

INMATE MEDICAL SERVICES CONTRACT

THIS CONTRACT ("Contract") is entered into this _____, between Union County, acting through the Union County Sheriff's Office ("UCSO" or "Sheriff"), and MEDIKO, Inc. d/b/a MEDIKO, P.C., a Virginia professional corporation authorized to do business in the State of North Carolina ("MEDIKO" or "Contractor").

WHEREAS, the UCSO operates the Union County Detention Center ("Jail") located at 3344 Presson Road, Monroe, NC 28112 and issued Request for Proposal No. 2024-033 for Inmate Health Services (the "RFP"); and

WHEREAS, Contractor timely submitted its response on December 15, 2023 to the RFP (the "Proposal");

WHEREAS, the UCSO determined that Contractor's professional qualifications and proposed services are deemed meritorious and desires to award a contract for comprehensive inmate medical, mental health, pharmacy and medical laboratory and other ancillary services at the Jail in the manner prescribed herein.

NOW THEREFORE, for and in consideration of the mutual promises, conditions and covenants herein set forth, the parties agree as follows:

1. Term of Contract and Termination

The initial term of this Contract is for three (3) years beginning May 13, 2024 ("Start Date") and ending May 12, 2027 ("Initial Term"). Following the Initial Term, UCSO may, in UCSO's sole discretion, renew this Contract for up to two (2) successive one-year terms (each an "Extension Term") (collectively, the Initial Term and any Extension Terms, the "Term") upon provision of written notice to MEDIKO. This Contract may be terminated prior to the end of the Term only as set forth in Section 14 below.

2. Compensation for Services

(a) Base Compensation. For the first twelve (12) months of the Initial Term ("Initial Period"), Jail shall pay Contractor \$248,855.33 per month, which is based on an annual rate of \$2,986,264 divided into twelve equal monthly installments ("Base Compensation"). Monthly payments shall be made by UCSO on or before the twentieth (20th) day of the calendar month following the month in which services are provided. For each succeeding twelve (12) month period following the Initial Period, Base Compensation will be increased by an amount equal to three percent (3%) of the Base Compensation for the immediately preceding twelve (12) month period.

(b) ADP. UCSO acknowledges that if the average daily population ("ADP") at Jail's facility exceeds 241 inmates, Contractor will be required to hire additional personnel and will incur additional costs and expenses to provide the same level of services to such increased inmate population. Accordingly, if the ADP at the Jail exceeds 240 inmates (the "ADP Threshold") for two (2) consecutive months, UCSO will pay Contractor an additional \$3.96 per

inmate per day in excess of the ADP Threshold for any period where the actual ADP exceeds the ADP Threshold. If the ADP at Jail's facility exceeds the ADP Threshold for a total of six (6) consecutive months, Contractor and UCSO shall negotiate in good faith an increased amount of compensation for the remainder of the Term that takes into account the additional personnel and other costs incurred by Contractor in connection with providing services to such increased inmate population. If Contractor and UCSO are unable to agree on an increased amount of compensation within fifteen (15) days of Contractor notifying UCSO in writing of the need to increase Base Compensation, either party may terminate this Agreement upon thirty (30) days written notice to the other party.

(c) Cost Pool. Notwithstanding the provisions of the RFP, Contractor's financial responsibility for all costs and expenses associated with any Shared Cost Services (as defined below) shall be limited by an annual cost pool as described in Schedule C, which Schedule C is attached to this Contract and incorporated herein by reference. However, nothing in this Agreement shall be interpreted to impose financial responsibility on the UCSO for inmate medical services beyond the requirements imposed by applicable federal and state law. Likewise, Contractor shall not be financially responsible for the cost of inmate medical services which are determined, at any time, to be beyond the Contractor's responsibility as required by this Contract or applicable federal or state law. "Shared Cost Services" shall mean the following services, products, equipment or other matters: (i) off-site healthcare services (including, but not limited to, hospital services [whether inpatient, outpatient or in an observation unit], emergency room services, surgical services, off-site specialist services [whether provided in-person or via telemedicine], off-site physical therapy, and off-site diagnostic services); (ii) dental services and supplies; (iii) on and off-site dialysis services; (iv) the cost of pharmaceuticals (including both prescription and over the counter pharmaceuticals); (v) non-formulary medication (including, but not limited to, HIV and HEP-C medications, blood or plasma factors, dialysis medications, chemotherapy, immuno-therapy, and any other non-formulary medications); (vi) off-site imaging studies (including, but not limited to, off-site x-rays, CT scans, MRI studies and other imaging); (vii) laboratory services performed while the inmate is off-site; (viii) life vests; (ix) wound VAC; (x) costs associated with all emergency kits and restocking of emergency kit supplies; (xi) other medical services rendered by providers who are not employees or independent contractors of Contractor; (xii) transportation by officers or ambulance; (xiii) off-site vision services; (xiv) durable medical & office equipment (over \$500); (xv) server, hosting and connection fees associated with EMR System as needed; and (xvi) costs associated with medical devices or other treatment aids or devices recommended or prescribed by a specialist including, but not limited to, prosthetics, braces, special shoes, glasses, dentures, hearing aids, orthopedic devices, or other durable medical equipment. Contractor shall endeavor to provide all services hereunder which Contractor is required to provide on-site to the maximum extent possible subject to Contractor's professional medical judgment.

