

CONTRACT #1
RFS # 329.01-28010
FA # 10-30424
Edison # 18495

Department of Correction

VENDOR:
Corizon, Inc.



STATE OF TENNESSEE
DEPARTMENT OF CORRECTION
6TH FLOOR RACHEL JACKSON BUILDING
320 SIXTH AVENUE NORTH
NASHVILLE, TENNESSEE 37243-0465
OFFICE (615) 741-1000 EXT. 8104 • FAX (615) 741-4605

MEMORANDUM

TO: Leni Chick
Contract & Audit Coordinator
Fiscal Review Committee Staff

FROM: William M. Anderson, Director
Contracts Administration

DATE: July 2, 2013

SUBJECT: CORIZON, INC.
32901-28010
FA-10-30424-00

Enclosed is the supporting documentation to the contract between the Department of Correction, and Corizon, Inc. as required pursuant to Department of Finance and Administration rules and policy.

- 1) Original Contract and Amendments 1 & 2
- 2) Performance Bond Continuation
- 3) Request for Non-Competitive Amendment 2 -32901-28010CY13-2306
- 4) Supplement Documentation Required for Fiscal Review Committee (with documentation)

The Tennessee Department of Correction respectfully submits this Non-Competitive Amendment Request for Fiscal Review Committee comments and/or approval.

Thank you for your consideration of this matter.

WMA/lr
Enclosures

TDOC MEDICAL SERVICES TALKING POINTS

The Tennessee Department of Correction issued a Request for Proposal for Inmate Physical Healthcare in September 2012.

The Inmate Health contract was targeted by the Central Procurement Office as one that could yield savings to the State through aggressive negotiation – which resulted in a combined savings of \$18M.

The Central Procurement Office assumed the lead in this process and has been working through the negotiation process with both vendors.

Currently, the revised bids for the 3 year contract are:

\$225.6M – Corizon

\$232M – Centurion of Tennessee

\$7.0

The difference between the proposals is \$6.4M over the life of the contract (3 years), not \$15M as reported by Corizon and various Media Outlets.

The Chief Procurement Officer issued a Notice of Intent to Award the contract on February 1st, 2013; however, this award was protested by Corizon, Inc. based on:

- **Experience requirement as defined in the RFP**
- **Staffing Requirements as defined in the RFP**
- **Failure to provide the required number of references as defined in the RFP**
- **Misrepresentation of Federal Financial Participation (Medicaid/TennCare) for inmates**

The Central Procurement Office upheld the award in March 2013.

The appeal of that decision was denied in June 2013, and the Committee found that the evaluations were conducted properly and the protest was “without merit”. Corizon now has 60 days to challenge the award in court.

FACTS:

- Pricing was not a protest issue
- The evaluations of the proposals were made in accordance with § TCA 8-42-101(3) and F&A’s Rules for Personal, Professional, and Consulting Service Contracts (Chapter 0620-3-3)
 - State law is clear that “neither the Technical nor the Cost Proposals shall be the only criterion for a contract award recommendation and that the Cost Proposal not account for more than 35% of the scoring equation”. The scoring that determined the winning bid was weighted as follows:
 - Experience (20%), Technical Proposal (45%), Cost (35%)
- No Conflict of Interest exists – Commissioner Schofield has disclosed consistently since 2011 that his spouse is employed by MHM, Inc. (One of the Parent Companies of Centurion, LLC.) and recused himself from the procurement process
- MHM, Inc., lost the Inmate Mental Health contract in 2012 – Corizon is the current provider
 - Corizon was aware of his spouse’s employment status with MHM
 - The decision to award the Mental Health Services contract to Corizon was unsuccessfully protested by MHM.

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	William M. Anderson		*Contact Phone:	615.253.8104	
*Original Contract Number:	FA-10-30424-00		*Original RFS Number:	32901-28010	
Edison Contract Number: <i>(if applicable)</i>	18495		Edison RFS Number: <i>(if applicable)</i>	18495	
*Original Contract Begin Date:	January 1, 2010		*Current End Date:	June 30, 2013	
Current Request Amendment Number: <i>(if applicable)</i>			Two (2)		
Proposed Amendment Effective Date: <i>(if applicable)</i>			July 1, 2013		
*Department Submitting:			Correction		
*Division:			Contracts Administration		
*Date Submitted:			July 2, 2013		
*Submitted Within Sixty (60) days:			Yes		
<i>If not, explain:</i>					
*Contract Vendor Name:			Corizon, Inc. (as amended herein) <i>(formerly - Correctional Medical Services, Inc.)</i>		
*Current Maximum Liability:			\$219,055,800.00		
*Current Contract Allocation by Fiscal Year: <i>(as Shown on Most Current Fully Executed Contract Summary Sheet)</i>					
FY:2010	FY: 2011	FY: 2012	FY: 2013	FY	FY
\$28,168,100.00	\$58,518,900.00	\$62,284,900.00	\$70,083,900.00	\$	\$
*Current Total Expenditures by Fiscal Year of Contract: <i>(attach backup documentation from STARS or FDAS report)</i>					
FY: 2010	FY: 2011	FY: 2012	FY: 2013	FY	FY
\$27,261,964.00	\$58,710,734.00	\$65,043,135.00	\$55,306,880.00 through April	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:			N/A		
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:			Total allocation for contract period is \$219,055,800.00 and expected expenditures have been \$206,322,713. There are no surplus funds to carry forward.		
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:			It is anticipated that expenditures will not exceed contract maximum. Annual allocations are off due to date of service vs. date of payment issued.		

Supplemental Documentation Required for
Fiscal Review Committee

*Contract Funding Source/Amount:	State:	\$219,055,800.00	Federal:	
Interdepartmental:	N/A		Other:	N/A
If "other" please define:				
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>			Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
October 2012			Approved – Fiscal Review Committee Meeting 11/26/2012	
Method of Original Award: <i>(if applicable)</i>			Request for Proposal (RFP)	
*What were the projected costs of the service for the entire term of the contract prior to contract award?			There were no projected costs preceding the RFP. Such projections are subject to disclosure prior to the bidding process closing.	

Supplemental Documentation Required for
Fiscal Review Committee

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.

Deliverable description:	FY: Budgeted 2013	FY: Budgeted 2014	FY:	FY:	FY:
Medical Contract	\$73,979,600.00	\$85,273,300.00			

Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.

Deliverable description:	FY:	FY:	FY:	FY:	FY:

Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.

Proposed Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:

Vendor ID 0000046610
 Vendor Name Corizon, Inc

Sum of Sum Amount			Fiscal Year				Grand Total
Date	Invoice	PO ID	2010	2011	2012	2013*	
3/25/2010	MI-38973 for cust #2051 Jan 10	0000005205	4,500,801				4,500,801
4/7/2010	MI-39024	0000005413	4,110,739				4,110,739
6/22/2010	MI-39188	0000005839	4,419,143				4,419,143
6/4/2010	MI 39096	0000005724	4,580,252				4,580,252
7/6/2010	MI-39250 for May 2010	0000005943	4,551,030				4,551,030
8/27/2010	MI-40092	0000006227		4,563,406			4,563,406
9/21/2010	MI-39267	0000005989		4,398,154			4,398,154
9/27/2010	MI-40163	0000006413		4,567,367			4,567,367
10/15/2010	MI-40194	0000006511		4,427,934			4,427,934
11/17/2010	MI-40260	0000006680		4,532,269			4,532,269
12/24/2010	MI 40320	0000006817		4,448,898			4,448,898
12/31/2010	063010	0000005989		701,846			701,846
		0000006905		55,494			55,494
	103110	0000006905		933,285			933,285
2/1/2011	MI-40743	0000007021		4,578,007			4,578,007
3/4/2011	MI-40804	0000007165		5,110,501			5,110,501
3/15/2011	MI-40858	0000007255		4,637,286			4,637,286
4/26/2011	Mi-40924	0000007461		5,144,481			5,144,481
5/24/2011	Mi-40999	0000007629		5,013,425			5,013,425
6/27/2011	MI-41069	0000007785		5,151,686			5,151,686
7/28/2011	MI-41471	0000007969			5,007,221		5,007,221
8/29/2011	Mi-41546	0000008141			5,149,890		5,149,890
10/12/2011	MI-41603	0000008289			5,174,318		5,174,318
11/2/2011	MI-41674	0000008409			4,991,869		4,991,869
12/5/2011	MI-41722	0000008542			5,124,639		5,124,639
12/30/2011	November 2011 CMS	0000008682			4,948,643		4,948,643
2/7/2012	Dec 2011 CMS	0000008848			5,068,603		5,068,603
2/29/2012	Jan 2012 CMS	0000009072			5,319,161		5,319,161
3/27/2012	Feb 2012 CMS	0000009190			5,027,200		5,027,200
5/25/2012	Apr2012CMS	0000009558			5,188,286		5,188,286
	Mar2012CMS	0000009524			5,382,231		5,382,231
7/3/2012	42534	0000009691			539,473		539,473
7/9/2012	42895	0000009691			2,038,778		2,038,778

Date	Invoice	PO ID	2010	2011	2012	2013*	Grand Total
7/25/2012	May2012CMS	0000009904				5,389,722	5,389,722
8/15/2012	MI-42954	0000010169				999,174	999,174
9/6/2012	Jun2012CMS	0000010449				5,240,620	5,240,620
10/3/2012	MI-42964	0000010639				5,405,324	5,405,324
11/14/2012	MI-43003	0000011051				5,399,801	5,399,801
	MI-43072	0000011051				5,213,184	5,213,184
11/19/2012	MI-43132	0000011214				604,717	604,717
12/5/2012	MI-43129	0000011423				5,379,043	5,379,043
12/14/2012	MI-43166	0000011547				258,196	258,196
12/24/2012	MI-43179	0000011599				292,470	292,470
1/3/2013	MI-43170	0000011615				5,193,664	5,193,664
2/1/2013	MI-43225	0000011926				131,883	131,883
2/19/2013	MI-43223	0000012075				5,365,966	5,365,966
2/27/2013	MI-43641	0000012211				5,383,859	5,383,859
3/5/2013	MI-43644	0000012273				172,594	172,594
3/27/2013	MI-43683	0000012589				4,879,827	4,879,827
	MI-43695	0000012523				304,553	304,553
4/29/2013	MI-43732	0000012854				5,409,797	5,409,797
5/16/2013	MI-43742	0000012751				627,451	627,451
6/6/2013	MI-43795	0000013269				5,284,552	5,284,552
Grand Total			22,161,964	58,264,039	58,960,312	66,936,397	206,322,713

Adjustments

FY10 Accrued Liability	5,100,000	(5,100,000)				
FY11 Accrued Liability		5,546,695	(5,546,695)			
FY12 Accrued Liability			11,629,517	(11,629,517)		
Contract Year Total	\$27,261,964	\$58,710,734	\$65,043,135	\$55,306,880	\$206,322,713	

*Fiscal Year 2013 is thru the closing of period 11 (April '13 payment).

Berkley Insurance Company

c/o Berkley Surety Group

5900 Windward Parkway - Suite 335

Alpharetta, GA 30005

Phone: (678) 624-1818 - Fax: (866) 915-7892

Continuation Certificate

Bond Number: 0105552

Surety

Berkley Insurance Company

Producer

Marsh USA Inc.

Producer #: 340

State: TN

Principal

Corizon, Inc.

105 West Park Drive, Suite 200

Brentwood, TN 37027

Obligee

State of Tennessee Department of Correction

6th Floor Rachel Jackson Building

320 Sixth Avenue North

Nashville, TN 37243-0465

CONTINUATION PERIOD	AMOUNT OF BOND	RENEWAL PREMIUM
Effective Date: 1/1/2013 Expiration Date: 12/31/2013	Bond Amount: \$5,000,000	Premium: \$62,500

DESCRIPTION

Provide Inmate Medical Services including primary care, specialty care, dental, emergency care, hospitalization, pharmaceutical, staffing & program support services at 11 state institutions.

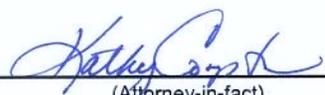
In consideration of the renewal premium charged, the bond designated above is hereby continued in full force and effect for the period described, subject to all its terms and conditions, provided the liability under said bond and all continuations thereof shall not be cumulative.

Dated: 12/20/2012

Berkley Insurance Company

(Surety)

By


(Attorney-in-fact)

(File a copy of this certificate with your bond.)

POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE

NOTICE: The warning found elsewhere in this Power of Attorney affects the validity thereof. Please review carefully.

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: **Todd Buechter, Sandi Benford, Terri Hunt, Chris Polhemus or Kathy Compton of Berkley Surety Group, LLC of Alpharetta, GA** its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed **Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00)**, to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, LLC, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 13 day of May, 2012.

Attest:

Berkley Insurance Company

(Seal)

By Ira S. Lederman
Ira S. Lederman
Senior Vice President & Secretary

By Jeffrey M. Hafter
Jeffrey M. Hafter
Senior Vice President

WARNING: THIS POWER INVALID IF NOT PRINTED ON BLUE "BERKLEY" SECURITY PAPER.

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 13 day of May, 2012, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Senior Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

Eileen Kallian
Notary Public, State of Connecticut
my commission expires 6/30/17

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this 20th day of December, 2012.

(Seal)

Andrew M. Kuma
Andrew M. Kuma

WARNING - Any unauthorized reproduction or alteration of this document is prohibited. This power of attorney is void unless seals are readable and the certification seal at the bottom is embossed. The background imprint, warning and confirmation (on reverse) must be in blue ink.

Instructions for Inquiries and Notices Under the Bond Attached to This Power

Berkley Surety Group, LLC is the affiliated underwriting manager for the surety business of: Acadia Insurance Company, Berkley Insurance Company, Berkley Regional Insurance Company, Carolina Casualty Insurance Company, Union Standard Insurance Company, Continental Western Insurance Company, and Union Insurance Company.

To verify the authenticity of the bond, please call (866) 768-3534 or email BSGInquiry@berkleysurety.com

Any written notices, inquiries, claims or demands to the surety on the bond to which this Rider is attached should be directed to:

**Berkley Surety Group, LLC
412 Mount Kemble Avenue
Suite 310N
Morristown, NJ 07960
Attention: Surety Claims Department**

Or

email BSGClaim@berkleysurety.com

Please include with all notices the bond number and the name of the principal on the bond. Where a claim is being asserted, please set forth generally the basis of the claim. In the case of a payment or performance bond, please identify the project to which the bond pertains.

BERKLEY INSURANCE COMPANY
ASSUMPTION CERTIFICATE

Obligee: State of Tennessee Department of Correction
6th Floor Rachel Jackson Building
320 Sixth Avenue North
Nashville TN, 37243-0465

Principal: Corizon, Inc.
105 West Park Drive, Suite 200

Brentwood TN, 37027

This is to certify that Bond Number 0105552 issued effective 01/01/2012 on behalf of Corizon, Inc. heretofore issued by BERKLEY REGIONAL INSURANCE COMPANY, is hereby assumed by BERKLEY INSURANCE COMPANY effective 01/01/2013 according to its terms and conditions, and BERKLEY INSURANCE COMPANY will carry out the provisions of said policy and perform all the obligations contained therein, as fully as the same would or should have been performed by BERKLEY REGIONAL INSURANCE COMPANY. This Assumption Certificate shall constitute the obligation to the Obligee under the bond hereby assumed and shall with such bond thereof be and become the bond obligation of the Principal and BERKLEY INSURANCE COMPANY to the Obligee.

IN WITNESS WHEREOF, BERKLEY INSURANCE COMPANY has caused the instrument to be signed by its duly appointed Attorney in Fact this 26th day of December, 2012.



Title: Attorney in Fact

POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE

NOTICE: The warning found elsewhere in this Power of Attorney affects the validity thereof. Please review carefully.

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: **Todd Buechter, Sandi Benford, Terri Hunt, Chris Polhemus or Kathy Compton of Berkley Surety Group, LLC of Alpharetta, GA** its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed **Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00)**, to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, LLC, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 13 day of May, 2012.

Attest:

Berkley Insurance Company

(Seal)

By Ira S. Lederman
Ira S. Lederman
Senior Vice President & Secretary

By Jeffrey M. Hafter
Jeffrey M. Hafter
Senior Vice President

WARNING: THIS POWER INVALID IF NOT PRINTED ON BLUE "BERKLEY" SECURITY PAPER.

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 13 day of May, 2012, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Senior Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

Eileen Kullien
Notary Public, State of Connecticut

my commission expires 6/30/17

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this 26th day of December, 2012.

(Seal)

Andrew M. Kuma
Andrew M. Kuma

WARNING - Any unauthorized reproduction or alteration of this document is prohibited. This power of attorney is void unless seals are readable and the certification seal at the bottom is embossed. The background imprint, warning and confirmation (on reverse) must be in blue ink.

Instructions for Inquiries and Notices Under the Bond Attached to This Power

Berkley Surety Group, LLC is the affiliated underwriting manager for the surety business of: Acadia Insurance Company, Berkley Insurance Company, Berkley Regional Insurance Company, Carolina Casualty Insurance Company, Union Standard Insurance Company, Continental Western Insurance Company, and Union Insurance Company.

To verify the authenticity of the bond, please call (866) 768-3534 or email BSGInquiry@berkleysurety.com

Any written notices, inquiries, claims or demands to the surety on the bond to which this Rider is attached should be directed to:

**Berkley Surety Group, LLC
412 Mount Kemble Avenue
Suite 310N
Morristown, NJ 07960
Attention: Surety Claims Department**

Or

email BSGClaim@berkleysurety.com

Please include with all notices the bond number and the name of the principal on the bond. Where a claim is being asserted, please set forth generally the basis of the claim. In the case of a payment or performance bond, please identify the project to which the bond pertains.

cy13-2306

Non-Competitive Amendment Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@state.tn.us

APPROVED

Michael F. Remy

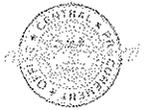
COMMISSIONER OF FINANCE & ADMINISTRATION

Request Tracking #	32901-28010	
1. Procuring Agency	Tennessee Department of Correction	
2. Contractor	Corizon, Inc.	
3. Contract #	FA-10-30424-00	
4. Proposed Amendment #	Two	
5. Edison ID #	18495	
6. Contract Begin Date		January 1, 2010
7. Current Contract End Date <i>- with ALL options to extend exercised</i>		June 30, 2013
8. Proposed Contract End Date <i>- with ALL options to extend exercised</i>		September 30, 2013
9. Current Maximum Contract Cost <i>- with ALL options to extend exercised</i>		\$ 219,055,800.00
10. Proposed Maximum Contract Cost <i>- with ALL options to extend exercised</i>		\$ 240,986,300.00
11. Office for Information Resources Endorsement <i>- information technology service (N/A to THDA)</i>	<input checked="" type="checkbox"/> Not Applicable	<input type="checkbox"/> Attached
12. eHealth Initiative Support <i>- health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable	<input type="checkbox"/> Attached
13. Human Resources Support <i>- state employee training service</i>	<input checked="" type="checkbox"/> Not Applicable	<input type="checkbox"/> Attached
14. Explanation Need for the Proposed Amendment		
The current contract is to expire June 30, 2013. The proposed amendment would allow an extension of 90 days to the term, and increase the maximum liability to cover costs during this period.		
15. Name & Address of the Contractor's Principal Owner(s) <i>- NOT required for a TN state education institution</i>		
Corizon, Inc. 105 Westpark Drive, Suite 200		

Request Tracking #	32901-28010
Brentwood, Tennessee 37027	
16. Evidence Contractor's Experience & Length Of Experience Providing the Service	
This is our current contractor, and has had this contract for the last three (3) years.	
17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives	
Procuring the existing contract was a long and complex process. The department is not positioned to procure a replacement contract or contracts for this abbreviated contract period. The formal competitive procurement process of these services has processed. The proposed amendment is to maintain the continuity of services under this unique circumstance. The Tennessee Department of Correction did not seek other contractors to provide these services for this abbreviated contract period.	
18. Justification – <i>specifically explain why non-competitive negotiation is in the best interest of the state</i>	
<p>This Contractor was awarded the contract in 2009 based on being the best evaluated proposer to TDOC's RFP. It is in the best interest of the State to exercise this option and maintain continuity. A new RFP was issued, awarded, and the transition to the new medical provider is now in process with the new contract start date of October 1, 2013.</p> <p>This amendment would allow an extension of 90 days to the term and increase the amount of the maximum liability to cover costs during this period.</p> <p>With the transition in process, it is impractical to proceed other than with the current contractor. The Department does not intend to extend the contract beyond September 30, 2013.</p>	
Agency Head Signature and Date – <i>MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances</i>	
 	



 <h2 style="margin: 0;">CONTRACT AMENDMENT</h2>					
Agency Tracking #	Edison ID	Contract #	Amendment #		
32901-28010	18495	FA1030424	2		
Contractor Legal Entity Name				Edison Vendor ID	
Corizon, Inc.				46610	
Amendment Purpose & Effect(s) Extend the contract three months and increase the maximum liability.					
Amendment Changes Contract End Date:			End Date:		
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			September 30, 2013		
TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A):					\$ 21,930,500
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2010	28,168,100				28,168,100
2011	58,518,900				58,518,900
2012	62,284,900				62,284,900
2013	70,083,900				70,083,900
2014	21,930,500				21,930,500
TOTAL:	240,986,300				240,986,300
American Recovery and Reinvestment Act (ARRA) Funding: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations. 				OCR USE	
Speed Chart (optional)		Account Code (optional)			



**AMENDMENT 2
OF CONTRACT 18495**

This Amendment is made and entered by and between the State of Tennessee, Department of Correction, hereinafter referred to as the "State" and Corizon, Inc., hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

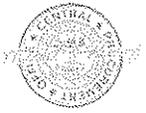
1. Contract Section A.2. is deleted in its entirety and replaced with the following:
 - A.2. Services to be provided under this agreement include, but are not limited to, primary care, specialty care, dental, emergency care, hospitalization, pharmaceutical, staffing (refer to Attachment B), and program support services at all eleven (11) State institutions.
 1. Charles B. Bass Correctional Complex (CBCX)
 2. Lois M. DeBerry Special Needs Facility (DSNF)
 3. Mark H. Luttrell Correctional Center (MLCC)
 4. Morgan County Correctional Complex (MCCX)
 5. Northeast Correctional Complex (NECX)
 6. Northwest Correctional Complex (NWCX)
 7. Riverbend Maximum Security Institution (RMSI)
 8. Tennessee Prison For Women (TPW)
 9. Turney Center Industrial Complex & Annex (TCIX) – (Site 1-Hickman County, and Site 2-Wayne County)
 10. West Tennessee State Penitentiary (WTSP)
 11. Bledsoe County Correctional Complex (BCCX)

The Contractor shall have comprehensive health services responsibility at CBCX, RMSI, TPW, TCIX-Site 1 and Site 2.

