivered, when delivered. In either case, such notices should be addressed as follows or to such other addresses as may be given in writing to the other party:

To the MCCF:

Warden Julio Algarin
Montgomery County Correctional Facility
60 Eagleville Road
Norristown, Pennsylvania 19403-1403

To PCM:

Carl A. Hoffman Jr., D.O., D.Sc., CCHP
President & Corporate Medical Director
3940 Locust Lane
Harrisburg, PA 17109

39. FINAL AGREEMENT OF THE PARTIES

This writing, the Proposal, and correspondence subsequent to the award modifying the Proposal constitute the final expression of the Agreement of the Parties. It is intended as a complete and exclusive statement of the terms of their agreement and it supersedes all prior and concurrent promises, representations, negotiations, discussions and agreements that may have been made in connection with the subject matter hereof. No modifications or termination of this Agreement shall be binding upon the parties hereto unless it is mutually agreeable, is in writing, and signed by the parties hereto.

40. AMENDMENT

All prior negotiations, agreements and understandings with respect to the subject matter of this Agreement are superseded hereby. This Agreement may be amended or revised due to new construction or other requirements by written agreement signed and agreed to by the Board of Prison Inspectors, the Warden and PCM.


41. DESIGNATED REPRESENTATIVE

Until notified otherwise in writing by the County, the Designated Representative for liaison with PCM will be the Warden or his designee.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

COUNTY:

PRIMECARE MEDICAL, INC. (PCM)



Julio Algarin
Warden
MONTGOMERY COUNTY
CORRECTIONAL FACILITY



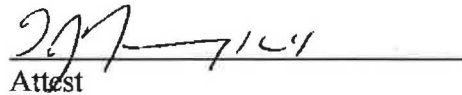
Carl A. Hoffman, Jr., D.O., CCHP
President & Corp Medical Director
PRIMECARE MEDICAL, INC.

Date: 12/20/2011

Date: Dec. 20, 2011



Attest



Attest

Printed Name: DENNIS J MOLYNEUX

Printed Name: F J Kowyluski Sr

Date: 12/20/2011

Date: 20 Dec 11