(d) EMR System. Contractor shall utilize Union County's existing electronic medical record system as described in the Proposal (the "EMR System") to maintain medical records for patients at the Jail. During the Term of this Contract, Union County will maintain and pay license fees, maintenance fees and other costs associated with such EMR System for the Jail. Following the termination of this Contract, UCSO shall provide Contractor with continuing access to inmate medical records and charts as may be reasonably necessary for the defense of

any judicial, administrative or disciplinary proceeding in which Contractor is a party and for other administrative services, provided that such access does not violate any applicable law.

(e) Discounts. Contractor will work with the UCSO to identify and negotiate contractual discount agreements with providers as reasonably necessary to maintain the cost efficiency of Contractor's program at the Jail. Contractor further agrees to provide the UCSO with a copy of all formal, written vendor discount agreements, confirm existing discount agreements in place at the beginning of each contract period and keep the UCSO informed as to new discount agreements or changes to existing agreements.

(e) Unforeseen Cost Increases. If Contractor experiences (i) increased staffing requirements or (ii) an increase of 10% or more in total compensation expenses payable to its employees, independent contractors or staffing agencies providing services at the Jail and such increases are beyond the reasonable control of Contractor, Contractor and the UCSO shall negotiate in good faith an updated Staffing Matrix and a corresponding increased amount of compensation for the remainder of the Term that takes into account the additional personnel and/or additional compensation expenses incurred by Contractor. If Contractor and UCSO are unable to agree on a revised Staffing Matrix and an increased amount of compensation within thirty (30) days of Contractor notifying the UCSO in writing of the need to modify the Staffing Matrix and increase compensation, either party may terminate this Agreement upon thirty (30) days written notice to the other party.

3. Scope of Services and Provision of Services

(a) General Scope. Except as provided below, Contractor shall provide medical, mental health, pharmacy and medical laboratory and other ancillary services to the inmates of the Jail as described in the Proposal. The scope of work details as defined by the Proposal are included by reference as a part of this Contract and are binding on both parties unless otherwise stated or modified by this Contract document. If there is an actual, material conflict between the terms of the Proposal and this Contract, the terms of this Contract shall control. Contractor will provide standard reports to the UCSO. Contractor will respond within 24 hours to any concerns expressed by UCSO. Both parties agree that the provision of services shall be performed in compliance with applicable local, state, and federal laws and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), and their implementing regulations.

(b) Staffing Matrix. Any references in the Proposal, RFP or other documents to a Staffing Matrix are hereby deleted and replaced by the Staffing Matrix attached as Schedule A, which Schedule A is incorporated herein by reference.

(c) Limitation on Services. Except as provided in Section 2, in no event shall Contractor be responsible for any (i) Shared Cost Services; (ii) information management hardware, information systems and other equipment (including, but not limited to computer servers) reasonably necessary to operate the EMR System (as described above); (iii) maintenance and repair of medical equipment and furniture and fixtures reasonably necessary to operate Jail's medical department; (iv) acquisition new or replacement medical equipment and furniture and

fixtures reasonably necessary to operate Jail's medical department; (v) the items listed in Section 3(e); (vi) transportation by officers or ambulance; (vii) court ordered mental health evaluations or any inpatient hospital commitments at a state facility; or (viii) any other services not specifically described in the Proposal as being performed by Contractor. Contractor shall not be required to bill any third party for services provided to inmates of the Jail. If UCSO determines that third parties should be billed for services provided by Contractor, any such billing shall be performed by UCSO.

(d) Supplies. Contractor shall be responsible for all general medical supplies necessary for the operation of the clinic.

