

AGENDA SHEET

SUBMITTING DEPARTMENT: *Spokane County Detention Services*

CONTACT PERSON: Arlington Richards

PHONE NUMBER: (509)477-1505

CHECK TYPE OF MEETING ITEM BELOW:

9:00 AM CEO MEETING: ☐

2:00 PM CONSENT AGENDA: ☐
BY LEAVE: ☐

5:30 PM LEGISLATIVE SESSION: ☐
BY LEAVE: ☐

SPECIAL SESSION: ☐

BELOW FOR CLERK'S USE ONLY:

Clerk's Resolution No. _____
Approved: Majority/Unanimous _____
Denied: Majority/Unanimous _____
Renews/Amends No. _____
Public Works No. _____
Purchasing Dept. No. _____

AGENDA TITLE: In the matter of authorizing Spokane County, through the Spokane County Detention Services,

BACKGROUND:

FISCAL IMPACT:

REQUESTED BOARD ACTION:

Approval

SIGNATURES: *(Signatures must be completed before submitting to the Clerk of the Board).*

1) Legal Department

2) Auditor's Office

3) Budget Office

4) Department Head/Elected Official or
Designated Authority (Requesting Agenda Item)

5) Central Services

Other

☐ *This item will need to be codified in the Spokane County Code.*

NO. _____

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF EXECUTING A SERVICE
CONTRACT BETWEEN SPOKANE COUNTY)
DETENTION SERVICES AND NAPHCARE) **RESOLUTION**

WHEREAS, pursuant to the provisions of RCW 36.32.120(6), the Board of County Commissioners of Spokane County has the care of County property and the management of County funds and business; and

WHEREAS, Spokane County Detention Services is in need of contract medical services; and

WHEREAS, Spokane County Detention Services desires to enter into an Agreement with Naphcare, who will provide contract medical services; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Spokane County, that either the Chairman of the Board, or a majority of the Board, be and is hereby authorized to execute a contract for medical services at Detention Services pursuant to which, under certain terms and conditions, Details of such services and costs are further described in the contract and all attachments, attached hereto and incorporated herein.

PASSED AND ADOPTED this day of , 2016

BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

ATTEST:

SHELLY O'QUINN, CHAIR

AL FRENCH, VICE-CHAIR

Ginna Vasquez
 Clerk of the Board

NANCY MCLAUGHLIN, COMMISSIONER

HEALTH SERVICES AGREEMENT

THIS AGREEMENT by and between Spokane County Detention Services of the State of Washington (hereinafter referred to as the "County") and NaphCare, Inc., an Alabama corporation, (hereinafter referred to as "NaphCare"), is entered into and effective as of the 7th day of May, 2016 and shall continue for a period of six months.

WHEREAS, the County owns and operates the Spokane County Jail located at 1100 W. Mallon Avenue, Spokane, WA 99260 and the Geiger Corrections Center located at 3507 S. Spotted Road, Spokane, WA 99260 (hereinafter collectively referred to as "Facility"); and

WHEREAS, the County has the obligation to provide for the health, safety, and welfare of all inmates incarcerated at the Facility; and

WHEREAS, the objective of the County is to provide for the delivery of quality health care to all inmates at the Facility in accordance with applicable law; and

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

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

ARTICLE 1: HEALTH CARE SERVICES

1.1 General Engagement. The County hereby engages NaphCare to provide and to arrange to provide for the delivery of medical care, mental health care and dental care to individuals under the custody and control of the County and sentenced to or incarcerated at the Facility ("Inmates"), and NaphCare hereby accepts such engagement according to the terms and provisions hereof. In the provision of such services, NaphCare agrees to meet or exceed all constitutional standards of health care, as well as meet the recognized standard of care for the provision of health care by qualified health care professionals in Washington State, and in addition meet the Standards of the National Commission on Correctional Health Care.

1.2 Scope of General Services. NaphCare will provide on a regular basis professional medical, mental health, dental and related health care and administrative services for the Inmates, including a program for preliminary screening of Inmates upon arrival at the Facility, a comprehensive health evaluation of each Inmate following admission to the Facility, regularly scheduled sick call, nursing coverage, regular physician visits on site, infirmary care, hospitalization, medical specialty services, emergency medical care, medical records management, pharmacy services, health education and training services, a quality assurance program, administrative support services, and other services, all as more specifically described hereinafter and in the Scope of Work (Exhibit A) and NaphCare's Proposal (Exhibit B).

1.3 NaphCare shall provide the services specified herein, which shall constitute reasonable health care services in accordance with the standards and/or requirements promulgated by (i) the National Commission on Correctional Health Care relating to health services in jails (hereinafter referred to as the "NCCHC"); (ii) the American Correctional Association relating to health

services (hereinafter referred to as the "ACA"), and any other applicable state and federal statutes, and case law, including any other applicable Order of a Court.

1.4 Specialty Services. NaphCare will provide specialty services (e.g. radiology services, laboratory services, etc.) on site to the extent clinically possible. To the extent specialty care is required and cannot be rendered on site, NaphCare will make appropriate off-site arrangements for the rendering of such care. The costs of such off-site specialty services shall be the responsibility of NaphCare, subject to the limits on NaphCare's financial responsibility as described in Section 1.9 of this Agreement. In the event that NaphCare utilizes Facility's current service contracts, NaphCare will reimburse the Facility within 30 days of receiving the invoice.

1.5 Emergency Services. NaphCare will be responsible to provide off-site emergency medical care to Inmates, to the extent required, through arrangements to be determined with local hospitals. NaphCare will provide for ambulance services for emergency circumstances involving Inmates, subject to the limits on NaphCare's financial responsibility as described in section 1.9 of this Agreement. Routine transfers will be the responsibility of the County in regards to off-site non-emergency medical treatment. NaphCare will provide emergency medical response to Inmates, visitors and Facility staff as necessary and appropriate on site.

