

**INMATE HEALTH SERVICES AGREEMENT
BETWEEN
SHERIFF LARRY CAMPBELL
AND
PRISON HEALTH SERVICES, INC.**

COPY

THIS AGREEMENT is made by and between Larry Campbell, as SHERIFF of Leon County, Florida, a County Constitutional Officer of the State of Florida, for the Leon County SHERIFF's Office (hereinafter referred to as "SHERIFF"), and Prison Health Services, Inc., a Delaware corporation, (hereinafter referred to as "PHS"), is entered into as of the 1st day of October, 2002. The SHERIFF and PHS shall hereinafter be collectively referred to as the "Parties". Services under this Agreement shall commence on October 1, 2002.

WITNESSETH:

WHEREAS, in accordance with Chapter 951, Florida Statutes, the SHERIFF has been designated by the Leon County Board of County Commissioners as the Chief Correctional Officer of the County Correctional System (hereinafter referred to as the "JAIL"); and

WHEREAS, the SHERIFF is therefore charged by law with the responsibility for obtaining and providing reasonably necessary medical, psychiatric, dental and other health care services for persons remanded to his care, custody, and control (hereinafter referred to as "inmates"), within the JAIL; and

WHEREAS, the said County Correctional System consists of the JAIL located at 535 Appleyard Drive, Tallahassee, Florida 32304; and

WHEREAS, the SHERIFF desires to provide for health care to inmates in accordance with applicable law; and

WHEREAS, the SHERIFF, which receives funding as approved by the Board of County Commissioners for the administration of the JAIL, desires to enter into this Agreement with PHS to promote this objective; and

WHEREAS, PHS is in the business of providing correctional health care services and desires to provide such services for the SHERIFF under the terms and conditions hereof,

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



ARTICLE I: HEALTH CARE SERVICES

1.1 General Engagement. The SHERIFF hereby contracts with PHS to provide for the delivery of reasonably necessary medical, dental, and mental health care to individuals under the custody and control of the SHERIFF and incarcerated at the JAIL, except those individuals sentenced to and participating in the Sheriff's Work Program. Individuals who, during the arresting process by any state, county, or municipal law enforcement officer, sustains an injury at the time of a lawful arrest, or is found to have a pre-existing illness and immediately transported by the arresting agency to a designated hospital or medical facility prior to normal processing of such person into the JAIL, shall also be covered under this Agreement, subject to the limits established in Section 1.5. PHS enters into this Agreement according to the terms and provisions hereof.

1.2 Scope of General Services. The responsibility of PHS for medical care of an inmate commences after an inmate is taken into custody by any law enforcement agency with the intention of transporting the inmate to the JAIL for booking and PHS is given reasonable opportunity to assume management of the medical care of that inmate. It is required that the SHERIFF notifies the on-site PHS staff of any bookings performed outside the JAIL. PHS shall provide health care services for all persons committed to the custody of the JAIL, except individuals sentenced to and participating in the Sheriff's Work Camp Program and those identified in Section 1.7. PHS shall provide on a regular basis, all professional medical, dental, mental health (excluding in-patient psychiatric hospitalization in a psychiatric hospital), related health care and administrative services for the inmates, a comprehensive health evaluation of each inmate following booking into the JAIL in accordance with NCCHC and Florida Model Jail Standards, booking/intake health screenings, including medical evaluation for inmate work details, regularly scheduled sick call, nursing care, regular physician and dentist visits to the JAIL, hospitalization, mental health services, medical specialty services, emergency medical care, emergency ambulance services when medically necessary, medical records management, pharmacy services management, health education and training services, a quality assurance program, administrative support services, and other services, all as more specifically described herein.

1.3 Specialty Services. In addition to providing the general services described above, PHS shall provide to inmates of the JAIL and be responsible for the payment of special medical services including radiology services, laboratory services, and optometry services, including eyeglasses, to the extent such are determined to be medically necessary by PHS, as well as medically generated hazardous waste disposal. Where non-emergency specialty care is required and not rendered at the JAIL, PHS will make appropriate off-site arrangements for the rendering of such care and shall make arrangements with the SHERIFF for the transportation of the inmates in accordance with Section 1.9 of this Agreement.

1.4 Emergency Services. PHS shall provide and be responsible for the payment of emergency medical care, as medically necessary, to inmates through arrangements to be determined by PHS with local hospitals. PHS shall provide for qualified emergency ambulance transportation services when medically necessary in connection with off-site emergency medical treatment. Additionally, staff employed by the SHERIFF and visitors to the JAIL shall be treated within the JAIL for injuries and/or illnesses only in an emergency and/or upon request of the SHERIFF. PHS shall not be responsible for payment of emergency and follow-up services and transportation provided to SHERIFF's staff or visitors within the JAIL in the event of an emergency.

1.5 Hospitalization Services and Limitations on Medical Services. PHS will arrange for the admission of any inmate who, in the opinion of the Medical Director (hereinafter meaning a licensed PHS physician and designated as such) requires hospitalization, and will bear the costs thereof up to the limits set forth herein. Subject to the limits set forth herein, PHS will be responsible for all costs associated with hospitalization, all off-site and on-site specialty services, inclusive of diagnostic procedures, and emergency transportation services. Services rendered at the Jail by PHS staff will not be factored into the aggregate limits set forth herein.

"Hospitalization" refers to those services, which will be rendered in a hospital, which provides comprehensive medical care. Such services include inpatient hospitalization, physician fees associated with inpatient or outpatient care, ambulatory surgery, emergency ambulatory care, diagnostic and therapeutic radiology, laboratory and pathological capabilities, and physical medicine capabilities. "Off-site medical specialty care" refers to those services rendered by licensed medical specialists, which are not provided on-site at the Jail, and which are provided off-site in a hospital, physician's office or clinic, or other medical facility.

For each twelve (12) month period of the contract, PHS' liability for costs associated with the medical services for inmates rendered outside of the JAIL as previously defined will be limited as follows:

- (a) PHS' total liability for hospital and off-site medical specialist care costs for all inmates will be limited to \$500,000 per twelve (12) month contract period. Should the amount expended not reach \$500,000 in any contract year, PHS will credit the SHERIFF against the fees paid by the SHERIFF or issue payment to the SHERIFF, as directed by the SHERIFF, an amount equal to ninety percent (90%) of the difference between the amount expended and \$500,000. Any costs in excess of \$500,000 are the responsibility of the SHERIFF.
- (b) Included in the aggregate \$500,000 annual liability limit are costs associated with protease inhibitors, as indicated by Exhibit C (attached), and viral load testing for HIV positive patients. Monthly summaries for these costs will be forwarded to SHERIFF.

The intent of this Section 1.5 is to define PHS' limit of costs for hospitalization and other medical services rendered outside of the JAIL. PHS will be responsible for the payment of all invoices associated with the provision of off-site services and will bill or credit the SHERIFF, at the end of each contract year. PHS shall have one hundred and fifty (150) days following the end of each contract period to pay all claims pertaining to the contract period.