(e) Medical Devices and Treatment Aids. In no case will Contractor be responsible for the costs associated with medical devices or other treatment aids or devices recommended or prescribed by a specialist including, but not limited to, prosthetics, braces, special shoes, glasses, dentures, hearing aids, orthopedic devices, or other durable medical equipment. At the request of UCSO, Contractor shall establish policies and procedures for the provision of prosthetics, regarding frequency, eligibility, etc., but the cost of such devices shall not be paid by Contractor.

(g) Responsibility for Inmates. The responsibility of Contractor for services under this Contract is limited to inmates committed to the physical custody of UCSO at the Jail. Inmates on any sort of temporary release or escape including, but not limited to, temporary releases for attendance at funerals or other family emergencies, inmates on escape status, inmates on work release, and inmates on pass, parole or supervised custody who do not sleep in the Jail at night shall not be considered to be in the physical custody of UCSO, shall not be the responsibility of Contractor with respect to providing services and shall not be included in the daily population count for purposes of Section 2(b). "Weekender" or "quick-dip" inmates, defined as inmates committed to the jail for a brief stay of less than three days shall be the responsibility of Contractor with respect to providing services and shall be included in the daily population count for the purposes of Section 2(b).

(h) Staffing. Contractor will ensure temporary coverage is provided for staff absence (planned or unplanned) with no more than 1 day without coverage. For nursing staff, Contractor will develop a pool of nurses who work on an "as needed" basis and can provide coverage for planned and unplanned absences. For the advanced practice clinician and psychiatrist, if such person misses the scheduled time of services, arrangements will be made for such person to provide services at the site on a different day of the same week or provide additional services the following week. Additionally, Contractor will utilize either a back-up physician or staffing agency in the event of extended planned and/or unplanned absences of the advanced practice clinician and psychiatrist. In the event of extended planned or unplanned absences of the Health Service Administrator, Contractor will deploy either the Regional Manager or a clinical support specialist with a nursing background to the site for management coverage. Contractor will ensure that permanent staff openings due to voluntary or involuntary termination are filled within 30 days; provided, however, that the UCSO will reasonably consider varied timeframes based upon position and availability of replacement personnel. Until the vacancy is filled with a permanent employee, Contractor will back-fill the open position with temporary staff from a per diem pool of nurses, staffing agency and/or corporate management

based upon the position. The UCSO will determine the severity and if any penalties will be assessed against the Contractor. If a failure is determined by the UCSO, it will result in the percentage in the “Base Credit Assessed” column being applied to the full amount of the operations payment identified in the “Payment Impacted” column for the month of measurement and penalties will be assessed against Contractor on unfilled positions as detailed below. The credit multiplier will increase by a factor of one for each month that a Service Performance Expectation is not met (e.g., if not met two (2) months in a row, the credit will be doubled in the second month; if not met three (3) months in a row, the credit will be tripled in the third month). Successfully meeting a Service Performance Expectation will end a persistent failure and reset the credit multiplier. The Contractor and UCSO shall classify failures as Chargeable or Non-Chargeable as required. No penalties will be assessed against Contractor for the first one-hundred and eighty (180) days of this Contract.

Service Performance Expectation	Requirement	Measurement Period	Base Credit Assessed
Staff vacancy at or above 20%	< 2 incidents	Calendar Month	5%
Provide 24/7 Medical Coverage by RN or LPN	< 2 incidents	Calendar Month	10%

(i) Clinical Service Penalties. Contractor and UCSO will establish an Issue Resolution Team (IRT) to evaluate performance failures of the Contractor. The UCSO will determine the severity and if any penalties will be assessed against the Contractor. If a failure is determined by the UCSO, it will result in the percentage in the “Base Credit Assessed” column being applied to the full amount of the operations payment identified in the “Payment Impacted” column for the month of measurement and penalties will be assessed against Contractor as detailed below. The credit multiplier will increase by a factor of one for each month that a Service Performance Expectation is not met (e.g., if not met two (2) months in a row, the credit will be doubled in the second month; if not met three (3) months in a row, the credit will be tripled in the third month). Successfully meeting a Service Performance Expectation will end a persistent failure and reset the credit multiplier. Under mutual agreement through the IRT, the Vendor and UCSO shall classify failures as Chargeable or Non-Chargeable as required. No penalties will be assessed against Contractor for the first one-hundred and eighty (180) days of this Contract.

