

RECEIVED

JUN 05 2013

**SANGAMON COUNTY BOARD
RESOLUTION 13-1**

Paul Palazzolo
SANGAMON COUNTY AUDITOR

RE: Contracting Medical/Mental Health Services for Juvenile Offenders in Detention

WHEREAS, the Sangamon County Board had contracted with MAXIMUS to conduct a fiscal option study for the detention of juveniles in Sangamon County,

WHEREAS, MAXIMUS completed the study in September 2012 and made a recommendation for the County to review all of their contracts for services for the Juvenile Detention Center in order to reduce the cost of operating the Juvenile Detention Center,

WHEREAS, the Sangamon County Board adopted MAXIMUS' recommendations during their November 2012 County Board meeting,

WHEREAS, the Sangamon County Board had advised the Sangamon County Court Services Department that they will only provide budgetary funds for a sixteen bed secure detention facility,

WHEREAS, according to Sangamon County Administrative Order 2013-10, the Chief Judge of the 7th Judicial Circuit has authorized that the capacity of the facility is to be sixteen juveniles and that the maximum number of juveniles to be held in secured detention in Sangamon County is twenty,

WHEREAS, the Chief Judge of the 7th Judicial Circuit and the Sangamon County Board has authorized the Sangamon County Court Services Department to find alternate/less cost alternatives for medical services for the Juvenile Detention Center.

WHEREAS, Sangamon County Court Services Department recommends that Sangamon County enter into a contract with Advanced Correctional Healthcare, Inc. starting July 1, 2013 at the rate of \$6,956.62 per month to provide medical and mental health services to juvenile offenders who are detained in the Sangamon County Juvenile Detention Center,

WHEREAS, Sangamon County will incur a cost savings of approximately \$26,000.00 from the current practice along with adding mental health services for the juveniles,

WHEREAS, the Court Services Committee concurs with Sangamon County court Services Department's recommendation.

FILED

JUN 07 2013

Joe Aiello
Sangamon County Clerk

NOW, THEREFORE, BE IT RESOLVED, that Sangamon County Board , in session this 11th day of June 2013, approves the contract with Advanced Correctional Healthcare to provide medical and mental health services for juvenile offenders who are detained in the Juvenile Detention Center,

Submitted By
Court Services Committee

_____, Chairman

Abe Harrell, Member

Paul Dym, Member

_____, Member

Pat Sheehan, Member

_____, Member

Lang Hill, Member

_____, Member



BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (this "Agreement") is entered into on the date of the last signature hereto (the "Effective Date"), by and between the Sangamon County Board, which operates a correctional facility ("Covered Entity") and Advanced Correctional Healthcare, Inc., a corporation which provides healthcare services in correctional facilities ("Business Associate").

RECITALS

- A. Business Associate provides certain services ("Services") to Covered Entity pursuant to an Agreement for the Provision of Inmate/Detainee Health Services (the "Underlying Agreement").
- B. Covered Entity is a "covered entity" as that term is defined under the Health Insurance Portability and Accountability Act of 1996 (as amended, and including 45 C.F.R. Parts 160 and 164 and any other regulations promulgated thereunder, all as of the effective date of this Agreement, "HIPAA").
- C. In connection with Business Associate providing Services to Covered Entity, Covered Entity from time to time may disclose to Business Associate certain Protected Health Information (as defined below) of patients, residents, or customers of Covered Entity that is protected under HIPAA and Subtitle D of Title XIII of Division A of the American Recovery and Reinvestment Act of 2009 (as amended, and including all regulations promulgated thereunder, all as of the effective date of this Agreement, "HITECH").
- D. Business Associate, to the extent that it receives Protected Health Information from or on behalf of Covered Entity, is a "Business Associate" of Covered Entity as that term is defined under HIPAA and HITECH.
- E. In order to ensure that Covered Entity, and, to the extent applicable, Business Associate, are in compliance with their respective obligations under HIPAA and HITECH, the parties have agreed to enter into this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the parties agree as follows:

ARTICLE 1: DEFINITIONS

Unless otherwise defined in this Agreement, capitalized terms will have the same meanings as set forth in HIPAA or HITECH, as applicable:

BREACH – For purposes of Sections 3.6 and 3.10 of this Agreement only, "Breach" will have the meaning set forth in § 164.402 (including all of its subsections) of HIPAA; with respect to all other uses of the word "breach" in this Agreement (e.g., Article 5), the word "breach" will have its ordinary contract meaning.

INDIVIDUAL – "Individual" will have the same meaning as the term "individual" in § 160.103 of HIPAA and will include a person who qualifies as a personal representative in accordance with § 164.502(g) of HIPAA.

PROTECTED HEALTH INFORMATION – "Protected Health Information" will have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information received from, or created or received by Business Associate from or on behalf of, Covered Entity.

REQUIRED BY LAW – "Required By Law" will have the same meaning as the term "required by law" in § 164.103 of HIPAA.

SECRETARY – “Secretary” means the Secretary of the Department of Health and Human Services or his/her designee.

ARTICLE 2:
SCOPE OF USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

- 2.0 Except as otherwise expressly limited in this Agreement or the Underlying Agreement, Business Associate may Use or Disclose Protected Health Information to perform all functions, activities or services for, or on behalf of, Covered Entity in connection with the Underlying Agreement, provided that such Use or Disclosure would not violate HIPAA (including the minimum necessary standard set forth in § 164.502(b) of HIPAA) if done by Covered Entity.
- 2.1 Except as otherwise expressly limited in this Agreement or the Underlying Agreement, Business Associate may Disclose Protected Health Information for the proper management and administration of Business Associate or to carry out the legal responsibilities of Associate if (1) the Disclosure is Required By Law, or (2) Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required By Law or for the purpose for which it was Disclosed to such person, and the person agrees to notify Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- 2.2 If requested by Covered Entity in writing, Business Associate may Use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by § 164.504(e)(2)(i)(B) of HIPAA.
- 2.3 Business Associate may Use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with § 164.502(j)(1) of HIPAA.