1.6 Hospitalization Services. NaphCare will arrange for the admission of any Inmate, who in the opinion of the treating physician requires hospitalization and NaphCare will bear the costs of such Inpatient hospitalization, subject to the limits on NaphCare's financial responsibility as described in Section 1.9 of this Agreement.

1.7 Incorporation of NaphCare Proposal. Except as otherwise agreed herein, the health services to be provided by NaphCare under the terms of this Agreement shall be those described in the Scope of Work (Exhibit A) and submitted in their Proposal (Exhibit B); and said Scope of Work (Exhibit A) and Proposal (Exhibit B) shall become a part of this Agreement.

1.8 NaphCare Staffing. NaphCare shall provide daily staffing at the Facility in accordance with the staffing matrix included in Exhibit B.

1.9 Individual Inmate Cap. NaphCare will be responsible for all off-site charges, which shall include inpatient and outpatient hospitalization (medical, surgical, dental and mental health), emergency room visits, ambulance services (including ground and air), specialty consults, physician fees, off-site dental fees, off-site treatment and diagnostics, including dialysis, contracted laboratory and radiology services, outpatient procedures and surgeries, physical and occupational therapy, ancillary hospital services, follow-up physician services, per inmate fees paid to medical specialists (not site physicians included in staffing plan set forth in Exhibit B) for clinic services, long term off-site facility care, specialty medical items ordered for an inmate from a third-party, and all other off-site fees, including dialysis, for healthcare services rendered to an inmate, up to \$15,000.00 per inmate, per incident (as further defined herein below). Any diagnostic tests (i.e., laboratory, radiology, etc.) performed inside the Facility will not be factored into the Individual Inmate Cap. NaphCare will be responsible for billing other Federal, State or insurance agencies and the Facility will be the payer of last resort.

The following definitions shall be applicable to the Individual Inmate Cap:

“Incident” shall mean a single medical illness, condition, injury or disease for a single inmate that may or may not manifest itself or cause many seemingly unrelated symptoms, but where the medical cause of such symptoms is medically diagnosed as that single medical illness, condition, injury or disease that is duly recognized by current medical standards. The frequency of treatment of a condition or symptom shall have no bearing on whether such condition or symptom is caused by incident.

“Single Incident Total” shall mean the aggregate of all third-party medical fees for incidents that take place during the applicable contract term.

“Single Incident Total Documents” shall mean all invoices, bills and other documents that evidence a Single Incident Total that exceeds the Individual Inmate Cap of \$15,000.00.

NaphCare will pay provider and Facility claims for services rendered, regardless of whether they are above or below the Individual Inmate Cap, and will bill the County for any Single Incident Total exceeding \$15,000.00. Any such bill must be submitted by NaphCare to the County within six (6) months from the date that NaphCare receives the bill from the third party provider. The County shall not be responsible for paying or reimbursing NaphCare for any bills submitted after this six (6) months period of time. The County shall pay NaphCare within forty five (45) days of receipt of invoice.

1.10 Pharmaceutical Services. NaphCare shall be responsible for providing all prescription and non-prescription medications as well as intravenous solutions that are currently FDA approved in accordance with all local, state, and federal rules, regulations, laws and listed within NaphCare’s current formulary. In addition, NaphCare agrees to follow the Washington State Department of Corrections approved formulary for State inmates. Regular prescriptions will be provided within twenty-four (24) hours of the original physician's order. NaphCare will keep a supply of critical medications on site to treat conditions such as cardiac disease, hypertension, seizure disorders, as well as antibiotics for infection.

1.11 Exceptions to Treatment. In addition to other provisions excluded pursuant to this Agreement, NaphCare will not be responsible for any medical testing or obtaining samples which are forensic in nature, except as required by local, state, or federal statute or regulation or by Court Order. Revisions of applicable statute or regulation pertaining to medical testing or obtaining samples, which are forensic in nature, which occur during the term of this Agreement, will be considered a further obligation of NaphCare; however, if such revisions result in increased cost to NaphCare, the parties agree to discuss same and reimbursement to NaphCare. NaphCare will not be responsible for costs associated with the transportation of inmates for off-site non-emergency health care treatment. NaphCare will not be financially responsible for costs associated with transplants and/or experimental procedures, unless ordered or prescribed by NaphCare. NaphCare will not be financially responsible for any costs incurred for inmates who are bedside booked at a hospital or other institution, inmates detained in another county’s facility and requiring medical care, inmates who are not part of the Average Daily Population, and/or

inmates released from County's custody. NaphCare will not be responsible for the provision of elective medical care to inmates, unless ordered or prescribed by NaphCare. Elective medical care shall be defined as care in which NaphCare credentialed medical personnel determine is not medically necessary for a particular inmate. NaphCare will not be responsible, financially or otherwise, for providing health care services to an infant following birth. NaphCare shall not be responsible for arranging or providing an abortion to any inmate. Unless prescribed or ordered by NaphCare, NaphCare will not be responsible for the costs of Hepatitis C prescription drugs recently approved by the Food and Drug Administration (which may include, but shall not be limited to the following: Harvoni, Sovaldi, Ledipasvir and/or Sofosbuvir, or other new or generic medications related to the treatment of Hepatitis C). However, NaphCare will be responsible for costs associated with providing traditional Hepatitis C medications, such as, but not limited to, Interferon.

1.12 Change in Standard of Care or Scope of Services. The price in Article 7, below, reflects the scope of services as finally agreed upon by the parties to this Agreement. Should any new treatments, community standards of care, drug classes or diagnostic tests be mandated by community health care standards, or should County request a change in the scope of services, and NaphCare's complying with these changes results in an increase in cost to NaphCare, coverage of costs related to such changes are not covered in this Agreement and the parties agree to negotiate the price of any increased cost. Prior to such negotiation, NaphCare agrees to provide the County information sufficient to evaluate the scope and necessity of and any increase in cost.