Service Performance Expectation	Requirement	Measurement Period	Base Credit Assessed
Daily medpass completed in a timely manner for each inmate, with no more than 14 hours in between each administration of medicine	< 2 incidents	Calendar Month	5% of monthly invoice
Comprehensive Health Assessment completed on each inmate within twelve (12) hours of intake.	< 2 incidents	Calendar Month	2%
Inmate's sick call request shall be triaged, as emergent, urgent, or routine, by a nurse within twenty-four (24) hours of the	< 2 incidents	Calendar Month	5%

request.			
Failure to comply or complete any DUI/DWI Blood draw as issued by the courts.	< 2 incidents	Calendar Month	2%
OTHER (TBD by Mutual Agreement between UCSO and Contractor with a minimum of 60 days prior to chargeable penalty)	< 2 incidents	Calendar Month	2%

4. Supervision; Employee Screening

(a) General Supervision of Contractor's Employees. The UCSO acknowledges and agrees that all employees and independent contractors of Contractor, whether previously employed by the UCSO or not, shall be supervised and managed by, and be accountable to, Contractor. Accordingly, the Sheriff, Jail management, Jail officers and other Jail personnel shall not participate in the supervision, management or discipline of the employees of Contractor. If the Sheriff or his designees or any Jail personnel have any concerns with an employee of Contractor, such concerns shall be promptly communicated to Contractor's on-site Health Service Administrator. If the Sheriff or his designees or any Jail personnel are not satisfied with the response of the on-site Health Service Administrator, such concerns shall be promptly communicated to Contractor's Regional Manager.

(b) Dissatisfaction with Employee of Contractor. If the Sheriff, or designee, becomes dissatisfied with any employee provided by Contractor hereunder, Contractor, in recognition of the sensitive nature of correctional services, shall, following receipt of written notice from the Sheriff of the grounds for such dissatisfaction and in consideration of the reasons therefor, exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to the Sheriff, Contractor shall cause the employee to cease providing services under this Agreement; provided that Contractor will be allowed reasonable time to find an acceptable replacement without penalty to Contractor.

(c) Discretion of Sheriff. Notwithstanding the foregoing, the Sheriff or designee at all times shall retain sole discretion over whether to permit any individual to enter the Jail's grounds or facility.

(d) Employee Credentials and Background Checks. Prior to Contractor hiring health care employees for Jail, it will confirm the employee's certifications, credentials and, if applicable, license. If the UCSO requires fingerprinting, background checks, drug testing or other screenings of Contractor's employees (whether such employees were previously employed by the Jail or otherwise), the UCSO shall pay all expenses associated with such fingerprinting, background checks, drug testing and other screenings.

5. Duties of UCSO

(a) Cooperation. The UCSO shall cooperate with Contractor in all respects to ensure that inmate medical care and services will meet or exceed standards dictated by law, regulations, the American Correctional Association and the National Commission on

Correctional Health Care. Such cooperation shall include, but not be limited to, (i) regular access and meetings with the Sheriff and designees to address issues that may arise from time to time, (ii) timely transportation of inmates from housing units to the medical department, and (iii) sufficient, visible security in the medical department.

(b) Clinical Space. The UCSO shall provide Contractor with reasonable and adequate office and clinical space, facilities, equipment, local telephone, telephone line, utilities, and high speed internet access. The UCSO will provide maintenance, housekeeping and janitorial services for the office and clinical space used by Contractor.

(c) UCSO Owned Equipment. The UCSO shall provide to Contractor, beginning upon the commencement of this Agreement, possession and control of all medical and office equipment, instruments, furniture, fixtures and supplies owned by the UCSO and in place at Jail's health care unit (the "UCSO Owned Equipment"). UCSO shall pay the cost of maintenance, repair and replacement of the UCSO Owned Equipment. UCSO shall purchase any new or replacement medical equipment reasonably necessary to operate Jail's medical department in the manner in which it is currently operated. Upon termination of this Agreement, Contractor will return the UCSO Owned Equipment remaining at the Jail.

6. Insurance

Contractor is responsible for obtaining insurance coverages as set forth in Schedule B, which Schedule B is attached hereto and incorporated herein by reference. If any such insurance is written on a "claims made" basis, Contractor shall, at the termination of this Agreement, purchase "tail" coverage to provide coverage through the applicable statute of limitations.

7. Independent Contractors

The persons providing services under this Contract, and Contractor, shall be considered independent contractors, and shall not be deemed to be employees of UCSO for any purpose.

8. Indemnification

Contractor agrees to protect, defend, indemnify and hold Union County, its officers, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind in connection with or arising out of this Agreement and/or the performance hereof that are due, in whole or in part, to the negligence of Contractor, its officers, employees, subcontractors or agents. Contractor further agrees to investigate, handle, respond to, provide defense for, and defend the same at its sole expense and agrees to bear all other costs and expenses related thereto.