ARTICLE 3:
OBLIGATIONS OF BUSINESS ASSOCIATE WITH RESPECT TO PROTECTED HEALTH INFORMATION

- 3.0 Business Associate will Use and Disclose Protected Health Information only as permitted or required by this Agreement or as Required By Law.
- 3.1 Business Associate will use appropriate safeguards to prevent Use or Disclosure of the Protected Health Information other than as provided for by this Agreement.
- 3.2 Business Associate will implement administrative, physical and technical safeguards to reasonably and appropriately protect the confidentiality, integrity, and availability of any electronic Protected Health Information that it creates, receives, maintains or transmits to or on behalf of Covered Entity as required by HIPAA, including compliance with the standards set forth in §§ 164.308, 164.310, 164.312 and 164.316 of HIPAA.
- 3.3 Business Associate agrees to provide access, at the request of Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
- 3.4 Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual.
- 3.5 Business Associate will mitigate, to the extent reasonably practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- 3.6 Business Associate will report to Covered Entity: (1) any Security Incident respecting electronic Protected Health Information within 10 business days after Business Associate becomes aware of such Security Incident; and (2)

any event not subject to reporting under the preceding Section 3.6(1) of which Business Associate becomes aware that is not permitted or required by this Agreement (except that notifications pertaining to Breaches of Unsecured Protected Health Information will be made as stated in Section 3.10 below).

- 3.7 Business Associate will enter into a written agreement with any agent or subcontractor to whom it provides Protected Health Information, which agreement will include and require that such agent or subcontractor to comply with the same restrictions and conditions that apply under this Agreement to Business Associate with respect to such Protected Health Information. If Business Associate becomes aware of a pattern or practice of activity of an agent or subcontractor that would constitute a material breach or violation of the written agreement between Business Associate and such agent or subcontractor, Business Associate will take reasonable steps to cure such breach or terminate such written agreement with such agent or subcontractor.
- 3.8 Business Associate will make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information available to the Secretary in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with HIPAA.
- 3.9 Accounting of Disclosures
- 3.9.0 Business Associate will document Disclosures by Business Associate of Protected Health Information and information related to such Disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of Disclosures of Protected Health Information in accordance with § 164.528 of HIPAA.
- 3.9.1 Business Associate will provide to Covered Entity or an Individual, within five business days of a request by Covered Entity, information collected in accordance with Section 3.9(1) of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of Disclosures of Protected Health Information in accordance with § 164.528 of HIPAA.
- 3.10 Notifications Regarding Breaches of Unsecured Protected Health Information
- 3.10.0 Following Business Associate's discovery (as described in § 164.410(a)(2) of HIPAA) of a Breach of Unsecured Protected Health Information, Business Associate will notify Covered Entity of such Breach in accordance with §§ 164.410 and 164.412 of HIPAA.
- 3.10.1 Business Associate will establish reasonable systems to detect Breaches of Unsecured Protected Health Information and to provide appropriate training to its workforce regarding Business Associate's policies and procedures pertaining to Use and Disclosure of Protected Health Information and the detection and reporting of Breaches of Unsecured Protected Health Information.
- 3.11 For purposes of paragraph (1) of § 13405(b) of HITECH, in the case of the Disclosure of Protected Health Information, the party (Covered Entity or Business Associate) Disclosing such information will determine what constitutes the minimum necessary to accomplish the intended purpose of such Disclosure.

ARTICLE 4:
OBLIGATIONS OF COVERED ENTITY

- 4.0 Covered Entity represents and warrants to Business Associate that it: (1) has included, and will include, in Covered Entity's Notice of Privacy Practices that Covered Entity may disclose Protected Health Information for health care operations purposes; and (2) has obtained, and will obtain, from Individuals, consents, authorizations and other permissions necessary or required by all applicable laws applicable to Covered Entity for Business Associate and Covered Entity to fulfill their obligations under the Underlying Agreement and this Agreement.
- 4.1 Covered Entity will promptly notify Business Associate in writing of any restrictions on the Use and Disclosure

of Protected Health Information about Individuals that Covered Entity has agreed to that could reasonably be expected to affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

- 4.2 Covered Entity will promptly notify Business Associate in writing of any changes in, or revocation of, permission by an Individual to Use or Disclose Protected Health Information, if such changes or revocation could reasonably be expected to affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

ARTICLE 5:
TERM AND TERMINATION

- 5.00 TERM. This Agreement will become effective as of the Effective Date and terminate upon the earlier of (1) termination of all the Underlying Agreement or (2) termination of this Agreement.
- 5.01 TERMINATION. In the event of either party's material breach of this Agreement, the non-breaching party may terminate this Agreement upon 10 days prior written notice to the breaching party in the event the breaching party does not cure such breach to the reasonable satisfaction of the non-breaching party within such 10 day period. In the event that cure of a breach under this Section 5.01 is not reasonably possible, the non-breaching party may immediately terminate this Agreement; or if neither termination nor cure is feasible, the non-breaching party may report the violation to the Secretary.
- 5.02 EFFECT OF TERMINATION. Upon termination of this Agreement, Business Associate will return or destroy all Protected Health Information received from or on behalf of Covered Entity then maintained by Business Associate, and will retain no copies of such Protected Health Information; provided that if such return or destruction is not feasible, Business Associate will extend the protections of this Agreement to the Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction of the information infeasible, for so long as Business Associate maintains such Protected Health Information.