All services rendered or required pursuant to this Contract shall conform to the following standards. All health care services provided must, at minimum, meet the generally accepted standards of medical care. All care provided shall be constitutionally adequate and designed to meet accreditation standards promulgated by the American Correctional Association. All health care must also conform with any applicable federal, state and local laws, court decisions, court orders, consent agreements, and Tennessee Department of Correction (TDOC) policies whether currently existing or as may be enacted, rendered, issued or amended during the term of the Contract. Current TDOC policies are available to the Contractor at each location listed above. The following services are mandatory and must be provided at State facilities, unless otherwise specified. The State shall be the final authority in matters of disagreement between the Contractor and the TDOC over the provision of these services.

2. Contract Section B. is deleted in its entirety and replaced with the following:
 - B. Contract Period:

This Contract shall be effective for the period beginning January 1, 2010, and ending on September 30, 2013. The Contractor hereby acknowledges and affirms that the State shall have no obligation for services rendered by the Contractor which were not performed within this specified contract period.
3. Contract Section C.1. is deleted in its entirety and replaced with the following:
 - C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed two-hundred forty million, nine-hundred eighty-six thousand, three hundred dollars (\$240,986,300). The payment rates in section C.3 shall constitute the entire compensation due the Contractor for all service and Contractor obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and



indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

The Contractor shall be obligated to provide payment to outside hospitals and specialty providers for all services rendered to TDOC inmates through the last date of the contract. The Contractor shall have no obligation for offsite costs incurred beyond the last day of the contract, including any inmate hospitalizations in progress. The Contractor will continue to pay for all offsite costs incurred prior to the last date of the contract for 180 days. The Contractor will provide monthly billing to TDOC for any costs that exceed the \$50,000 per inmate per admission limit. TDOC will review and provide timely payment of these invoices in accordance with State of Tennessee statutes. Subsequent to the 180 day limit, in the event offsite providers dispute or seek payment related to claims from any prior contract year, and the Contractor is deemed liable to make payment, the Contractor will provide payment on such claims received after this 180-day reconciliation period for all outpatient costs and any inpatient costs not exceeding the \$50,000 per inmate per admission limit. Claims submitted or disputes related to costs above the inpatient per admission limit will be referred to TDOC.

4. Contract Section C.3.b. is deleted in its entirety and replace with the following:

C.3.b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the average daily population (In-house count at 10:30 p.m. plus inmates temporarily out to medical) times the number of days in the month times the blended per diem rate.

Cost Item Service Description	Amount (per compensable increment)
Blended Per Diem Rate Per Inmate	\$10.14

5. Contract Section D.3. is deleted in its entirety and replaced with the following:

D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective July 1, 2013. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.



IN WITNESS WHEREOF,

CORIZON, INC.:

Stuart K. Campbell

June 25, 2013

SIGNATURE

DATE

Stuart K. Campbell, President & C.O.O.

PRINTED NAME AND TITLE OF SIGNATORY (above)

DEPARTMENT OF CORRECTION:

D. D. Schofield

6-25-2013

DERRICK D. SCHOFIELD, COMMISSIONER

DATE



GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE

320 Sixth Avenue, North – 8th Floor
NASHVILLE, TENNESSEE 37243-0057
615-741-2564

Sen. Bill Ketron, Chairman
Senators

Douglas Henry Reginald Tate
Brian Kelsey Ken Yager
Eric Stewart
Randy McNally, *ex officio*
Lt. Governor Ron Ramsey, *ex officio*

Rep. Curtis Johnson, Vice-Chairman
Representatives

Tommie Brown David Shepard
Jim Coley Tony Shipley
Charles Curtiss Curry Todd
Johnny Shaw Mark White
Charles Sargent, *ex officio*
Speaker Beth Harwell, *ex officio*

M E M O R A N D U M

TO: Jessica Robertson, Chief Procurement Officer
 Department of General Services

FROM: Senator Bill Ketron, Chairman 
 Representative Curtis Johnson, Vice-Chairman 

DATE: November 27, 2012

SUBJECT: **Contract Comments**
 (Fiscal Review Committee Meeting 11/26/12)

RFS# 329.01-28010 (Edison # 18495)

Department: Correction

Vendor: Corizon, Inc. (formerly Correctional Medical Services, Inc.)

Summary: The vendor is responsible medical services to offenders in the 11 state institutions. The proposed amendment extends the current contract an additional six months; increases the maximum liability by \$37,651,000; and reflects a name change.

Current maximum liability: \$181,404,800

Proposed maximum liability: \$219,055,800

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: The Honorable Derrick Schofield, Commissioner



STATE OF TENNESSEE
DEPARTMENT OF CORRECTION
6TH FLOOR RACHEL JACKSON BUILDING
320 SIXTH AVENUE NORTH
NASHVILLE, TENNESSEE 37243-0465
OFFICE (615) 741-1000 EXT. 8104 • FAX (615) 741-4605

MEMORANDUM

TO: Leni Chick
Contract & Audit Coordinator
Fiscal Review Committee Staff

FROM: William M. Anderson, Director
Contracts Administration 

DATE: October 18, 2012

SUBJECT: Request for Non-Competitive Amendment One
32901-28010
FA-10-30424-00
Corizon, Inc. (as amended)

Enclosed is a Non-Competitive Amendment Request to the contract between the Department of Correction, and Corizon, Inc. (as amended).. The enclosed supporting documentation details information required pursuant to Department of Finance and Administration rules and policy.

- 1) Original Contract with Summary sheet
- 2) Copy of Original Performance Bond
- 3) Request for Non-Competitive Amendment
- 4) Proposed Amendment 1
- 5) Supplement Documentation Required for Fiscal Review Committee (with documentation)

The Tennessee Department of Correction respectfully submits this Non-Competitive Amendment Request for Fiscal Review Committee comments and/or approval.

Thank you for your consideration of this matter.

WMA/lr
Enclosures

Supplemental Documentation Required for
Fiscal Review Committee
RFS 32901-28010

*Contact Name:	William M. Anderson		*Contact Phone:	615.253.8104	
*Original Contract Number:	FA-10-30424-00		*Original RFS Number:	32901-28010	
Edison Contract Number: <i>(if applicable)</i>	18495		Edison RFS Number: <i>(if applicable)</i>	18495	
*Original Contract Begin Date:	January 1, 2010		*Current End Date:	December 31, 2012	
Current Request Amendment Number: <i>(if applicable)</i>	One (1)				
Proposed Amendment Effective Date: <i>(if applicable)</i>	January 1, 2013				
*Department Submitting:	Correction				
*Division:	Contracts Administration				
*Date Submitted:	October 16, 2012				
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>					
*Contract Vendor Name:	Corizon, Inc. (as amended herein) <i>(formerly - Correctional Medical Services, Inc.)</i>				
*Current Maximum Liability:	\$181,404,800.00				
*Current Contract Allocation by Fiscal Year: <i>(as Shown on Most Current Fully Executed Contract Summary Sheet)</i>					
FY:2010	FY: 2011	FY: 2012	FY: 2013	FY:	FY:
\$28,168,100.00	\$58,518,900.00	\$62,284,900.00	\$32,432,900.00	\$	\$
*Current Total Expenditures by Fiscal Year of Contract: <i>(attach backup documentation from STARS or FDAS report)</i>					
FY: 2010	FY: 2011	FY: 2012	FY: 2013	FY	FY
\$27,261,964.00	\$58,710,734.00	\$65,043,135.00	\$5,405,324.00 July only	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:			N/A		
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:			Total allocation for contract period is \$181,404,800 and expected expenditures have been \$156,421,157. There are no surplus funds to carry forward.		
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:			It is anticipated that expenditures will not exceed contract maximum. Annual allocations are off due to date of service vs. date of payment issued.		

Supplemental Documentation Required for
Fiscal Review Committee
RFS 32901-28010

*Contract Funding Source/Amount:	State: \$181,404,800.00	Federal:	
Interdepartmental:	N/A	Other:	N/A
If "other" please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
N/A		N/A	
Method of Original Award: <i>(if applicable)</i>		Request for Proposal (RFP)	
*What were the projected costs of the service for the entire term of the contract prior to contract award?		There were no projected costs preceding the RFP. Such projections are subject to disclosure prior to the bidding process closing.	

Supplemental Documentation Required for
Fiscal Review Committee
RFS 32901-28010

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.

Deliverable description:	FY: Budgeted 2013	FY:	FY:	FY:	FY:
Medical Contract	\$69,479,600.00				

Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.

Deliverable description:	FY:	FY:	FY:	FY:	FY:

Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.

Proposed Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:

Supplemental Documentation Required for
Fiscal Review Committee
RFS 32901-28010

Attachment – backup documentation Current Total Expenditures by Fiscal Year of Contract

Vendor ID	46610			Fiscal Year							Grand Total
Vendor Name	Corizon, Inc.			2010	2011	2012	2013				
Sum of Sum Amount	Invoice	PO ID									
3/25/2010	MI-38973 for cust #2051 Jan 10	0000005205		4,500,801						4,500,801	
4/7/2010	MI-39024	0000005413		4,110,739						4,110,739	
6/4/2010	MI 39096	0000005724		4,580,252						4,580,252	
6/22/2010	MI-39188	0000005839		4,419,143						4,419,143	
7/6/2010	MI-39250 for May 2010	0000005943		4,551,030						4,551,030	
8/27/2010	MI-40092	0000006227		4,563,406						4,563,406	
9/21/2010	MI-39267	0000005989		4,398,154						4,398,154	
9/27/2010	MI-40163	0000006413		4,567,367						4,567,367	
10/15/2010	MI-40194	0000006511		4,427,934						4,427,934	
11/17/2010	MI-40260	0000006680		4,532,269						4,532,269	
12/24/2010	MI 40320	0000006817		4,448,898						4,448,898	
12/31/2010	063010	0000005989		701,846						701,846	
	103110	0000006905		55,494						55,494	
2/1/2011	MI-40743	0000007021		933,285						933,285	
3/4/2011	MI-40804	0000007165		4,578,007						4,578,007	
3/15/2011	MI-40858	0000007255		5,110,501						5,110,501	
4/26/2011	MI-40924	0000007461		4,637,286						4,637,286	
5/24/2011	MI-40999	0000007629		5,144,481						5,144,481	
6/27/2011	MI-41069	0000007785		5,013,425						5,013,425	
7/28/2011	MI-41471	0000007969		5,151,686						5,151,686	
						5,007,221				5,007,221	
										27,261,964	
										58,710,734	
										65,043,135	
										5,405,324	
										156,421,156	

Attachment – backup documentation Current Total Expenditures by Fiscal Year of Contract (continued)

Supplemental Documentation Required for
Fiscal Review Committee
RFS 32901-28010

Sum of Sum Amount		Fiscal Year					Grand Total
Date	Invoice	PO ID	2010	2011	2012	2013	Grand Total
8/29/2011	MI-41546	0000008141		5,149,890			5,149,890
10/12/2011	MI-41603	0000008289		5,174,318			5,174,318
11/2/2011	MI-41674	0000008409		4,991,869			4,991,869
12/5/2011	MI-41722	0000008542		5,124,639			5,124,639
12/30/2011	November 2011 CMS	0000008682		4,948,643			4,948,643
2/7/2012	Dec 2011 CMS	0000008848		5,068,603			5,068,603
2/29/2012	Jan 2012 CMS	0000009072		5,319,161			5,319,161
3/27/2012	Feb 2012 CMS	0000009190		5,027,200			5,027,200
5/25/2012	Apr 2012 CMS	0000009558		5,188,286			5,188,286
	Mar 2012 CMS	0000009524		5,382,231			5,382,231
7/3/2012	42534	0000009691		539,473			539,473
7/9/2012	42895	0000009691		2,038,778			2,038,778
7/25/2012	May 2012 CMS	0000009904			5,389,722		5,389,722
8/15/2012	MI-42954	0000010169			999,174		999,174
9/6/2012	Jun 2012 CMS	0000010449			5,240,620		5,240,620
10/3/2012	MI-42964	0000010639			5,405,324		5,405,324
Grand Total			22,161,964	58,264,039	58,960,312	17,034,840	156,421,156

Adjustments

FY10 Accrued Liability	5,100,000	-5,100,000	
FY11 Accrued Liability		5,546,695	5546694.61
FY10 Accrued Liability		11,629,517	11629516.94

Contract Year Total 27,261,964 58,710,734 65,043,135 5,405,324 156,421,156

Non-Competitive Amendment Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: AgSprs.Agspr@sstate.tn.us

SA

APPROVED

Jessica Robetson

COMMISSIONER OF FINANCE & ADMINISTRATION *CPO*

Request Tracking #	32901-28010	
1. Procuring Agency	Tennessee Department of Correction	
2. Contractor	Corizon, Inc. (as amended herein) (formerly - Correctional Medical Services, Inc.)	
3. Contract #	FA-10-30424-00	
4. Proposed Amendment #	One	
5. Edison ID #	18495	
6. Contract Begin Date	January 1, 2010	
7. Current Contract End Date - with ALL options to extend exercised	December 31, 2012	
8. Proposed Contract End Date - with ALL options to extend exercised	June 30, 2013	
9. Current Maximum Contract Cost - with ALL options to extend exercised	\$ 181,404,800.00	
10. Proposed Maximum Contract Cost - with ALL options to extend exercised	\$ 219,055,800.00	
11. Office for Information Resources Endorsement - information technology service (N/A to THDA)	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
12. eHealth Initiative Support - health-related professional, pharmaceutical, laboratory, or imaging	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
13. Human Resources Support - state employee training service	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
14. Explanation Need for the Proposed Amendment	<p>The current contract is to expire December 31, 2012. The proposed amendment would allow an extension of six (6) month to the term, and increase the maximum liability to cover costs through increased per diem commensurate with 2011-2012 contract healthcare inflator during this six (6) month period.</p>	
15. Name & Address of the Contractor's Principal Owner(s)		

Request Tracking #	32901-28010
<p align="center">– <i>NOT required for a TN state education institution</i></p> <p align="center">Corizon, Inc. 105 Westpark Drive, Suite 200 Brentwood, Tennessee 37027</p>	
<p>16. Evidence Contractor's Experience & Length Of Experience Providing the Service</p> <p>This is our current contractor, and has had this identical contract for the last three (3) years.</p>	
<p>17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives</p> <p>Procuring the existing contract was a long and complex process. The department is not positioned to procure a replacement contract or contracts for this abbreviated contract period. The formal competitive procurement process of these services is now in process. The proposed amendment is to maintain the continuity of services under this unique circumstance. The Tennessee Department of Correction did not seek other contractors to provide these services for this abbreviated contract period.</p>	
<p>18. Justification – <i>specifically explain why non-competitive negotiation is in the best interest of the state</i></p> <p>This Contractor was awarded the contract in 2009 based on being the best evaluated proposer to TDOC's RFP. It is in the best interest of the State to exercise this option and maintain continuity. A new RFP has been issued and is in process with the new contract start date of January 1, 2013.</p> <p>This amendment would allow an extension of six (6) months to the term and increase the amount of the maximum liability to cover costs through an increased per diem commensurate with the healthcare inflator.</p> <p>With an RFP award in process, it is impractical to proceed other than with the current contractor. The Department does not intend to extend the contract beyond June 30, 2013.</p>	
<p>Agency Head Signature and Date – <i>MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances</i></p> <p align="center"></p>	



CONTRACT AMENDMENT

Agency Tracking # 32901-28010	Edison ID 18495	Contract # FA1030424	Amendment # 1		
Contractor Legal Entity Name CORIZON, INC. "(as amended herein)"			Edison Vendor ID 46610		
Amendment Purpose & Effect(s) HEALTH SERVICES					
Amendment Changes Contract End Date: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		End Date: June 30, 2013			
TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A):			\$ 37,651,000.00		
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2010	28,168,100.00				28,168,100.00
2011	58,518,900.00				58,518,900.00
2012	62,284,900.00				62,284,900.00
2013	70,083,900.00				70,083,900.00
TOTAL:	219,055,800.00				219,055,800.00
American Recovery and Reinvestment Act (ARRA) Funding: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations. 				OCR USE	
Speed Chart (optional) CO00000412		Account Code (optional) 70804000			



**AMENDMENT ONE
OF CONTRACT FA1030424
EDISON ID 18495**

This Amendment is made and entered by and between the State of Tennessee, Department of Correction, hereinafter referred to as the "State" and CORIZON, INC. "(as amended herein)", hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

1. Contract section B. is deleted in its entirety and replaced with the following:

B. CONTRACT PERIOD:

This Contract shall be effective for the period beginning **JANUARY 1, 2010**, and ending on **JUNE 30, 2013**. The Contractor hereby acknowledges and affirms that the State shall have no obligation for services rendered by the Contractor which were not performed within this specified contract period.

2. Contract section C.1. is deleted in its entirety and replaced with the following:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed **TWO HUNDRED NINETEEN MILLION FIFTY FIVE THOUSAND EIGHT HUNDRED DOLLARS (\$219,055,800.00)**. The payment rates in section C.3 shall constitute the entire compensation due the Contractor for all service and Contractor obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

3. The following is added as Contract section E.29.:

- E.29. Contractor Name. All references to "Correctional Medical Services, Inc." shall be deleted and replaced with "Corizon, Inc."

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective January 1, 2013. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

Derrick Schofield
Commissioner
Tennessee Department of Correction
320 Sixth Avenue North
Nashville, TN 37243-0465



June 6, 2011

Dear Valued Client,

Because you are a valued client, we want to keep you updated on an important development in the field of correctional healthcare. As of June 3, the two leading correctional healthcare companies came together as one under the name Corizon. We chose the name Corizon because being best-in-class today means always looking to tomorrow.

This merger uniquely positions Corizon to most effectively meet your needs in the following ways:

- Corizon offers you one team with best-in-class experience, staffing depth, industry best practices and leadership on a solid financial platform.
- Corizon will continue to attract the top talent in the field of correctional healthcare.
- Corizon will offer unparalleled value and efficiencies to clients because we have invested heavily in industry best-practice clinical decision support and management information systems. We will be able to pool these best practices and leverage them most effectively for your agency.
- Our investments in technology complement one another, and the merger of our teams will allow us to better serve you.
- Corizon now combines a robust claims processing and utilization management system, an extensive business intelligence/data warehouse and a proprietary electronic health records system specifically created for the unique needs of correctional healthcare.

We also want you to know that some things won't change. Under the new organization, we will remain fully committed to providing the level of quality service you deserve. The staff working in your facilities will continue to do so. The projects that we are working on with your staff to enhance services will remain in place. Also, this merger does not in any way alter the contract that currently is in place with your agency. Corizon will continue fulfilling the terms of that agreement. In other words, our focus on meeting your needs won't change, but our ability to meet those needs will grow through this merger.

We always will put your needs and the needs of patients first. These values have been a part of each company's culture and will remain our key priority as we move forward together.

RECEIVED
EDS-11-285
2011 JUN -8 AM 10:43

Corporate Headquarters • 105 Westpark Drive • Suite 200 • Brentwood, TN 37027

Operations Headquarters • 12647 Olive Boulevard • St. Louis, MO 63141

www.corizonhealth.com

DEPT. OF CORRECTION
COMMISSIONER'S COMPLEX

Included with this letter is a copy of the news release announcing the completion of this merger. If you have any questions about this historic development, please contact us.

Again, thank you for the opportunity to serve your agency. All of us at Corizon look forward to working with you to provide the highest quality service.

Sincerely,



Rich Hallworth
CEO



Stuart Campbell
President and COO

Attachment



FOR IMMEDIATE RELEASE

Contact:

Rich Hallworth
Corizon Chief Executive Officer
615-376-0669

John Van Mol
615-244-1818
615 812-2988 (cell)
john.van.mol@dvl.com

Ken Fields
314-982-0556
314-640-2529 (cell)
ken.fields@fleishman.com

CORIZON LAUNCHES FROM CORRECTIONAL HEALTHCARE MERGER

BRENTWOOD, Tenn., and ST. LOUIS, Mo., (June 03, 2011) — Two leading correctional healthcare companies came together as one today under the name Corizon, with the mission of providing best-in-class service to state and local governments throughout the U.S.

Corizon, with approximately 11,000 employees and independent contractors providing healthcare in over 400 prisons, jails and other correctional facilities, was created from the merger of the parent companies of Correctional Medical Services and PHS Correctional Healthcare.