9. Nondiscrimination

(a) During the performance of this Contract, Contractor agrees not to discriminate against any employee or applicant for employment or inmate because of race, religion, color, sex or national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment except where there is a bona fide occupational qualification reasonably necessary to its normal operation. Notices setting forth the above language shall be posted in conspicuous places, available to employees and applicants for employment.

(b) Contractor, in all solicitations or advertisements for employees placed by or on its behalf, 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 above requirements.

(d) Contractor will include the provisions of paragraphs (a), (b) and (c) in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

10. Payment of Subcontractors

Contractor agrees to take one of the two following actions within seven days after receipt of amounts paid to Contractor under this Contract for work performed by a subcontractor under this Contract:

(a) Pay the subcontractor for the proportionate share of the total payment received attributable to the work performed by the subcontractor under this Contract, or

(b) Notify UCSO and the subcontractor, in writing, of Contractor's intention to withhold all or part of the subcontractor's payment with the reason for nonpayment.

Contractor shall pay interest to the subcontractor on all amounts owed that remain unpaid after seven days following receipt of payment for work performed by the subcontractor under this Contract, except for amounts withheld as allowed in (b) above. Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent per month. The interest charge shall not be deemed an obligation of UCSO, and a cost reimbursement claim may not include any amount for reimbursement for such interest charge.

Contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tiered subcontractor.

11. Federal Identification Number

Contractor's federal identification number is 54-1823521.

12. Drug-Free Workplace

During the performance of this contract, Contractor agrees to (i) provide a drug-free workplace for its employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition; (iii) state in all solicitations or advertisements for employees that Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

13. Venue for Suit

This Contract shall be interpreted under the laws of the State of North Carolina without regard to conflicts of laws provisions. Any action for breach or enforcement of this agreement shall be brought and litigated in the Courts of the State of North Carolina, in the forum of Union County Superior Court.

14. Termination

(a) Termination by UCSO. This Contract may be terminated by the UCSO prior to the end of the Term by written notice to the Contractor upon the occurrence of any of the following events and continuance thereof for a period of thirty (30) days after such written notice: (i) Contractor becomes insolvent or subject to any proceeding under the federal bankruptcy laws or other similar laws for the protection of creditors; or (ii) Contractor materially breaches any term, provision, representation or warranty of this Contract and such breach is not cured within such thirty (30) day period.

(b) Termination by Contractor. This Contract may be terminated by Contractor prior to the end of the Term by written notice to the UCSO upon the occurrence of any of the following events and continuance thereof for a period of thirty (30) days after such written notice: the UCSO materially breaches any term, provision, representation or warranty of this Contract and such breach is not cured within such thirty (30) day period; provided that if the UCSO's breach is related to a failure to make a payment, such payment is not subject to a good faith dispute asserted in writing during the notice period, which writing contains a reasonably detailed description of the dispute.

(c) Effect of Termination. Upon termination, Contractor shall be paid for all goods delivered or services successfully completed prior to the termination date. In the event of any termination, Contractor shall cooperate in the orderly transition of medical services to another provider such that the transition has minimal impact on the UCSO.

(d) Termination for Convenience. Either party may terminate this Contract for convenience upon ninety (90) days written notice to other party.

15. Entire Agreement

This Contract, including the items listed below, represents the entire agreement of the parties and any modification of this Contract shall be made in writing and executed with the same formality as this Contract. The following provisions and documents are incorporated by reference, as if fully stated herein, in the order of precedence indicated below:

1. This Contract.
2. Staffing matrix attached as Schedule A
3. Insurance terms and conditions attached as Schedule B
4. Cost pool attached as Schedule C
5. Contractor's Proposal
6. Request for Proposal No. 2024-033 ("RFP") for Inmate Health Services, inclusive of Addendum No. 1 and Addendum No. 2

16. Ownership of Materials

Notwithstanding anything in the RFP to the contrary, the Jail acknowledges and agrees that Contractor has previously developed certain proprietary guidelines, policies, procedures, protocols, manuals and forms for the provision of healthcare services to correctional institutions (collectively, "Contractor Materials"), that such Contractor Materials are valuable to Contractor in that they enable Contractor to provide the healthcare services more efficiently and with greater quality, and that Contractor owns all rights, title and interest in and to such Contractor Materials (including, but not limited to, the right to seek copyright, patent or other registration for such Contractor Materials). During the term of this Contract, Contractor will utilize the Contractor Materials in the performance of its duties hereunder. If UCSO adopts an electronic medical records system, Contractor acknowledges that such Contractor Materials may be utilized and stored within such electronic medical records system, on the computer hardware owned by UCSO and in any cloud based system used by UCSO. To the extent consistent with applicable North Carolina law, during the term of this Contract, and following expiration or termination of this Contract, UCSO agrees to use the Contractor Materials for the UCSO's internal use only; shall not disclose, transfer or license any Contractor Materials to any third party; and shall ensure that its agreements with electronic medical records system providers, data storage companies or other third party vendors ("EMR Vendors") who have access to the Contractor Materials prohibit all such EMR Vendors from using, licensing, disclosing or otherwise transferring the Contractor Materials.