ARTICLE 6:
MISCELLANEOUS

- 6.0 CHANGES TO LAWS. If HIPAA and/or HITECH are amended (including, without limitation, by way of anticipated regulations yet to be promulgated as provided in HITECH), or if new laws and/or regulations affecting the terms required to be included in business associate agreements between covered entities and business associates are promulgated, and either party determines that modifications to the terms of this Agreement are required as a result, then promptly following a party's request, the parties will engage in good faith negotiations in an effort to arrive at mutually acceptable changes to the terms set forth in this Agreement that address such amended or new law and/or regulation. If the parties are unable to agree on such modifications following a reasonable period of such good faith negotiations, which will in no case extend beyond the effective date of such amended or new law and/or regulations, then any party that would become noncompliant in the absence of such modifications will have the right to terminate this Agreement, and the provisions of Section 5.02 will then apply.
- 6.1 NOTICES. Any notice required or permitted under this Agreement will be given in writing:

to Covered Entity at:
Sangamon County Court Services Dept.
ATTN: Director
200 S. 9th St., Room 308
Springfield, IL 62701

to Business Associate at:
Advanced Correctional Healthcare, Inc.
ATTN: Corporate Attorney
3922 West Baring Trace
Peoria, IL 61615
Facsimile: 309.272.3461

Notices will be deemed to have been received upon actual receipt, one business day after being sent by overnight courier service or facsimile, or three business days after mailing by first-class mail, whichever occurs first.

- 6.2 **GOVERNING LAW.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Illinois.
- 6.3 **SURVIVAL.** The obligations of Business Associate under Section 3.9, Section 3.10 and Article 5 of this Agreement will survive any termination of this Agreement.
- 6.4 **AMENDMENTS.** This Agreement may not be modified in any respect other than by a written instrument signed by both parties.
- 6.5 **ASSIGNMENT.** This Agreement is not assignable by either party without the other party's written consent.
- 6.6 **INTERPRETATION.** Any ambiguity in this Agreement will be resolved to permit compliance by the parties with HIPAA and HITECH.
- 6.7 **NO THIRD PARTY BENEFICIARY.** Nothing in this Agreement is intended, nor will be deemed, to confer any benefits on any third party.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

BUSINESS ASSOCIATE

ADVANCED CORRECTIONAL HEALTHCARE, INC.

Neil Leuthold
President/Comptroller

Date

COVERED ENTITY

SANGAMON COUNTY

Andy Van Meter
Chairman of the County Board

Date

AGREEMENT FOR THE PROVISION OF JUVENILE HEALTH SERVICES
SANGAMON COUNTY, ILLINOIS

This Agreement for the Provision of Juvenile Health Services (hereinafter referred to as the "AGREEMENT"), effective as of the date of the last signature hereto, entered into by and between the County of Sangamon, located in the State of Illinois (hereinafter referred to as the "COUNTY") and acting by and through its duly elected Sangamon County Board (hereinafter referred to as the "BOARD") and Director of Court Services (hereinafter referred to as the "DIRECTOR"), and Advanced Correctional Healthcare, Inc. (hereinafter referred to as "ACH"), an Illinois corporation.

RECITALS

WHEREAS, the COUNTY desires to provide professional and responsive healthcare services to the JUVENILES of the Sangamon County Juvenile Detention Center (hereinafter referred to as the "FACILITY"); and

WHEREAS, ACH is a corporation which provides professional and responsive healthcare services in juvenile residential facilities.

NOW THEREFORE, the parties enter into this AGREEMENT as hereinafter set forth.

DEFINITIONS

ACH CORPORATE HOLIDAYS - New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

JUVENILES - Those persons under the age of twenty-one (21) who are accused of crimes and prosecuted through a juvenile court and juvenile detention or prison facility, but not to include any person eighteen (18) and over who is prosecuted as an adult.

ELECTIVE CARE - Care which, if not provided, would not, in the opinion of ACH's practitioner (a licensed practitioner employed by ACH), cause the JUVENILE's health to deteriorate, or cause harm to the JUVENILE's well-being.

MID-LEVEL PRACTITIONER - An advanced registered nurse practitioner or physician assistant who has completed an advanced training program. A MID-LEVEL PRACTITIONER will be duly licensed to practice medicine in the appropriate state.

MOBILE SERVICES - Any ancillary medical services in which a provider comes on-site to perform work using the provider's equipment and/or staff, including, but not limited to, laboratory, X-ray and dental services.

OFF-SITE SERVICES - Medical services including, but not limited to, consultation services, dental care not performed on-site, diagnostic testing, hospital services, medically-indicated emergency ground ambulance transportation, mental health services not performed on-site, and **SPECIALTY SERVICES**.

SPECIALTY SERVICES - Medical services that require a physician to be board-certified in a specialty, including, but not limited to, dermatology, gynecology, and mental health.

TELEMEDICINE - The use of medical information exchanged from one site to another via electronic communications to improve patients' health status.

ARTICLE 1:
DUTIES AND OBLIGATIONS OF ACH

For and in consideration of the compensation to be paid to ACH as hereinafter set forth, ACH agrees as follows:

1.0 **ADVANCED TRAINING.** The FACILITY is entitled to receive one copy each of the training videos produced and sold by ACH at no additional charge, with the following exception: facilities will not receive training videos.

which cover topics for which they have already received an ACH training video covering that topic. If a training video is lost or stolen, the FACILITY may be charged a replacement fee to replace the video. ACH training videos are to be viewed by the FACILITY staff only and are not to be reproduced except with the prior written permission of ACH. ACH does not guarantee training credits and is not responsible for obtaining training credits on behalf of the FACILITY staff.