In the event this Agreement should terminate prior to the end of the then current contract period, the aggregate limit will be prorated accordingly based on the fractional portion of the total contract period during which PHS actually provided services.

Once an inmate has been taken into the custody of the SHERIFF, PHS will be financially responsible for the cost of all medical treatment, subject to the limits noted in Section 1.5, for health care services regardless of the nature of the illness or injury or whether or not the illness or



injury occurred prior or subsequent to the individual's incarceration at the JAIL, once the inmate has been determined to be medically stabilized. 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 JAIL.

PHS shall assume responsibility for "off the street" injuries in accordance with Section 901.35, Florida Statutes, subject to the limits set forth above. This includes medical treatment and care for injuries suffered during the arrest process, before the detainee is booked, but taken into custody by law enforcement to be housed at the JAIL. PHS shall be notified as soon as practicable and given reasonable opportunity to assume management of care.

1.6 Exceptions to Treatment. PHS shall not be financially responsible for significant changes in treatment standards, which are either not FDA approved at the start date of this contract or are not part of PHS' written protocols in use at the JAIL at the time this Agreement is entered into. Should any new drug classes or diagnostic tests be mandated and approved in relation to community health care standards for treatment and or required by the PHS Medical Director as necessary for the treatment of inmates housed at the JAIL, and the cost of such treatment, in total aggregate, would exceed 2% of the annual contract amount for any contract term, then the SHERIFF, and PHS shall agree to negotiate for additional compensation due PHS.

PHS shall not be responsible for medical costs associated with the medical care of any fetus or infants born to inmates. PHS shall provide health care services to pregnant inmates, but health care services provided to an infant following birth will not be the responsibility of PHS. PHS shall not be responsible for the costs or furnishing of any abortions unless medically necessary.

PHS will not be responsible for any medical testing or obtaining samples, which are forensic in nature, except as required by Florida Statutes 943.325, which mandates that individuals convicted of "any offense or attempted offense defined in Chapter 794 (Sexual Battery), Chapter 800 (Lewdness; Indecent Exposure), s. 782.04 (Homocide), s. 784.045 (Aggravated Battery), s. 812.133 (Carjacking), or 812.135 (Home Invasion Robbery) and, who is within the confines of the legal state boundaries, shall be required to submit two specimens of blood." Revisions of the Florida statutes pertaining to medical testing or obtaining samples, which are forensic in nature, which occur during the term of this agreement, will be considered a further obligation of PHS.

1.7 Inmates Outside the JAIL. Health care services are intended only for those inmates in the custody of the SHERIFF or other law enforcement agency lawfully arrested and to be booked into as well as in actual custody of the JAIL. This includes inmates booked into custody while in outside hospitals immediately after notification of such booking to the on-site PHS Medical staff and the allowance of a reasonable time for PHS to assume management of the individual's medical care. This also includes inmates under guard by the SHERIFF in outside hospitals. Such inmates will be included in the daily population count.

Inmates on any sort of temporary release (authorized or unauthorized), including, but not limited to, inmates temporarily released for the purpose of attending funerals or other family emergencies, inmates on escape status, inmates on pass, parole or supervised custody who do not sleep in the JAIL at night, will not be included in the daily population count, and will not be the responsibility of PHS with respect to any claim, liability, cost or expense for the payment or furnishing of health care services. The cost of medical services provided to inmates who become

ill or are injured while on temporary release will not be the financial responsibility of PHS until their return to the JAIL. This relates solely to the costs relating to the particular illness or injury incurred while on such temporary release. The cost of medical services for other illnesses and injuries will be the responsibility of PHS.

Inmates in the custody of other police agencies or other penal jurisdictions at the request of the SHERIFF are likewise excluded from the population count and are not the responsibility of PHS for the furnishing or payment of health care services.

1.8 Elective Medical Care. PHS will not be responsible for providing elective medical care to inmates. For purposes of the Agreement, "elective medical care" means medical care, which, if not provided, would not, in the opinion of PHS' Medical Director, cause the inmate's health to deteriorate or cause definite harm to the inmate's well-being. Such decisions concerning medical care shall be consistent with applicable laws and general medical standards. PHS will give notice to the SHERIFF of any referral of inmates for elective medical care prior to provision of such services.

1.9 Transportation Services. To the extent any inmate requires off-site nonemergency health care treatment including, but not limited to, hospitalization care and specialty services, for which care and services PHS is obligated to pay under this Agreement, the SHERIFF will, upon prior request by PHS, its agents, employees or contractors, provide transportation as reasonably available, provided that such transportation is reasonably scheduled in advance. When medically necessary, PHS shall provide all emergency ambulance transportation of inmates in accordance with Section 1.4 of this Agreement and subject to the limits set forth in Section 1.5.

1.10 Medical Services to Sheriff's Office Staff. PHS will provide annual testing for tuberculosis (PPD test) for all SHERIFF's newly sworn staff and correctional staff at the time of hire or exposure at no additional cost to the SHERIFF. The SHERIFF will be responsible for the cost of all testing supplies and materials.

ARTICLE II: PERSONNEL

2.1 Staffing. PHS shall provide medical, mental health, dental, technical and support personnel as necessary for the rendering of health care services to inmates at the JAIL as described in and required by this Agreement. The chart attached as Exhibit A includes the agreed-upon staffing matrix necessary to provide the health care and support services required by the JAIL for an inmate population of up to 1,250 inmates.

The staffing matrix is based on the assumption that there will be up to 1,250 inmates. Should the inmate population increase to a level greater than 1,250 inmates for a period of sixty (60) days or longer, additional health care staffing beyond the positions noted above might be necessitated. Should a sustained increase occur, PHS reserves the right to review the staffing and contract price and, with the SHERIFF's participation and approval, which shall not be unreasonably withheld, make necessary adjustments in staffing and contract price in order to accommodate any additional staff positions which may be needed to serve the increased inmate population. Should a sustained decrease in inmate population occur for a period of sixty (60) days



or longer, PHS and the SHERIFF reserves the right to decrease staffing to an appropriate level for the population.

Should a sustained decrease in population occur such that there is a variance in population for a sustained period of sixty (60) days, PHS will be able to decrease staffing until population is at the prior level, if such decrease can occur without a reduction in the level of service to the remaining population. The SHERIFF will receive a credit for the reduction in staff if due to the sustained decrease in population.

2.2 Staffing Penalties. After the first sixty (60) days of the contract period, for each position governed by the staffing matrix included as Exhibit A of this Agreement, a penalty will be imposed by the SHERIFF for any unfilled hours. For each unfilled hour of such staff time, the SHERIFF will deduct from its monthly payment to PHS at the average hourly salary rate, plus benefits, for the position as defined in Exhibit B. In all cases, employees may be used to cover like positions when their credentials are equal to or exceed the credentials required for such similar position.

Unfilled hours include those hours, which are not filled due to voluntary or involuntary termination or any other reason or incident resulting in the position being unfilled. However, unfilled hours will not include those hours not filled due to illness, annual, or personal leave. If the hours remain unfilled in excess of fifteen (15) days an amount will be payable to the SHERIFF, as set forth above.