As the owner of the Contractor Materials, Contractor shall be entitled, during the term of this Contract and following termination of this Contract, to use the Contractor Materials for any purpose including, without limitation, providing healthcare services to other jails and correctional facilities; provided that in all cases Contractor shall not use specific inmate or patient data. Upon the termination of this Contract, Contractor agrees that UCSO shall have the right to continue using, for UCSO's internal use only, any Contractor Materials previously provided by Contractor; provided that, to the extent consistent with applicable North Carolina law, UCSO shall not be entitled to disclose, transfer or license any Contractor Materials to any third party (including any subsequent provider or contractor). In addition, any modifications or improvements to the Contractor Materials developed during the term of this Contract shall not be

considered a work for hire and shall be owned exclusively by Contractor, subject to UCSO's limited right to use such materials as described above.

Notwithstanding this Section 16 or anything else in this Contract to the contrary, Contractor acknowledges that UCSO is subject to Chapter 132 of the North Carolina General Statutes, the Public Records Act, and that this Contract, including all documents incorporated by reference, shall be a public record as defined in such Act, and as such, will be open to public disclosure and copying. Any other specific information that is claimed by Contractor to be confidential or proprietary must clearly be identified as such by Contractor. To the extent consistent with the Public Records Act, UCSO shall maintain the confidentiality of all such information marked confidential or proprietary. If a request is made to view Contractor's proprietary information, UCSO will notify Contractor of the request and of the date that such records will be released to the requester unless Contractor obtains a court order enjoining that disclosure. If Contractor fails to obtain the court order enjoining disclosure, UCSO will release the requested information on the date specified.

17. Notices

All notices and requests by UCSO or Contractor shall be in writing and shall be delivered (a) by certified mail, return receipt requested, or (b) by a nationally recognized overnight delivery service (such as Fed Ex) with delivery charges prepaid, to the correct address of the parties set forth in the RFP and the Proposal. Either party may change its address by giving notice of the new address to the other party.

18. Force Majeure

Neither party shall be liable, or deemed to be in default, for any delay, interruption or failure in performance under this Contract resulting directly or indirectly from acts of God; force majeure events; acts of civil, military or other governmental authority (including any order by any governmental authority prohibiting or limiting the operation of the Jail or the performance of the services at the Jail); acts of terrorism; riots; fires; earthquakes; hurricanes; floods; accidents; explosions; medical pandemics or outbreaks; other medical emergencies; strikes or labor disputes; loss or interruption of electrical power or other public utility; freight embargoes or delays in transportation; or any similar or dissimilar cause that prevents performance or makes performance commercially impracticable and that is beyond the reasonable control of either party; provided, however, both parties shall make good faith efforts to perform under this Agreement in the event of any such circumstance.

19. Employment of Illegal Aliens

Contractor does not, and shall not during the performance of this Contract, knowingly employ an unauthorized alien as defined in the Federal Immigration Reform Act.

20. Severability

In the event any provision of this Contract is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of the Contract which shall remain in full

force and effect and enforceable in accordance with its terms.

21. Non-Appropriation

Contractor acknowledges that County and UCSO are governmental entities, and the Contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of UCSO's obligations under this Contract, then this Contract shall automatically expire without penalty to UCSO thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that UCSO shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this Contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations.

22. E-Verify

As a condition of payment for services rendered under this Contract, Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if Contractor provides the services to the UCSO utilizing a subcontractor, Contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes as well. Contractor shall verify, by affidavit, compliance of the terms of this section upon request by the UCSO. In this E-Verify Compliance Section, "Contractor", "Subcontractor" and "Comply" shall have the meanings intended by North Carolina General Statutes. The UCSO is relying on this section in entering this Contract. The parties agree to this section only to the extent authorized by law. If this section is held to be unenforceable or invalid in whole or in part, it shall be deemed amended to the extent necessary to make this Contract comply with North Carolina General Statutes, or as may be amended from time to time.