- 1.1 AFFORDABLE CARE ACT. In the event the Affordable Care Act causes any changes to come about which may affect this AGREEMENT, the parties agree to reopen this AGREEMENT for good faith negotiations with respect to such matters.
- 1.2 BIOMEDICAL WASTE DISPOSAL. ACH will be responsible for the provision of and cost of biomedical waste disposal services **for the medical unit** at the FACILITY consistent with all applicable laws. Typical biomedical waste expected in the medical unit would be bandages, dressings, gloves, hypodermic needles, laboratory containers, sharps, and syringes.
- 1.3 COLLECTION OF DNA/PHYSICAL EVIDENCE. ACH will perform the collection of physical evidence for the purpose of DNA testing on-site with signed consent from the JUVENILE. Court-ordered collection of DNA/physical evidence will be referred to the appropriate facility or emergency room. ACH will not be financially responsible for any costs associated with the collection of or testing of DNA/physical evidence, including, but not limited to, any associated medical fees, laboratory fees, added personnel costs, court costs, and/or the cost of DNA collection kits.
- 1.4 COURT-ORDERED MEDICATIONS AND TESTING. ACH will not be financially responsible for any costs associated with court-ordered medications and/or testing.
- 1.5 CQI MEETINGS. ACH will review, at the scheduled Continuing Quality Improvement (CQI) meetings with the DIRECTOR or designee, the healthcare reports concerning the overall operation of the healthcare services program and the general health of the JUVENILES of the FACILITY.
- 1.6 DENTAL CARE. ACH will provide for JUVENILES dental triage screenings in accordance with criteria established by a licensed dentist for the purpose of identifying JUVENILES in need of serious dental services. ACH will not provide and/or be financially responsible for the costs of dental services, dentures and/or dental restoration.
- 1.7 ELECTIVE CARE. ACH will not provide ELECTIVE CARE to JUVENILES. Decisions concerning ELECTIVE CARE will be consistent with the applicable American Medical Association (AMA) standards.
- 1.8 EMERGENCY CARE. ACH will provide emergency medical treatment to FACILITY staff, subcontractors and visitors who become ill or are injured while on the premises. ACH will stabilize all patients and refer for recommended treatment or care, as needed.
- 1.9 FACILITY STAFF.
 - 1.9.0 PHYSICALS. ACH will provide for the FACILITY staff basic pre-employment physicals, as directed by the DIRECTOR.
 - 1.9.1 TB TESTING. ACH will provide for the FACILITY staff Tuberculosis (TB) skin tests, as directed by the DIRECTOR. ACH will administer TB testing for the FACILITY staff, as scheduled and required by the DIRECTOR, with the COUNTY providing the serum and related supplies. Upon the DIRECTOR's request, ACH will secure the serum and related supplies through the correctional pharmacy to secure the serum and related supplies at the best possible price. ACH will bill the COUNTY for any TB serum and related supplies used for FACILITY staff testing.
- 1.10 HEALTH EDUCATION. ACH will provide health education materials to the DIRECTOR for JUVENILE education.

- 1.11 HEALTH EVALUATIONS. ACH will provide for JUVENILES on-site health evaluations and medical care.
- 1.12 JUVENILE LABOR. JUVENILES will not be employed or otherwise engaged or utilized by either ACH or the DIRECTOR in the direct rendition of any healthcare services.
- 1.13 MANAGEMENT SERVICES. ACH will provide management services to include: a comprehensive Strategic Plan; Peer Review; CQI; Cost Containment; Utilization Management; Risk Management programs; and a Health Insurance Portability and Accountability Act (HIPAA) Compliance programs specific to the FACILITY's medical operations.
- 1.14 MEDICAL CLAIMS RE-PRICING. ACH will not be responsible for the re-pricing of medical claims.
- 1.15 MEDICAL RECORDS. ACH will maintain, cause, or require being maintained complete and accurate medical records for each JUVENILE who has received healthcare services. The content of each medical record will be maintained in accordance with applicable laws, the state's Minimum Standards for Jails and Lockups, and the DIRECTOR's policies and procedures. The medical records will be kept separate from the JUVENILE's confinement record. A complete copy of the original applicable medical record will be available to accompany each JUVENILE who is transferred from the FACILITY to another location for off-site services or transferred to another institution.
- 1.15.0 CONFIDENTIALITY. Medical records will be kept confidential, subject to applicable laws regarding confidentiality of such records. ACH will comply with state and federal law and the DIRECTOR's policy with regard to access by JUVENILES and FACILITY staff to medical records. No information contained in the medical records will be released by ACH except as provided by the DIRECTOR's policy, a court order, or otherwise in accordance with applicable laws.
- 1.15.1 PROPERTY OF DIRECTOR. JUVENILE medical records will at all times be the property of the DIRECTOR, and will remain with the DIRECTOR. However, the DIRECTOR will provide ACH with reasonable ongoing access to all medical records, even after the expiration of this AGREEMENT, for the purpose of defending litigation.
- 1.15.2 AVAILABILITY. ACH will make available to the DIRECTOR, unless otherwise specifically prohibited, at the DIRECTOR's request, all records, documents, and other papers relating to the direct delivery of healthcare services to FACILITY JUVENILES hereunder.
- 1.16 MEDICAL SUPPLIES (DISPOSABLE). ACH will provide for JUVENILES disposable medical supplies intended for one-time use, not to include durable or reusable medical supplies. Typical disposable medical supplies expected in a medical unit would be tongue blades, Band-Aids, gauze pads, medical tape, sterile water, saline, pregnancy tests, blood sugar strips, peak flow mouth pieces, O2 tubing, urine test strips, syringes, gloves for the medical staff, med cups, lancets, ammonia ampules, cotton-tip applicators, and alcohol preps. The DIRECTOR and the COUNTY will not be liable for loss of or damage to the medical supplies of ACH, its agents, employees or subcontractors, unless such loss or damage was caused by the sole negligence of the DIRECTOR's employees.
- 1.17 MEETINGS. ACH representatives will meet, in accordance with a schedule agreed to by the DIRECTOR and ACH, with the DIRECTOR or designee concerning procedures within the FACILITY, any proposed changes in health-related procedures, or other matters which either party deems necessary.
- 1.18 MENTAL HEALTH SERVICES. ACH will refer JUVENILES to crisis intervention services when indicated. The crisis intervention services will be provided by the FACILITY staff. ACH will coordinate with the medical and programming services (e.g., chemical dependence) at the FACILITY so that patient management is appropriately integrated, health needs are met, and the impact of any of these conditions on each other is adequately addressed. ACH will use an integrated and multidisciplinary team (including FACILITY staff) to develop treatment plans for JUVENILES displaying problematic behavior. ACH will not be responsible for the cost of mental health medications and/or services prescribed and/or provided by non-ACH employees.