ARTICLE 2: PERSONNEL

2.1 Incorporation of NaphCare Proposal. NaphCare will provide medical, mental health, dental, technical and support personnel as necessary for the rendering of health care services to inmates as contemplated herein. The health care staff will be at levels consistent with those identified in Exhibit B to this Agreement. In the event NaphCare assumes and/or additional nursing staff members are necessary (to include positions to be filled as a result of an extended leave of absence, FMLA, workers' compensation or other event to include any temporary or extended Union Member vacancies) and added to NaphCare's staffing matrix during the term(s) of this Agreement, NaphCare shall be reimbursed by County for the hourly rate as follows for the applicable position(s):

NaphCare Pricing	Hourly
RN	\$ 64.31
LPN	\$ 47.56

2.2 Provision of Personnel. NaphCare shall provide medical, dental, mental health, nursing, technical and support personnel as necessary for the rendering of health care services to inmates at the Facility as described in NaphCare's Proposal attached hereto as Exhibit B, staffing summary included in Exhibit B and as required by this Agreement.

- A. This staffing pattern as described in Exhibit B shall be required under this Agreement. Should the County add new locations or services to those covered under this Agreement which result in staffing cost increases to NaphCare, the parties agree to negotiate the

price of any increased cost. Prior to such negotiation, NaphCare agrees to provide the County information sufficient to evaluate the scope and necessity of and any increase in cost.

- B. NaphCare agrees to use and the County shall retain the current Local 1553S and 492N health care personnel working at the Facility to maintain continuity and consistency of the services required by this Agreement.
- C. NaphCare shall not be financially responsible for members of Local Unions 1553S and/or 492-N of Washington State Council of County and City Employees, AFSCME, AFL – CIO, or any other union.

2.3 Licensure, Certification and Registration of Personnel. NaphCare ensures that all personnel provided or made available by NaphCare to render services hereunder shall be licensed, certified or registered, as appropriate, in their respective areas of expertise as required by applicable law. All licenses, certificates or registrations shall be in good standing. If requested by the County, NaphCare shall provide to the appropriate, designated officer or department a copy of the license, certificate or registration of personnel employed by NaphCare.

2.4 County's Satisfaction with HealthCare Personnel. If County should become dissatisfied with any health care personnel provided by NaphCare, County will give written notice to NaphCare of its reasons for dissatisfaction, except as noted in Article 2.4(A), below. NaphCare agrees to cooperate with the County and respond to inquiries or complaints about its personnel, including lack thereof, or contractors in a timely manner, should the County have security or other concerns about NaphCare's employee's and/or contractors' fitness or ability to perform at the Facility. NaphCare will exercise its best efforts to resolve the problem or other concerns, including lack of personnel. And, if the problem involving fitness or ability is not resolved, NaphCare will remove the individual according to NaphCare's personnel policy or independent contractor agreement.

- A. All NaphCare personnel, subcontractors, and agents shall meet minimum standards as determined by the County prior to receiving a security clearance to enter the Facility. If, at any time during the course of their employment or contract engagement, any NaphCare employee or subcontractor engages in conduct (either on or off duty) which threatens the security of the Facility or would otherwise render that person ineligible for a security clearance, notwithstanding any other provision of this Agreement, County reserves the right to withdraw that person's security clearance and shall immediately notify NaphCare.
- B. Initial and continued assignment of staff and subcontractors by NaphCare shall be subject to approval of the County. All persons employed by NaphCare or its subcontractors shall not be deemed to be the employees of County by reason of any provision of this Agreement.
- C. NaphCare shall continuously maintain personnel files (or copies thereof) of all NaphCare employees assigned to the Facility.

2.5 Use of Inmates in the Provision of Health Care Services. Inmates will not be employed or otherwise engaged in the direct rendering of any health care services.

2.6 Subcontracting and Delegation. In order to satisfy its obligations hereunder, NaphCare will engage certain health care professionals as independent contractors rather than as employees, and County expressly consents to such subcontracting or delegation within the limits specified in Article 2.4(A) above. As the relationship between NaphCare and these health care professionals will be that of independent contractor, NaphCare will not be considered or deemed to be engaged in the practice of medicine or other profession's practices by these professionals, and NaphCare will not exercise control over the manner or means by which these independent contractors perform their professional duties. However, these professional independent contractors shall provide professional insurance as required and specified in Article 8 of this Agreement. NaphCare shall provide a copy to the County upon request. Further, any actions/omissions of these independent contractors are still subject to indemnification by NaphCare as described in Article 8.3 herein.

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

- A. No one will discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. Each will agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- B. All solicitations or advertisements for employees will state that NaphCare is an equal opportunity employer.
- C. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this Article.

ARTICLE 3: REPORTS AND RECORDS

3.1 Medical Records. NaphCare will cause to be maintained a comprehensive, accurate medical record for each inmate who has received health care services. This medical record will be maintained pursuant to applicable law and will be kept separate from the inmate's confinement record. A copy of the applicable medical record will be available to accompany any inmate who is transferred from the Facility to another location for off-site services or who is committed permanently or temporarily to another correctional facility. Medical records will be kept confidential, and NaphCare will follow the County's policy with regard to access by inmates and Facility staff to medical records, subject to applicable law regarding confidentiality of such records. No information contained in the medical records will be released by NaphCare except as provided by the County's policy, by a court order, or otherwise in accordance with applicable law. Inmate medical records are and will remain the property of the County.

3.2 Electronic Medical Records. NaphCare will implement the keeping of inmate medical records in electronic format using NaphCare's *TechCare*® electronic healthcare record system.