23. Authority

Each signatory below warrants that it has the corporate or other organizational power and authority to execute, deliver and perform this Agreement. Each signatory further warrants that the execution, delivery and performance by it of this Agreement has been duly authorized and approved by all requisite action of the party's management and appropriate governing body.

Acknowledged and Agreed:

MEDIKO, Inc.

Union County

By: _____
Kaveh Ofogh, M.D.
President & CEO

By: _____
Brian Matthews
Union County Manager

Date: _____

Date: _____

Union County Sheriff's Office

By: _____

Eddie Cathey
Sheriff of Union County

Date: _____

This instrument has been preaudited in accordance with the Local Government Fiscal Accountability Act.

Deputy Finance Officer

Approved as to Legal Form CAM

SCHEDULE A

Staffing Matrix

Staffing Matrix - UNION COUNTY, NC Jail										
Medical Director										
POSITION	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	TBD	Hrs/Wk	FTE
Health Services Administrator, RN	8	8	8	8	8				40.00	1.000
Registered Nurse (RN) (Med Pass/ Detox/Sick Call/Intakes and H&P's)	24	24	24	24	24	24	24		168.00	4.200
Licensed Practical Nurse (LPN) (Med Pass/Detox/Diabetics / Wound Care/Sick Call)	8	8	8	8	8	8	8	8	64.00	1.600
Advanced Registered Nurse Practitioner (ARNP)								8	8.00	0.200
Licensed Mental Health Counselor (LMHC)	8	8	8	8	8				40.00	1.000
Psychiatrist (Telepsychiatry)	3		3		3				9.00	0.225
Total Hours/FTE - Day	51.00	48.00	51.00	48.00	51.00	32.00	32.00	16.00	329.00	8.225
NIGHT SHIFT										
POSITION	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday		Hrs/Wk	FTE
Registered Nurse (RN) (Med Pass/ Detox/Sick Call/Intakes and H&P's)	24	24	24	24	24	24	24		168.00	4.200
Total Hours/FTE - Night	24.00	24.00	24.00	24.00	24.00	24.00	24.00		168.00	4.200
Proposed Staffing Matrix - UNION COUNTY, NC Jail										
Roll-up Totals										
POSITION	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	TBD	Hrs/Wk	FTE
Health Services Administrator, RN	8	8	8	8	8	-	-		40.00	1.000
Advanced Registered Nurse Practitioner (ARNP)								8	8.00	0.200
Registered Nurse (RN)	48	48	48	48	48	48	48		336.00	8.400
Licensed Practical Nurse (LPN) (Med Pass/Detox/Diabetics / Wound Care/Sick Call)	8	8	8	8	8	8	8	8	64.00	1.600
Licensed Mental Health Counselor (LMHC)	8	8	8	8	8	-	-		40.00	1.000
Psychiatrist (Telepsychiatry)	3	-	3	-	3	-	-		9.00	0.225
Total Hours/FTE - Roll-up	75.00	72.00	75.00	72.00	75.00	56.00	56.00	16.00	497.00	12.425

SCHEDULE B

Insurance Requirements

- I. At Contractor's sole expense, Contractor shall procure and maintain the following minimum insurances with insurers authorized to do business in North Carolina and rated A-VII or better by A.M. Best, or as otherwise authorized by the Union County Risk Manager.

A. WORKERS' COMPENSATION

Statutory (coverage for three or more employees) limits covering all employees, including Employer's Liability with limits of:

\$500,000	Each Accident
\$500,000	Disease - Each Employee
\$500,000	Disease - Policy Limit

B. COMMERCIAL GENERAL LIABILITY

Covering Ongoing and Completed Operations involved in this Agreement.

\$2,000,000	General Aggregate
\$2,000,000	Products/Completed Operations Aggregate
\$1,000,000	Each Occurrence
\$1,000,000	Personal and Advertising Injury Limit

C. COMMERCIAL AUTOMOBILE LIABILITY

\$1,000,000	Combined Single Limit - Any Auto
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D. PROFESSIONAL LIABILITY (MEDICAL MALPRACTICE)

\$1,000,000	Claims Made
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Contractor shall provide evidence of continuation or renewal of Professional Liability Insurance for a period of two (2) years following termination of the Agreement.

II. ADDITIONAL INSURANCE REQUIREMENTS

- A. Contractor's General Liability policy shall be endorsed, specifically or generally, to include the following as Additional Insured:

UNION COUNTY, ITS OFFICERS, AGENTS AND EMPLOYEES ARE INCLUDED AS ADDITIONAL INSURED WITH RESPECTS TO THE GENERAL LIABILITY INSURANCE POLICY.