- 1.19 MOBILE SERVICES. When MOBILE SERVICES are required for medical reasons, ACH will arrange for those services for JUVENILES in accordance with the DIRECTOR's policies and procedures. ACH will not be responsible for any costs associated with MOBILE SERVICES.
- 1.20 NON-MEDICAL CARE OF JUVENILES. ACH will not provide and/or be financially responsible for all other personal (non-medical) needs of the JUVENILES while in the FACILITY, including, but not limited to: daily housekeeping services; dietary services, including special supplements, liquid diets, or other dietary needs; building maintenance services; facility cleaning for ectoparasites; personal hygiene supplies and services; clothing; and linen supplies.
- 1.21 OFF-SITE SERVICES. When OFF-SITE SERVICES are required for medical reasons, ACH will arrange for those services for JUVENILES and in accordance with the DIRECTOR's policies and procedures. ACH will not be responsible for any costs associated with OFF-SITE SERVICES.
- 1.22 ON-SITE TESTING. ACH will provide for JUVENILES on-site laboratory testing to include finger-stick blood sugar and urine dipstick for pregnancy and/or infection. ACH will also provide TB skin tests for JUVENILES as directed by the DIRECTOR. ACH will be financially responsible for the cost of the TB serum AND related supplies.
- 1.23 OTHER SERVICES AND EXPENSES. ACH will not provide and/or be financially responsible for any services, supplies and/or equipment which are not specifically contained in this AGREEMENT.
- 1.24 PHARMACEUTICALS. ACH will dispense pharmaceuticals in accordance with applicable laws. ACH will neither provide nor be financially responsible for pharmaceuticals.
- 1.25 POLICIES AND PROCEDURES. ACH will operate within the requirements of the DIRECTOR's policies and procedures which directly related to the provision of medical services, as well as other policies and procedures of the DIRECTOR which may impact the provision of medical services. Such policies and procedures may change from time to time; if so, ACH will be promptly notified and will operate within all policies, procedures and modifications thereof. Upon the DIRECTOR's request, ACH will assist the DIRECTOR in drafting medical policies and procedures.
- 1.26 PRISON RAPE ELIMINATION ACT OF 2003 (PREA). ACH will adopt and comply with PREA, all applicable PREA standards, and the FACILITY's policies related to PREA for preventing, detecting, monitoring, investigating, and eradicating any form of sexual abuse within the FACILITY. ACH acknowledges that, in addition to self-monitoring requirements, the FACILITY will conduct announced or unannounced compliance monitoring to include on-site monitoring. ACH understands that failure to comply with PREA, including PREA standards and the FACILITY's policies, may result in termination of this AGREEMENT.
- 1.27 STAFFING. ACH will provide staffing coverage as described in this section.
- 1.27.0 NURSING. ACH will provide on-site registered nursing coverage to include up to twenty (20) hours per week on a schedule approved by the DIRECTOR. When approved by the DIRECTOR or designee, hours worked in excess of the contracted amount will be billed monthly to the COUNTY at the prevailing wage and benefit rate of the ACH employee. For scheduled visits that fall on ACH CORPORATE HOLIDAYS, coverage will not be provided. ACH will provide replacement nursing coverage in instances of absence exceeding three (3) consecutive days.
- 1.27.1 MEAL BREAKS. It is understood and agreed that ACH employees are allowed to leave the premises during the work day for meal breaks.
- 1.27.2 PRACTITIONER. A physician and/or MID-LEVEL PRACTITIONER will serve as the site's Medical Director and will visit the FACILITY weekly or as otherwise agreed by the DIRECTOR and ACH, and will stay until all work is completed. A MID-LEVEL PRACTITIONER will only be used with the approval of the DIRECTOR. The physician and/or MID-LEVEL PRACTITIONER will be available by telephone to the FACILITY and medical staff on an on-call basis, seven (7) days per week, twenty-four

(24) hours per day. For scheduled visits that fall on ACH CORPORATE HOLIDAYS, coverage will be provided by phone only.

1.27.3 QUALIFIED MENTAL HEALTH PROFESSIONAL. A Qualified Mental Health Professional will visit the FACILITY each week for up to six (6) hours at the discretion of the DIRECTOR or designee.