3.3 HIPAA and HITECH Compliance. The parties shall comply with all requirements of the Federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Health Information and Technology for Economic and Clinical Health Act (HITECH Act) as applicable, which relate to the parties' responsibilities under this Agreement. The parties agree to comply with the provisions set forth in the HIPAA Business Associate Agreement attached hereto as Exhibit C. This paragraph will survive termination of this Agreement, regardless of the reason for termination.

3.4 Regular Reports by NaphCare to the County. NaphCare shall provide to the County, on a date and in a form mutually acceptable to NaphCare and the County, reports relating to care and services rendered under this Agreement. Such reports shall be submitted on a regular, periodic, or on an as-requested basis, to be determined by the mutual agreement of NaphCare and the County.

3.5 Inmate Information. Subject to the applicable federal and state laws, in order to assist NaphCare in providing the best possible health care services to inmates, the County will provide NaphCare with information pertaining to inmates that NaphCare and the County mutually identify as reasonable and necessary for NaphCare to adequately perform its obligations hereunder, which shall include allowing NaphCare access to the Facility's inmate information management system as it relates to pertinent information that may assist NaphCare in rendering necessary medical, mental health and/or dental care to inmates housed within the Facility. NaphCare will provide the Facility with information pertaining to inmates identified by the County to adequately perform its obligations to provide mental health services.

3.6 NaphCare Records Available to the County with Limitations on Disclosure. Subject to Article 3.1 and 3.3, NaphCare shall make available to the County, at the County's request and at no cost, all records, documents and other papers relating to the direct delivery of health care services to inmates hereunder if the delivery of health care services to an inmate that is an issue in any claim or litigation by or against the County, NaphCare, or their agents, contractors, or employees. The County understands that many of the systems, methods, procedures, written materials, computer programs and other controls employed by NaphCare in the performance of its obligations hereunder are proprietary in nature and will remain the property of NaphCare. During the term of this Agreement and after its termination, information and/or documentation concerning this proprietary material may not be used, distributed, copied, or otherwise utilized by the County except as required by law.

3.7 County's Records Available to NaphCare with Limitations on Disclosure. During the term of this Agreement, and for a reasonable time thereafter, the County will provide NaphCare, at NaphCare's request, the County's records relating to the provision of health care services to inmates as may be reasonably requested by NaphCare or as are pertinent to the investigation or defense of any claim related to NaphCare's conduct and performance. Consistent with applicable law, the County will make available to NaphCare such records as are maintained by the County, hospitals and other outside health care providers involved in the care or treatment of inmates, to

the extent the County has any control over those records, as NaphCare may reasonably request. Any such information provided by the County to NaphCare that the County considers confidential shall be kept confidential by NaphCare and shall not, except as may be required by law, be distributed to any third party without the prior written approval of the County.

ARTICLE 4: SECURITY

4.1 General. NaphCare and the County understand the importance of security services to the safety of the agents, employees and subcontractors of NaphCare as well as for the security of inmates and the County's staff, consistent with the correctional setting. Accordingly, both the County and NaphCare will cooperate with each other in addressing security issues. The County will use reasonable efforts to provide sufficient security to enable NaphCare and its personnel to safely and adequately provide the health care services described in this Agreement, however, nothing herein shall be construed to make the County, its deputies or employees a guarantor of the safety of NaphCare's employees, agents or subcontractors, including their employees

4.2 Security Override. In the event that NaphCare recommends health care services for any inmate or NaphCare recommends that an inmate be sent off-site for medical services, the County will not interfere with nor override NaphCare's health care recommendations unless the transport poses a risk to the safety of the community, Facility staff or the inmate(s).

4.3 Security During Transportation Off-Site. The County will provide security in connection with the transportation of any inmate between the Facility and any other location for off-site services.

ARTICLE 5: OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES

5.1 General. The County agrees to provide NaphCare with office space, Facility, equipment, and utilities at the Facility sufficient to enable NaphCare to perform its obligations pursuant to this Agreement. County shall be responsible for providing substitute space, if reasonably available and necessary, as mutually agreed by both parties should NaphCare recommend that the designated Facility are inadequate for the purposes hereof or that the designated medical Facility become unsafe for any reason.

5.2 Information Technology. Contractor will install, maintain, and support an information technology infrastructure within the Facility. This infrastructure will be utilized only by Contractor's staff and authorized County personnel to support the provision of healthcare services within the Facility. To the extent property belonging to the County is required to be utilized by NaphCare personnel or other authorized personnel, said property shall be equipped to operate NaphCare's TechCare® system.

5.3 Delivery of Possession. The County will provide to NaphCare, beginning on the date of commencement of this Agreement, the use of all supplies, medical equipment, and office equipment in place at the Facility health care unit which are the County's property or in the possession of the County. At the termination of this Agreement, NaphCare will return to the County possession and control of all medical equipment and office equipment, in working order, reasonable wear and tear excepted, which were in place at the Facility's health care unit prior to the commencement of services under this Agreement. Any equipment and/or supplies belonging

to the County will remain the property of County and any equipment supplied or purchased by NaphCare shall remain the property of NaphCare at the termination of the Agreement.

5.4 Equipment. NaphCare will be responsible for the cost of new and/or replacement equipment limited to the equipment set forth in Exhibit B. NaphCare will be responsible for ongoing repair and maintenance of all medical equipment listed within Exhibit B.

5.5 General Maintenance Services. The County will provide for each inmate receiving health care services the same services and Facility provided by the County for all inmates at the Facility including, but not limited to, daily housekeeping services, dietary services, building maintenance services, personal hygiene supplies and services, and linen supplies.

ARTICLE 6: TERM AND TERMINATION OF AGREEMENT

6.1 Term. This Agreement shall commence at 12:00 A.M. on May 7, 2016. The initial term of this Agreement shall be for six (6) months, ending at 11:59 P.M. on November 7, 2016, with an option to renew as mutually agreed upon in writing by the parties.