In the event of staff shortages, "agency" or "pool" nurses shall not exceed 15% of the total staffing pattern for any monthly period. In the event that PHS exceeds this limit, a charge back equal to one hundred percent (100%) of the average hourly salary rate for each of the positions shall be assessed for each hour PHS exceeds the fifteen percent (15%) cap.

2.3 Licensure, Certification and Registration of Personnel. All personnel provided or made available by PHS to render services hereunder shall be licensed, certified or registered, as appropriate, in their respective areas of expertise as required by applicable Florida law. Each license or certification shall be on file at a central location as mutually agreed upon. All prospective PHS employees will be screened by the SHERIFF and no employee will be allowed on duty until PHS is notified of security clearance.

2.4 Sheriff's Satisfaction with Health Care Personnel. If the SHERIFF becomes dissatisfied with any health care personnel provided by PHS hereunder, or by any independent contractor, subcontractors or assignee, PHS, 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, shall exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to the SHERIFF, the SHERIFF may revoke the employee's right to enter the JAIL or PHS shall remove or shall cause to be removed any employee, agent, independent contractor, subcontractor, or assignee about whom the SHERIFF has expressed dissatisfaction. The SHERIFF shall have the right of disapproval of any person hired or contracted by PHS. Should removal of an individual become necessary, PHS will be allowed thirty (30) days from date of removal to find an acceptable replacement, without penalty or prejudice to the interests of PHS.

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

2.6 Subcontracting and Delegation. In order to discharge its obligations hereunder, PHS will engage certain health care professionals as independent contractors rather than as employees. The SHERIFF may request to approve such professionals, but approval will not be unreasonably withheld. Subject to the approval described above, the SHERIFF consents to such subcontracting or delegation. As the relationship between PHS and these health care professionals will be that of independent contractor, PHS will not be considered or deemed to be engaged in the practice of medicine or other professions practiced by these professionals. PHS will not exercise control over the manner or means by which these independent contractors perform their professional medical duties. However, PHS shall exercise administrative supervision over such professionals necessary to ensure the strict fulfillment of the obligations contained in this Agreement. For each agent and subcontractor, including all medical professionals, physicians, dentists and nurses performing duties as agents or independent contractors of PHS under this Agreement, PHS shall provide the SHERIFF proof, prior to the effective date of this agreement, that there is in effect a professional liability or medical malpractice insurance policy, as applicable coverage for each health care professional identified herein, in an amount of at least One million dollars (\$1,000,000) coverage per occurrence and Three million dollars (\$3,000,000) aggregate. If requested by the SHERIFF, PHS will provide to the SHERIFF copies of subcontractor agreements providing service warranted under the Agreement.

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

- (a) They will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, Vietnam Veteran status, disability as defined in the Americans with Disabilities Act or national origin, except where age, religion, sex, disability or lack thereof or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. They will agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- (b) In all solicitations or advertisements for employees, they will state that it is an equal opportunity employer.
- (c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

ARTICLE III: ACCREDITATION

3.1 Obligation of PHS. PHS' services shall be designed to meet the standards promulgated/developed by the National Commission on Correctional Health Care for Jails



(NCCHC), Florida Correctional Accreditation Commission (FCAC) and the Florida Model Jail Standards. PHS will cooperate fully with the SHERIFF in all efforts to attain and maintain formal accreditation of the JAIL's health care program. PHS will be responsible for the payment of the fees for attaining NCCHC accreditation as well as those associated with the medical portion of FCAC and Florida Model Jails. Any deficiency in the performance of health care services under this Agreement in the Leon County Main Jail resulting in notice from any regulatory or accrediting organization may constitute a material breach of this Agreement and shall be rectified immediately provided that such a breach is directly attributed to PHS. Failure to rectify any such deficiency within a thirty (30) day cure period may result in causing the SHERIFF, in his sole discretion, to terminate this Agreement. In the event accreditation from the NCCHC is not attained within 18 months of the contract start date and is not maintained thereafter during the term of this Agreement for failure on the part of PHS to comply with NCCHC standards, then PHS will pay a penalty of Fifty Thousand and 00/100 Dollars (\$50,000.00) to the SHERIFF as liquidated damages.

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 SHERIFF. PHS shall not be responsible for NCCHC requirements not under PHS' direct control or within the scope of PHS services.

ARTICLE IV: EDUCATION

4.1 Inmate and Staff Education. PHS shall conduct an ongoing health education program for inmates at the JAIL with the objective of raising the level of inmate health and health care. If the SHERIFF so desires, PHS shall conduct the same program for correctional officers at the JAIL.

PHS staff will provide relevant training to SHERIFF's staff on at least a quarterly basis on topics agreed upon by both parties.

4.2 Medical Services Staff Education. PHS will require that its medical, professional and para-professional staff receive all necessary and requisite legal and statutorily mandated in-service, annual or proficiency training and other such professional or para-professional education and training programs needed to provide current proficiency in the professional's or para-professional's particular medical discipline or specialty.

ARTICLE V: REPORTS AND RECORDS

5.1 Medical Records. PHS shall cause and require to be maintained a complete and accurate medical record for each inmate who has received health care services from or at the direction of PHS. Each medical record will be maintained in accordance with applicable laws, NCCHC standards, FCAC standards, and the SHERIFF's policies and procedures. The medical records shall be kept separate from the inmate's confinement record. A complete legible copy of the applicable medical record shall be available, at all times, to the SHERIFF and may be available to accompany each inmate who is transferred from the JAIL to another location for off-site services or transferred to another institution. Medical records shall be kept confidential. Subject to applicable law regarding confidentiality of such records, PHS shall comply with Florida law and the SHERIFF's policy with regard to access by inmates and JAIL staff to medical records. No

information contained in the medical records shall be released by PHS except as provided by the SHERIFF's policy, by a court order, or otherwise in accordance with the applicable law. PHS shall provide all medical records, forms, jackets, and other materials necessary to maintain the medical records. Upon the expiration or termination of this Agreement, all medical records shall be delivered to and remain with the SHERIFF. However, the SHERIFF shall, within the limits of applicable law, provide PHS with reasonable ongoing access to all medical records even after the termination/expiration of this Agreement to enable PHS to properly prepare for litigation or anticipated litigation or any other legal or regulatory action brought or threatened by third persons in connection with services rendered during the term hereof.

PHS agrees to coordinate any and all public records requests received by PHS requesting inmate medical records with the SHERIFF's Custodian of Records.

5.2 HIPAA Compliance. PHS shall comply with all Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements relating to PHS' responsibilities under this Agreement.