ARTICLE 2:
DUTIES AND OBLIGATIONS OF THE COUNTY

- 2.0 COURT-ORDERED MEDICATIONS AND TESTING. The COUNTY will be financially responsible for any costs associated with court-ordered medications and/or testing.
- 2.1 DENTAL CARE. The COUNTY will be financially responsible for any costs associated with dental services.
- 2.2 HIRING OF ACH STAFF. While ACH is pleased to provide staffing during this engagement, ACH does not expect the COUNTY to offer permanent employment to ACH employees or independent contractors. ACH has a significant investment in the training and professional development of our employees and independent contractors and they are valued employees and independent contractors of ACH. If the COUNTY should hire any ACH employee or independent contractor during this AGREEMENT term or within one (1) year after this AGREEMENT's termination, the COUNTY will be billed a professional replacement fee of Ten Thousand Dollars (\$10,000) to compensate ACH for each employee or independent contractor.
- 2.3 HOME MEDICATIONS. The COUNTY agrees to the use of home medications, upon verification, which are brought into the FACILITY. ACH will comply with the FACILITY's policy as to the type of medications which are allowed to be brought from home.
- 2.4 JUVENILE INFORMATION. The DIRECTOR will provide, as needed, information pertaining to JUVENILES that ACH and the DIRECTOR mutually identify as reasonable and necessary for ACH to adequately perform its obligations to the DIRECTOR and the COUNTY.
- 2.5 MEDICAL EQUIPMENT (DURABLE). Medical equipment remains the responsibility of the DIRECTOR. At the DIRECTOR's request, ACH may assist the DIRECTOR in securing the equipment at cost-effective pricing. Typical durable medical equipment expected in a medical unit would be: exam table, exam stool, ophthalmic / otoscope, peak flow meter, digital thermometer, stethoscope, X-large and large blood pressure cuffs, emesis basin, CPR AmbuBag (adult & 2-way mask), refrigerator (small), and scales. Upon termination of this AGREEMENT, ACH will return to the COUNTY possession and control of all COUNTY-owned medical equipment. At such time, the medical equipment will be in good working order, with allowances made for reasonable wear and tear.
- 2.6 MOBILE SERVICES. The COUNTY will be financially responsible for any costs associated with MOBILE SERVICES.
- 2.7 OFFICE EQUIPMENT (DURABLE). The DIRECTOR will provide use of COUNTY-owned office equipment and all necessary utilities in place at the FACILITY's healthcare unit. Typical office equipment expected in a medical unit would be a locking file (recommended four-drawer); paper punch; staple remover; stapler; cabinet for storing medical supplies such as Band-Aids, gauze, etc.; computer; fax machine; copier / printer; and toner. Upon termination of this AGREEMENT, ACH will return to the COUNTY possession and control of all COUNTY-owned office equipment. At such time, the office equipment will be in good working order, with allowances made for reasonable wear and tear.
- 2.8 OFFICE SUPPLIES (DISPOSABLE). The COUNTY will provide disposable office supplies, such as medical charts, paper, pens, staples, and Post-It notes which are required for the provision of JUVENILE healthcare services. Supplies purchased by the COUNTY will be the property of the COUNTY at the end of this AGREEMENT. ACH will not be liable for loss of or damage to the office supplies of the COUNTY, unless such loss or damage was caused by the sole negligence of ACH employees.

- 2.9 OFF-SITE SERVICES. The COUNTY will be financially responsible for any costs associated with OFF-SITE SERVICES.
- 2.10 PHARMACEUTICALS. The COUNTY will provide and be financially responsible for pharmaceuticals.
- 2.11 RECORD AVAILABILITY. During this AGREEMENT period, and for a reasonable time thereafter, the DIRECTOR will provide ACH, at ACH's request, the DIRECTOR's records relating to the provision of healthcare services to JUVENILES as may be reasonably requested by ACH in connection with an investigation of, or defense of, any claim by a third party related to ACH's conduct. As ACH may reasonably request, and consistent with applicable state and federal laws and the foregoing provision, the DIRECTOR will make available to ACH such records as are maintained by the DIRECTOR, hospitals, and other off-site healthcare providers involved in the care or treatment of JUVENILES (to the extent the DIRECTOR has any control over those records).
- 2.11.0 CONFIDENTIALITY. Any such information provided by the DIRECTOR to ACH that the DIRECTOR considers confidential will be kept confidential by ACH and shall not, except as may be required by law, be distributed to any third party without the prior written approval of the DIRECTOR. Notwithstanding any provision of this AGREEMENT to the contrary, the DIRECTOR's internal affairs investigative records will not be required to be provided to ACH or any other person or entity (except as may be required by law).
- 2.12 SECURITY. The DIRECTOR will maintain responsibility for the physical security of the FACILITY and the continuing security of the JUVENILES. ACH and the DIRECTOR understand that adequate security services are necessary for the safety of the agents, employees, and subcontractors of ACH, as well as for the security of JUVENILES and FACILITY staff, consistent with the correctional setting. The DIRECTOR will provide security sufficient to enable ACH and its personnel to safely provide the healthcare services described in this AGREEMENT. The DIRECTOR will screen ACH's proposed staff to ensure that they will not constitute a security risk. The DIRECTOR will have final approval of ACH's employees in regards to security/background clearance.

ARTICLE 3:
COMPENSATION/ADJUSTMENTS

- 3.0 ANNUAL AMOUNT/MONTHLY PAYMENTS. The annualized amount to be paid by the COUNTY to ACH under this AGREEMENT is to be Eighty-Three Thousand Nine-Hundred Twenty-Nine Dollars and Forty-Four Cents (\$83,929.44). The COUNTY will make monthly payments of Six-Thousand Nine-Hundred Ninety-Four Dollars and Twelve Cents (\$6,994.12), which is equal to 1/12 of the annualized amount, during the term of this AGREEMENT. ACH will bill the COUNTY approximately thirty (30) days prior to the month in which services are to be rendered. The COUNTY agrees to pay ACH prior to the tenth (10th) day of the month in which services are rendered.
- 3.0.0 ANNUAL AMOUNT UPON RENEWAL. Upon the annual anniversary date of this AGREEMENT, the annualized amount of increase for compensation and per diem rates will be the Consumer Price Index (CPI) for medical care. The CPI will be calculated from the most recent CPI data as published by the Bureau of Labor Statistics.
- 3.1 QUARTERLY ADJUSTMENTS. Account reconciliation will be completed for variances in the ADP, non-covered pharmaceuticals purchased, and other expenses, such as equipment or services purchased by ACH (with prior approval of the COUNTY) on behalf of the COUNTY.
- 3.1.0 AVERAGE DAILY POPULATION (ADP). ADP for a given quarter will be determined from the FACILITY census records. For billing purposes, the JUVENILE ADP will be 16. JUVENILES who are not presently incarcerated in the FACILITY (i.e., persons on electronic monitoring or probation, or who are hospitalized, or in halfway housing or early release housing) should not be counted in either ADP reported to ACH by the COUNTY. The ADPs reported to ACH should only be those JUVENILES presently incarcerated in the FACILITY.