Valitas Health Services, Inc., the parent company of Correctional Medical Services, Inc., and America Service Group Inc., the parent company of PHS Correctional Healthcare, Inc., signed an agreement and plan of merger in March. Following governmental and regulatory review, the transaction was approved June 1 by America Service Group shareholders, who are being paid \$26.00 per share of ASG. The transaction was formally closed today. Corizon will be privately held.

"Corizon brings together today's best-in-class correctional healthcare companies with the vision and commitment to become even better tomorrow," said Rich Hallworth, Corizon chief executive officer. "Within the talented people and systems of Corizon are a wealth of expertise, the latest in methodology and technology, and economies of scale--all working on behalf of the clients we serve and the patients in our care."

"Corizon's vision is firmly centered around service--to our clients, our patients and our employees," said Stuart Campbell, Corizon president and chief operating officer. "To that we add the insight of unparalleled experience assisting our client partners, and caring professionals serving the unique healthcare needs of patients."

Corizon's corporate headquarters is in Brentwood, Tenn. and the operational headquarters is in St. Louis, Mo.

About Corizon

Corizon provides quality healthcare services at over 400 correctional facilities across the country serving approximately 400,000 inmates in 31 states. With its corporate headquarters in Brentwood, Tenn. and the operational headquarters in St. Louis, Mo., Corizon is the leading provider of correctional healthcare services in the United States, delivering a wide range of healthcare and pharmacy programs to government agencies for the medical care of inmates. For more information, please visit www.corizonhealth.com.

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RECEIVED

2012 JAN -4 PM 12: 06

DEPT. OF CORRECTION
COMMISSIONER'S COMPLEX

December 29, 2011

Ms. Catherine Posey
Tennessee Department of Correction
6th Floor, Rachel Jackson State Office Building
320 Sixth Avenue North
Nashville, TN 37243-0465

RE: Performance Bond Requirement for the Health Services Agreement between
Tennessee Department of Correction and Corizon, Inc.

Dear Ms. Posey:

Per the above referenced agreement, please find enclosed Performance Bond #0105552 issued by Berkley Regional Insurance Company. This performance bond is for the period of January 1, 2012 through December 31, 2012 and replaces performance bond #K08348297 issued by Westchester Fire Insurance Company. Please acknowledge receipt of this performance bond and its replacement of bond #K08348297 issued by Westchester by signing below and returning a copy to me at 105 Westpark Drive, Suite 200, Brentwood, TN 37027.

Please call if you have any questions.

Sincerely,

James T. Sprouse
Vice President and Treasurer
Corizon, Inc.
615.376.0693

Acknowledged:

Printed Name: *WILLIAM M. ANDERSON*
Title: *DIRECTOR of CONTRACTS ADMINISTRATION*

Enc.: Performance Bond #0105552

BOND NUMBER: 0105552

ATTACHMENT TWO

PERFORMANCE BOND

The Surety Company issuing bond shall be licensed to transact business in the State of Tennessee by the Tennessee Department of Commerce and Insurance. Bonds shall be certified and current Power-of-Attorney for the Surety's Attorney-in-Fact attached.

KNOW ALL BY THESE PRESENTS:

That we,

CORIZON INC.

(Name of Principal)

105 WESTPARK DRIVE, SUITE 200, BRENTWOOD, TN 37027

(Address of Principal)

as Principal, hereinafter called the Principal, and

BERKLEY REGIONAL INSURANCE COMPANY

(Name of Surety)

11201 DOUGLAS AVENUE, URBANDALE, IA 50322

(Address of Surety)

as Surety, hereinafter called the Surety, do hereby acknowledge ourselves indebted and securely bound and held unto the State of Tennessee as Obligor, hereinafter called the Obligor, and in the penal sum of

\$5,000,000.00 (FIVE MILLION DOLLARS)

(Dollar Amount of Bond)

good and lawful money of the United States of America, for the use and benefit of those entitled thereto, for the payment of which, well and truly to be made, we bind ourselves, our heirs, our administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

BUT THE CONDITION OF THE FOREGOING OBLIGATION OR BOND IS THIS:

WHEREAS, the Obligor has engaged the Principal for a sum not to exceed

\$5,000,000.00 (FIVE MILLION DOLLARS)

(Contract Maximum Liability)

to complete Work detailed in the Scope of Services detailed in the State of Tennessee Request for Proposals bearing the RFP Number:

32901-28010

(RFP Number)

a copy of which said Request for Proposals and the resulting Contract are by reference hereby made a part hereof, as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, if the Principal shall fully and faithfully perform all undertakings and obligations under the Contract hereinbefore referred to and shall fully indemnify and hold harmless the Obligees from all costs and damage whatsoever which it may suffer by reason of any failure on the part of the Principal to do so, and shall fully reimburse and repay the Obligees any and all outlay and expense which it may incur in making good any such default, and shall fully pay for all of the labor, material, and Work used by the Principal and any immediate or remote sub-contractor or furnisher of material under the Principal in the performance of said Contract, in lawful money of the United States of America, as the same shall become due, then this obligation or bond shall be null and void, otherwise to remain in full force and effect.

AND for value received, it is hereby stipulated and agreed that no change, extension of time, alteration, or addition to the terms of the Contract or the Work to be performed there under or the specifications accompanying the same shall in any wise affect the obligation under this bond, and notice is hereby waived of any such change, extension of time, alteration, or addition to the terms of the Contract or the Work or the specifications.

Subject to Section 1.1 of the RFP, this bond is being issued for the first twelve (12) calendar months and therefore will cover the period of January 1, 2012 to December 31, 2012 at which time a new or re-issued performance bond will be issued for subsequent twelve (12) month periods at the surety's option.

IN WITNESS WHEREOF the Principal has hereunto affixed its signature and Surety has hereunto caused to be affixed its corporate signature and seal, by its duly authorized officers, on this

7TH day of NOVEMBER, 2011.

WITNESS:

CORIZON INC.

BERKLEY REGIONAL INSURANCE COMPANY

(Name of Principal)

(Name of Surety)

[Signature]
(Authorized Signature of Principal)

[Signature]
(Signature of Attorney-In-Fact)

[Signature]
(Name of Signatory)

DEBORAH S. HUDGINS, ATTORNEY-IN-FACT
(Name of Attorney-In-Fact)

VP and Treasurer
(Title of Signatory)

883964
(Tennessee Licence Number of Surety)





CONTRACT

(FA-type fee-for-service contract with an individual, business, non-profit, or governmental entity of another state)

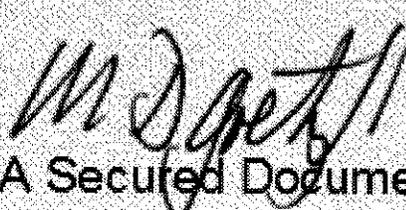
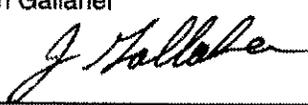
Agency Tracking # 32901-28010	Edison ID 18495
Contractor CORRECTIONAL MEDICAL SERVICES, INC.	Contractor Federal Employer Identification or Social Security # <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 431281312

Service
HEALTH SERVICES

Contract Begin Date January 1, 2010	Contract End Date December 31, 2012	Subrecipient or Vendor <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	CFDA #(s)
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FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2010	28,168,100.00				28,168,100.00
2011	58,518,900.00				58,518,900.00
2012	62,284,900.00				62,284,900.00
2013	32,432,900.00				32,432,900.00
TOTAL:	\$181,404,800.00				181,404,800.00

American Recovery and Reinvestment Act (ARRA) Funding - YES NO

OCR USE FA  F&A Secured Document # <u>FA1030424</u>	Agency Contact & Telephone # Lester Lewis, M.D. 615.253.8210	
	Agency Budget Officer Approval (there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred) Joseph Gallaher 	
	Speed Code CO00000412	Account Code 70804000

Contractor Ownership/Control

<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business	<input type="checkbox"/> Government
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input checked="" type="checkbox"/> NOT Minority/Disadvantaged	<input type="checkbox"/> Other

Contractor Selection Method

<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation *	<input type="checkbox"/> Alternative Competitive Method *
<input type="checkbox"/> Non-Competitive Negotiation *	<input type="checkbox"/> Other *	

*Procurement Process Summary

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF CORRECTION
AND
CORRECTIONAL MEDICAL SERVICES, INC.**

This Contract, by and between the State of Tennessee, **DEPARTMENT OF CORRECTION (TDOC)**, hereinafter referred to as the "State" or "TDOC" and **CORRECTIONAL MEDICAL SERVICES, INC.**, hereinafter referred to as the "Contractor," is for the provision of **MEDICAL SERVICES**, as further defined in the "SCOPE OF SERVICES."

The Contractor is **A FOR-PROFIT CORPORATION**

Contractor Federal Employer Identification or Social Security Number: **431281312**

Contractor Place of Incorporation or Organization: **St. Louis, Missouri 63141-9052**

A. SCOPE OF SERVICES:

- A.1.** The Contractor shall provide all service and deliverables as required, described, and detailed by this Scope of Services and shall meet all service and delivery timelines specified in the Scope of Services section or elsewhere in this Contract.
- A.2.** Services to be provided under this agreement include but are not limited to primary care, specialty care, dental, emergency care, hospitalization, pharmaceutical, staffing (**refer to Attachment B**), and program support services at all eleven (11) State institutions.
1. Charles B. Bass Correctional Complex (CBCX)
 2. Lois M. DeBerry Special Needs Facility (DSNF)
 3. Mark H. Luttrell Correctional Center (MLCC)
 4. Morgan County Correctional Complex (MCCX)
 5. Northeast Correctional Complex (NECX)
 6. Northwest Correctional Complex (NWCX)
 7. Riverbend Maximum Security Institution (RMSI)
 8. Southeastern Tennessee State Regional Correctional Facility (STSRCF)
 9. Tennessee Prison For Women (TPW)
 10. Turney Center Industrial Complex & Annex (TCIX) – (Site 1-Hickman County, and Site 2-Wayne County)
 11. West Tennessee State Penitentiary (WTSP)

The Contractor shall have comprehensive health services responsibility at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2. References herein to comprehensive facilities are to those four facilities.

All services rendered or required pursuant to this contract shall conform to the following standards. All health care services provided must, at minimum, meet the generally accepted standards of medical care. All care provided shall be constitutionally adequate and designed to meet accreditation standards promulgated by the American Correctional Association. All health care must also conform with any applicable federal, state and local laws, court decisions, court orders, consent agreements, and Tennessee Department of Correction (TDOC) policies whether currently existing or as may be enacted, rendered, issued or amended during the term of the contract. Current TDOC policies are posted at <http://www.state.tn.us/correction/policies/poly.html>. If any applicable TDOC policy or procedure establishes a higher standard than the national standard then the TDOC policy and procedure will take precedence.

The following services are mandatory and must be provided at State facilities, unless otherwise specified. The State shall be the final authority in matters of disagreement between the Contractor and the TDOC over the provision of these services.

A.3. PRIMARY CARE SERVICES.

The Contractor shall provide basic primary care services in conjunction with State-employed personnel. The TDOC policy and procedures stipulate the medical and dental services that shall be provided. A physician licensed in the state of Tennessee shall conduct the services listed below. The Contractor may also use mid-level providers (must have credentials and license as required by State law) in accordance with, and to the extent provided by Tennessee law. The institution's physician shall be available on call 24-hours per day.

- a. Intake History and Physical Examinations. A receiving screening shall be performed on all inmates immediately upon their arrival at TDOC facilities in accordance with TDOC policy. A health examination must be completed for each new TDOC intake that is not an intra-system transfer, within fourteen (14) calendar days after arrival at a TDOC institution, in accordance with TDOC policy. The examination must be comprehensive including diagnostic studies based upon the age and sex of the inmate.
- b. Other Inmate Evaluations. Other inmate examinations shall be conducted in accordance with applicable TDOC policies and the standards required by this contract, including the following:
 - (1) Periodic Health Appraisal
 - (2) Food Handler's Permit
 - (3) Blood Borne Pathogen and Body Fluid Exposure
 - (4) Tuberculosis Screening and Skin Test
 - (5) Immunizations
 - (6) All Chronic Disease Management
 - (7) All other as required.
- c. Daily Sick Call. The Contractor in conjunction with TDOC staff shall conduct sick call at least once daily Monday through Friday in accordance with TDOC policy. At the four comprehensive facilities, the Contractor shall coordinate the sick call schedule with the warden or designee of each institution. Inmates who come to sick call shall be triaged by a licensed health professional and referred for medical follow-up as needed. Sick call will be conducted daily Monday through Sunday for inmates housed in segregation units or restricted housing units.

Sick call and clinic visits shall not be deemed complete until all inmates who are scheduled for that day's clinics have been examined or treated. At the four comprehensive facilities, the Contractor's staff will comply with the State's policy and procedures for reporting inmate co-payments.
- d. Infirmiry Care. The Contractor shall utilize institutional infirmaries to their fullest extent consistent with acceptable medical standards and in accordance with TDOC policy.

Infirmiry beds shall be used to care for those inmates in need of short term, basic nursing care, for those requiring medical observation, or for other services that can be provided at the infirmiry in a safe manner. Infirmiry beds shall also be used for the provision of convalescent care to inmates recovering from an illness, or those returning to the facility from the hospital, or from DeBerry Special Needs Facility (DSNF) for males and the Tennessee Prison for Women (TPW) for females. All inmates requiring infirmiry care shall be within sight or sound of staff at all times. The institution's physician shall be available on-call 24 hours per day. A mid-level provider or RN shall make daily rounds in accordance with the Contractor's staffing responsibility. A physician shall make rounds at least two (2) times per week. At facilities managed by the Contractor, the Contractor shall ensure that negative airflow isolation rooms will be routinely monitored to ensure appropriate exchanges are maintained, in accordance with TDOC policy and Occupational Safety and Health Administration (OSHA) and Tennessee Occupational Safety and Health Administration (TOSHA) standards.
- e. Emergency Services. The Contractor shall have primary responsibility for providing emergency care for inmates, staff, volunteers, and visitors. Treatment for staff, volunteers, and visitors shall consist of

stabilization and coordination of the referral to a personal physician or local hospital. The Contractor shall ensure the availability of emergency treatment through written agreements with local hospitals and ambulance services. The Contractor is responsible for all payment of costs resulting from off-site services required to treat inmates including coordination and fees associated with medi-vac services and airlift when indicated. Reimbursement shall be provided by the State only to the extent provided herein.

The Contractor shall provide ambulance and/or advanced life support services when deemed medically necessary by a licensed health care provider. The TDOC shall provide transportation to an outside hospital or other location when a licensed health care professional determines that ambulance services are not necessary.

- f. Chronic Care Clinics. The Contractor shall develop and implement a program for the care of inmates with chronic and infectious diseases. The chronic care provided shall entail the development of an individual treatment plan by the responsible physician specifying instructions for diet, medication, diagnostic testing, self-care instructions, and follow-up. The Contractor is responsible for the costs associated with dietary supplements ordered by the attending physician. Chronic care patients shall be provided a review by a nurse every three months and by a physician or mid-level provider, as determined by clinical indications but no less than every six months. Chronic care conditions shall include but not be limited to patients with medical conditions such as asthma, diabetes, epilepsy, hypertension, infectious diseases, frail/elderly, and terminally ill.
- g. Dental Services. The Contractor shall be responsible for the coordination, provision, and costs of all dentistry using licensed, certified and trained staff as appropriate for the services rendered according to TDOC policies. This responsibility includes but is not limited to intake screenings and oral hygiene instructions, comprehensive examinations, cleanings, sick call, emergency care for the relief of pain, assessment of fractures, control of bleeding and acute infection, restorative procedures, extractions, and scalings as necessary to prevent tooth loss and gum disease. At the four comprehensive facilities, the Contractor shall be responsible for all dental hygiene services.
1. When follow up treatment is necessary, either by request or as a result of the intake examination, the Contractor shall provide non-urgent care within six-weeks of the sick call visit.
 2. Urgent care patients with conditions such as bleeding, acute pain, swelling, trauma, or infection shall be seen by a dentist within 48 hours of the inmate's request. The Contractor shall provide on-call coverage for dental emergencies twenty-four (24) hours per day, seven days per week.
 3. The dentists shall actively participate in the institution's Continuous Quality Improvement Committee, and supervise Quality Control studies regarding dental care or other related studies.

A.4. ANCILLARY SERVICES.

- a. Vision Care Services. The Contractor shall retain Tennessee licensed optometrists to provide medically necessary optometric services to inmates as herein specified in accordance with the American Optometric Association and TDOC policy.

These services shall include regular eye examinations, emergency care services, prescribing, ordering, dispensing and fitting of eyeglasses, and any other eye care services expected in these professions. An optometrist shall visit each institution a minimum of once monthly. The waiting list for optometry visits shall not exceed sixty (60) days.

The Contractor shall furnish eyeglasses prescribed by the optometrist or ophthalmologist. The Contractor shall provide basic frames, lenses, polycarbonate lenses and other eyeglasses that are medically necessary. Contact lenses shall only be provided if medically necessary, and in such cases the Contractor will be responsible for providing the solutions necessary for maintenance of the contact lenses. The Contractor shall repair and/or replace eyeglasses in accordance with TDOC policy. Eyeglasses and other items must be delivered within ten (10) business days from the date of the prescription order.

- b. X-ray Services. In accordance with TDOC policy, the Contractor shall provide all radiographs by a registered technician, (as designated in the State approved staffing plans), interpretation by a board certified radiologist, and provision of typed reports at the facilities. The Contractor is responsible for the provision of all other off-site diagnostic testing required. The TDOC requires the utilization of mobile x-ray services when on-site services are not available at any facility. The Contractor shall provide all on-site fluoroscopy and special studies as capabilities allow. The Contractor shall assume responsibility for all certifications and any repairs to all x-ray equipment at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2.

Legible reports shall be provided to the facility as soon as they are read or no later than 24 hours after the reading. The radiologist shall call the facility with any report requiring immediate intervention. Hard copy typed reports and films shall be received within 72-hours of completion. The Contractor is responsible for the maintenance, filing and purging of all x-ray films.

The Contractor is responsible for providing all supplies required to support x-ray services at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2.

- c. Laboratory Services. The Contractor is responsible for the procurement and processing of all medical laboratory services including supplies, forms, and tests in accordance with TDOC policy. Laboratory specimens will be processed off-site for procedures/tests that are not waived by the Clinical Laboratory Improvement Amendments (CLIA). The Contractor shall ensure that the off-site laboratory has a quality assurance plan and is a CLIA certified laboratory. The Contractor shall be responsible for obtaining and maintaining necessary CLIA waivers at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2.

The Contractor shall coordinate lab tests performed on physical examination with lab tests performed on chronic clinics to avoid duplication of tests. At each facility the Contractor shall provide a computer terminal and printer that provides on-line access to the Contractor's laboratory information system. All lab results, except those requiring a longer processing time, must be provided within 72-hours. The lab must notify the facility immediately by telephone of any abnormal results that require immediate intervention.

Specimens must be picked up from each facility, Monday through Friday, at approximately the same time each day and delivered to the laboratory as soon as possible.

The Contractor shall be responsible for the collection of all DNA specimens needed for forensic testing or required by state law or court order.

- d. Electrocardiography (EKG) Services. The Contractor shall provide EKG services on-site at the eleven facilities. Contractor shall either provide EKG machines at the facilities or subcontract for these services. The Contractor shall be responsible for supplies and repair costs for TDOC equipment.
- e. Pharmacy Services. The Contractor shall provide all pharmaceutical services and medication ordered by its providers for inmate treatment in accordance with TDOC policies. The Contractor shall also provide, upon request by the State, pharmaceutical services ordered by mental health providers.
- (1) Reimbursement (to be reimbursed at cost) for medications ordered by mental health providers shall be the responsibility of the Mental Health Services Contractor, pursuant to the agreement between the entity and the Contractor for Medical Services.
 - (2) The Contractor shall provide hepatitis-B vaccine (HBV) and post-exposure prophylaxis (PEP) medication for institutional staff, regardless of employer.
 - (3) The Contractor shall be responsible for the payment of costs of all HIV/Acquired Immune Deficiency Syndrome (AIDS) and hepatitis C antiretroviral medications prescribed by a physician

or mid-level providers. Reimbursement shall be provided by the State to the extent specified in C.3.c.

- (4) The Contractor shall provide all prescribed pharmaceuticals including prescribed over-the-counter (OTC) medications. The Contractor is not responsible for OTC medications that are not prescribed and are provided in the Commissary.
- (5) All prescription medications shall be supplied to the facilities utilizing a "unit dose method of packaging". Containers must be properly labeled to include the inmate's name and number, prescribing practitioner, medication name, lot number, strength, dosage, directions for administration, and any applicable warnings or dietary instructions, including other information in compliance with federal or state laws.
- (6) Prior to or upon the start of services under this contract, and annually thereafter in accordance with TDOC policy, the Contractor shall provide a universal stock list of medications for approval by the State. Stock medications shall be provided at each site, and made available for administration by medical staff. The Contractor shall maintain a starter dose of medications, which if not readily available, could compromise the inmate's health status.
- (7) The Contractor shall assist with the Quarterly TDOC Pharmacy and Therapeutics Committee meetings in accordance with TDOC policy. The Contractor's pharmacist shall participate in the committee meetings and monitor pharmaceutical outcome measures. The Contractor is responsible for providing the requested statistical reports in preparation for the meetings.
- (8) The Contractor shall develop with the State a Medication Error Review process to include electronic tracking, reporting and trending of Dispensing and Administration Errors. A monthly electronic report shall be provided to the State detailing the month-to-date and year-to-date medication errors by facility.
- (9) The Contractor shall follow TDOC Clinical Guidelines for chronic disease management, nursing protocols, psychiatric disorders, vaccinations, and immunizations. Where applicable, medications specified in these guidelines shall be provided as formulary medications.
- (10) The Contractor will present the Formulary and any subsequent changes to the State for approval, in writing, prior to implementation. The Formulary shall be adequate to provide inmates with medications that meet generally accepted standards of medical care.
- (11) The Contractor shall process and fill any non-formulary prescriptions which are approved by the State's designated utilization management entity for medical and mental health services.
- (12) The Contractor shall provide for the dispensing, packaging, administering, and shipping of all prescriptions as ordered by all prescribing clinicians. Prescription orders received by the Contractor's pharmacy by 2:00 p.m. (Central Standard Time) Monday- Friday shall be delivered to the ordering institution by 12:00 noon the following day (excluding Sunday delivery).
- (13) The Contractor shall provide a back up plan for the provision of holiday and emergency deliveries. The plan must be approved by the State within 30 days of the contract implementation date.
- (14) The Contractor shall include a medication administration record (MAR) to include all information contained on the prescription label. The Contractor shall provide a computer-generated medication administration record (MAR) for documentation at each site. The MAR shall be delivered to each institution at least five days prior to the end of each calendar month.
- (15) The TDOC has a "keep on person" (KOP) policy. In accordance with policy, the Contractor shall establish a renewal procedure for inmates who have KOP medications.