5.3 Regular Reports by PHS to the SHERIFF. PHS shall provide to the SHERIFF, on a date and in a form mutually acceptable to PHS and the SHERIFF, monthly and annual reports relating to services rendered under this Agreement. PHS shall submit monthly and other periodic reports to the Director of the Jail or the SHERIFF's Health Services Representative, concerning and reflecting on the overall health of the inmates committed to the custody of the SHERIFF. Such reports shall be submitted on a regular, periodic, or as requested basis to be determined by mutual written agreement of PHS and the SHERIFF. PHS will fully cooperate with the SHERIFF to respond to reporting requests to support any provision or section of this Agreement, without any additional charge, fee or assessment to the SHERIFF.

5.4 Third Party Reimbursement. PHS will seek and obtain from any inmate information concerning any health insurance the inmate might have that would cover services rendered by PHS hereunder, and the SHERIFF will cooperate fully with PHS in its efforts to secure this information. PHS will be responsible for the provision of personnel for the coordination and management oversight of all potential third party payment efforts. PHS will not make payment for any offsite inmate health care until all third party payment efforts have been exhausted, such efforts will not include litigation. All third party remuneration that is recovered or credited because of the efforts to collect payment by PHS from any third party source or entity, including without limitation, workers compensation insurance, commercial medical insurance, federal, state or local health care benefits or programs, will be returned, paid or credited to the SHERIFF's office, as directed by the SHERIFF. SHERIFF will receive a monthly report outlining third party reimbursement efforts made by PHS.

PHS will require that anyone acting on its behalf or providing any medical service to an inmate will seek reimbursement for any such medical services, as allowed by law, in accordance with the provisions of F.S. 901.35 (except for F.S. 901.35(2) (a), (b), as it may be applicable to the Board of County Commissioners for Leon County) and F.S. 951.032.

5.5 Inmate Information. Subject to the applicable Florida law, in order to assist PHS in providing the best possible health care services to inmates, the SHERIFF will provide PHS with



information pertaining to inmates that PHS and the SHERIFF mutually identify as reasonable and necessary for PHS to adequately perform its obligations hereunder.

5.6 PHS Records Available to the SHERIFF with Limitations on Disclosure. PHS shall make available to the SHERIFF, at the SHERIFF's request, all records, documents and other papers relating to the direct delivery of health care services to inmates hereunder. The SHERIFF understands that many of the systems, methods, procedures, written materials and other controls employed by PHS in the performance of its obligations hereunder are proprietary in nature and will remain the property of PHS. Information concerning such may not, at any time, be used, distributed, copied or otherwise utilized by the SHERIFF, except in connection with the delivery of health care services hereunder, and as permitted or required by law, unless such disclosure is approved in advance in writing by PHS.

5.7 SHERIFF's Records Available to PHS with Limitations on Disclosure. During the term of this Agreement and for a reasonable time thereafter, the SHERIFF will provide PHS, at PHS' request, SHERIFF's records relating to the provision of health care services to inmates as may be reasonably requested by PHS or as are pertinent to the investigation or defense of any claim related to PHS' conduct. Consistent with applicable law, the SHERIFF will make available to PHS such records as are maintained by the SHERIFF, hospitals and other outside health care providers involved in the care or treatment of inmates (to the extent the SHERIFF has any control over those records) as PHS may reasonably request. Any such information provided by the SHERIFF to PHS that the SHERIFF considers confidential and clearly labeled confidential shall be kept confidential by PHS and shall not, except as may be required by law, be distributed to any third party without the prior written approval of the SHERIFF.

5.8 Florida Public Record Law. PHS acknowledges that it is familiar with the provisions of Florida's Public Records Law (Chapter 119, F.S.) and all of its records as they pertain to health care services for the SHERIFF are subject to the provisions of the Public Records Law of Florida, unless specifically exempted under Chapter 119, Florida Statutes, or other such provisions of Florida law providing for the confidentiality of medical records. In the event that PHS should assert any proprietary or confidential status to any of its systems, methods, procedures or written materials and other controls employed by PHS in the performance of its obligation pursuant to this Agreement, then PHS shall assert such claim on its own, and shall defend and hold harmless the SHERIFF, the SHERIFF's employees, officers, appointees and agents against all liabilities for PHS' failure to comply with the requirements of the law with regard to the release of records.

ARTICLE VI: SECURITY

6.1 General. PHS and the SHERIFF understand that adequate security services are necessary for the safety of the agents, employees and subcontractors of PHS as well as for the security of inmates and SHERIFF's staff, consistent with the correctional setting. The SHERIFF will use reasonable efforts to provide sufficient security to enable PHS, and its personnel, to safely and adequately provide the health care services described in this Agreement. PHS, its staff and personnel, understand that the JAIL in which services will be rendered is a detention or jail facility and that working in such a facility involves inherent dangers. PHS, its staff and personnel further understand that the SHERIFF cannot guarantee anyone's safety in such a facility and nothing herein shall be construed to make the SHERIFF, his deputies or employees a guarantor of the safety of PHS employees, agents or subcontractors, including their employees.

In the event that any recommendation by PHS for particular health services for any inmate or transfers to a medical facility should not be implemented and carried out for security reasons, PHS will be released from professional liability for any damages resulting from any such decision on the part of the SHERIFF not to respond or to institute a requested transfer of any inmate.

6.2 Loss of Equipment and Supplies. The SHERIFF shall not be liable for loss of or damage to equipment and supplies of PHS, its agents, employees or subcontractors unless such loss or damage was caused by the negligence of the SHERIFF or his employees.

6.3 Security During Transportation Off-Site. The SHERIFF will provide security as necessary and appropriate in connection with the transportation of any inmate between the JAIL and any other location for off-site services as contemplated herein.

ARTICLE VII: OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES

7.1 General. The SHERIFF agrees to provide PHS with office space, facilities, equipment (including office furniture) and utilities sufficient to enable PHS to perform its obligations hereunder. PHS will supply and be responsible for payment of telephone carrier services and equipment within the Jail for local and long distance access for use of its personnel. PHS shall provide all necessary office supplies, medical supplies, and additional equipment necessary to comply with the terms of this Agreement. The SHERIFF will provide necessary maintenance and housekeeping of the office space and the medical facility. PHS agrees it has inspected the JAIL and medical office space and that such space and facilities are sufficient for its agents, employees and subcontractors to perform all of the obligations required under this Agreement. SHERIFF shall be responsible for providing substitute space should the designated medical facility becomes unsafe for any reason.

7.2 Delivery of Possession. The SHERIFF will provide to PHS, beginning on the date of commencement of this Agreement, possession and control of all medical and office equipment and supplies, which are the SHERIFF's property, in place at the JAIL's health care unit. At the termination of this or any subsequent Agreement, PHS will return to the SHERIFF possession and control of all supplies, medical and office equipment, in working order, reasonable wear and tear excepted, which were in place at the JAIL's health care unit prior to the commencement of services under this Agreement and/or purchased by the SHERIFF during the term of this agreement.

7.3 Maintenance and Replenishment of Equipment. PHS will maintain all SHERIFF and PHS equipment necessary for the performance of this contract in working order during the term of this Agreement. Based on input from the PHS Medical Administrator and in consultation with the SHERIFF, the SHERIFF will consider submitting an annual budget for capital equipment items, with a value in excess of \$2,500.00, necessary to provide services in the JAIL. The cost of all necessary equipment purchased and/or leased with a value or cost in excess of \$2,500.00 will be split 50/50 between the SHERIFF and PHS with ownership reverting to the SHERIFF upon termination of the Agreement.