6.2 Termination. Notwithstanding the provisions of Article 6.1, this Agreement may be sooner terminated on the first to occur of the following:

- A. Termination for Default. The County shall give notice to NaphCare that NaphCare has materially defaulted in the performance of any of its obligations hereunder and such default shall not have been cured within thirty (30) days following the giving of such notice in writing, the party giving notice shall have the right to immediately terminate this Agreement.
- B. Termination Without Cause. NaphCare may terminate this Agreement without cause by providing not less than ninety (90) days prior written notice to the County. The County may terminate this Agreement without cause by providing not less than ninety (90) days prior written notice to NaphCare. Notice hereunder shall be provided pursuant to Article 9.3 of this Agreement.

6.3 Responsibility for Inmate Health Care. Upon termination or expiration of this Agreement, all responsibility for providing on-site health care services to all inmates will be immediately transferred from NaphCare to the County.

6.4 Payment for Services Performed. In the event that this Agreement is terminated for any reason, the County agrees to pay NaphCare for services actually performed through the date of termination.

ARTICLE 7: COMPENSATION

7.1 Base Compensation. County will pay NaphCare the sum of \$2,633,524.02 for the first six months of this Agreement (May 7, 2016 through November 7, 2016) for the applicable daily average base inmate population of 975 inmates, payable in equal monthly installments of \$438,920.67. NaphCare will bill County by the first day of the month for which services will be rendered, and County agrees to pay NaphCare on or before the last day of the month in

which services are rendered. In the event this Agreement should terminate on a date other than the end of a calendar month, compensation to NaphCare will be pro-rated accordingly for the shortened month.

7.2 Per Diem Compensation for Increases or Decreases in Inmate Population. For the period of this of the Agreement (May 7, 2016 through November 7, 2016), a per diem rate of \$5.75 will be added to the monthly base compensation for each inmate in excess of the average daily population of 975. The per diem rate for any renewal periods shall be calculated as set forth below.

7.3 Changes in the Law. If any statute, rule or regulation is passed, or any order issued, or any statute or guideline adopted or interpretation made, or additional Facility opened, or other matter that materially changes the scope of services or increases the cost to NaphCare of providing health care services hereunder, NaphCare and the County agree to negotiate additional compensation to be paid by the County to NaphCare as a result of such changes. Prior to negotiation, NaphCare agrees to provide the County information sufficient to evaluate the scope and necessity of and any increase in cost.

7.4 Taxes.

The Contractor understands and acknowledges that the County will not withhold Federal or State income taxes. Where required by State or Federal law, the Contractor authorizes the County to make withholding for any taxes other than income taxes (i.e., Medicare). All compensation received by the Contractor will be reported to the Internal Revenue Service at the end of the calendar year in accordance with the applicable IRS regulations. It is the responsibility of the Contractor to make the necessary estimated tax payments throughout the year, if any, and the Contractor is solely liable for any tax obligation arising from the Contractor's performance of this Agreement. The Contractor hereby agrees to indemnify the County against any demand to pay taxes arising from the Contractor's failure to pay taxes on compensation earned pursuant to this Agreement.

The Contractor will collect sales and use taxes imposed on goods or services acquired hereunder as required by law within their contracted rate. The Contractor must pay all taxes including, but not limited to: Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the County does not hold title. The County is exempt from Federal Excise Tax.

ARTICLE 8: LIABILITY AND RISK MANAGEMENT

8.1 Insurance. NaphCare shall furnish and maintain all insurance as required herein and comply with all limits, terms and conditions stipulated therein, at their expense, for the duration of the contract. Following is a list of requirements for this contract. Any exclusion that may restrict required coverage must be pre-approved by the Spokane County Risk Management Department. NaphCare's insurer shall have a minimum A.M. Best's rating of A-VII and shall be licensed to do business in the State of Washington. Evidence of such insurance shall be submitted to the Spokane County Purchasing Department and consist of a completed and signed copy of the certificate of insurance and required policy endorsements. The insurance policy or policies will not be canceled, materially changed or altered without forty-five (45) days prior

notice submitted to the department with whom the contract is executed. The policy shall be endorsed and the certificate shall reflect that the County of Spokane is an additional named insured on the Contractor's general liability policy with respect to activities under the contract. The policy shall provide and the certificate shall reflect that the insurance afforded applies separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability.

8.2 The policy shall be endorsed and the certificate shall reflect that the insurance afforded therein shall be primary insurance and any insurance or self-insurance carried by the County shall be excess and not contributory insurance to that provided by NaphCare.

8.3 NaphCare shall not commence work, nor shall NaphCare allow any subcontractor to commence work on any subcontract until a Certificate of Insurance with additional insured endorsement, meeting the requirements set forth herein, has been approved by Spokane County Risk Management Department and filed with the department with whom the Agreement is executed. Upon request, NaphCare shall forward to the Spokane County Risk Management Department the original policy, or endorsement obtained, to NaphCare's policy currently in force.

8.4 Failure of NaphCare to fully comply with the insurance requirements set forth herein, during the term of the Agreement, shall be considered a material breach of contract and cause for immediate termination of the Agreement at the County's discretion.

8.5 Providing coverage in the amounts listed shall not be construed to relieve NaphCare from liability in excess of such amounts.

8.6 Required Coverage. The insurance shall provide the minimum coverage as set forth below:

8.6.1 General Liability Insurance. NaphCare shall have Commercial General Liability with limits of \$1,000,000 per occurrence, \$3,000,000 aggregate which includes general aggregate, products, completed operation, personal injury and fire damage.

8.6.2 Additional Insured Endorsement. General Liability Insurance must state that Spokane County, its officers, agents and employees, and any other entity specifically required by the provisions of this Agreement will be specifically named additional insured(s) for all coverage provided by this policy of insurance and shall be fully and completely protected by this policy from all claims. Language such as the following should be used "Spokane County, Its Officers, Agents And Employees Are Named Additional Insured.