- (16) Psychotropic medications such as antipsychotics, antidepressants, and drugs requiring parenteral administration are dispensed only in accordance with a prescription by a physician or an authorized health care provider in agreement with the physician, based upon a physical examination of the inmate by a qualified health professional.
- (17) The Contractor shall develop a plan to utilize licensed pharmacy technicians at comprehensive sites to monitor ordering, faxing, delivery, and any other duties within their scope of practice and as appropriate.
- (18) The Contractor shall provide any facsimile (FAX) machines and lines necessary for transmission of prescription medication orders.
- (19) The Contractor shall provide regular consultations by a registered pharmacist who shall conduct monthly inspections at all institutions. In accordance with applicable federal and State laws and regulations, the consultant pharmacist will provide strict accountability for the destruction of discontinued medications. The consultant shall record and complete the accounting, destruction, and reconciliation of unused controlled substances. The pharmacist shall dispose of any controlled substances (Schedule II-V) during on-site visits.
- (20) The Contractor shall provide a written procedure for return of unused medications from the sites to the pharmacy company. These medications shall be returned within seven days after expiration. The goal of this process shall be to minimize costs and reduce waste of expired medications. The Contractor shall routinely provide patient education materials such as written pamphlets, drug profile sheets or videos. These materials shall be utilized by nursing at the time of medication administration or for general inmate health education programs.
- (21) The Contractor shall report medication usage to each institutional health administrator by the 5th business day of the following month. This institution specific report shall include: all medications utilized (formulary and non-formulary); costs per inmate per diem; number of prescriptions written, by provider; amount of medication dispensed by type; stock medications issued; statistics including costs for the top 20 medical medications and top 5 psychotropic medications; and the total medication cost for HIV, Hepatitis C, and Atypical psychotropic medications. Any other management reports shall be provided as requested by the State. Comprehensive reports containing the aforementioned data shall be submitted by the Contractor to the State by the 10th business day of each month.

A.5. GENERAL REQUIREMENTS.

- a. Physician Coverage. The Contractor shall provide on-site physician coverage as specified in the approved institutional staffing plans and provide supervision of mid-level providers and consultation to nursing staff. Physician coverage shall include primary care services for inmates in mental health units. The Contractor shall provide an on-call physician to ensure 24-hour, seven days per week, emergency coverage with telephone response being required within 30 minutes of a notification call from each facility. A physician shall determine whether his/her presence is required, give verbal orders and a treatment plan to nursing staff, and provide on-site treatments for medical problems or injuries requiring sutures and minor surgical procedures as required on a 24-hour basis. On-site procedures, such as suturing, must be performed as soon as possible.
- b. Nursing Coverage. The Contractor shall provide on-site 24-hours per day/ seven days/ week (24/7) nursing coverage as specified in the approved institutional staffing plans. Nursing shall include any required RN, LPN, and CNA/CNT staffing of mental health units at the comprehensive facilities (CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2).
- c. Nursing Protocols. The Contractor is required to submit nursing protocols to the State for written approval within the first 30 days of the contract start date and annually thereafter. Such nursing protocols shall be applicable for all nursing staff including state employees and contractors. Any changes to said protocols shall require written approval by the State.

- d. Medication Administration. In accordance with the Contractor's staffing responsibilities, the Contractor's nurses shall administer all controlled, abuseable and psychotropic medications to inmates. Medications will be administered through a medication window or cell block distribution process. Nurses shall administer medications daily or as prescribed to inmates in segregation housing units.
- e. Prosthetics and Durable Medical Equipment. The Contractor shall be responsible for all prosthetics and durable medical equipment ordered by its physicians and specialists, including braces, special shoes, glasses, hearing aids, orthopedic devices, etc. Health care prosthetic devices and durable medical equipment shall be provided for inmates when deemed necessary by the attending health care provider to correct, assist, or improve a significant body impairment or debilitating condition, in accordance with TDOC policy.
- f. Mid-level Supervision. The contractor's physician staff shall supervise all mid-level providers in accordance with the Tennessee Health Related Boards Rules and Regulations.
- g. Documentation. Contractor's staff shall complete each inmate's medical record with appropriate legible entries in Simple Object Access Protocol (SOAP) format or such other format approved by the TDOC.
- h. Therapeutic Diets. The TDOC's policies allow for modified diets for medical necessity. The Contractor shall be responsible for overseeing the assessment of nutritional requirements and management of special diet orders. The cost of food is the responsibility of the State.
- i. Inmate Health Education. The Contractor shall develop and implement an inmate education program at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2 in accordance with TDOC policy. The Contractor shall demonstrate specific efforts to facilitate wellness/preventative education training programs, such as making healthy food choices and smoking cessation.
- j. Staff/Employee Services. The Contractor shall provide first aid and emergency care for all staff and employees in accordance with TDOC policies. This includes but is not limited to emergency treatment necessary to protect life or limb, relief of undue suffering, or treatment necessary to stabilize the condition. HBV vaccinations and appropriate training on Blood Borne Pathogens shall be given to State employees as per policy (currently TDOC Policy 113.13 - Employee Health Care). Cost for services provided in this section is included in the contract and is not to be an additional charge. Currently, TDOC has 5,108 employees in the institutions who are subject to Policy 113.13. The Contractor shall provide tuberculosis screenings to State employees.
- k. Security Considerations. Due to the nature of correctional facilities, the Contractor must adhere to all security rules of the TDOC. The Contractor shall work with security staff to develop alternatives when particular medical orders implicate particular security concerns within the institution(s).
- l. Scheduling of Services. The Contractor is required to coordinate all inmate medical appointments with the affected institution(s) and Central Transportation. The Contractor shall provide to the TDOC Central Office, Central Transportation, and affected institution(s) an electronic weekly schedule of all inmates' outside medical trips no later than Friday of the preceding week. The schedule shall include the inmates' names, TDOC numbers, type of appointment, dates and times of the appointments, locations of the appointments, and the name of the health care professionals to which the inmates are being transported.
- m. Response to Grievances/Inquiries. The Contractor shall provide written policy and procedures for response to inmate complaints and other inquiries regarding any aspect of the health care delivery system. The Contractor's policy and procedure shall conform to applicable TDOC and Institution policies governing assessment of health complaints, inmate communications, and grievance review.
- The Contractor shall designate a regional staff member to serve as its liaison in addressing inmate complaints and correspondence concerning health services associated with the Contractor's service and/or providers. Inmates' and family phone calls and letters may be referred to the appropriate designee, prior to any TDOC intervention regarding inmate health care complaints.
- The Contractor shall, within the time-frame specified by the request, provide timely written responses to all requests regarding grievances, family/inmate complaints and third party complaints regarding

the delivery of health services. A monthly electronic report will be provided to the State summarizing the month-to-date and year-to date inquiries, resolutions, and status of the resolution.

Complaints regarding the plan of treatment shall be subject to review by the TDOC Medical Director or such other physician authority designated in accordance with the circumstances of the disputed care. Based upon such medical review, the State reserves the right to direct the provision of care in disputed cases, and, in such event, the Contractor shall comply with the State's directives for medical care.

For any matter of litigation arising from the delivery of healthcare services pursuant to this contract, upon request by the State or its attorneys, the Contractor shall additionally provide all information, consultation, case review, and related documentation that the State may seek in review of such claims. The Contractor shall furnish all such information within such reasonable time-frame as the State shall specify in making a request pursuant to this part.

- n. OSHA/TOSHA & U.S. Department of Health and Human Services, Public Health Services, Centers for Disease Control. The Contractor shall be responsible for compliance with all OSHA/TOSHA and CDC rules and regulations related to health services. The Contractor shall comply with all components of the TDOC infectious disease surveillance program in accordance with TDOC policies. This shall include but not be limited to tuberculosis, sexually transmitted diseases, hepatitis, Methicillin-Resistant Staphylococcus Aureus (MRSA), and HIV. The Contractor is responsible for fit testing for all staff/employees who are subject to come into direct contact with a patient with active or suspected active TB. The Contractor is responsible for all corrective action stemming from OSHA citations regarding the TDOC's infectious disease surveillance program.
- o. Bio-Hazard Waste Disposal. At CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2 the Contractor shall make provision for the collection, storage, and removal of medical waste and sharps containers in accordance with state and federal regulations. The Contractor is responsible for the cost of removal and disposal, including all necessary supplies.
- p. Non-Compliance. The Contractor acknowledges that failure to comply with the above referenced provisions may result in the assessment of liquidated damages and/or termination of the contract in whole or in part, and/or imposition of other sanctions as set forth in this contract. Liquidated Damages are further described in Section E.20.a.(2) and Attachment A of this contract.

A.6. SPECIALTY SERVICES. The Contractor shall provide all necessary specialty physician services for all TDOC managed institutions. Specialty physicians shall either be board certified or board eligible. Specialty services required to meet health care needs include, but are not limited to, the following:

Audiology	Ophthalmology
Cardiology	Oral Surgery
Dermatology	Orthopedics
Ear, Nose, & Throat	Orthopedic Surgery
Endocrinology	Podiatry
Gastroenterology	Physical & Occupational Therapy
General Surgery	Pulmology
Infectious Diseases	Radiology
Nephrology	Thoracic Surgery
Neurology	Respiratory Therapy
Neurosurgery	Urology
OB/GYN	Vascular Surgery
Oncology	Other (as needed)

The Contractor shall be responsible for sub-contractual agreements necessary to provide these specialty services. This includes timely payment of all outpatient and inpatient care provided per this agreement, whether on-site or off-site.

- a. Board Certification. All specialists must be either board certified or board eligible in their specialty. Specialty care must be ordered for problems outside the competency of the primary care physician. Residents/ intern physicians may be utilized if supervised by board eligible or board certified physicians in their specialty field.
- b. Regional Specialty Services. When feasible, specialty services will be provided locally for institutions in the Eastern and Western regions for diagnostic testing and evaluation and same day procedures. These services shall include but are not limited to Magnetic Resonance Imaging (MRI), Computed Tomography (CT), Intravenous Pyelogram (IVP), Upper Gastrointestinal (UGI), Barium Enema (BE) and Mammograms. The Contractor will designate a regional representative to serve as the institution's liaison in coordinating these services with the designated Wardens and healthcare staff at each facility.
- c. Mobile Services. The Contractor shall maximize the use of on-site services at TDOC facilities as specified in the Contractor's RFP proposal. (RFP Attachment 6.2 – Section C - Technical Proposal & Evaluation Guide- Item Ref. C.3.) Mobile services at DeBerry Special Needs Facility shall include but not be limited to CT, MRI, and a Medical Surgical Unit. In addition, the Contractor shall make provisions for on-site mobile services at both female facilities, which shall include mammogram, ultrasound, and x-ray. The Contractor will provide any other mobile services that are demonstrated to be cost effective and/or an added benefit to the State.

A.7. HOSPITAL SERVICES.

The Contractor shall obtain routine inpatient/outpatient services from licensed hospitals that are able to provide primary, secondary and tertiary services. The hospital network should be able to provide neurosurgery as well as cardiovascular surgery. The Contractor shall only utilize hospitals accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). The Contractor is responsible for payment of all outside hospitalization costs. Reimbursement shall be provided by the State to the extent specified in C.3.d.

A change in the hospital network from that proposed by the Contractor must be approved by the TDOC, in writing, prior to implementation of the change. Inmate transfers to other facilities may be approved for facility inpatient unit care or local hospital care when medically necessary. When outside hospitalization is required, the Contractor shall coordinate with the State's security staff in arranging transportation and correctional officer coverage for the length of stay.

The Contractor's personnel shall conduct meetings with representatives from participating hospitals to coordinate the referral of inmates for services. The Contractor shall establish policies and procedures regarding the referral methods, scheduling, transportation, reporting of test results, medical records, discharge summaries and patient follow-up. The Contractor shall inform the TDOC Director of Health Services of all meetings and the Director or designee may attend.

a. General Requirements

- (1) The Contractor shall arrange for services from a local licensed acute care hospital convenient to each facility.
- (2) Same day surgical service shall be used when medically feasible.
- (3) The Contractor's hospitals must provide vehicle parking, local telephone calls and appropriate meals for staff. The Contractor shall pay any costs associated with providing these items.
- (4) The Contractor's hospitals must cooperate fully with the TDOC security staff.
- (5) The Contractor's hospitals must comply with TDOC policies.
- (6) Inmates requiring skilled or advanced nursing care, rehabilitative services or therapies that exceed the capabilities and resources of a prison facility cannot be discharged back to such facility. The Contractor shall utilize facilities at DSNF or TPW to the extent that they are available. The Contractor shall be responsible for any appropriate alternative placement, if necessary, and payment of all costs involved. Reimbursement shall be provided by the State only to the extent

specified in C.3.d. TDOC shall have final approval to ensure appropriate placement and shall work with the facilities and the Contractor's staff to arrange placement for a sub-acute bed at DSNF for males and TPW for females when such placement is available.

- (7) The Contractor must supply the sending institution the following information for inpatient services:
 - a. Written discharge instructions immediately upon discharge
 - b. Transcribed discharge summary within 7 days from discharge
 - c. Complete copy of the hospital medical record within 30 days of discharge
 - d. Verbal report to the sending institution (nurse-to-nurse report)
- (8) The Contractor must supply the sending institution the following information following emergency room visits:
 - (1) Written discharge instructions immediately upon release
 - (2) Copy of emergency room records or outpatient records within 30 days
 - (3) Verbal report to sending institution (nurse-to-nurse report)
- b. Scheduling/Transportation. The Contractor shall coordinate with the State's security staff in arranging transportation and correctional officer coverage in the hospital. A written plan that includes policies and procedures shall be established regarding the referral methods, scheduling, transportation, reporting of test results, medical records, discharge summaries and patient follow-up. The Contractor shall present such plan for the State's written approval within the first thirty days of the contract start date. Any changes to the approved plan must receive the State's written approval prior to implementation.
- c. Notifications of Hospitalization. The Contractor shall on a daily basis prepare a report of emergency room/ inpatient utilization. The report shall detail the date of the ER visit and /or hospital admission, inmate name, inmate TDOC number, patient's health/ mental health status, estimated date of discharge and any other pertinent information. The hospital report shall be distributed via e-mail to the Warden, health administrator, TDOC Director of Health Services, and TDOC Medical Director.
- d. Privately Managed Facilities. The Contractor shall assume responsibility for the coordination, provision and cost of inpatient hospitalization of inmates housed at the three (3) privately managed facilities after the cost exceeds four thousand dollars (\$4,000) for a single hospitalization for a single inmate from the date and time of admission through the date and time of discharge. The first four thousand dollars (\$4,000) of a single hospitalization is the responsibility of the privately managed facility. Transfers from a local hospital to another local hospital or to the secure unit is considered one hospitalization. The privately managed facilities are South Central Correctional Facility (SCCF), Hardeman County Correctional Facility (HCCF), and Whiteville Correctional Facility (WCFA). These CCA facilities are responsible for notifying the Contractor of all hospital admissions within 24 hours of admission. The State will be the final authority in any dispute between the Contractor and the privately managed facilities.
- e. Non-Secure Units. Starting on day three (3) of an inpatient stay at a hospital that does not contain a secure unit, the Contractor shall pay the State \$300 per day per inmate to cover the cost incurred by the State to provide security.
- f. Secure Units. Each hospital secured unit must have a designated secure area exclusively for the TDOC as an inpatient unit with private and/or semi-private rooms to include isolation and segregation. The following security requirements must be met for the secure unit, and the Contractor shall pay all costs associated with meeting these requirements.
 - (1) All floor plans and renovations must be approved, in writing by the State.
 - (2) Expanded metal or some equally secure mechanism must be installed outside or inside all windows or glassed areas.

- (3) Outer walls, ceilings and elevator shafts must be reinforced or secured in a manner approved, in writing, by the TDOC.
- (4) A secure entrance/exit must be provided from the unit with two (2) electronic security doors that create a pedestrian sally port. Any other exit would be used only in an emergency evacuation and must be secured according to plans approved, in writing, by the TDOC Commissioner or designee. Evacuation plans for the area shall be developed in conjunction with the TDOC.
- (5) A secure control center must be provided to control access to the area through a pedestrian sally port. The control center must contain a desk, chair, file cabinet, phone lines with outside capability, space for at least two visual monitors and restroom facilities. The control center shall be used to store equipment and approximately eight (8) to ten (10) weapons and ammunition. The control center should have a minimum of 70 square feet.
- (6) At least one office or workstation with a minimum of 40 square feet must be provided for correctional officers.
- (7) A private area for searches of male and female persons must be provided.
- (8) A secure holding area for inmates being transferred into and out of the secure unit must be provided.
- (9) The TDOC security staff shall be responsible for coordinating all visitations with inmates in the secure unit.
- (10) The hospital's nursing station shall have controlled access.
- (11) Correctional officers shall be provided designated parking spaces.
- (12) Correctional officers shall be provided one meal per shift by the hospital.

A.8. UTILIZATION MANAGEMENT & REVIEW. Upon commencement of this agreement, the Contractor shall establish and maintain a system-wide utilization management and review program based upon evidence/criteria-based clinical guidelines to evaluate the appropriateness and medical necessity of services being provided. The Contractor's utilization policy/procedures, guidelines and reporting format must be approved by the State within the first 30 days of the effective date of the contract and annually thereafter.

- a. Guidelines. The program shall provide written guidelines for the provision of efficient and quality oriented health care. The State may mandate changes to the Contractor's utilization criteria or utilization management policies and procedures at any time it deems necessary to serve the medical interests of inmates or the best interest of the State. Required elements of the utilization management program include:
 - (1) Resolution of all specialty consultation requests within fourteen (14) days of the date the provider makes the request. Delivery of specialty care services is required within the time limits specified by performance measures listed in **Attachment A** of this contract.
 - (2) Establishment of Specialty Referral Guidelines for Consultation Requests.
 - (3) Development of an effective method to coordinate with the TDOC's transportation unit for medical transfers and inmate movement.
 - (4) Establishment of designated staff at each facility to be responsible for the coordination and management of the utilization management process.
 - (5) Annual training for its staff, physicians, mid-level providers, clinic schedulers/ coordinators, health administrators, and others as appropriate.
- b. Reporting Requirements. The Contractor shall submit a monthly, quarterly, and annual report to the State detailing inpatient/hospital statistics, and the history of requests for specialty consultations and procedures. The reports required by this part shall be provided in an electronic format acceptable to the State and shall at a minimum provide aggregate and individualized reports by physician, inmate,

service type, institution, etc. The Contractor shall use appropriate coding for inpatient hospital reporting (e.g. Diagnosis Related Grouping--DRG, International Classification of Diseases--ICD-9, and Clinical Modification--CM). The Contractor shall provide the following reports:

- (1) TDOC Daily Inpatient Census with key data elements, including the Inpatient Days Per Month (IDPM)
- (2) Inpatient days per month by diagnosis and Average Daily Census (ADC)/ Average Length of Stay (ALOS)
- (3) Diagnostic Code by facility and by provider
- (4) Outliers, Variance/ Variability
- (5) Specialty Consultations with key data elements

A.9. EXTENDED CARE FACILITIES.

- a. Specialty Physicians/Clinics. The TDOC operates two extended care facilities in the Nashville area, the Lois M. DeBerry Special Needs Facility (DSNF) for males and the Tennessee Prison For Women (TPW) for females, with a goal of providing the majority of outpatient and sub-acute specialty services in these secure facilities in order to promote continuity of care, public safety and minimize the off-site transportation of inmates. The contractor shall use DSNF and TPW for all outpatient physician and ancillary health professional services (listed under "Specialty Services"), unless other arrangements are made and agreed to in consultation with the TDOC. The Contractor shall request State written approval of an alternative method of delivery in the case where certain on-site services are not feasible.
 - (1) On-site clinics at DSNF and TPW are to be scheduled between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding State holidays.
 - (2) The Contractor shall coordinate all proposed clinic schedules in advance with the Warden (or designee) at each facility. Once the clinic schedule is established and published, the Warden must approve any change to the schedule in advance. No request for a change will be approved unless submitted at least two weeks prior to the scheduled clinic.
 - (3) Specialty clinic(s) during holidays may be arranged if the Contractor makes the request at least four weeks in advance. The Warden(s) must approve the request(s) no later than 2 weeks prior to the date in order to arrange staff support for the clinic.
- b. Long-Term Care. The Contractor shall demonstrate the ability to maximize the long term and skilled nursing services that are offered on-site at DSNF and TPW. The Contractor shall follow TDOC policy on long-term care referrals and procedures.
- c. Renal Dialysis. The Contractor is responsible for the provision of all dialysis treatment, without regard to the availability of State-owned facilities and equipment. The Contractor shall be responsible for all costs associated with renal dialysis and provide all staff, drugs, biologicals, surgical dressings, supplies, blood, intravenous and related dialysis fluids, diagnostic studies and equipment directly related to the provision of dialysis procedures.