7.4 General Maintenance Services. The SHERIFF will provide for each inmate receiving health care services the same services and facilities provided by the SHERIFF for all



inmates at the JAIL including, but not limited to, daily housekeeping services, dietary services, building maintenance services, personal hygiene supplies and services, and linen supplies.

7.5 Supplies. PHS warrants and represents that the quality and quantity of supplies on hand during this Agreement will be sufficient to enable PHS to perform its obligations hereunder.

ARTICLE VIII: TERM AND TERMINATION OF AGREEMENT

8.1 Term. This Agreement will be effective at 12:01 a.m. on October 1, 2002. The initial term of this Agreement shall be three years. This Agreement is renewable under like terms for two (2) additional one (1) year terms thereafter, unless any of the parties delivers written notice of non-renewal to the other party at least ninety (90) days prior to the expiration of the then-existing term, in which event, this Agreement will terminate upon the expiration of the then-existing term.

8.2 Termination. This Agreement may be terminated as otherwise provided in this Agreement or as follows:

- (a) Termination by Agreement. In the event that each of the parties mutually agrees in writing, this Agreement may be terminated on the terms and date stipulated therein.
- (b) Termination by Cancellation. This Agreement may be cancelled without cause by the SHERIFF or PHS upon one hundred twenty (120) days prior written notice in accordance with Section 11.3 of this Agreement.
- (c) Termination for Default. In the event either parties shall give notice to the others that such other party has materially defaulted in the performance of any of its material obligations hereunder and such default shall not have been cured within thirty (30) days following the giving of such notice in writing, the party giving the notice shall have the right immediately to terminate this Agreement, provided, however, that the cure period shall be limited to ten (10) days if the default is failure by the SHERIFF to timely make any payments due to PHS hereunder.
- (d) Annual Appropriations and Funding. Failure of the Leon County Board of County Commissioners or other funding body to authorize or appropriate funds sufficient for the SHERIFF to meet his obligations hereunder.
- (e) Immediate Termination by the SHERIFF: The SHERIFF, at the SHERIFF's sole discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:
 - 1) The insolvency, bankruptcy, or receivership of PHS;
 - 2) PHS fails to maintain insurance in accordance with the Insurance Section of this Agreement, unless PHS' insurance carrier ceases to provide coverage without giving reasonable notice allowing PHS to obtain



replacement coverage. In such circumstances, PHS shall be allowed reasonable time to solicit and bind new coverage without being in default or otherwise penalized under the terms of this Agreement. PHS shall use all reasonable efforts to obtain replacement coverage.

- (f) Election or Appointment of Sheriff other than Larry Campbell: Should a Sheriff other than Larry Campbell be elected or appointed during the initial term of this Agreement or any renewable period, the Agreement may be cancelled by the new elected or appointed Sheriff upon a ninety (90) day written notice provided to PHS.

8.3 Responsibility for Inmate Health Care. Upon termination of this Agreement, all of PHS' responsibility for providing health care services to all inmates, including inmates receiving health care services at sites outside the JAIL, will terminate.

ARTICLE IX: COMPENSATION

9.1 Base Compensation. The SHERIFF will pay to PHS the base price sum of Three Million Ninety-Nine Thousand Six Hundred Seventy-Two and 00/100 Dollars (\$3,099,672.00) for the period of October 1, 2002 through September 30, 2003, for the daily average base inmate population of 1,050, payable in twelve (12) equal monthly installments of Two Hundred Fifty-Eight Thousand Three Hundred Six and 00/100 Dollars (\$258,306.00) each. PHS will invoice the SHERIFF fifteen (15) days before the first day of the month for which services will be rendered. The SHERIFF agrees to pay PHS on or before the thirtieth (30th) day of the month for which services will be rendered. In the event this Agreement should terminate or be amended on a date other than the end of any calendar month, compensation to PHS will be prorated accordingly based on the fractional portion of the month during which PHS actually provided services.

For the period of October 1, 2003 through September 30, 2004, the SHERIFF will pay PHS the sum of Three Million Three Hundred Sixteen Thousand Eight and 00/100 Dollars (\$3,316,008.00) for a daily average base population of 1,100, payable in twelve (12) equal monthly installments of Two Hundred Seventy-Six Thousand Three Hundred Thirty-Four and 00/100 Dollars (\$276,334.00) each. PHS will bill the SHERIFF fifteen (15) days before the first day of the month for which services will be rendered and the SHERIFF agrees to pay PHS on or before the thirtieth (30th) day of the month for which services will be rendered. In the event this Agreement should terminate or be amended on a date other than the end of a calendar month, compensation will be prorated accordingly based on the fractional portion of the month during which PHS actually provided services.

For the period of October 1, 2004 through September 30, 2005, the SHERIFF will pay PHS the sum of Three Million Five Hundred Forty-Seven Thousand Six Hundred Twenty and 00/100 Dollars (\$3,547,620.00) for a daily average base population of 1,175, payable in twelve (12) equal monthly installments of Two Hundred Ninety-Five Thousand Six Hundred Thirty-Five and 00/100 Dollars (\$295,635.00) each. PHS will bill the SHERIFF fifteen (15) days before the first day of the month for which services will be rendered and the SHERIFF agrees to pay PHS on or before the thirtieth (30th) day of the month for which services will be rendered. In the event this Agreement should terminate or be amended on a date other than the end of a calendar month, compensation



will be prorated accordingly based on the fractional portion of the month during which PHS actually provided services.

9.2 Increases/Decreases in Inmate Population. For the period of October 1, 2002 through September 30, 2003, a per diem rate of \$2.04 will be applied to the monthly base compensation for each inmate in excess of the Average Monthly base population (beyond a 24-hour period) of 1,100. Should the Average Monthly base population be less than 1,000, the SHERIFF will receive a credit of \$2.04 per inmate per day for the difference. The maximum credit applied per month will not exceed 50 inmates.

For the period of October 1, 2003 through September 30, 2004, a per diem rate of \$2.14 will be applied to the monthly base compensation for each inmate in excess of the Average Monthly base population (beyond a 24-hour period) of 1,150. Should the Average Monthly base population be less than 1,050, the SHERIFF will receive a credit of \$2.14 per inmate per day for the difference. The maximum credit applied per month will not exceed 50 inmates.

For the period of October 1, 2004 through September 30, 2005, a per diem rate of \$2.25 will be applied to the monthly base compensation for each inmate in excess of the Average Monthly base population (beyond a 24-hour period) of 1,200. Should the Average Monthly base population be less than 1,100, the SHERIFF will receive a credit of \$2.25 per inmate per day for the difference. The maximum credit applied per month will not exceed 50 inmates.