8.6.3 Proof of Automobile Insurance. NaphCare shall carry, for the duration of this Agreement, comprehensive automobile liability coverage of \$1,000,000 for any vehicle used in conjunction with the provision of services under the terms of this Agreement. Said policy shall provide that it shall not be canceled, materially changed, or renewed without forty five (45) days written notice prior thereto to Spokane County.

8.6.4 Workers Compensation. When NaphCare has employees of the company, NaphCare shall carry Worker's Compensation Industrial Injury Insurance coverage and effective in Washington State. Proof of insurance shall be reflected on NaphCare's Certificate of Insurance or by providing NaphCare's State Industrial Account Identification Number.

8.6.5 Professional Liability Insurance. NaphCare shall provide errors & omissions coverage in the form of Professional liability insurance coverage in the minimum amount of \$1,000,000 per medical incident, \$3,000,000 per annual aggregate per physician/dentist or other contracted insured and \$5,000,000 per annual aggregate for corporate ancillary personnel.

8.7 Hold Harmless. To the fullest extent permitted by law, NaphCare agrees to indemnify, defend and hold harmless the County, its agents, officers and employees, from and against all loss or expense, including but not limited to reasonable attorney's fees, for bodily injury, including death, and property loss or damage arising out of any wrongful act, negligence, or omission of NaphCare, its agents, employees or subcontractors. NaphCare will have no obligation to indemnify, defend and hold harmless the County, its agents, officers and employees for any injury or damage cause by or resulting from the wrongful act solely cause by the negligence, or omission of the County, its agents, employees or subcontractors. NaphCare's obligations pursuant to this provision will not apply to any claim, liability, cost or expense incurred in connection with treatment of any Inmate's injury if such treatment occurred prior to the Inmate's custody by the County or at any time the inmate was outside the County's custody. NaphCare's obligations pursuant to this provision will not apply to any claim, liability, cost or expense solely caused by the acts or omissions of any of the County officers, agents, or employees which prevent an inmate from receiving medical care as directed by NaphCare. The County shall promptly notify NaphCare of any incident, accident, claim or lawsuit of which the County becomes aware that does or may potentially involve NaphCare, and shall fully cooperate in the defense of such claim. NaphCare may retain sole control of the defense while the action is pending should it so choose. NaphCare further agrees to indemnify, defend and hold harmless the County, its agents, officers and employees from and against all claims or liability for compensation arising out of injuries sustained by any employee or agent or subcontractor or subcontractor's employee of NaphCare. This provision shall survive the termination or expiration of this Agreement.

8.8 Indemnity. County agrees, to the extent permitted by law without establishing a sinking fund, to indemnify, defend and hold harmless NaphCare or any of its agents, officers and employees, from and against all loss or expense, including but not limited to reasonable attorneys fee(s), for bodily injury, including death, and property loss, damage or unfair labor or employment practices claims solely caused by the wrongful act, negligence or omission by County or its employees or agent. This provision shall survive the termination or expiration of this Agreement.

ARTICLE 9: MISCELLANEOUS

9.1 Independent Contractor Status. The parties acknowledge that NaphCare is an independent contractor. Nothing in this Agreement is intended, nor shall be construed to create, an agency relationship, an employer/employee relationship, or a joint venture relationship among the parties.

9.2 Assignment and Subcontracting. Except as provided in Article 2.6, NaphCare shall not assign this Agreement, or any of its rights or obligations under this Agreement, without the express written consent of the County, which consent shall not be withheld provided the assignee is a qualified provider of services such as those to be provided hereunder and shall have equal or more financial resources than NaphCare. Any such assignment or subcontract shall include all of the obligations contained in this Agreement. The parties hereby agree that various independent contractors serving as medical providers will be utilized in carrying out the obligations contained in this Agreement.

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

NaphCare: James S. McLane
Chief Executive Officer
NaphCare, Inc.
2090 Columbiana Road, Suite 4000
Birmingham, Alabama 35216

County: Spokane County Detention Services
Attn: John C. McGrath, Director
1100 West Mallon
Spokane, WA 99260

9.4 Governing Law and Venue. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Washington. Any litigation arising out of this Agreement shall be brought in a State Court in Spokane County, Washington and/or in the United States District Courts in the Eastern District of Washington.

9.5 Amendment. This Agreement may be amended or revised if approved by authorized parties, only in writing, and signed by all parties to this Agreement.

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

9.7 Other Contracts and Third-Party Beneficiaries. The parties agree that they have not

entered into this Agreement for the benefit of any third person or persons, and it is their express intention that the Agreement is intended to be for their respective benefit only and not for the benefit of any non-party who might otherwise claim to be deemed to constitute a third-party beneficiary hereof.

9.8 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of the Agreement, which shall remain in full force and effect.

9.9 Force Majeure. Neither party shall be held responsible for any delay or failure in performance, other than payment obligations and provision of medical, mental health, dental, and nursing services, to the extent that such delay or failure is caused by fire, riot, flood, explosion, war, strike, embargo, government regulation, civil or military authority, or act of God.

9.10 Effect of This Agreement. This Agreement, including the attachments, and documents previously incorporated herein as the Proposal and Exhibits, constitutes the complete understanding between the parties with respect to the terms and conditions set forth herein and supersede all previous written or oral agreements and representations. This Agreement may be modified only in a writing that expressly references this Agreement and is executed by all of the parties hereto.

9.11 Survival. The provisions of this Agreement pertaining to the obligation to pay for services rendered pursuant to this Agreement shall survive the termination of this Agreement.

9.12 TechCare®. NaphCare will provide its proprietary electronic medical records software system ("software") commonly referred to as "TechCare®" for use in the Facility. NaphCare shall maintain ownership of this software and the County shall be entitled to quantitative and select information as required by the County. At the termination or expiration of this Agreement, NaphCare shall remove the software. All inmate medical information contained by the software should be provided to the County in some media format acceptable to the County's new provider.