The Contractor shall, whenever possible, utilize existing hemodialysis facilities and equipment located at DSNF. In such instances, male inmates requiring dialysis will be transferred to the DSNF for treatment, and female inmates will be transported to the DSNF for on-site outpatient dialysis treatment. The Contractor shall be responsible for all maintenance and repair of the State's equipment. If a backup or special infectious disease dialysis unit is needed, the Contractor will send a written notice and justification to the TDOC Director of Health Services and the Assistant Commissioner of Administrative Services. Upon written approval by the State, the State shall purchase the equipment. In the event of service interruption for whatever reason, the Contractor shall be responsible for providing uninterrupted service.

The Contractor shall maintain an emergency cart with sufficient emergency medications, supplies and equipment required for resuscitations. The emergency kit shall be inspected with the results documented on a weekly basis by the Contractor's staff. The contractor shall be responsible for the immediate replacement of all emergency supplies or equipment used or expired.

The Contractor shall provide emergency consultation services that are available twenty-four (24) hours per day seven (7) days per week. The Nephrologist on call shall respond to emergency calls within sixty (60) minutes of the original call.

The Contractor shall provide in-service training initially, and at least quarterly, to the facility staff at DSNF on pre-treatment and post-treatment needs of dialysis patients. The Contractor shall provide an orientation packet to the inmates on renal dialysis and ongoing training to them to assist in their understanding of their treatment. Other training shall be provided as needed or requested by the facility and/or the TDOC.

The Contractor shall develop renal dialysis quality improvement and infection control programs which must be approved by TDOC within 60 days of contract effective start date. For on-site renal dialysis, the Contractor shall assure that the renal dialysis provider documents all treatment in the TDOC health record.

- d. Hospice/ Palliative Care. The State wishes to establish a hospice program for terminally ill inmates. If an inmate meets the requirements, the TDOC may transfer the inmate to the hospice program or designate the inmate to be cared for at their home facility. The Contractor shall be responsible for all costs associated with the hospice programs. The Contractor shall work with the TDOC in developing hospice programs both on-site and off-site, as appropriate. The TDOC's hospice program shall incorporate medically directed care; an interdisciplinary plan of care; family participation; treatment for pain; and patient education and counseling. The Contractor shall provide the State with a written plan for implementation and operation of these services within the first six months of the contract start date. Implementation of the Contractor's plan is subject to the State's prior written approval.

- A.10. STAFFING REQUIREMENTS.** Notwithstanding any provision contained herein to the contrary, the Contractor shall provide adequate and qualified staff to fulfill its obligations under this contract. Staffing shall, at a minimum, be in accordance with the staffing plans in the Contractor's bid proposal. The Contractor is to utilize the State's approved minimum staffing plan for each institution. In the event of vacant positions, the Contractor is required to provide adequate coverage to meet all required services. Any staffing plan changes during the term of the Contract shall require the State's written approval. The Contractor shall submit monthly staffing reports on or before the fifteenth (15th) of each month demonstrating the preceding month's actual staffing compared to the staffing plan for each institution. If a change in circumstances calls for a modification in those requirements, the Contractor and the State will review those changed circumstances and a formal review will determine any changes in staffing requirements at the sole discretion of the State. The State reserves the right to remove from an institution or prohibit entry to an institution any of the Contractor's employees or subcontractors if necessary. Minimum staffing levels are delineated in **Attachment B**.

- a. Mid-level Providers. The Contractor shall, from the inception of services, assume responsibility for clinical supervision of all mid-level providers.
- b. Pre-Employment Screening. The Contractor, at a minimum, shall include the following in its pre-employment review:
- (1) Current licensure/certification verification
 - (2) Health screening to ensure absence of communicable disease
 - (3) Drug testing
- c. Background Investigations. The Contractor shall not hire ex-felons or relatives of felons currently incarcerated in Tennessee. Prior to employment with the Contractor, applicants shall be subjected to a thorough background investigation. Criminal and employment histories must go back a minimum of five (5) years. Said background investigations shall be available to the State upon request. The

Contractor shall immediately cause a "Criminal History Request" from the National Crime Information Center (NCIC) to be completed on each individual hired to work at a Facility. The request shall be forwarded to the State and processed in accordance with procedures established by the Commissioner of the TDOC. In no instance may an employee begin work in a facility until the NCIC check has been completed; however, the employee may participate in pre-service training while the check is in process. The State shall notify the Contractor whether or not the employee is cleared for further consideration of employment.

- d. Personnel Files. Personnel files of all subcontractors and contract employees shall be on file at the facility. The files shall be made available to the facility warden or designee.
- e. Bilingual Personnel. The Contractor shall make its best efforts to ensure that a sufficient number of staff are bilingual in English and Spanish language, so as to meet the State's increasing Hispanic inmate population. The Contractor shall provide translation services to meet the needs of the inmate population. Inmates shall not be utilized as translators for clinical staff.
- f. Employee Uniforms. The Contractor shall require all of its employees to comply with the TDOC policy concerning uniforms. The Contractor is responsible for the expense of purchasing uniforms.
- g. Approval of Key Staff. The State reserves the right to approve or disapprove any individual or business entity whether it is an independent contractor or subcontractor that the Contractor seeks to utilize. The Director of Health Services shall interview certain key prospective employees of the Contractor prior to their assignment to the contract. The Contractor shall not assign these key personnel until written approval is received from the State. The Contractor shall request and receive written approval from the State for the following prior to their assignment to the contract:
 - (1) The Contractor's personnel with overall responsibility for this contract (See Section A.12)
 - (2) All health administrators assigned to any TDOC institution(s)

The Contractor shall consult the State for input and recommendations before hiring, dismissing, or changing a location of a physician or site health administrator.

- h. Employee Orientation and Training. The Contractor shall ensure that all of its full-time employees assigned to TDOC institutions participate in the TDOC's pre-service training program regarding State policies and procedures and security considerations as defined in TDOC policy.
 - (1) General Requirements. The Contractor shall develop and submit for the State's approval the Contractor's plan for initial orientation and training of the Contractor's staff. The Contractor shall be responsible for salaries/wages and travel expenses of its employees while in training. The State shall waive orientation for the Contractor's employees who have completed TDOC's orientation within the preceding two years as TDOC employees or employees of a predecessor contractor and are assigned to the same institution. Each year thereafter, the Contractor shall provide a minimum of forty (40) additional hours of job-related training for all employees. The training is to include at least eight (8) hours of update training on TDOC policies.
 - (2) Staff Training Curriculum. Within the first sixty (60) days from the commencement of the contract, the Contractor shall develop and submit for the State's approval the Contractor's staff training curriculum.
 - (3) In-Service Training. The Contractor shall provide in-service training/staff development to its employees. The Contractor shall submit a calendar of managerial and clinical in-service topics to the State for approval in June of each year. At a minimum, the in-service training provided by the Contractor shall meet the ACA standards for staff training. The Contractor shall establish a medical library on-site for use by the health care staff. Upon approval by the warden of the facility, the Contractor is encouraged to implement an on-line medical library. The library shall at a minimum include basic clinical text references.

- (4) Training of Other Staff. The Contractor shall develop and deliver a training program at each institution for all non-health care staff. Such training shall consist of four (4) hours of classroom time annually. This training shall include, but not be limited to:
- (a) First aid for medical emergencies
 - (b) Mental health emergencies
 - (c) Cardiopulmonary Resuscitation (CPR) certification
 - (d) Communicable disease prevention
 - (e) Blood borne pathogen exposure control, in compliance with the TDOC "Blood Borne Pathogen Exposure Control Plan"
 - (f) Recognition of signs and symptoms of mental illness, chemical dependency and mental retardation
 - (g) Suicide prevention

A.11. MEDICAL STAFF CREDENTIALING.

Credentialing. The Contractor shall have a written policy and procedure regarding the physician credentialing process approved, in writing, by the State within thirty (30) days of contract execution. The Department of Correction shall have access to and may copy any such credentialing records. Upon expiration or termination of the contract these credentialing files become the property of the State. Representatives of the State shall conduct periodic audits of the Contractor's credentialing files. Copies of all files shall be maintained in the Contractor's Tennessee office. Each physician credential file shall contain at a minimum the following documents:

- (1) Copy of current Tennessee license to practice medicine or surgery
- (2) Copy of application for initial or renewal registration
- (3) Copy of Drug Enforcement Administration (DEA) registration
- (4) Evidence of malpractice insurance with claims and/or pending lawsuits
- (5) Copies of verified medical education including internship, residency and fellowship programs, and specialty certification(s)
- (6) Copy of current BCLS or CPR certification. Certification must be achieved prior to the individual providing services at any TDOC institution
- (7) Employment history
- (8) Evidence of reasonable inquiry into employment history with emphasis on assessment of clinical skills
- (9) Signed release of information form
- (10) Information regarding any criminal proceedings

A.12. CONTRACT MANAGEMENT. The State recognizes that service issues may arise during the course of any contractual agreement. Some issues are facility specific, while others will affect multiple facilities. The Contractor shall retain, at a minimum, the following personnel on-site in Tennessee to coordinate and manage the scope of services of this Contract.

- a. Administrator(s). The State requires the Contractor to designate an administrator(s) or manager(s) to be responsible for managing all operations of the medical contract. These individuals will be responsible for working with the State to execute the transition plan and manage daily operations as outlined in the Contractor's proposal, as approved by the State.
- b. Medical Director. The State requires the Contractor to designate a full-time State Medical Director who shall serve as the point of contact and have the authority and responsibility for resolving clinical issues and overseeing the utilization management and review program. The Contractor's medical director is also responsible for assuring that all services covered in this RFP are delivered in a timely

manner consistent with generally accepted standards of medical care with a focus towards improved outcome measures. In coordination with the TDOC Medical Director, this position is also responsible for oversight of the State's medical peer review program.

- c. Continuous Quality Improvement Coordinator. The State requires the Contractor to designate a full-time nurse who shall serve as the point of contact and have the authority and responsibility for developing and implementing the State's Continuous Quality Improvement program (SCQI). This position is also responsible for overseeing the nursing orientation and training programs. The CQI Coordinator will assist in the development of clinical guidelines, nursing protocols, and enhancing the quality of the State's clinical operations. The CQI Coordinator will work closely with the TDOC Central Office and visit all facilities frequently to survey the CQI program to assure compliance with ACA Standards and TDOC policies.
- d. Infection Control Coordinator. The State requires the Contractor to designate a full-time nurse who is responsible for tracking, monitoring, and reporting all data on infection control and diseases within all facilities. The Infection Control Coordinator shall ensure that staff is properly trained and that all federal and state regulations/ guidelines are maintained. The Coordinator shall work closely with the State's Health Departments and TDOC Central Office to enhance the control of infectious diseases within TDOC facilities.
- e. Dental Consultant. The State requires the Contractor to designate a dentist to serve as Dental Consultant or Director who shall serve as the point of contact and have the authority and responsibility of resolving dental issues. The Contractor's dental consultant is also responsible for assuring that all dental services covered in this RFP are delivered in a timely manner consistent with generally accepted standards of medical care. In coordination with the TDOC Medical Director, the Dental Consultant shall also be responsible for oversight of the dental peer review program.
- f. Facility Medical Directors. The Contractor must also designate a Medical Director at each of the facilities. This individual must serve as the point of contact, be responsible for, and have the authority to resolve issues that affect health care delivery, and must be able to devote sufficient time to perform the administrative responsibilities necessary to deliver services under this contract. Administrative functions include, but are not limited to: supervising primary care providers, mid-levels and specialty care clinics; conducting weekly status meetings with the Health Administrators and staff; providing clinical guidance in the development of policy and procedures; consulting with the clinical staff on specific case management and treatment and overall care; and participating in monthly continuous quality improvement (CQI) committee meetings.

A.13. QUALITY IMPROVEMENT. The Contractor shall comply with the State's quality improvement initiatives in accordance with TDOC policy. The Contractor shall provide the State with a plan for developing a quality improvement program which outlines the committees and reporting mechanisms which will support quality improvement initiatives.

- a. Committees. The Contractor will coordinate with the State regarding all committee meeting dates/ times/locations and the recording of meeting minutes.
 - (1) State Continuous Quality Improvement (CQI) Committee. The Contractor's Regional Medical Director shall be responsible for co-chairing the State Continuous Quality Improvement (CQI) Committee along with the State's Medical Director (or designee). Statewide quality improvement meetings are to be held bi-monthly or more frequently if necessary.
 - (2) Clinical Guidelines Committee. The Contractor shall develop and facilitate a Clinical Guidelines Committee consisting of at least two clinicians per region, the TDOC Medical Director, the Contractor's Regional Medical Director, the Quality Improvement Coordinator of the State's Mental Health Contractor, and others as designated. The purpose of this Committee is to develop, implement and oversee clinical guidelines, services, and practices to enhance quality and support continuity of care throughout the TDOC health delivery system. The Contractor shall submit clinical guidelines for the State's written approval within the first 60 days of the contract start date. Said guidelines shall be implemented within 30 days following receipt of the State's written approval.

- (3) Infectious Disease Committee. The Contractor shall assist with maintaining an Infectious Disease Committee consisting of the TDOC Medical Director, State Continuous Quality Improvement Coordinator, the Contractor's Regional Medical Director, the Infectious Disease Specialist, and others as designated. The purpose of this committee is to establish an effective infectious disease management program which will meet the needs of inmates with HIV/ AIDS, TB, MRSA, Hepatitis, and other infectious diseases. The committee will also be responsible for establishing educational and training programs which are designed to enhance the knowledge of inmates and staff and thus prevent the spread of infectious diseases. These programs are to be consistent with acceptable medical standards and the State's policy for communicable and infectious diseases.
- (4) Peer Review. Annually, the work of all physicians and dentists shall be reviewed jointly by the Contractor and appropriate TDOC staff. In an effort to assure clinical performance enhancement, the Contractor shall have a peer review program that is approved, in writing, by the State within sixty (60) days of contract execution and annually thereafter. The program must either meet or exceed the State's policy and CQI Charter for peer review. The State shall be notified of all peer review actions and the results of the peer review process shall be shared with the State's Peer Review Chairperson. The State shall review the peer review reports and approve the Contractor's plan of corrective action for peer review deficiencies.
- c. Reports. The Contractor shall be responsible for preparing minutes of all committee meetings as designated by the State. The Contractor shall also be responsible for ensuring that all necessary data and reports are completed and reported to the State within the designated timeframes in an effort to identify areas of opportunity for improvement in health care operations.

In accordance with the TDOC's policy, the Contractor shall submit a monthly CQI report to the TDOC CQI coordinator in a written or electronic form acceptable to the State, by the fifteenth (15th) day of each month.

At least annually, the Contractor shall provide the institutions with documentation that peer review has been completed for each physician, dentist and midlevel provider on staff at that institution.

A.14. MEDICAL SUPPLIES AND EQUIPMENT. The Contractor shall be responsible for the provision of all medical and dental supplies required for operations at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2. In addition, the Contractor shall provide all medical and dental non-capital equipment (a single piece of equipment costing less than \$5,000) including maintenance of existing equipment.

- a. Supplies. The Contractor shall provide all clinical, office and other supplies required for operations at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2. The exceptions shall be (1) field test kits for drug testing of new State employees, (2) DNA testing kits, and (3) medical record folders and medical record forms as specified in TDOC policies. The Contractor will be responsible for furnishing and maintaining First Aid Kits in designated areas and vehicles in accordance with TDOC policy required for operations at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2.
- b. Equipment. The Contractor is responsible for the procurement of minor equipment required for operations at CBCX, RMSI, TPW, and TCIX – Site 1, and Site 2 (excluding computer terminals) but existing State-owned equipment can continue to be used. The Contractor shall be responsible for preventive maintenance, servicing and repair of all State-owned equipment used in health services at the four comprehensive sites.

The Contractor shall conduct an equipment needs analysis and provide the State with a procurement plan for approval within the first 60 days of contract execution. This analysis should include computer terminals required for administrative purposes. Any approved computer terminals with State access will be furnished by the State.

A single piece of equipment that costs \$5,000 or more is considered capital equipment. If the Contractor deems a need for a capital equipment purchase, the Contractor will send a written request

and justification to the TDOC Director of Health Services and the Assistant Commissioner of Administrative Services. Upon approval by the State, the State shall purchase the equipment.

- c. Supplies and Equipment Inventory. Within five (5) days of service commencement, a physical inventory shall be conducted of all clinical, pharmaceutical, office, and other supplies and equipment on hand in health services facilities and intended for use by the Contractor's providers and employees. Such inventory shall be conducted jointly with each institution's Warden (or designee) and the Contractor's designee. Consumable supplies shall be valued at cost. Equipment shall be valued at the lower of cost or market, based upon physical condition, suitability for use, and other pertinent factors. The inventory value shall be agreed upon by both parties. Upon expiration or other termination of the Contract, another physical inventory shall be conducted. All remaining supplies and equipment shall be converted to the State's inventory upon termination of the contract. Each institution shall provide the State's Assistant Commissioner of Administrative Services with a copy of the inventory report on or before the seventh (7th) business day of the contract start date. The beginning and ending inventories shall be compared and any difference will result in an adjustment of the payments by the State to the Contractor.
- d. Telephones and Telephone Lines. The Contractor shall be responsible for cost and installation of any special lines required for equipment such as EKG and facsimile.

- A.15. TELEMEDICINE.** The State is currently in the process of completing installation of videoconference equipment in each of the state managed facilities. The equipment is intended to be used for a variety of purposes as well as medical applications.

The Contractor shall maximize the use of telemedicine equipment to reduce the need for off-site consultations in scenarios where doing so does not impede the level of care. This technology shall also expedite the distribution of time sensitive training programs and help reduce travel expenses associated with multi-site meetings.

The Contractor shall implement telemedicine at all sites upon receipt of written state approval and have them fully functional including completion of end-use training, within 180 days of the contract start date.

A.16. HEALTH INFORMATION MANAGEMENT.

- a. Medical Records. Maintenance of all health records shall be in compliance with TDOC policies and all patient records, including patient records created pursuant to subcontracts approved pursuant to Section A.17.a below, are the property of the State. The Contractor shall create and/or maintain a current, up-to-date health record for each TDOC inmate received and/or housed at CBCX, RMSI, TPW, or TCIX – Site 1, and Site 2. It shall be in the modified problem-oriented medical format of the TDOC. The health record shall accompany the inmate at all on-site health encounters, and shall be forwarded to the appropriate facility upon the transfer of an inmate. All specialty care consultations and diagnostic reports shall be dictated and typed for placement in the health record. Any necessary transcription services shall be the responsibility of the Contractor. The health record forms and folders shall be provided by the State.
- b. Privacy of Health Information. The Contractor's privileges of access to and use and disclosure of materials from the health record are wholly incident to the continued existence of a treatment relationship between the Contractor and the inmate. The Contractor shall comply with all applicable laws, rules, and professional standards regarding the protection of patient privacy rights.
- c. Data Management Automation. It is the intent of the State to acquire an Electronic Health Record (EHR) System and refine our data collection for analysis, trending, and tracking purposes, which shall enhance our health care delivery system. The Contractor shall be required to participate and link to our automated system. The Contractor shall provide any additional statistical data as requested by the State.

When the State converts to an electronic medical record (EMR) system, the Contractor's subcontractors such as laboratory, pharmacy, radiology, telemedicine, dialysis, etc. shall be required to link to the State's automated hardware/software. The State's Management Information System (MIS) and Office of Information Resources (OIR) divisions shall handle coordination for compatibility.

A.17. ADDITIONAL PROVISIONS.

- a. Subcontractor Agreements. In accordance with section D.5 of this contract, the TDOC requires that the Contractor establish written agreements with its subcontractor vendors, and such subcontractor agreements shall additionally specify that the State has a property right in all patient records developed in furtherance of this contract and such subcontractor agreement. The Contractor shall make every effort to complete all hospital, ancillary, and specialty contracts within 60 days of the contract start date. The Contractor is responsible for notifying the TDOC in writing of any pending contracts not finalized within 60 days and must include an estimated completion date in this notification. Within two weeks of the subcontract's effective start date a copy of the subcontracts must be provided to the Warden at the appropriate facility(s) and the TDOC Director of Health Services. Refusal to pay subcontractors for contractual services shall likely result in a claim against the Contractor's performance bond.
- b. Health Care Delivery Costs & Statistics. The Contractor must utilize a management information system which will provide necessary cost and statistical information on a statewide and institutional basis for the TDOC to monitor performance. At a minimum the Contractor must, upon request, provide detailed reports on contract costs and program statistics, including but not limited to hospital admissions by diagnosis, hospital length of stay, avoidable hospital days by root cause, ER visits, ambulance transports, pharmacy statistics, infectious disease tracking, utilization review, outpatient procedures (by type), peer review, staffing reports (month-to-date vs. year-to-date), employee compensation rates and training plans.
- c. Monthly Operating Report. Within the first 60 days of the effective start date of the contract, the Contractor shall work with the State to design a monthly reporting template which will be most useful to the State. Beginning in the third month of the contract, the Contractor shall provide a monthly narrative report delineating the status of the health care operations occurring in the prior month. At a minimum the monthly report shall include: utilization review, infectious disease and chronic disease statistics, staffing levels including shortfalls and unfilled positions, ancillary statistics, hospital/emergency services statistics, incident reports, pharmacy statistics, committee reports, and all other monthly reporting requirements delineated under the scope of services of this contract or required by TDOC policy. Said report will be due on or before the 15th business day of each month and shall identify successes and potential problems and discuss their resolutions.
- d. Annual Review. In February of each year, the Contractor shall complete and present an Annual report of utilization statistics and a narrative summary delineating accomplishments, barriers to improvement, and recommendations.
- e. Litigation Issues. The Contractor shall cooperate fully with the State in all matters of litigation arising from the Contractor's delivery of healthcare services pursuant to this contract. Accordingly, in addition to the duties specified in section A.5.m., above, the Contractor shall be required to furnish all evidence and to provide all general and expert testimony requested by the State in connection with inmate litigation. The Contractor shall notify the State whenever an agent, affiliate, independent subcontractor, or any person performing services under this contract is asked to testify or provide an opinion or evidence in any litigation involving the TDOC, its staff, or any inmate.
- f. Inmate Co-Pay. The TDOC has instituted a fee for service for inmate health care, which is payable to the State. The Contractor will comply with the reporting standards of the TDOC's Inmate Co-payment for Health Services policy.
- g. Pre-Release Planning & Transitional Services. The Contractor is responsible for assisting in the coordination of medical services for inmates' pre-release planning in accordance with the TDOC's

policy. In addition, the Contractor is responsible for issuing inmates a 30-day supply of medications upon their release. The Contractor must comply with the State's medication policies.