3.1.1 PER DIEM. Per diem rate(s) are intended to cover additional costs in those instances where minor, short-term changes in the JUVENILE population results in the higher utilization of routine supplies and services. The per diem is not intended to provide for any additional fixed costs, such as new fixed staffing positions that might prove necessary if the JUVENILE population grows significantly and is sustained. In such cases, ACH reserves the right to negotiate for an increase to its staffing and its contract price in order to continue to provide services to the increased number of JUVENILES and maintain the standard of care. ACH will request the monthly count for these separate populations on a quarterly basis. When the ADP exceeds or falls below the contracted rate in any calendar quarter, the compensation variance will be figured on the average number of JUVENILES above or below the contracted ADP for that quarter multiplied by the per diem rate of \$0.28 per juvenile per day. (Example: If the ADP for a quarter is 26, additional compensation due will be calculated as follows: $10 \times \$0.28 \times 91$)

3.1.2 ARREARS. Any contract amount in arrears will be settled through reconciliation and adjusted accordingly. Adjustments will be made to the first monthly invoice prepared after reconciliation between ACH and the COUNTY. Payment of the adjusted amount will be due upon receipt of said invoice.

ARTICLE 4: TERM AND TERMINATION

4.0 TERM. The term of this AGREEMENT will be from _____, 2013 at 12:01 A.M. through November 30, 2013 at 11:59 P.M. This AGREEMENT will automatically renew for successive one (1) year periods unless either party gives sixty (60) days' written notice prior to the end of a term.

4.1 TERMINATION.

4.1.0 TERMINATION FOR LACK OF APPROPRIATIONS. It is understood and agreed that this AGREEMENT will be subject to annual appropriations by the BOARD. If funds are not appropriated for this AGREEMENT, then upon exhaustion of such funding, the COUNTY and the DIRECTOR will be entitled to immediately terminate this AGREEMENT without penalty or liability. Recognizing that such termination may entail substantial costs for ACH, the COUNTY and the DIRECTOR will act in good faith and make every effort to give ACH reasonable advance notice of any potential problem with funding or appropriations. The COUNTY agrees to pay for services rendered up to the point of termination.

4.1.1 TERMINATION FOR CAUSE. The COUNTY and the DIRECTOR reserve the right to terminate this AGREEMENT immediately in the event that ACH discontinues or abandons operations, or if ACH fails to comply with any section or part of this AGREEMENT. The COUNTY will pay for services rendered up to and including the point of termination, but will not pay any penalty.

4.1.2 TERMINATION WITHOUT CAUSE. Notwithstanding anything to the contrary contained in this AGREEMENT, the COUNTY, the DIRECTOR, or ACH may, without prejudice to any other rights they may have, terminate this AGREEMENT for their convenience and without cause, by giving sixty (60) days' advance written notice to the other party. If sixty (60) days' advance written notice is provided, termination will be without penalty to any of the parties. If the DIRECTOR or the COUNTY gives ACH less than sixty (60) days' advance written notice, the COUNTY agrees to pay to ACH a penalty equal to two (2) month's contract price as an early termination fee.

ARTICLE 5: GENERAL TERMS AND CONDITIONS

5.0 AMENDMENTS. This AGREEMENT may be amended at any time only with the written consent of both parties.

5.1 ASSIGNMENT. ACH will not assign in whole or in part this AGREEMENT without the prior written consent of the COUNTY. ACH will not assign any money due or to become due under this AGREEMENT without the prior written consent of the COUNTY.

- 5.2 COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS. The DIRECTOR, the COUNTY, and ACH agree that no party will require performance of any ACH or COUNTY employee, agent or independent contractor that would violate federal, state and/or local laws, ordinances, rules and/or regulations.
- 5.3 COUNTERPARTS. This AGREEMENT may be executed in several counterparts, each of which will be an original and all of which together will constitute but one and the same instrument.
- 5.4 EFFECT ON PRIOR AGREEMENTS. This AGREEMENT will supersede and take precedence over prior agreements, except that letters and similarly related documents executed between ACH and the COUNTY and/or DIRECTOR prior to the signing of this AGREEMENT, that are not in conflict with this AGREEMENT, will remain in effect. All rights and obligations, monetary or otherwise, which may have accrued because of services rendered prior to the effective date of this AGREEMENT, will be satisfied.
- 5.5 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.
- 5.6 EQUAL EMPLOYMENT OPPORTUNITY. It is the policy of ACH to provide equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, sex (including pregnancy), national origin, age, handicap or disability, citizenship, marital status, genetic information or characteristics, status as a Vietnam-era, special disabled, or other veteran who served on active duty during a war, campaign, or expedition, for which a campaign badge has been authorized, or an individual's status in any class protected by applicable federal, state, or local laws.
- 5.7 EXCUSED PERFORMANCE. In case performance of any terms of parts hereof will be delayed or prevented because of compliance with any law, decree, or order of any governmental agency or authority of local, state, or federal governments or because of riots, public disturbances, strikes, lockouts, differences with workers, fires, floods, Acts of God, or any other reason whatsoever which is not within the control of the parties whose performance is interfered with and which, by the exercise of reasonable diligence, said party is unable to prevent, the party so suffering may at its option, suspend, without liability, the performance of its obligations hereunder during the period such cause continues.
- 5.8 GOVERNING LAW. This AGREEMENT will be governed by the laws of the state of Illinois.
- 5.9 HOLD HARMLESS AND INDEMNIFICATION.
- 5.9.0 ACH will hold harmless and indemnify the COUNTY, the DIRECTOR, and the FACILITY employees against any loss or damage, including reasonable attorneys' fees and other costs of litigation, caused or necessitated by the sole negligence of ACH, its agents, employees, and/or vendors which is related to medical treatment or care provided by ACH.
- 5.9.1 ACH will not be responsible for any claims arising from actions of the COUNTY, the DIRECTOR, or any FACILITY employee or agent who intentionally prevents any person from receiving medical care ordered by ACH's medical staff, employees, agents or independent contractors.
- 5.9.2 ACH will not be responsible for claims arising from negligence on the part of the COUNTY, the DIRECTOR, or any FACILITY employee or agent in promptly presenting an individual to ACH's medical staff, employees, agents or independent contractors if it should have been reasonably known that the individual was in serious need of immediate medical attention.
- 5.9.3 The COUNTY will hold harmless and indemnify ACH, its officers, and employees against any loss or damage, including reasonable attorneys' fees and other costs of litigation, caused or necessitated by the sole negligence of the COUNTY, its agents, employees, and/or vendors which is related to medical treatment or care provided by ACH.