During the term of the Agreement, Facility staff in Union Locals 1553S and/or 492N shall have access to and training of the software in the performance of their duties related to providing medical, dental and mental health care. County shall keep this software and all information pertaining to it confidential at all times. Furthermore, the County agrees that it will not:

- (i) Lease, loan, resell, sublicense or otherwise distribute the software to parties who are not Spokane County governmental entities;
- (ii) Permit third-party access to, or use of, the software, except as permitted in within this Agreement;
- (iii) Create derivative works based on the software;
- (iv) Reverse engineer, disassemble, or decompile the software; or
- (v) Remove any identification or notices contained on the software.

The County and/or Facility will notify NaphCare in the event either party becomes aware of any unauthorized third-party access to, or use of, the software.

NaphCare shall be responsible for providing a firewall, maintenance, backup data, virus corruption, and licenses for this software.

9.13 Enforcement. In the event any party incurs legal expenses or costs to enforce the terms of this Agreement, each party shall be responsible for its own costs.

9.14 Compliance with Laws. The parties hereto expressly acknowledge that it has been, and continues to be, their intent to comply fully with all federal, state and local laws, Court Orders, rules, and regulations. In the event of any legislative or regulatory change or determination, whether federal or state, that has or would have a significant adverse impact on either party thereto in connection with the performance of its obligations, or should any party be deemed for any reason to be in violation of any statute or regulation arising from this Agreement, this Agreement shall be renegotiated to comply with the applicable provisions of then current law.

9.15 Confidentiality. It is understood that in the course of the engagement established under this Agreement, each party may learn of or obtain copies of confidential or proprietary software, systems, manuals, documents, protocols, procedures, or other materials developed by or belonging to the other party, and not generally available to the public (hereinafter referred to as "Confidential Information"). All Confidential Information shall be and remain the property of the party originally having ownership thereof. Neither party will, without the express written consent of the other party, use the Confidential Information of the other party, except as expressly contemplated by this Agreement, and the receiving party shall cease all use of the other party's Confidential Information upon the termination or expiration of this Agreement. Except as required by law or legal process, each party shall maintain the confidentiality of the Confidential Information provided hereunder, and shall not disclose such information to third parties. This provision shall survive the termination or expiration of this Agreement.

9.16 Execution and Approval. The parties warrant that the officers/individuals executing below have been duly authorized to act for and on behalf of the parties for the purposes of confirming this Agreement.

9.17 Payment of Taxes. NaphCare shall be solely responsible for paying any and all taxes associated with its business as it concerns this Agreement, including but not necessarily limited to income and social security taxes.

9.18 Inconsistent between Documents. In the event there is an inconsistency between the provisions of this Agreement, exclusive of Exhibit B, and Exhibit A as to the responsibilities of NaphCare, the broader responsibility shall govern.

9.19 Headings. The section headings appearing in this Agreement have been inserted solely for the purpose of convenience and ready reference. In no way do they purport to, and shall not be deemed to define, limit or extend the scope of intent of the sections to which they pertain.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date opposite their respective signature block, with the effective date being the date of the last signature.

DATED: 5.3.16



ATTEST:

Ginna Vasquez
Ginna Vasquez
Clerk of the Board

BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

Shelly O'Quinn
SHELLY O'QUINN, Chair

Al French
AL FRENCH, Vice-Chair

Nancy McLaughlin
NANCY MCLAUGHLIN, Commissioner

16 - 0345

DATED: 4/28/16

NAPHCARE, INC.

James S. McLane
By: James S. McLane
Its: Chief Executive Officer

EXHIBIT A
SCOPE OF WORK

NaphCare's Responsibilities:

- A. Provide health care services as outlined in Exhibit B on behalf of Spokane County Detention Services for inmates physically booked into (i.e., inmates who are listed within the average daily population count "ADP") the Spokane County Jail located at 1100 W. Mallon, Spokane, WA 99260 and Geiger Corrections Center located at 3507 S. Spotted Rd., Spokane, WA 99260 (hereinafter collectively referred to as "Facility").
- B. Operate health care services in an ethical and humane manner with respect to the inmate's right to basic health services.
- C. Deliver services to any inmate within the area of the facilities where access is controlled by Correctional Deputies (secure perimeter).
- D. Provide services that meet all legal and community standards for correctional health care and be consistent with NCCHC guidelines.
- E. Provide managerial and administrative expertise to operate the medical clinic.
- F. NaphCare shall develop and provide to the County for review and approval comprehensive written policies and procedures that meet legal and community standards for quality of care in a correctional setting. All policies of NaphCare that involve responsibility of County staff shall be negotiated and reviewed at least annually. The rights and ownership of policies, procedures, and printed materials produced specifically for Spokane County under the Scope of Work for this Agreement shall be vested in the County.
- G. Operate the health care program in a cost-effective manner with full reporting and accountability to Spokane County Detention Services or his/her designee.
- H. Any inmates referred to medical at initial screening shall be seen by at a minimum a Registered Nurse ("RN"). At least one RN shall be assigned to handle booking health care screenings at all times. The medical staff at booking is then responsible for completing a health care assessment that at a minimum shall determine the inmate's immediate health care needs and take steps appropriate to assure these are addressed throughout the inmate's stay. This can include, but is not limited to; verification of current medications and arranging for those to be continued, referral for routine care by medical staff at the Facility, recommendations for special housing based on medical needs, special diet concerns, or placing the inmate on suicide precautions until further evaluation by Facility mental health staff. Any recommendation to refuse a booking except in cases of imminent life threatening condition must be reviewed by a Registered Nurse. All diversions for medical

reasons at booking will be tracked and reported to the County and reviewed through a quality improvement process jointly staffed by the County and NaphCare.