Additional Insured status for Completed Operations shall extend for a period of not less than three (3) years from the date of final payment.

- B. Before commencement of any work or event, Contractor shall provide a Certificate of Insurance in satisfactory form as evidence of the insurances required above.
- C. Contractor shall have no right of recovery or subrogation against Union County (including its officers, agents and employees).
- D. It is the intention of the parties that the insurance policies afforded by Contractor shall protect both parties and be primary and non-contributory coverage for any and all losses covered by the above-described insurance.
- E. Union County shall have no liability with respect to Contractor's personal property whether insured or not insured. Any deductible or self-insured retention is the sole responsibility of Contractor.
- F. Notwithstanding the notification requirements of the Insurer, Contractor hereby agrees to notify Union County's Risk Manager at 500 North Main Street, Monroe, NC 28112, within two (2) days of the cancellation or substantive change of any insurance policy set out herein. Union County, in its sole discretion, may deem failure to provide such notice as a breach of this Agreement.
- G. The Certificate of Insurance should note in the Description of Operations the following:
- Department: Sheriff's Office
Contract #: 8862
- H. Insurance procured by Contractor shall not reduce nor limit Contractor's contractual obligation to indemnify, save harmless and defend Union County for claims made or suits brought which result from or are in connection with the performance of this Agreement.
- I. Certificate Holder shall be listed as follows:
- Union County
Attention: Risk Manager
500 North Main Street
Monroe, NC 28112
- J. If Contractor is authorized to assign or subcontract any of its rights or duties hereunder and in fact does so, Contractor shall ensure that the assignee or subcontractor satisfies all requirements of this Agreement, including, but not limited to, maintenance of the required insurances coverage and provision of certificate(s) of insurance and additional insured endorsement(s), in proper form prior to commencement of services.

SCHEDULE C

Cost Pool

As described in Section 2(c) of the Contract, Contractor's financial responsibility for all costs and expenses associated with any services, products, equipment or other matters listed in Section 2(c) of this Contract ("Shared Cost Services") shall be limited by an annual cost pool as described in this Schedule C.

1. Shared Cost Services account for \$550,000 of the annual Base Compensation ("Cost Pool") and shall only be used to pay expenses resulting from Shared Cost Services. Contractor shall pay for Shared Cost Services for inmates up to the amount of the Cost Pool per contract year (May 13 through May 12) ("Contract Year") for all inmates in the aggregate. The UCSO shall be responsible for any expenses resulting from Shared Cost Services that exceed the amount of the Cost Pool per year for all inmates in the aggregate.

2. If the costs paid by Contractor in any Contract Year for Shared Cost Services exceed the amount of the Cost Pool described above, Contractor may refer all additional invoices for costs for Shared Cost Services exceeding the amount of the Cost Pool to the UCSO for payment by the UCSO directly to the third party provider. For any costs directly paid by Contractor in any Contract Year for Shared Cost Services that exceed the amount of the Cost Pool described above, Contractor shall invoice UCSO for such amount. UCSO shall pay such invoice within thirty (30) days following receipt of invoice. If UCSO fails to pay such invoice within such thirty (30) day period, interest shall accrue on the unpaid balance at a rate of one percent (1 %) each month.

3. Contractor shall provide the UCSO with a reconciliation of Cost Pool expenditures within 90 calendar days following the end of each twelve (12) month Contract Year.

4. If the reconciliation shows that Contractor has paid amounts in excess of the Cost Pool amount, the UCSO shall reimburse such amounts in excess of the Cost Pool to Contractor within 30 days of Contractor submitting the Cost Pool reconciliation as described above.

5. If the reconciliation shows that a portion of the Cost Pool amount was not used by Contractor during a Contract Year, then Contractor and UCSO shall handle such unpaid amount as follows: During the Term, any unused amount of the Cost Pool can be returned via check to the UCSO within 30 days following the annual reconciliation, applied to the following year's Cost Pool, or applied to a recent or upcoming Contractor invoice. If the Contract is terminated, any unused amount of the Cost Pool shall be returned via check to the UCSO within 120 days following the termination of this Contract; provided that if Contractor receives a bill or invoice for a Shared Cost Services subject to the Cost Pool after Contractor has refunded such amount to UCSO, UCSO shall pay such bill or invoice directly.

6. Pre-paid Cost Pool amounts shall be reviewed annually and adjusted, as necessary, by mutual agreement through a contract modification.