- A.18. CONTRACT MONITORING.** The Contractor is required to meet the performance measures listed in **Attachment A** of this contract. To evaluate and assess that all standards are being met and that the Contractor is in full compliance with the Contractor's proposal and this contractual agreement, the TDOC shall utilize the services of Contract Monitors. The Contractor's activities shall be subject to monitoring and evaluation by the State in accordance with section **D.11** of this contract. To accomplish this objective the Contractor shall cooperate fully with all monitoring activity and ensure that the Contract Monitors have full access to all clinical and corporate files including, but not limited to, personnel records, payroll records, licensure certification, employee evaluations, physician billing, hospital or other outside invoices, or any other contract entered into by the Contractor for purposes of carrying out the requirements of the contract. This method of review and reporting shall be ongoing, comprehensive, and expeditious.

The Contract Monitors shall perform, but not be limited to, the following tasks:

- a. Review of service levels, quality of care, and administrative practices as specified in the contract
- b. Meet on a weekly basis with the Contractor and TDOC officials to address contractual issues
- c. Assist in the development of contractual changes (amendments) as needed
- d. Review the Contractor's documentation to ensure compliance with contractual obligations
- e. Review of the Contractor's Personnel Work Schedules, Time Sheets, Personnel Records, and Wage Forms to ensure compliance with staffing levels and contractual obligations
- f. Review of all files, records, and reports pertinent to the provision of inmate health care
- g. Review of medical billings to determine appropriateness to contractual specifications and cost effectiveness to the TDOC
- h. Conduct site visits, interviews, and inspections as required to provide a health services program

To ensure that the quality and timely delivery of services are in compliance with the TDOC's policies and other organizational standards in the provision of health care, the Contract Monitors will operate independently of the Contractor. The Contract Monitors shall be directly accountable to the State. The Contract Monitors shall submit a monthly report of provider services and fulfillment of contractual obligations to the TDOC contact person. Based on these reports, the State may require that the Contractor take specified corrective action.

- A.19. THE TDOC'S RESPONSIBILITIES.** Services supplied by the Tennessee Department of Correction shall include:

- a. **Transportation/ Security.** The goal of the TDOC is to provide most health services on-site at the institution where the inmate is assigned and to minimize the costs and use of transportation officers and State vehicles. The TDOC will work with the Contractor as much as possible within security and program need provisions to place inmates with medical needs at institutions that can readily provide the most on-site services.
- b. **Mental Health.** Currently the TDOC contracts with a private entity for mental health services.
- c. **Internal GroupWise E-mail and Tennessee Offender Management Information System (TOMIS) Access.** To facilitate the Contractor's tracking and scheduling of inmates throughout the State's system.
- d. **Physical Plant and Furnishings at TDOC Correctional Facilities.** Furnishings in the medical areas, including linens and inmate clothing, and excluding hospital beds and mattresses.
- e. **Physical Plant Maintenance at TDOC Correctional Facilities.**

B. CONTRACT TERM:

This Contract shall be effective for the period commencing on **JANUARY 1, 2010** and ending on **DECEMBER 31, 2012**. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event shall the maximum liability of the State under this Contract exceed **ONE HUNDRED EIGHTY ONE MILLION FOUR HUNDRED FOUR THOUSAND EIGHT HUNDRED DOLLARS (\$181,404,800.00)**. The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

- C.2. **Compensation Firm.** The payment rates and the maximum liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.
- C.3. **Payment Methodology.** The Contractor shall be compensated based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1.
- a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in Section A.
 - b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the average daily population (in-house count at 10:30 p.m. plus inmates temporarily out to medical) times the number of days in the month times the blended per diem rate. As expansions to the individual facilities increase the operating capacities, the blended per diem rate will be recalculated based upon the new operating capacities subject to fully executed amendments to the contract.

Cost Item Service Description	Amount (per compensable increment)		
	Year 1 January 1 thru December 31, 2010	Year 2 January 1 thru December 31, 2011	Year 3 January 1 thru December 31, 2012
Blended Per Diem Rate Per Inmate	\$7.07	\$7.97	\$8.49

- c. The State shall reimburse the Contractor for fifty percent (50%) of the cost of all antiretroviral medications prescribed by physician or mid-level providers for the treatment of hepatitis-C (HCV) and HIV/AIDS (see Section A.4.e3). Administrative charges for processing, handling, etc. are not reimbursable. The Contractor shall submit invoice documentation, in the form and substance, acceptable to the State, prior to reimbursement.
- d. When a single hospitalization for a single inmate from the date and time of admission through the date and time of discharge exceeds fifty thousand dollars (\$50,000), the State will reimburse the Contractor in full for the cost of the hospitalization in excess of fifty thousand dollars (\$50,000). These costs do not include the four thousand dollar (\$4,000) amount described in Section A.7.d. of this contract paid by the privately managed facilities. Cost sharing shall be based on actual

costs paid by the Contractor – not “billed charges.” The Contractor is responsible for negotiating the lowest rate possible to benefit both the Contractor and the State.

- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.
- C.5. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in Section C.3, above, and as required below prior to any payment.
- a. The Contractor shall submit invoices no more often than monthly, with all necessary supporting documentation, to:
- TENNESSEE DEPARTMENT OF CORRECTION
6TH FLOOR RACHEL JACKSON BUILDING
320 6TH AVENUE NORTH
NASHVILLE, TENNESSEE 37243-0465
- b. The Contractor agrees that each invoice submitted shall clearly and accurately (all calculations must be extended and totaled correctly) detail the following required information.
- (1) Invoice/Reference Number (assigned by the Contractor);
 - (2) Invoice Date;
 - (3) Invoice Period (period to which all invoiced charges are applicable);
 - (4) Contract Number (assigned by the State to this Contract);
 - (5) Account Name: TENNESSEE DEPARTMENT OF CORRECTION / FISCAL ADMINISTRATION;
 - (6) Account/Customer Number (uniquely assigned by the Contractor to the above-referenced Account Name);
 - (7) Contractor Name;
 - (8) Contractor Federal Employer Identification Number or Social Security Number (as referenced in this Contract);
 - (9) Contractor Contact (name, phone, and/or fax for the individual to contact with billing questions);
 - (10) Contractor Remittance Address;
 - (11) Complete Itemization of Charges, which shall detail the following:
 - i. Service or Milestone Description (including name /title as applicable) of each service invoiced;
 - ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced;
 - iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced;
 - iv. Amount Due by Service; and
 - v. Total Amount Due for the invoice period.
- c. The Contractor understands and agrees that an invoice to the State under this Contract shall:
- (1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
 - (2) not include any future work but will only be submitted for completed service; and
 - (3) not include sales tax or shipping charges.
- d. The Contractor agrees that timeframe for payment (and any discounts) begins when the State is in receipt of each invoice meeting the minimum requirements above.
- e. The Contractor shall complete and sign a "Substitute W-9 Form" provided to the Contractor by the State. The taxpayer identification number contained in the Substitute W-9 submitted to the State shall agree to the Federal Employer Identification Number or Social Security Number referenced

in this Contract for the Contractor. The Contractor shall not invoice the State for services until the State has received this completed form.

- C.6. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.
- C.8. Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any Contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Automatic Deposits. The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other Contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.
- D. STANDARD TERMS AND CONDITIONS:**
- D.1. Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.
- D.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least **NINETY (90)** days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts

in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8. Prohibition of Illegal Immigrants. The requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at **Attachment ONE**, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.
 - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.
- D.9. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

- D.10. Prevailing Wage Rates. All contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*
- D.11. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.13. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.14. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.
- D.15. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.16. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.
- D.17. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.18. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.19. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.20. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.21. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

WILLIAM M. ANDERSON, DIRECTOR-CONTRACTS ADMINISTRATION
 TENNESSEE DEPARTMENT OF CORRECTION
 6TH FLOOR, RACHEL JACKSON BUILDING
 320 6TH AVENUE NORTH
 NASHVILLE, TENNESSEE 37243-0465
William.M.Anderson@tn.gov
 Telephone # 615.741.1000 X8104
 FAX # 615.741.4605

The Contractor:

VICKIE BYBEE, CHIEF OPERATING OFFICER
 CORRECTIONAL MEDICAL SERVICES, INC.
 12647 OLIVE BLVD.
 ST. LOUIS, MO 63141
vbybee@cmsstl.com
 Telephone # 800.325.4809
 FAX # 314.919.8908

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3 accepts state employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.

- E.5. Voluntary Buyout Program. The Contractor acknowledges and understands that, for a period of two years beginning August 16, 2008, restrictions are imposed on former state employees who received a State of Tennessee Voluntary Buyout Program (VBP) severance payment with regard to contracts with state agencies that participated in the VBP.
- a. The State will not contract with either a former state employee who received a VBP severance payment or an entity in which a former state employee who received a VBP severance payment or the spouse of such an individual holds a controlling financial interest.
 - b. The State may contract with an entity with which a former state employee who received a VBP severance payment is an employee or an independent contractor. Notwithstanding the foregoing, the Contractor understands and agrees that there may be unique business circumstances under which a return to work by a former state employee who received a VBP severance payment as an employee or an independent contractor of a State contractor would not be appropriate, and in such cases the State may refuse Contractor personnel. Inasmuch, it shall be the responsibility of the State to review Contractor personnel to identify any such issues.
 - c. With reference to either subsection a. or b. above, a contractor may submit a written request for a waiver of the VBP restrictions regarding a former state employee and a contract with a state agency that participated in the VBP. Any such request must be submitted to the State in the form of the *VBP Contracting Restriction Waiver Request* format available from the State and the Internet at: www.state.tn.us/finance/rds/ocr/waiver.htm. The determination on such a request shall be at the sole discretion of the head of the state agency that is a Party to this Contract, the Commissioner of Finance and Administration, and the Commissioner of Human Resources.
- E.6. Insurance. The Contractor shall carry adequate liability and other appropriate forms of insurance.
- a. The Contractor shall maintain, at minimum, the following insurance coverage:
 - (1) Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant statutory amount or one million dollars (\$1,000,000) per occurrence for employers' liability whichever is greater.
 - (2) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate.
 - (3) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence.
 - (4) Professional Malpractice Liability with a limit of not less than one million dollars (\$1,000,000) per claim and three million dollars (\$3,000,000) aggregate.
 - b. At any time State may require the Contractor to provide a valid Certificate of Insurance detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Failure to provide required evidence of insurance coverage shall be a material breach of this Contract.
- E.7. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy,

and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- E.8. Competitive Procurements. This Contract provides for reimbursement of the cost of goods, materials, supplies, equipment, or contracted services. Such procurements shall be made on a competitive basis, where practical. The Contractor shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Contract. In each instance where it is determined that use of a competitive procurement method was not practical, said documentation shall include a written justification, approved by the Commissioner of the Tennessee Department of Correction, for such decision and non-competitive procurement.
- E.9. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Contractor's temporary use under this Contract. Upon termination of this Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the residual value of the property at the time of loss.
- E.10. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:
- a. The Contract document and its attachments
 - b. All Clarifications and addenda made to the Contractor's Proposal
 - c. The Request for Proposal and its associated amendments
 - d. Technical Specifications provided to the Contractor
 - e. The Contractor's Proposal

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

- E.11. Prohibited Advertising. The Contractor shall not refer to this Contract or the Contractor's relationship with the State hereunder in commercial advertising in such a manner as to state or imply that the Contractor or the Contractor's services are endorsed. It is expressly understood and agreed that the obligations set forth in this section shall survive the termination of this Contract in perpetuity.
- E.12. Public Accountability. If the Contractor is subject to *Tennessee Code Annotated*, Title 8, Chapter 4, Part 4 or if this Contract involves the provision of services to citizens by the Contractor on behalf of the State, the Contractor agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Contractor shall display in a prominent place, located near the passageway through which the public enters in order to receive services pursuant to this Contract, a sign at least twelve inches (12") in height and eighteen inches (18") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454

- E.13. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Contractor shall prohibit smoking of tobacco products within any indoor premises in which services are provided pursuant to this Contract to individuals under the age of eighteen (18) years. The Contractor shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Contract.
- E.14. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - c. The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.

- E.15. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
 - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and

- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

- E.16. Performance Bond. The Contractor shall provide to the State a performance bond guaranteeing full and faithful performance of all undertakings and obligations under this Contract and in the amount equal to **FIVE MILLION DOLLARS (\$5,000,000.00)**. The Contractor shall submit the bond no later than the day immediately preceding the Contract start date and in the manner and form prescribed by the State (at **Attachment TWO** hereto), and the bond shall be issued through a company licensed to issue such a bond in the state of Tennessee. The performance bond shall guarantee full and faithful performance of all undertakings and obligations under this Contract for:
- a. the Contract term and all extensions thereof; or
 - b. the first, calendar year of the Contract (ending December 31st following the Contract start date) in the amount of **FIVE MILLION DOLLARS (\$5,000,000.00)** and, thereafter, a new performance bond in the amount of **FIVE MILLION DOLLARS (\$5,000,000.00)** covering each subsequent calendar year of the contract period. In which case, the Contractor shall provide such performance bonds to the State no later than each December 10th preceding the calendar year period covered beginning on January 1st of each year.

Failure to provide to the State the performance bond(s) as required herein prior to the Contract start date and, as applicable, no later than December 10th preceding each calendar year period covered beginning on January 1st of each year, shall result in contract termination. The Contractor understands that the stated amount of the performance bond required hereunder shall not be reduced during the contract period for any reason.

- E.17. Copyrights and Patents. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Contractor's performance of this Contract. In any such action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any final judgment for infringement. The Contractor further agrees it shall be liable for the reasonable fees of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State. The State shall give the Contractor written notice of any such claim or suit and full right and opportunity to conduct the Contractor's own defense thereof.
- E.18. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

E.19. Breach. A party shall be deemed to have breached the Contract if any of the following occurs:

- failure to perform in accordance with any term or provision of the Contract;
- partial performance of any term or provision of the Contract;
- any act prohibited or restricted by the Contract, or
- violation of any warranty.

For purposes of this Contract, these items shall hereinafter be referred to as a "Breach."

a. Contractor Breach— The State shall notify Contractor in writing of a Breach.

- (1) In event of a Breach by Contractor, the State shall have available the remedy of Actual Damages and any other remedy available at law or equity.
- (2) Liquidated Damages— In the event of a Breach, the State may assess Liquidated Damages. The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for a Breach by Contractor as said amounts are likely to be uncertain and not easily proven. Contractor hereby represents and covenants it has carefully reviewed the Liquidated Damages contained in above referenced, **Attachment A** and agree that said amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of Breach, and are a reasonable estimate of the damages that would occur from a Breach. It is hereby agreed between the parties that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the liquidated damage amount is in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or other section of this Contract.

The State may continue to withhold the Liquidated Damages or a portion thereof until the Contractor cures the Breach, the State exercises its option to declare a Partial Default, or the State terminates the Contract. The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other remedy available under this Contract or at law or equity; provided, however, Contractor shall receive a credit for said Liquidated Damages previously withheld except in the event of a Partial Default.

- (3) Partial Default— In the event of a Breach, the State may declare a Partial Default. In which case, the State shall provide the Contractor written notice of: (1) the date which Contractor shall terminate providing the service associated with the Breach; and (2) the date the State will begin to provide the service associated with the Breach. Notwithstanding the foregoing, the State may revise the time periods contained in the notice written to the Contractor.

In the event the State declares a Partial Default, the State may withhold, together with any other damages associated with the Breach, from the amounts due the Contractor the greater of: (1) amounts which would be paid the Contractor to provide the defaulted service; or (2) the cost to the State of providing the defaulted service, whether said service is provided by the State or a third party. To determine the amount the Contractor is being paid for any particular service, the Department shall be entitled to receive within five (5) days any requested material from Contractor. The State shall make the final and binding determination of said amount.

The State may assess Liquidated Damages against the Contractor for any failure to perform which ultimately results in a Partial Default with said Liquidated Damages to cease when said Partial Default is effective. Upon Partial Default, the Contractor shall

have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount. Contractor agrees to cooperate fully with the State in the event a Partial Default is taken.

- (4) **Contract Termination**— In the event of a Breach, the State may terminate the Contract immediately or in stages. The Contractor shall be notified of the termination in writing by the State. Said notice shall hereinafter be referred to as Termination Notice. The Termination Notice may specify either that the termination is to be effective immediately, on a date certain in the future, or that the Contractor shall cease operations under this Contract in stages. In the event of a termination, the State may withhold any amounts which may be due Contractor without waiver of any other remedy or damages available to the State at law or at equity. The Contractor shall be liable to the State for any and all damages incurred by the State and any and all expenses incurred by the State which exceed the amount the State would have paid Contractor under this Contract. Contractor agrees to cooperate with the State in the event of a Contract Termination or Partial Takeover.

- b. **State Breach**— In the event of a Breach of Contract by the State, the Contractor shall notify the State in writing within 30 days of any Breach of Contract by the State. Said notice shall contain a description of the Breach. Failure by the Contractor to provide said written notice shall operate as an absolute waiver by the Contractor of the State's Breach. In no event shall any Breach on the part of the State excuse the Contractor from full performance under this Contract. In the event of Breach by the State, the Contractor may avail itself of any remedy at law in the forum with appropriate jurisdiction; provided, however, failure by the Contractor to give the State written notice and opportunity to cure as described herein operates as a waiver of the State's Breach. Failure by the Contractor to file a claim before the appropriate forum in Tennessee with jurisdiction to hear such claim within one (1) year of the written notice of Breach shall operate as a waiver of said claim in its entirety. It is agreed by the parties this provision establishes a contractual period of limitations for any claim brought by the Contractor.

E.20. **Partial Takeover.** The State may, at its convenience and without cause, exercise a partial takeover of any service which the Contractor is obligated to perform under this Contract, including but not limited to any service which is the subject of a subcontract between Contractor and a third party, although the Contractor is not in Breach (hereinafter referred to as "Partial Takeover"). Said Partial Takeover shall not be deemed a Breach of Contract by the State. Contractor shall be given at least 30 days prior written notice of said Partial Takeover with said notice to specify the area(s) of service the State will assume and the date of said assumption. Any Partial Takeover by the State shall not alter in any way Contractor's other obligations under this Contract. The State may withhold from amounts due the Contractor the amount the Contractor would have been paid to deliver the service as determined by the State. The amounts shall be withheld effective as of the date the State assumes the service. Upon Partial Takeover, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.21. **Unencumbered Personnel.** All persons assigned by the Contractor to perform services for the State under this Contract, whether they are employees, agents, subcontractors, or principals of the Contractor, shall not be subject to any employment contract or restrictive covenant provisions which would preclude those persons for performing the same or similar services for the State after the termination of this Contract, either as a State employee, an independent contractor, or an employee, agent, subcontractor or principal of another contractor with the State. If the Contractor provides the State with the services of any person subject to a restrictive covenant or contractual provision in violation of this provision, any such restrictive covenant or contractual provision will be void and unenforceable, and the Contractor will pay the State and any person involved all of its expenses, including attorneys fees, caused by attempts to enforce such provisions.

E.22. **TOMIS Security.** The Contractor will at all times honor the security and confidentiality of the TDOC Tennessee Offender Management Information System (TOMIS) information and will not misuse, abuse,

alter, or attempt to alter the information contained within TOMIS, except as it pertains to the use and data entry requirements necessary to fulfill the Contractor's obligations under the terms of the Contract.

- E.23. Drug Free Workplace. Contractor shall at all times maintain a drug free work force program.
- E.24. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's proposal responding to RFP 32901-28010 (**Attachment 6.2**, Section B, Item B.15.) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and persons with a disability. Such reports shall be provided to the State of Tennessee Governor's Office of Business Diversity Enterprise in form and substance as required by said office.

- E.25. Subcontracting and Assignment.
The Contractor shall provide that all subcontracts may be assignable to the State at the State's sole discretion. Any subcontract shall also provide that the State shall not be responsible for any outstanding liability to the subcontractors incurred by the Contractor and that the State may terminate such subcontracts upon giving thirty days prior written notice with or without cause.

Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.