The average daily population counts are added for each day of the month and divided by the number of days in the month to determine the average monthly inmate population. The excess, if any, over the inmate population caps will be multiplied by the per diem rate and the number of days in the month to arrive at the increase in compensation payable to PHS for the month.

For example, if there is an excess above the monthly inmate cap of five (5) inmates as the monthly average at the end of the month, then PHS shall receive additional compensation of five (5) times the number of days in the month times the per diem rate for the contract year. If in the month of August (31 days) the average monthly population is five (5) inmates above the base and the per diem rate is \$2.04, then the additional compensation payable to PHS is $5 \times 31 \times \$2.04 = \316.20 .

This per diem is intended to cover additional costs in those instances where minor, short-term increases in the inmate population result in the higher utilization of routine supplies and services. However, the per diem is not intended to provide for any additional fixed costs, such as new staffing positions, which might prove necessary if the inmate population exceeds 1,250 for a period of 60 (sixty) or more days. In such cases, PHS reserves the right to increase its staffing complement and adjust its contract price, upon consultation and approval from the SHERIFF, in order to continue to provide services to the increased number of inmates and maintain the quality of care. This would be done with the full knowledge and approval of the SHERIFF, at which time the base inmate population will be adjusted accordingly.

Should the SHERIFF designate any other Leon County site as a JAIL requiring the provision of health care services by PHS, the parties agree to negotiate the additional staff and compensation prior to PHS commencing services at the newly designated facility.



9.3 Compensation for Renewal Terms. Pricing will be adjusted for the renewal terms based on the mutual written agreement of the SHERIFF and PHS, not to exceed the most recent percentage change in the Medical Care Component of the CPI for all Urban Consumers for the South Region, or 6%, whichever is lower.

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

9.5 Responsibility for Inmates in the Sheriff's Work Camp Program. Notwithstanding any other provisions of this Agreement to the contrary, the parties agree that inmates assigned to Sheriff's Work Camp Program are personally responsible for the costs of any medical services provided to them. PHS shall assist with arranging the necessary transportation for these inmates to obtain medical care.

9.6 Changes. If any statute, rule or regulation is passed or any order issued or any statute or guideline adopted or interpretation made, or additional facilities are opened that materially changes the scope of services or materially increases the cost to PHS of providing health care services hereunder, PHS and the SHERIFF agree to negotiate additional compensation to be paid by the SHERIFF to PHS as a result of such changes, provided, however, that if the parties are unable to agree on appropriate compensation, the matter shall be submitted to arbitration according to the provisions of Section 11.7 hereof.

ARTICLE X: LIABILITY AND RISK MANAGEMENT

10.1 Insurance. At all times during this Agreement, PHS shall maintain Professional Liability insurance covering PHS, its employees, its officers and agents in the minimum amount of at least one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) in the aggregate annually. Physicians and dentists provided by PHS will be included in the coverage. A tail policy or a policy that continues coverage for the services performed during the contract period will be maintained for an appropriate period in accordance with the Florida Statute of Limitations. The SHERIFF shall be listed as an additional insured. In the event that the coverage changes, PHS shall provide the SHERIFF with thirty (30) days notice in writing. PHS shall also provide thirty (30) days notice to the SHERIFF, in writing, of any reduction in policy amounts or cancellation of insurance coverage.

PHS will maintain over the term of this Agreement, Comprehensive General Liability coverage of at least \$1,000,000 bodily injury and property damage, combined single limit.

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

10.2 Lawsuits Against the County and SHERIFF. In the event that any lawsuit (whether frivolous or otherwise) is filed against either Leon County, the SHERIFF, his employees and agents



based on or containing allegations concerning medical care by PHS to inmates or on the performance of PHS's employees, agents, subcontractors or assignees, the parties agree that PHS, its employees, agents, subcontractors, assignees or independent contractors, as the case may be, may be joined as parties defendant in any such lawsuit and shall be responsible for their own defense and any judgments rendered against them. Nothing herein shall prohibit any of the parties to this Agreement from joining the remaining parties hereto as defendants in lawsuits filed by third parties.

10.3 Indemnity. PHS agrees to indemnify and hold harmless, pay the cost of defense, including attorney's fees, and save the SHERIFF, his officers, appointees, agents and employees from any claim, action, lawsuit, loss, damage, cost, charge, judgments, liabilities, or expense of any kind whatsoever arising out of any act, action, neglect, omission or failure to act by PHS, including but not limited to, any claims, amounts or injuries covered under the Workers' Compensation laws, except as a third party claim outside Workers' Compensation, resulting or arising from PHS' obligations and duties under this Agreement, except that neither PHS nor any of its subcontractors shall be liable for any injury or damage caused by or resulting from the negligence of the SHERIFF, his officers, agents and employees.

It is the express understanding of the parties hereto that PHS shall provide the actual health care services, and have complete responsibility for the such health care services provided by its employees, agents, or subcontractors and any lawsuit arising solely out of such delivery of health care services. PHS expressly agrees that employees assigned by PHS to provide health care services pursuant to this Agreement are employees of PHS and not the SHERIFF, and the SHERIFF will not be liable or responsible for the PHS employees', agents', or subcontractors' acts or omissions, whether by negligence or by deliberate act.

Notwithstanding other provisions of this section, the SHERIFF shall have no obligation to provide legal counsel or a legal defense to PHS in the event that a suit, claim, for action of any character or nature is brought by any person not a party to this Agreement against PHS as a result of or relating to PHS' duties, obligations, and performances pursuant to this Agreement. The SHERIFF shall have no obligation for the payment of any judgment or the settlement of any claims made against PHS as a result of or relating to PHS' obligations, duties, and performances pursuant to this Agreement.

In no event however, shall PHS' obligations in this section apply or extend to:

- a) any claim, liability, cost or expenses arising or incurred at any time in connection with treatment of any inmate's injury if such treatment was not within the responsibility of PHS' care pursuant to this Agreement; or
- b) any claim, liability or cost arising out of the acts or omissions of any SHERIFF's officers, agents or employees which: prevent an inmate from receiving medical care as directed by PHS; to obtain prompt medical review or examination by PHS' employees or contractors.

Nothing herein is intended to or shall be construed to waive any rights the SHERIFF may have under the laws of Florida, included but not limited to, the provisions of Section 768.28 of the Florida Statutes.

ARTICLE XI: MISCELLANEOUS

11.1 Independent Contractor Status. The parties acknowledge that PHS is an independent contractor and that all medical care decisions will be the sole responsibility of PHS. Nothing in this Agreement is intended nor shall be construed to create an agency relationship, an employer/employee relationship, a joint venture relationship or any other relationship allowing the SHERIFF to exercise control or direction over the manner or method by which PHS, its employees, agents, assignees or its subcontractors perform hereunder.

11.2 Assignment and Subcontracting. PHS shall not assign or subcontract this Agreement, in whole or in part, to any other entity or person without the express written consent of the SHERIFF, which consent shall not be unreasonably withheld. Any such assignment or subcontract shall include the obligations contained in this Agreement. Any assignment or subcontract shall not relieve PHS of its independent obligation to provide the services and be bound by the requirements of this Agreement. The SHERIFF and PHS each binds itself, its successors, assigns and legal representatives to the other party hereto and to the successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained herein. SHERIFF for purposes of this agreement shall include Larry Campbell or his designee.