- 5.9.4 With respect to any claim for indemnification, the party claiming a right to indemnity will (i) give written notice thereof to the other party within a reasonable period following the event or occurrence as to which the right to indemnification is or may be asserted and (ii) allow the other party (including the employees, agents, and counsel) reasonable access to any of its employees, property, and records for the purposes of conducting an investigation of such claim and for the purpose of obtaining statements, photographs, and taking such other steps as may be necessary to preserve evidence of the occurrence on which the claim is based. If the party claiming a right to indemnity denies the other party reasonable access as set forth, after written request therefore, the party claiming a right to indemnity will assume sole responsibility for the claim for which indemnification is sought and will not be entitled to indemnity.
- 5.10 INDEPENDENT CONTRACTOR. It is understood and agreed that an independent contractor relationship is hereby established under the terms and conditions of this AGREEMENT. The employees or agents of ACH are not now, nor will they be deemed to be, employees of the COUNTY or the DIRECTOR. The employees of the COUNTY and the DIRECTOR are not now, nor will they be deemed to be, employees of ACH. ACH assumes all financial responsibility for the employees of ACH, such as wages and withholding taxes, social security, sales and other taxes, which may be related to the services to be provided under this AGREEMENT.
- 5.10.0 SUBCONTRACTING. In order to discharge the obligations hereunder, ACH may engage certain healthcare professionals as independent contractors rather than employees. As the relationship between ACH and these healthcare professionals will be that of independent contractor, ACH will not be considered or deemed to be engaged in the practice of medicine or other professions practiced by these professionals. ACH will exercise control over the manner of means by which these independent contractors perform their medical duties. This control will be exercised reasonably consistent with the independent medical judgment these independent contractors are required to exercise. ACH will exercise administrative supervision over such professionals necessary to ensure the strict fulfillment of the obligations contained in this AGREEMENT. All terms and conditions of this AGREEMENT will be included in all such subcontracts. For each agent and subcontractor, including all medical professionals, practitioners, and nurses performing duties as agents or independent contractors of ACH under this AGREEMENT, ACH will provide to the DIRECTOR proof that, for each such professional, there is in effect during the period that person is engaged in the performance of this AGREEMENT, a professional liability or medical malpractice insurance policy, in an amount or amounts of One Million Dollars (\$1,000,000) coverage per occurrence and Three Million Dollars (\$3,000,000) annual aggregate coverage.
- 5.11 INSURANCE. ACH will procure and maintain in effect throughout the term of this AGREEMENT insurance policies with coverage not less than the types and amounts specified in this section.
- 5.11.0 Commercial Automobile Liability Insurance Policy with a limit of One Million Dollars (\$1,000,000) per occurrence, covering owned, hired, and non-owned automobiles.
- 5.11.1 Commercial General Liability Insurance Policy with limits of One Million Dollars (\$1,000,000) per occurrence and an annual policy aggregate of Two Million Dollars (\$2,000,000).
- 5.11.2 Professional Liability Insurance, including Civil Rights Liability, with limits of One Million Dollars (\$1,000,000) each occurrence / Three Million Dollars (\$3,000,000) annual aggregate and Fifteen Million Dollars (\$15,000,000) policy aggregate coverage.
- 5.11.3 Workers' Compensation Insurance and Employer's Liability Policies with limits of Five Hundred Thousand Dollars (\$500,000) per incident.
- 5.11.4 ADDITIONAL INSUREDS. ACH agrees to name the DIRECTOR and the COUNTY as an additional insured under the Commercial Automobile, Commercial General, and Professional Liability portions of insurance and provide the COUNTY with a Certificate of Insurance specific to correctional facilities evidencing the terms of the insurance coverage and policy limits.

- 5.12 NOTICES. All notices to the DIRECTOR and/or the COUNTY will be addressed to the DIRECTOR at the Sangamon County Court Services Dept., 200 S. 9th Street, Room 308, Springfield, IL 62701. All notices to ACH will be addressed to Advanced Correctional Healthcare, Inc., Attn: Corporate Attorney, 3922 West Baring Trace, Peoria, IL 61615.
- 5.13 OTHER CONTRACTS AND THIRD PARTY BENEFICIARIES. The parties acknowledge that ACH is not bound by or aware of any other existing contracts to which either the DIRECTOR or the COUNTY are a party and which relate to the provision of healthcare to JUVENILES at the FACILITY. The parties agree that they have not entered into this AGREEMENT for the benefit of any third person(s) and it is their express intention that this AGREEMENT is intended to be for their respective benefits only and not for the benefits of others who might otherwise be deemed to constitute third party beneficiaries thereof.
- 5.14 SEVERABILITY. In the event any part of this AGREEMENT is held to be unenforceable for any reason, the unenforceability thereof will not affect the remainder of this AGREEMENT, which will remain in full force and effect and be enforceable in accordance with its terms.
- 5.15 WAIVER OF BREACH. The waiver of either party of a breach or violation of any part of this AGREEMENT will not operate as, or be construed to be, a waiver of any subsequent breach of the same or other part hereof.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the date and year written below.

ADVANCED CORRECTIONAL HEALTHCARE, INC.

 Neil Leuthold, MBA
 President/Comptroller

 Date

COUNTY OF SANGAMON, ILLINOIS

 Andy Van Meter
 Chairman of the County Board

 Date