- E.26. Sovereign Immunity. The sovereign immunity of the State shall not apply to the Contractor nor any subcontractor, agent, employee, or insurer of the Contractor. Neither the Contractor nor any subcontractor, agent, employee, or insurer of the Contractor may plead the defense of sovereign immunity in any action arising out of the performance of or failure to perform any responsibility or duty under this Contract.
- E.27. Third Party Beneficiary. Neither the Contractor nor the State intends to create rights for any third party by the Contract and no third party beneficiary rights are created hereby. Third parties shall mean all persons except the State and the Contractor, including but not limited to employees of Contractor, subcontractors of Contractor and Inmates located at the Facility.
- E.28. Approvals. Any policies, procedures or other documents contained or referenced in this Contract subject to the State's approval under the terms this Contract shall remain subject to State prior written approval whenever they are revised, amended, replaced or supplemented.

IN WITNESS WHEREOF:

CORRECTIONAL MEDICAL SERVICES, INC.:



12/3/09

RICHARD H. MILES, PRESIDENT & CHIEF EXECUTIVE OFFICER

DATE

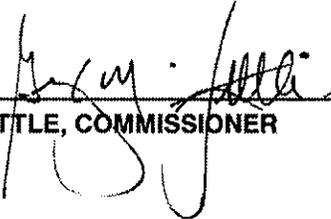
JCS
TWA

Richard H. Miles, President & Chief Executive Officer

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

Officer

DEPARTMENT OF CORRECTION:



GEORGE M. LITTLE, COMMISSIONER

3 Dec. 09
DATE

APPROVED:

M. D. GOETZ, JR., COMMISSIONER
DEPARTMENT OF FINANCE AND ADMINISTRATION

DATE

DEBORAH E. STORY, COMMISSIONER
DEPARTMENT OF HUMAN RESOURCES

DATE

JUSTIN P. WILSON, COMPTROLLER OF THE TREASURY

DATE

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	32901-28010
CONTRACTOR LEGAL ENTITY NAME:	CORRECTIONAL MEDICAL SERVICES, INC.
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	431281312

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

Vickie Bybee

CONTRACTOR SIGNATURE

JCS
TJA

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

Vickie Bybee, COO

PRINTED NAME AND TITLE OF SIGNATORY

12-3-09

DATE OF ATTESTATION

ATTACHMENT TWO

PERFORMANCE BOND

The Surety Company issuing bond shall be licensed to transact business in the State of Tennessee by the Tennessee Department of Commerce and Insurance. Bonds shall be certified and current Power-of-Attorney for the Surety's Attorney-in-Fact attached.

KNOW ALL BY THESE PRESENTS:

That we,

CORRECTIONAL MEDICAL SERVICES, INC.

(Name of Principal)

12647 Olive Boulevard, St. Louis, MO 63141

(Address of Principal)

as Principal, hereinafter called the Principal, and

WESTCHESTER FIRE INSURANCE COMPANY

(Name of Surety)

436 Walnut Street, Philadelphia, PA 19106

(Address of Surety)

as Surety, hereinafter called the Surety, do hereby acknowledge ourselves indebted and securely bound and held unto the State of Tennessee as Obligor, hereinafter called the Obligor, and in the penal sum of

\$5,000,000.00 (Five Million Dollars)

(Dollar Amount of Bond)

good and lawful money of the United States of America, for the use and benefit of those entitled thereto, for the payment of which, well and truly to be made, we bind ourselves, our heirs, our administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

BUT THE CONDITION OF THE FOREGOING OBLIGATION OR BOND IS THIS:

WHEREAS, the Obligor has engaged the Principal for a sum not to exceed

\$5,000,000.00 (Five Million Dollars)

(Contract Maximum Liability)

to complete Work detailed in the Scope of Services detailed in the State of Tennessee Request for Proposals bearing the RFP Number:

32901-28010

(RFP Number)

a copy of which said Request for Proposals and the resulting Contract are by reference hereby made a part hereof, as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, if the Principal shall fully and faithfully perform all undertakings and obligations under the Contract hereinbefore referred to and shall fully indemnify and hold harmless the Oblige from all costs and damage whatsoever which it may suffer by reason of any failure on the part of the Principal to do so, and shall fully reimburse and repay the Oblige any and all outlay and expense which it may incur in making good any such default, and shall fully pay for all of the labor, material, and Work used by the Principal and any immediate or remote sub-contractor or furnisher of material under the Principal in the performance of said Contract, in lawful money of the United States of America, as the same shall become due, then this obligation or bond shall be null and void, otherwise to remain in full force and effect.

AND for value received, it is hereby stipulated and agreed that no change, extension of time, alteration, or addition to the terms of the Contract or the Work to be performed there under or the specifications accompanying the same shall in any wise affect the obligation under this bond, and notice is hereby waived of any such change, extension of time, alteration, or addition to the terms of the Contract or the Work or the specifications.

Subject to Section 1.1 of the RFP, this bond is being issued for the first twelve (12) calendar months and therefore will cover the period of January 1, 2010 to December 31, 2010, at which time a new or re-issued performance bond will be issued for subsequent twelve (12) month periods at the surety's option.

IN WITNESS WHEREOF the Principal has hereunto affixed its signature and Surety has hereunto caused to be affixed its corporate signature and seal, by its duly authorized officers, on this

24th day of November, 2009

WITNESS:

CORRECTIONAL MEDICAL SERVICES, INC.
(Name of Principal)


(Authorized Signature of Principal)

MELVIN M. MAHONEY
(Name of Signatory)

WESTCHESTER FIRE INSURANCE COMPANY
(Name of Surety)


(Signature of Attorney-In-Fact)

Karen Daniel
(Name of Attorney-In-Fact)

VICE PRESIDENT AND TREASURER
(Title of Signatory)

See attached
(Tennessee Licence Number of Surety)

KEY PERFORMANCE INDICATORS MANUAL

**Tennessee Department of Correction
Clinical Services Division**

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INTRODUCTION

INTENT

It is the active intent of the Tennessee Department of Correction (TDOC) to monitor the Contractor's performance in a continuous and ongoing effort to ensure that all contractual requirements are being fully met in accordance with policy and standards. These expectations are based on the specific terms of the Tennessee Code Annotated, the current standards of the American Correctional Association (ACA), the RFP specifications and the current TDOC Policies and Procedures. Primary responsibility for this monitoring effort will reside with the Health Services Division of the TDOC. Monitors will conduct audits at each institution to assess the adequacy and timeliness of healthcare services. Monitors will be trained in conducting the audit. Audits will systematically assess the Contractor's performance by means of medical record reviews and direct observations of medical records, logs, manuals, critical incident reports and other appropriate sources. Observed performance will be compared with pre-established performance criteria. These criteria, along with the parameters for measuring the Contractor's degree of success in achieving them, are the subject of the attached documents.

AUDIT PROCESS

Each audit may be performed as often as necessary at each institution, shall be scheduled in advance, and may last for several days. The performance level of the individual institution may affect the frequency of the audits. The Contractor shall provide access to the Health Services Unit staff and Quality Assurance staff as required. All medical/dental/mental health records, logbooks, staffing charts, time reports, inmate grievances, and other requested documents required to assess Contractor performance shall also be made available. Such activities may be conducted in the institution's clinic but will be conducted in a manner so as not to disrupt the routine provision of inmate healthcare. When necessary, TDOC custody and/or administrative records will be utilized to establish facts or corroborate other information.

All audits are designed and performed in accordance with the following standards:

- Tennessee Statutes
- Tennessee Code Annotated (TCA)
- Tennessee Department of Correction's Policy and Procedures
- The RFP and current Health Care Contract
- American Correctional Association Standards (ACA)

General requirements applicable to all inmates will be assessed via a data review of a 5%-20% sample of the inmate's health records at an institution, selected randomly. Other requirements, relevant to a segment of the inmate population, may be monitored by a higher percentage (up to 100%) of the records of a sub-population (i.e., Special Needs or Chronic Care roster, pregnant inmates, etc.). Areas in which performance deficiencies have been found may be re-examined in the subsequent quarter or follow up period as designated by the TDOC in order to gauge progress towards satisfactory performance.

At the conclusion of an audit, the monitors will share the preliminary results with the institution's health administrator. Prior to the monitor leaving the facility, an exit interview shall be held with the health administrator, and the warden and/or designee regarding the audit results prior to the monitor leaving the facility. The Contractor shall provide all documents necessary to dispute audit results at the exit interview.

Copies of completed audits may be forwarded to the Contractor's corporate office and the TDOC's administration. The Contractor may dispute the findings via appeal to the Director of Health Services. The Contractor must specifically address each disputed finding and justification for appealing such. The TDOC will render a final decision on the appeal to the contractor within ten days of receipt.

ATTACHMENT A
KEY PERFORMANCE INDICATORS MANUAL
continued

For each element reviewed, an adjustment to compensation has been specified as liquidated damages for each non-compliant occurrence. The State shall withhold the monetary amount from the Contractor's compensation for substandard performance in the designated audit areas. The Contractor will be notified in writing and the appropriate deduction will be made in the next monthly payment following the expiration of the appeal deadline. The State may, in its sole discretion, waive an assessment of liquidated damages for a given occurrence of non-compliance, subject to Section D.12 of the Contract between the State and the Contractor.

The manual of Objective Performance Criteria outlines the Contractor's compensation areas that are subject to adjustment. Objective Performance Criteria are subject to change at the discretion of the State. The Contractor shall be given a 90-day notice to prepare for any new or changed criterion. Audits will begin effective February 1, 2010. The results of the February, March and April 2010 audits will be informational only and will not result in an adjustment to compensation. Adjustments to compensation will be effective with the audits performed beginning May 1, 2010.

SUMMARY OF LIQUIDATED DAMAGES PER OCCURRENCE

Following is a summary of the indicators and liquidated damages amounts for Objective Performance Criteria. This listing does not represent the complete description or Contractor responsibility for the stated criteria; details are provided in the Performance Criteria and Critical Indicators section of this Manual. The amounts indicated are the adjustment (deduction) to compensation amounts assessed to the Contractor as liquidated damages for substandard performance per occurrence in the audit areas.

Criteria	INDICATORS	AMOUNT
Initial Health Assessment	1. Initial health assessment within 7 days and physical examination within 14 days	\$25
Medication Administration Record (MAR)	1. MAR includes inmate identification information; MAR includes medication and dosage information; Correct use of codes/notes on MAR; All MAR's completed; no blank spaces	\$25
Annual TB Screening	1. Annual tuberculin screening of inmates 2. Annual tuberculin screening of employees	\$50 \$50
Staffing	1. Clinical vacancies filled within 14 days; 2. All other positions filled within 30 days; 3. Contractor's key management staff positions require approval of TDOC	\$50 \$25 \$300
Specialty Care/Consultations	1. Timely referrals and visits to a specialist 2. Provider review and documentation of consultant recommendations	\$50 \$50

Consideration for imposing adjustments to compensation:

- ACA ACCREDITATION-** Required for accreditation by the American Correctional Association
- TDOC POLICIES-** Required per TDOC policy and procedures
- RISK MANAGEMENT-** Required to avoid or defend the State in litigation regarding the health delivery system

CRITICAL INDICATOR
INITIAL HEALTH ASSESSMENT

Definition and Purpose of Auditing This Criterion

A new intake health screening and examination by the provider is required upon the initial admission of all inmates. The Initial Assessment shall include history and physical examination (including breast, rectal, and testicular exams as indicated by the patient's gender, age, and risk factors), review of all receiving screening documentation and lab results, and initiation of therapy and immunizations when appropriate.

Elements of the Criterion

All new admissions at any reception facility will undergo a health appraisal to include a history and physical examination as well as appropriate admission testing as designated by TDOC policy.

Indicators/Methodology/Acceptable Standard

Indicator: Initial Health Assessment is completed by provider within 7 days of admission and the physical examination shall be completed within 14 days of admission, in accordance with ACA Standards and TDOC policy and procedures.

Methodology: Review the Medical Record for completion of appropriate forms.

Acceptable Standard: Threshold 90%

Amount per omission: \$ 25

CRITICAL INDICATOR
MEDICATION ADMINISTRATION RECORD

Definition and Purpose of Auditing This Criterion:

The Contractor is responsible for ensuring that proper pharmaceutical services are provided. At comprehensive facilities, this shall include the maintenance of records as necessary to ensure adequate control of and accountability for all medications.

Elements of the Criterion:

An inmate-specific Medication Administration Record (MAR), will contain documentation of the administration and distribution of prescribed medications. Licensed healthcare staff will note and initial the medications that were administered on the (MAR). The completed MAR is a permanent part of the inmate's Medical and Dental Record and should be filed in that inmate's Health Record within (30) days of the end of the month.

Healthcare staff will complete the required demographic information each time that a MAR is initiated. This includes the Inmate Name, ID Number, Allergies to Medication(s) (using "NKA" when an inmate states having No Known Allergy), applicable month and year, and the TDOC correctional institution. Medication orders shall be transcribed by licensed healthcare staff on the MAR. A MAR will be generated each month if a medication order is still valid. The following information from the Physician's order form will be documented for each medication listed on the MAR:

1. Start Date: Date prescription was written.
2. Stop Date: Date duration of therapy will end.
3. Initials: Initials of staff member transcribing order onto the MAR.
4. Drug name, Drug dosage, Route of Administration, and Interval of frequency.
5. Hour of Administration: As ordered.

Licensed healthcare staff designated to administer medication shall date and sign their names, date and identifying initials in appropriate areas of the MAR. Licensed staff administering medications will document in the appropriate date and time blocks all medications administered, using the appropriate codes listed on the back of the MAR. The administering nurse will verify that the medication was administered to the inmate. The nurse must initial any code written on the MAR. All medications, including over-the-counter medications will be given to the inmate by licensed healthcare staff in accordance with the nursing protocol, and be documented on the back of the MAR.

When providing Keep-On-Person (KOP) medications, staff will note on the MAR and have the inmate sign for receipt of the medications and their understanding of usage. The nurse will sign and date the front of the MAR. The back of the MAR will be used to make appropriate treatment notes regarding medication side effects or testing (i.e., blood pressure, etc.).

Indicators/Methodology/Acceptable Standard

Indicators:

1. The MAR shall include the inmate's name, TDOC number, and any known allergies.
2. The MAR shall include: "Start" & "Stop" dates, drug name, dosage, route of administration, frequency, and hour of administration.

MEDICATION ADMINISTRATION RECORD cont...

3. The following codes shall be used to document medication administration. All codes are to be initialed by the RN or LPN who administers the medication. A corresponding progress note shall accompany any codes for "refusal" and "other" on the appropriate section of the MAR. All Keep-On-Person (KOP) medications on the MAR shall be signed by both the administering nurse and the inmate. Designated medication codes are as follows:
 - Nurse's initials: Medication administered to inmate
 - D/C: Discontinued order
 - R: Inmate refused medication
 - S: Self-administered dose given to inmate
 - A: Absent (No Show)
 - C: Court
 - O: Other

4. The licensed staff administering medication will document in the appropriate space for all medications administered. There shall be no blank spaces except in the case of PRN medications.

Methodology: Review the MAR

Acceptable Standard: Threshold 90%

Amount per non-compliance/ record: \$ 25

CRITICAL INDICATOR
ANNUAL TB SCREENING

Definition and Purpose of Auditing This Criterion

In accordance with TDOC Policies/Procedures and ACA Standards, the Contractor is responsible for conducting Annual TB Screenings of inmates and designated employees.

Elements of the Criterion

TB skin tests (TST) will be given annually to inmates. Inmates with a documented past positive TST will be exempt from the annual TST, but must be informed about the symptoms of TB and evaluated annually for pulmonary symptoms suggestive of TB by a nurse/physician. The annual encounter must be documented on the appropriate medical record encounter form (flow sheet). A medical staff member will counsel any inmate who refuses TB testing. This counseling will be documented on the appropriate medical record encounter form. If he/she continues to refuse, the institution's CQI/ Infectious Disease Coordinator shall be notified. A healthcare staff member will counsel the inmate. Documentation of the refusal and the notification of the TB Coordinator will be made on the TB Screening Refusal form. If he/she continues to refuse, the inmate will be referred to the TDOC's Medical Director for action.

Indicators/Methodology/Acceptable Standard

Indicators:

1. Annual tuberculin screening and testing of inmates, as determined by TDOC policies.
2. Annual tuberculin screening and testing of employees, as determined by TDOC policies.

Methodology: Review the inmate's medical record for documentation on the immunization record.
Review employee personnel record for proper documentation on immunization form.

Acceptable Standard: Threshold 100%

Amount per omission/ record: **\$ 50**

**CRITICAL INDICATOR
STAFFING**

Definition and Purpose of Auditing This Criterion:

According to TDOC Policy/Procedures and ACA standards, the Contractor shall provide adequate staffing for each facility according to the approved staffing plan.

Elements of the Criterion:

The Contractor is to utilize the State's approved minimum staffing plan for each institution. In the event of vacant positions, the Contractor is required to provide adequate coverage to meet all required services.

Indicators/Methodology/Acceptable Standard

Indicators: The Contractor shall fill all vacancies in a timely manner:

- a. Clinical vacancies shall be filled within 14 days
- b. All other positions shall be filled within 30 days
- c. Contractor's key management staff positions require prior approval of the TDOC

Methodology: Verification of compliance thru contract monitoring and proper notification to the TDOC for key management staff.

Acceptable Standard: Threshold 100%

Amount per occurrence: **\$50 per clinical position per day not filled within 14 days**
 \$25 per non-clinical position per day not filled within 30 days
 \$300 for appointing key management staff without the approval of the
 TDOC

CRITICAL INDICATOR
SPECIALTY CARE / CONSULTATIONS

Definition and Purpose of Auditing This Criterion:

As per ACA Standards and current TDOC Policy, the Contractor shall make referral arrangements with Tennessee licensed and Board Certified specialty physicians for the treatment of those inmates with health care problems that extend beyond the primary care specialty clinics provided on-site.

Elements of the Criterion:

The Contractor will arrange for specialty care as medically needed. The consultation request will be a part of the inmate's medical record. Documentation of all requests will be noted on the appropriate forms. Requests for specialty care will be maintained and tracked in a logbook at each institution, as well as in the inmate's medical record. All specialty consults will be approved or denied by the contractor within 7 working days upon receiving a request for consultation. When possible, specialty care will be delivered at the inmate's parent institution or regional facility. Generally, all initial visits to a specialist shall occur within 60 days from the date of the provider's request. Urgent specialty referrals will be completed within 14 working days. At the discretion of the State, the Contractor may request and receive written approval from the State for exceptions to these timeframes.

The primary care physician will review the consultation report and document his/her response to the consultant's findings in the inmate's medical record within 3 days.

Indicators/Methodology/Acceptable Standard

Indicator: 1. All initial visits to a specialist shall occur within the timeframe set forth above.

Methodology:

- a. Review the inmate's medical record and the consult log to determine the date on which a specialty consult was completed.
- b. Documentation of all requests will be noted on the appropriate medical record encounter form.

Acceptable Standard: Threshold 90%

Amount per occurrence: \$ 50

Indicator: 2. Regarding Specialty Care/Consultation findings/recommendations, the provider will review the consultant recommendations and document those findings in the medical record of the respective inmate.

Methodology:

- a. Review the inmates medical record for documentation of consultant's findings/recommendations
- b. Review medical record for documentation by provider within 3 days of receipt of consultation results.

Acceptable Standard: Threshold 90%

Amount per occurrence: \$50

MINIMUM STAFFING REQUIREMENTS

STAFFING PLAN FORMAT

RFP No. 32901-28010

The Proposer shall include a proposed staffing plan (position title and full-time equivalent (FTE) that will be assigned to work on-site at each designated institution. **Adequate relief time should be built into the proposed staffing plans to ensure coverage during orientation/ training, leave, and holidays.** At any time, the Contractor may request written approval from the State to adjust any facility's staffing plan as necessary to better meet the clinical operational obligations of the health delivery system. Following are the minimum FTE's and hours that the State requires to be provided at each facility:

INSTITUTION	PAGE
CHARLES B. BASS CORRECTIONAL COMPLEX (CBCX)	49
LOIS M. DeBERRY SPECIAL NEEDS FACILITY (DSNF).....	50
MORGAN COUNTY REGIONAL COMPLEX (MCCX).....	51
MARK H. LUTTRELL CORRECTIONAL CENTER (MLCC).....	52
NORTHEAST CORRECTIONAL COMPLEX (NECX)	53
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TURNEY CENTER INDUSTRIAL COMPLEX (TCIX) SITE 1 AND SITE 2	
TCIX - SITE 1 - HICKMAN COUNTY, ONLY, TN	57
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TENNESSEE PRISON FOR WOMEN (TPW).....	59
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**ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS**

**Staffing Plan Format
RFP No. 32901-28010**

Charles B. Bass Correctional Complex (CBCX)- Comprehensive Clinical Staffing

Operational Capacity: 1,099
Reception Center
Annex
3 Clinic Examination Rooms
All Custody Levels

The Proposer shall include all FTEs necessary to provide an on-site primary care physician and mid-level services, 24/7 RN coverage, dentistry, clerical/ medical records support, optometry, and all ancillary support at both the main facility as well as the annex.