11.3 Notice. Unless otherwise provided herein, all notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally in hand or sent by certified mail, return receipt requested, postage prepaid, and addressed to the appropriate party at the following address or to any other person at any other address as may be designated in writing by the parties:

(a) Sheriff Larry Campbell:

Sheriff Larry Campbell
Sheriff of Leon County, Florida
2825 Municipal Way
Tallahassee, FL 32302

With copies to:

Captain Scott Bakotic
Chief Administrative Officer
2825 Municipal Way
Tallahassee, FL 32302

(b) PHS

Gerard Boyle, President
Prison Health Services, Inc.
105 Westpark Drive, Suite 200
Brentwood, Tennessee 37027

With a copy to:



General Counsel
America Service Group Inc.
105 West Park Drive, Suite 200
Brentwood, Tennessee 37027

Notices shall be effective upon receipt.

11.4 Governing Law. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Florida and venue shall be Leon County, Florida.

11.5 Entire Agreement. This Agreement constitutes the entire agreement of the parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions and agreements that have been made in connection with the subject matter hereof. No modifications or amendments to this Agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto. All prior negotiations, agreements and understandings with respect to the subject matter of this Agreement are superseded hereby.

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

11.7 Dispute Resolution. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be first sent to mediation for possible resolution. If mediation does not result in resolution, the parties agree to submit the dispute(s) to binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules and judgement on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The parties agree to share equally the cost of the mediation.

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

11.9 Enforcement. In the event either party incurs legal expenses or costs to enforce the terms of this Agreement, the prevailing party in any arbitration/litigation proceeding hereunder shall be entitled to recover the cost of such action so incurred, including without limitation, reasonable attorney's fees. The SHERIFF's obligation under this section shall be to the extent permitted by law.

11.10 Other Contracts and Third-Party Beneficiaries. The parties agree that the SHERIFF shall take all reasonable steps necessary to assist in obtaining third party reimbursement. The parties agree that they have not entered into this Agreement for the benefit of any third person or persons, and it is their express intention that the Agreement is intended to be for their respective benefit only and not for the benefit of others who might otherwise be deemed to constitute third-party beneficiaries hereof.

11.11 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of the



Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

11.12 Force Majeure. Neither party shall be held responsible for any delay or failure in performance (other than payment obligations) to the extent that such delay or failure is caused, without limitation, by strikes, inmate disturbances, acts of public enemy, fire, flood, earthquakes, hurricanes, failure of transportation, explosion, war, embargo, government regulation, civil or military authority, acts of God, acts or omissions of carriers or other similar causes beyond its control.

11.13 Trial Duty. In the event PHS' personnel are required to devote time with regard to litigation or threatened litigation by or on behalf of the SHERIFF this shall be part of their service time pursuant to this agreement. PHS will make every effort to fill the position, which would be vacant due to such court or trial appearance requirements and PHS will not be assessed a penalty for any related unfilled hours.

11.14 Default. Unless PHS' performance is specifically exempted by this Agreement, the SHERIFF shall be entitled to a credit or reimbursement for any cost the SHERIFF incurs for any medical services required to be performed by PHS when and to the extent that PHS shall fail to perform and a thirty (30) day cure period has passed. The credit or reimbursement provided for in this section shall not be deemed to be the sole remedy of the SHERIFF and the SHERIFF are otherwise entitled to seek all other lawful remedies the SHERIFF are entitled to under this Agreement, including any and all damages stemming from the failure of PHS to pay as is required under this Agreement.

11.15 Funding Sources. The parties acknowledge that performance of this Agreement and payment for medical service to PHS pursuant to this Agreement is predicated on the continued annual appropriations by the Board of County Commissioners of Leon County to the SHERIFF with specific funds allocated to meet the medical needs of the inmates in the JAIL and the SHERIFF's ability to perform under this Agreement.

11.16 Permits and License. PHS acknowledges that it will maintain all relevant permits and licenses required to perform the services required by this Agreement. This will include, but not be limited to licenses and permits for radiology and pharmacy. PHS shall manage and maintain all licenses and permits in accordance with Section 7.2 of the Florida Model Jail Standards. PHS shall ensure that all individuals or entities performing the health care services required under this Agreement, including its employees, agents, assignees, subcontractors or independent contractors shall be appropriately licensed, registered or certified as required by applicable law. PHS shall immediately notify the SHERIFF of any revocation, suspension, termination, expiration, restrictions, etc., of any required license, registration or certification of any individual or entity to perform the services herein specified.

11.17 Effect of This Agreement. This Agreement constitutes the complete understanding between the parties with respect to the terms and conditions set forth herein and supersede all previous written or oral agreements and representations. The terms and conditions of this Agreement shall control over any terms and conditions in any solicitation, request for proposal, proposal, purchase order, acknowledgment, or other written form. This Agreement may be



modified only in writing that expressly references this Agreement and is executed by the parties hereto.

11.18 Liaison. The SHERIFF or his designee (so designated in writing by the SHERIFF) shall be the liaison with PHS. PHS shall also designate a liaison who shall work with the SHERIFF to administer the Agreement by reviewing Agreement compliance. Representatives of PHS and the SHERIFF shall meet on a regular basis to discuss, evaluate, and act upon any operational or contractual issues regarding the provisions provided herein.

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

11.20 Exhibits. Exhibits "A", "B", and "C", and the information contained in the three (3) ring binder dated August 23, 2002 and identified as PHS Proposal Number: 782002, are included as attachments and are heretofore made a part of this Agreement.

11.21 Audit: The SHERIFF reserves the right to audit all records relating to this Agreement.

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

SHERIFF:
By: [Signature]
Larry Campbell
Date: 10/11/02

ATTEST:
By: [Signature]
Haren Allen
Date: 10/11/02

PRISON HEALTH SERVICES, INC.
By: [Signature] mark
Title: VP/COO
Date: 10/7/02

ATTEST:
By: [Signature]
Officer of Corporation
Date: 10/7/02



Exhibit A

Prison Health Services Inc.
Staffing Plan for
Leon County Detention Facility

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Hrs/ Wk	FTE
DAY-SHIFT									
Health Services Administrator	8	8	8	8	8			40	1.0
Medical Director	8	8	8	8	8			40	1.0
Director of Nurses	8	8	8	8	8			40	1.0
RN Physicals	8	8	8	8	8			40	1.0
RN Infirmery	8	8	8	8	8	8	8	56	1.4
LPN Pharmacy Tech.	8	8	8	8	8			40	1.0
LPN	8	8	8	8	8	8	8	56	1.4
LPN	8	8	8	8	8	8	8	56	1.4
Certified Nurse Assistant	8	8	8	8	8			40	1.0
Administrative Assistant	8	8	8	8	8			40	1.0
Medical Records Supervisor	8	8	8	8	8			40	1.0
Medical Records Clerk	8	8	8	8	8			40	1.0
EMT/LPN	8	8	8	8	8	8	8	56	1.4
Dentist	8	8						16	0.4
Dental Assistant	8	8						16	0.4
Psychiatrist	4		4		4			12	0.3
Mental Health Professional	8	8	8	8	8	4		44	1.1
LPN Sick Call Triage Nurse	8	8	8	8	8			40	1.0
EVENING SHIFT									
ARNP/PA	4	4	4	4	4			20	0.5
RN Infirmery	8	8	8	8	8	8	8	56	1.4
LPN	8	8	8	8	8	8	8	56	1.4
LPN	8	8	8	8	8	8	8	56	1.4
EMT/LPN	8	8	8	8	8	8	8	56	1.4
Medical Records Clerk	8	8	8	8	8			40	1.0
NIGHT SHIFT									
RN Infirmery	8	8	8	8	8	8	8	56	1.4
LPN	8	8	8	8	8	8	8	56	1.4
EMT/LPN	8	8	8	8	8	8	8	56	1.4
TOTAL HOURS/FTE per week								1164	29.10

Summary

POSITION	Hrs/ Wk	FTE
Medical Director	40	1.00
Psychiatrist	12	0.30
PA/ARNP	20	0.50
Dentist	16	0.40
Dental Assistant	16	0.40
Health Services Administrator	40	1.00
Director of Nurses	40	1.00
Administrative Assistant	40	1.00
Medical Records Supervisor	40	1.00
Medical Records Clerk	80	2.00
Mental Health Professional	44	1.10
RN	208	5.20
LPN	360	9.00
LPN/EMT	168	4.20
Certified Nurse Assistant	40	1.00
TOTAL HOURS/FTE per week	1,164	29.10

Exhibit B

Prison Health Services, Inc.
 Salary Rates
 Leon County

Position	Hourly Rate	Fringe Rate per Hour	Total Rate per Hour
Physician	\$70.00	\$9.95	\$79.95
Psychiatrist	100.00	11.41	111.41
ARNP	35.00	3.99	38.99
Dentist	55.00	6.27	61.27
Dental Asst.	15.00	1.71	16.71
Mental Health Professional	21.00	4.02	25.02
HSA	31.25	5.51	36.76
DON	27.88	5.12	33.00
Administrative Assistant	13.50	3.49	16.99
Medical Records Supervisor	14.42	3.58	18.00
Medical Records Clerk	11.00	3.20	14.20
RN	22.00	4.19	26.19
LPN	15.50	3.40	18.90
LPN/Paramedic/RMA/CMA	15.50	3.40	18.90
CNA/EMT	14.00	3.55	17.55



Exhibit C

Protease Inhibitors
Listing as of September 1, 2002*
Leon County Sheriff's Office

Protease Inhibitors
Agenerase (amprenavir)
Crixivan (indinavir)
Fortovase (saquinavir-sgc)
Invirase (saquinavir-hgc)
Kaletra (lopinavir/ritonavir)
Norvir (ritonavir)
Viracept (nelfinavir)

* This listing is of approved Protease Inhibitors as of September 1, 2002 if any Protease Inhibitors are approved in accordance with CDC criteria during the term of this agreement those medications shall be considered for addition to this listing on an annual contract basis.



**FIRST AMENDMENT
TO
INMATE HEALTH SERVICES AGREEMENT**

This First Amendment to the Inmate Health Services Agreement is hereby executed by and between Prison Health Services, Inc. (hereinafter referred to as "PHS") and Larry Campbell, as SHERIFF of Leon County, Florida, a County Constitutional Officer of the State of Florida, for the Leon County SHERIFF'S Office (hereinafter referred to as "SHERIFF"), both of whom are also referred to herein, collectively, as the "Parties."

WHEREAS, PHS and SHERIFF executed an Inmate Health Services Agreement (hereinafter referred to as "Main Agreement"), the effective date of which was October 1, 2002, whereby PHS assumed the responsibility for the provision of certain healthcare services, which were to be provided to the inmates at the correctional facility specified in said Main Agreement; and

WHEREAS, PHS and SHERIFF hereby amend said Main Agreement, along with all previous Addenda and Amendments thereto; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed, as follows:

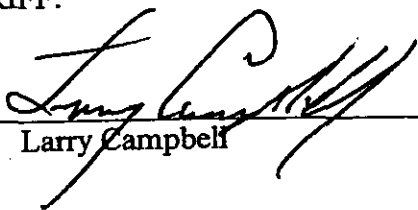
1. This First Amendment shall take effect as of October 01, 2004;
2. For the period of October 01, 2004 through September 30, 2005 of said Main Agreement, the annual aggregate cap on off-site medical specialty care (Section 1.5 of said Main Agreement), shall be increased by 6.9%, which is proportionate to the increase in the base compensation (Section 1.9 of said Main Agreement). As such, the annual aggregate cap of off-site medical-specialty care for the period October 01, 2004 through September 30, 2005 shall increase from \$500,000 to \$534,923;
3. For the period of October 01, 2004 through September 30, 2005 the base compensation shall be \$3,547,620 (Section 9.1 of Main Agreement), and the per diem rate of \$2.25 shall be applied to the monthly base compensation for each inmate in excess of the average monthly base population (beyond a 24 hour period) of 1,200 (Section 9.2 of Main Agreement);
4. The Parties shall have a quarterly reconciliation of the annual aggregate cap based upon actual paid claims as follows:
 - 1st Quarter (3/12th's of the aggregate cap)
 - 2nd Quarter (6/12th's of the aggregate cap)
 - 3rd Quarter (9/12th's of the aggregate cap)
 - 4th Quarter (Full aggregate limit)

PHS shall provide quarterly documentation to support paid claims, and the SHERIFF shall apply adjustments to the subsequent month's invoice in the form of a credit to the SHERIFF or additional reimbursement to PHS, based upon such quarterly documentation. PHS and SHERIFF shall perform a reconciliation of the annual cap no later than 120 days after September 30, 2005. This reconciliation shall be final, with the SHERIFF having no further obligation for the costs of off-site medical specialty care incurred during said period of October 01, 2004 through September 30, 2005 (Section 1.5 of Main Agreement).

5. In all other respects, the terms and conditions of said Main Agreement and all Addenda and Amendments thereto, all of which as amended therein and hereby, shall continue unchanged and in full force and effect.

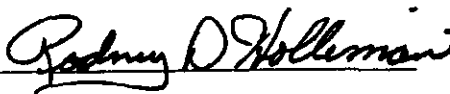
IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Inmate Health Services Agreement, in their official capacities, with legal authority to do so.

SHERIFF:

By: 
Larry Campbell

Date: 9-23-04

PRISON HEALTH SERVICES, INC.

By: 
Title: Group Vice President

Date: 9/27/04

ATTEST:

By: 

Date: 9-23-04

ATTEST:

By:  PRESIDENT
Officer of Corporation

Date: 9-28-04