CBCX	TITLE	Hours	TOTAL	TOTAL						
		Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTE
	Administrative/Misc									
	Health Administrator		8	8	8	8	8		40	1.00
	Director of Nursing		8	8	8	8	8		40	1.00
	Medical Director		10	10	10	10			40	1.00
	PA/NP		12	12	12	12	12		60	1.50
	RN CQI Coord./Chronic Care		8	8	8	8	8		40	1.00
	Administrative Assistant		8	8	8	8	8		40	1.00
	Secretary Appointment Clerk		8	8	8	8	8		40	1.00
	Records Clerks		16	16	16	16	16		80	2.00
	Dentist		8	8	8	8	8		40	1.00
	Dental Assistant		8	8	8	8	8		40	1.00
	Dental Hygienist					8	8		16	0.40
	Optometrist (8 hrs./ mo.)								2	0.05
	Days									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN Annex	8	8	8	8	8	8	8	56	1.40
	RN		8	8	8	8	8		40	1.00
	LPN	8	16	16	16	16	16	8	96	2.40
	Pharmacy Tech or LPN		8	8	8	8	8		40	1.00
	Evenings									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN (Annex)	8	8	8	8	8	8	8	56	1.40
	LPN	8	8	8	8	8	8	8	56	1.40
	Nights									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN Annex	8	8	8	8	8	8	8	56	1.40
	LPN	8	8	8	8	8	8	8	56	1.40
	TOTAL								1102	27.55

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Lois M. DeBerry Special Needs Facility (DSNF)

Operational Capacity: 736
 Extended Care Health Center
 On-site Specialty Clinics*
 Rehab Unit
 Medical Transit Unit
 Sheltered Living Unit
 4 Isolation Rooms
 All Custody Levels

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, and specialty clinics.

DSNF	TITLE	Hours	Total							
		Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTE
	Medical Director		8	8	8	8	8		40	1.00
	Physicians		24	24	24	24	24		120	3.00
	Dentist		8	8	8	8	8		40	1.00
	Dental Assistant		8	8	8	8	8		40	1.00
	Registered Dietitian		8	8	8	8	8		40	1.00
	TOTAL								280	7.00

***Specialty Clinics**

Audiometric	3 hours per month	Oral Surgeon	4 hours per month
Cardiology	5 hours per month	Orthopedics	6 hours per month
ENT	4 hours per month	Podiatry	8 hours per month
GI	3 hours per month	PT	6 hours per month
GSG	10 hours per month	PT Asst	12 hours per month
Inf. Disease	12 hours per month	Radiology	4 hours per week
Mobile CT	10 hours per month	Surgery	6 hours per month (minor procedures)
Mobile MRI	10 hours per month	Ultrasound	(2) 4 hour days per month (8 hrs.)
Nephrology	4 hours per month	Urology	4 hours per month
Oncology	4 hours per month		
Optometry	40 hours per month		

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Morgan County Correctional Complex (MCCX)

Operational Capacity: 2,417
 Reception Center
 Annex
 Boot Camp Program
 12-Bed Infirmary (Including 2 Negative Pressure Rooms)
 4 Clinic Examination Rooms; Special Procedures Room; Emergency Room
 All Custody Levels

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, optometry, and x-ray technician at the main compound and annex.

MCCX	TITLE	Hours	TOTAL	TOTAL						
		Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTE
	Medical Director		8	8	8	8	8		40	1.00
	Physician		8	8	8	8	8		40	1.00
	Dentist		16	16	16	16	16		80	2.00
	Optometrist (28 hrs./ mo.)								7	.18
	X-ray Technician		8		8	8	8		32	.80
	TOTAL								199	4.98

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Mark H. Luttrell Correctional Center (MLCC)

Operational Capacity: 436
Female Facility
Annex
2 Clinic Examination Rooms
2-Bed Infirmary

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, optometry, and gynecologist services.

MLCC Women's									TOTAL	TOTAL
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	Medical Director		8	8			8		24	0.60
	OBGYN				8	8			16	0.40
	Dentist		8	8		8			24	0.60
	Optometrist (8hrs/mo.)								2	0.05
	X-Ray Technician		8		8		8		24	.60
	TOTAL								90	2.25

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Northeast Correctional Complex (NECX)

Operational Capacity: 1,819
Annex (Carter County)
Time Building Institution
3 Clinic Examination Rooms
10-Bed Infirmary
All Custody Levels

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, and optometry.

NECX	TITLE	Hours	TOTAL	TOTAL						
		Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	<u>Administrative /Misc.</u>									
	Medical Director		8	8	8	8	8		40	1.00
	Dentist		8	8	8	8	8		40	1.00
	X-Ray Technician				5	5			10	0.25
	Optometrist (20 hrs./ mo.)								5	0.13
	TOTAL								95	2.38

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Northwest Correctional Complex (NWCX)

Operational Capacity: 2,377
 2 Sites
 3 Clinic Examination Rooms
 8-Bed Infirmary
 All Custody Levels

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, and optometry.

NWCX		Hours	TOTAL	TOTAL						
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	<u>Administrative /Misc</u>									
	Medical Director		8	8	8	8	8		40	1.00
	Dentist		16	16	16	16	16		80	2.00
	X-Ray Technician			5		5			10	0.25
	Optometrist (20 hrs. / mo.)								5	0.125
	TOTAL								135	3.375

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Riverbend Maximum Security Institution (RMSI)- Comprehensive Clinical Staffing

Operational Capacity: 714
2 Clinic Examination Rooms
12-Bed Infirmery
MAXIMUM Custody Level

RMSI		Hours	TOTAL	TOTAL						
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTE
	<u>Administrative/Misc</u>									
	Health Administrator		8	8	8	8	8		40	1.00
	Director of Nursing		8	8	8	8	8		40	1.00
	Medical Director		8	8	8	8	8		40	1.00
	Physician								0	0.00
	PA/NP		8	8	8	8	8		40	1.00
	Administrative Assistant		8	8	8	8	8		40	1.00
	Records Clerks		16	16	16	16	16		80	2.00
	Dentist		8	8	8	8	8		40	1.00
	Dental Assistant		8	8	8	8	8		40	1.00
	X-ray Technician		4		4		4		12	0.30
	Optometrist (8 hrs./mo.)								2	0.05
	<u>Days</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN Infirmery	16	16	16	16	16	16	16	112	2.80
	RN Infectious Disease/Chronic Care		8	8	8	8	8		40	1.00
	LPN	16	16	16	16	16	16	16	112	2.80
	Pharmacy Tech or LPN		8	8	8	8	8		40	1.00
	<u>Evenings</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN	8	8	8	8	8	8	8	56	1.40
	LPN	16	16	16	16	16	16	16	112	2.80
	<u>Nights</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	LPN	8	8	8	8	8	8	8	56	1.40
	TOTAL								1,070	26.75

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Southeastern Tennessee State Regional Correctional Facility (STSRCF)

Operational Capacity: 971
Time Building Institution
3 Clinic Examination Rooms
Medium Security Custody Level

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, and optometry.

STSRCF		Hours	TOTAL	TOTAL						
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	Medical Director		8			8			16	0.40
	Dentist		8		8		8		24	0.60
	Optometrist (8 hrs. /mo)								2	0.05
	TOTAL								42	1.05

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Turney Center Industrial Complex (TCIX) Site 1, and Site 2- Comprehensive Clinical Staffing

Operational Capacity: 1,541
 Time Building Institution
 1 On-Site Annex; 1 Off-Site Annex (TCIX- Site 2)
 2 Clinic Examination Rooms
 2-Bed Infirmary
 Medium Custody Levels

The Proposer shall include all FTEs necessary to provide an on-site primary care physician and mid-level services, 24/7 RN coverage, dentistry, clerical/ medical records support optometry, and all ancillary support at both the main facility as well as the annex.

TCIX – SITE 1 LOCATED IN HICKMAN COUNTY, ONLY, TN		Hours	TOTAL	TOTAL						
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	<u>Administrative/Misc</u>									
	Health Administrator		8	8	8	8	8		40	1.00
	Director of Nursing		8	8	8	8	8		40	1.00
	Medical Director		8	8	8	8	8		40	1.00
	PA/NP		8	8	8	8	8		40	1.00
	Administrative Assistant		8	8	8	8	8		40	1.00
	Records Clerks (days & evenings)		24	24	24	24	24		120	3.00
	Dentist		8	8	8	8	8		40	1.00
	Dental Assistant		8	8	8	8	8		40	1.00
	X-ray Technician		8		8		4		20	0.50
	Optometrist (16 hrs./ mo.)								4	0.10
	<u>Days</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN Infirmary & Sick Call	8	8	8	8	8	8	8	56	1.40
	RN CQI / Infectious Disease Coordinator		8	8	8	8	8		40	1.00
	LPN	8	24	24	24	24	24	8	136	3.40
	Pharmacy Tech or LPN		8	8	8	8	8		40	1.00
	<u>Evenings</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	LPN	8	16	16	16	16	16	8	96	2.40
	<u>Nights</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	LPN	8	8	8	8	8	8	8	56	1.40
	TOTAL- Site 1								1016	25.40

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Turney Center Industrial Complex cont... Site 2- Comprehensive Clinical Staffing

Operational Capacity: 450
1 Clinic Examination Room

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, and optometry. The TCIX Health Administrator is responsible for oversight of operations at both Site 1 and Site 2.

TCIX – SITE 2 LOCATED IN WAYNE COUNTY, CLIFTON, TN		Hours	TOTAL	TOTAL						
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	<u>Administrative/ Misc.</u>									
	Nurse Administrator		8	8	8	8	8		40	1.00
	Physician		8		8	8			24	0.60
	Dentist		8		8		8		24	0.60
	Dental Assistant		8		8		8		24	0.60
	Optometrist (8 hrs./mo.)								2	0.05
	CQI/ Infection Control Coord.		8	8	8	8	8		40	1.00
	Records Clerk		8	8	8	8	8		40	1.00
	<u>Days</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN		8	8	8				24	.6
	LPN	8	8	8	8	8	8	8	56	1.40
	LPN		8	8	8				24	.6
	<u>Evenings</u>									
	LPN Charge	8	8	8	8	8	8	8	56	1.40
	LPN	8	8	8			8	8	40	1.00
	TOTAL- Site 2								450	11.25
	GRAND TOTAL- Site 1 & 2								1466	36.65

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

Tennessee Prison for Women (TPW)- Comprehensive Clinical Staffing

Operational Capacity: 744
Annex
10-Bed Infirmary
Female Specialty Clinics

Reception Center
3 Clinic Examination Rooms
2 Negative Pressure Rooms
All Custody Levels

The Proposer shall include all FTEs necessary to provide an on-site primary care physician and mid-level services, 24/7 RN coverage, dentistry, clerical/ medical records support, optometry, and all ancillary support at both the main facility as well as the annex.

TPW		Hours	TOTAL	TOTAL						
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	<u>Administrative/Misc</u>									
	Health Administrator		8	8	8	8	8		40	1.00
	Director of Nursing		8	8	8	8	8		40	1.00
	Medical Director		8	8	8	8	8		40	1.00
	OB/GYN Physician		8		8		8		24	0.60
	PA/NP		16	16	16	16	16		80	2.00
	RN CQI Coordinator		8	8	8	8	8		40	1.00
	RN Chronic Care Infectious Disease Coordinator		8	8	8	8	8		40	1.00
	Administrative Assistant		8	8	8	8	8		40	1.00
	Records Clerks		16	16	16	16	16		80	2.00
	Dentist		8	8	8	8	8		40	1.00
	Dental Assistant		8	8	8	8	8		40	1.00
	X-Ray Technician (48 hrs./ mo)								12	0.30
	Optometrist (16 hrs./ mo.)								4	0.10
	<u>Days</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN Infirmary & Sick Call	8	8	8	8	8	8	8	56	1.40
	RN		8	8	8	8	8		40	1.00
	LPN	8	24	24	24	24	24	8	136	3.40
	CNA/ CNT	8	8	8	8	8	8	8	56	1.40
	Pharmacy Tech or LPN		8	8	8	8	8		40	1.00
	<u>Evenings</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	RN Infirmary	8	8	8	8	8	8	8	56	1.40
	LPN	16	16	16	16	16	16	16	112	2.80
	CNA/ CNT	8	8	8	8	8	8	8	56	1.40
	<u>Nights</u>									
	RN Charge	8	8	8	8	8	8	8	56	1.40
	LPN	8	8	8	8	8	8	8	56	1.40
	CNA/ CNT	8	8	8	8	8	8	8	56	1.40
	TOTAL								1,352	33.80

ATTACHMENT B
MINIMUM STAFFING REQUIREMENTS (continued)

West Tennessee State Penitentiary (WTSP)

Operational Capacity: 2,505
 Reception Center
 3 Sites
 Time Building Institution
 6 Clinic Examination Rooms
 20-Bed Infirmary

The Proposer shall include all FTEs necessary to provide an on-site primary care physician, dentistry services, and optometry.

WTSP		Hours	TOTAL	TOTAL						
	TITLE	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Hours	FTEs
	<u>Administrative /Misc</u>									
	Medical Director		8	8	8	8	8		40	1.00
	Physician		8	8	8	8	8		40	1.00
	Dentist		16	16	16	16	16		80	2.00
	Optometrist (32 hrs. / mo.)								8	0.20
	X-Ray Technician		4	4	4	4	4		20	0.50
	TOTAL								188	4.70

FA CONTRACT INFORMATION SUPPLEMENT

FOR ALL FA-TYPE CONTRACTS — COMPLETE EITHER SECTION A OR SECTION B

Contract RFS #	32901-28010
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Contractor:	CORRECTIONAL MEDICAL SERVICES, INC.
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SECTION A— CONTRACTOR IS AN INDIVIDUAL	SECTION B— CONTRACTOR IS A COMPANY <i>(e.g., sole proprietorship, partnership, or corporation)</i>
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<p>Is or has the contractor been a state employee?</p> <p><input type="checkbox"/> NO <i>(no additional information required)</i></p> <p><input type="checkbox"/> YES</p>	<p>Does an individual, who is or has been a state employee, own controlling interest in (or own) the contractor company?</p> <p><input checked="" type="checkbox"/> NO <i>(no additional information required)</i></p> <p><input type="checkbox"/> YES</p>
--	---

<p>Was such employment within the past six months?</p> <p><input type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <i>(an approved rule exception permitting a contract within six months of employment is also required)</i></p>	<p>Was such employment within the past six months?</p> <p><input type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <i>(an approved rule exception permitting a contract within six months of employment is also required)</i></p>
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<p>Does the contractor receive Tennessee Consolidated Retirement System (TCRS) retirement benefits?</p> <p><input type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <i>(the procuring agency general counsel MUST sign an analysis of this procurement using the TCRS analysis guidelines)</i></p>	<p>Does the individual who owns controlling interest in the contractor company receive Tennessee Consolidated Retirement System (TCRS) retirement benefits?</p> <p><input type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <i>(the procuring agency general counsel MUST sign an analysis of this procurement using the TCRS analysis guidelines)</i></p>
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CONTRACTOR SIGNATURE

	12-3-09 JCS TJA
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CONTRACTOR	DATE
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2012

SUMMARY OF LIQUIDATED DAMAGES

ATTACHMENT A

FACILITY NAME	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL YEAR TO DATE	% of Total
CBCCX		\$ 100.00						\$ -					\$ 100.00	3%
DSNF		\$ 250.00		\$ 300.00				\$ -					\$ 550.00	15%
MCCX	\$ 250.00						\$ 50.00	\$ -					\$ 300.00	8%
MLCC	\$ 50.00							\$ -					\$ 50.00	1%
NECX								\$ -					\$ -	0%
NWCX			\$ 150.00					\$ -					\$ 150.00	4%
RMSI		\$ 275.00						\$ -					\$ 275.00	8%
STRS								\$ -					\$ -	0%
TCIX				\$ 800.00	\$ 800.00			\$ -					\$ 1,600.00	45%
TPFW		\$ 125.00		\$ 400.00				\$ -					\$ 525.00	15%
WTSP								\$ -					\$ -	0%
MONTHLY TOTAL	\$ 300.00	\$ 750.00	\$ 150.00	\$ 1,500.00	\$ 800.00	\$ -	\$ 50.00	\$ -	\$ 3,550.00	100%				

Category	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL YEAR TO DATE	% of Total
Staffing	\$ -			\$ 1,200.00	\$ 800.00			\$ -					\$ 2,000.00	56%
Annual TB Screening								\$ -					\$ -	0%
Medication								\$ -					\$ -	0%
Administration Record (MAR)		\$ 400.00						\$ -					\$ 400.00	11%
Initial Health Assessment								\$ -					\$ -	0%
Specialty Care/Consultations	\$ 300.00	\$ 350.00	\$ 150.00	\$ 300.00			\$ 50.00	\$ -					\$ 1,150.00	32%
MONTHLY TOTAL	\$ 300.00	\$ 750.00	\$ 150.00	\$ 1,500.00	\$ 800.00	\$ -	\$ 50.00	\$ -	\$ 3,550.00	100%				

2011

FACILITY NAME	TOTAL YEAR													
	January	February	March	April	May	June	July	August	September	October	November	December	TO DATE	% of Total
CBCC	\$ 100	\$ 350						\$ 150					\$ 600	3%
DSNF	\$ 1,100						\$ 500	\$ 1,150					\$ 2,750	15%
MCCX	\$ 200	\$ 100			\$ 300				\$ 150	\$ 1,150	\$ 950	\$ 1,150	\$ 4,000	22%
MILCC													\$ -	0%
NECX					\$ 200								\$ 200	1%
NWXC					\$ 850				\$ 150				\$ 1,000	5%
RMSI				\$	\$ 350	\$ 650				\$ 150			\$ 1,150	6%
STRS	\$ 100				\$ 250								\$ 400	2%
TCIX	\$ 1,150	\$ 950							\$ 50				\$ 2,100	12%
TPFW	\$ 1,150				\$ 975	\$ 725				\$ 150			\$ 3,000	16%
WTSP			\$ 400	\$ 400	\$ 900			\$ 600			\$ 750		\$ 3,000	16%
MONTHLY TOTAL	\$ 3,800	\$ 1,400	\$ 400	\$ 400	\$ 4,125	\$ 725	\$ 500	\$ 1,900	\$ 350	\$ 1,450	\$ 1,700	\$ 1,150	\$ 18,200	100%

Category	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	% of Total
Staffing	\$ 3,400	\$ 950						\$ 1,150					\$ 9,350	51%
Annual TB Screening					\$ 150								\$ 150	1%
Medication														
Administration								\$ 325		\$ 425			\$ 1,150	6%
Record (MAR)														
Initial Health								\$ 250		\$ 75			\$ 550	3%
Assessment														
Specialty														
Care/Consultation	\$ 400	\$ 450	\$ 400	\$ 400	\$ 3,400	\$ 400	\$ 500	\$ 250	\$ 350		\$ 150		\$ 7,000	38%
MONTHLY TOTAL	\$ 3,800	\$ 1,400	\$ 400	\$ 400	\$ 4,125	\$ 725	\$ 500	\$ 1,900	\$ 350	\$ 1,450	\$ 1,700	\$ 1,150	\$ 18,200	100%

FACILITY NAME	TOTAL YEAR													
	January	February	March	April	May	June	July	August	September	October	November	December	TO DATE	% of Total
CBCC	Start-up	Start-up	Start-up	Start-up		\$ 150.00	\$ 100.00						\$ 250.00	2%
DSNF	Start-up	Start-up	Start-up	Start-up						\$ 350.00			\$ 1,100.00	10%
MCCX	Start-up	Start-up	Start-up	Start-up		\$ 100.00	\$ 100.00	\$ 450.00					\$ 1,450.00	10%
MILCC	Start-up	Start-up	Start-up	Start-up		\$ 300.00	\$ 300.00	\$ 200.00	\$ 100.00				\$ 900.00	6%
NECX	Start-up	Start-up	Start-up	Start-up		\$ 1,000.00	\$ 850.00	\$ 250.00	\$ 200.00	\$ 250.00			\$ 2,550.00	18%
NWCX	Start-up	Start-up	Start-up	Start-up		\$ 150.00	\$ 200.00	\$ 400.00	\$ 1,000.00				\$ 1,250.00	9%
RMSI	Start-up	Start-up	Start-up	Start-up		\$ 200.00	\$ 100.00	\$ 1,050.00					\$ 2,250.00	16%
STRS	Start-up	Start-up	Start-up	Start-up		\$ 200.00	\$ 250.00	\$ 50.00					\$ 450.00	3%
TCIX	Start-up	Start-up	Start-up	Start-up		\$ 50.00							\$ 400.00	3%
TCIX annex	Start-up	Start-up	Start-up	Start-up			\$ 750.00						\$ 750.00	0%
TPPW	Start-up	Start-up	Start-up	Start-up		\$ 250.00	\$ 150.00		\$ 650.00	\$ 150.00			\$ 700.00	16%
WTSP	Start-up	Start-up	Start-up	Start-up		\$ 150.00				\$ 50.00			\$ 1,150.00	8%
MONTHLY TOTAL	N/A	N/A	N/A	N/A	\$ 1,400.00	\$ 1,900.00	\$ 1,550.00	\$ 2,250.00	\$ 2,400.00	\$ 1,250.00	\$ 600.00	\$ 3,000.00	\$ 14,350.00	100%
Staffing	Start-up	Start-up	Start-up	Start-up	\$ 1,000.00	\$ 850.00	\$ 750.00	\$ 1,050.00	\$ 1,000.00				\$ 2,600.00	51%
Annual TB Screenin	Start-up	Start-up	Start-up	Start-up		\$ 100.00		\$ 50.00					\$ 150.00	1%
Medication														
Administration														
Record (MAR)	Start-up	Start-up	Start-up	Start-up									\$ -	0%
Initial Health														
Assessment	Start-up	Start-up	Start-up	Start-up									\$ -	0%
Specialty														
Care/Consultation	Start-up	Start-up	Start-up	Start-up	\$ 400.00	\$ 950.00	\$ 800.00	\$ 1,150.00	\$ 1,400.00	\$ 1,250.00	\$ 600.00	\$ 400.00	\$ 6,950.00	48%
MONTHLY TOTAL	N/A	N/A	N/A	N/A	\$ 1,400.00	\$ 1,900.00	\$ 1,550.00	\$ 2,250.00	\$ 2,400.00	\$ 1,250.00	\$ 600.00	\$ 3,000.00	\$ 14,350.00	100%