- I. Management of withdrawals. Inmates determined to be at risk for withdrawal will be administered a comprehensive detox assessment questionnaire and if determined to be in withdrawal, shall be housed in a designated area if available. NaphCare shall utilize its policies and procedures for alcohol withdrawal (commonly referred to as Clinical Institute Withdrawal Assessment for Alcohol- "CIWA") and opiate withdrawal (commonly referred to as Clinical Opiate Withdrawal Scale- "COWS"). Inmates presenting with a risk of withdrawal will be monitored based on clinical indication as determined by CIWA and COWS, which are based on objective symptom assessments. Only licensed practitioners can remove someone from withdrawal protocol in less than 48 hours. A log of the status of all inmates being monitored for any withdrawal will be kept. All inmates are assessed for suicide risk at intake, including those with withdrawal issues.
- J. Health Assessment. All inmates in custody for 14 days or longer will be scheduled for a health care screening by a RN or above. Any health care needs identified at this screening will be documented and addressed. All inmates in custody for one year will be given an annual physical examination. Inmates without a documented PPD test or with a history of positive PPD will receive a PPD test within 14 days of booking.
- K. Clinic Sick Call. Inmates are identified for sick call in a variety of ways including, referral from booking nurse, referrals from medication passes, withdrawal monitoring, segregations monitoring, or scheduled follow ups. Inmates also directly request medical services through confidential kites to the medical staff. These are collected and triaged daily and responded to appropriately by licensed medical staff.
- L. Provide nursing rounds with visual and verbal interaction and provision of any indicated follow up care of all inmates in segregation as defined by Spokane County Detention Services at least three times weekly.
- M. At a minimum NaphCare will operate one day of dental sick call per week. Dental referrals can be made by practitioners in the clinic or by direct requests of inmates through the kite process and triaged according to clinic standards. It is expected that urgent dental issues be addressed; cosmetic or elective dental procedures are the responsibility of the inmate to arrange when they are no longer in custody.
- N. Provide a total pharmaceutical system for the Facility, including the ability to process new prescriptions, fill orders for dispensing within the Facility, and necessary record keeping. NaphCare will utilize its own formulary and incorporate within its formulary any medications set forth within the Washington State Department of Corrections approved formulary that are not currently included in NaphCare's formulary. All medications will be prescribed by appropriately licensed staff and dispensed by a licensed nurse in accordance with the requirements of the Washington Board of

Pharmacy. The pharmacy service must be able to respond in a timely manner for new prescriptions or adjustments on a 24/7 basis. The County currently has an approved list of Keep on Person medications that will be used and inmates can currently purchase some OTC medications through commissary, but they are not required to do so.

- O. NaphCare shall assure there is adequate licensed staff to conduct medication passes frequently enough that inmates receive their medications in a timely fashion as prescribed. Upon admission all medically necessary medication shall continue without interruption whenever possible. NaphCare will produce regular reports for quality assurance indicating time between prescription and first delivery of prescribed medications. Newly prescribed medications will be administered within 24 hours. Refused medications will be tracked and reported back to the prescriber for appropriate action. No medically necessary prescriptions will be discontinued due to noncompliance without a documented counseling session by the prescriber or pharmacist.
- P. NaphCare will be responsible for scheduling (coordinated with custody staff who will be responsible for transport) for all medically necessary outside appointments (both scheduled and emergent).
- Q. Medical staff will be responsible for informing the outside provider that they will be serving a person in custody who will arrive in handcuffs with uniformed staff. The outside provider is to be informed that no one other than Spokane County Detention Services Custody and/or Medical staff are to be told of the appointment time or location. Custody staff will be given any follow-up instructions and deliver these to medical staff on their return to the facility. Emergency outside medical services are arranged by requesting corrections to place a 911 call for medical services. NaphCare will assure that the receiving facility is contacted immediately to transfer whatever medical information is available to assist the emergency provider. NaphCare's medical staff will respond immediately to any internal call of medical emergency and provide assistance as indicated until the emergency is cleared or handed off to an outside provider. County shall ensure that any Union staff members comply with this provision.
- R. Transfer to Other Facilities. NaphCare medical staff will be notified by custody as soon as possible of any planned transfers to other correctional facilities. Prior to transfer, medical staff will prepare a copy of an individual health record for any inmate being sent to another correctional facility. If transfer occurs without notification to medical staff the transfer summary will be completed upon notification and sent to the appropriate medical authority at the receiving facility. County shall ensure that any Union staff members comply with this provision.
- S. Shall manage and operate medical services on the premises, including but not limited to general supervision of the clinic, recruiting, interviewing, training and direction of medical employees and provision of medical services.

- T. Arranging for the delivery and providing utilization management for all medically necessary off-site services including emergency room visits, inpatient medical stays, and scheduled specialty care.
- U. Seek and obtain information from any inmate concerning potential payor sources for off-site care, to include inquiry for private health insurance and/or Medicaid.
- V. Health Care Records. NaphCare shall utilize its electronic health record, TechCare®. TechCare® shall exchange information with the county's custom Jail Offender Management Systems using web services and/or transfer files, to the extent required.
- W. Provide responses and/or access to medical records requests received from third-parties and to subpoenas received related to protected health information utilizing its secure electronic HIPAA compliant records processes.
- X. Integrate its services with the existing mental health providers including maintaining shared medical records, continuing current verified psychiatric medications as medically indicated at booking, and initiating treatment with psychotropic medication for uncomplicated psychiatric conditions consistent with community standards for primary care practitioners.
- Y. Be responsible as the agent of the County, for purchasing medical supplies necessary to comply with this agreement.
- Z. NaphCare will provide monthly reports detailing specific statistical data as requested by Spokane County Detention Services or his/her designee. These reports will include, but not be limited to:
- Number of inmates seen by nurses for sick call
 - Number of inmates seen by physician/practitioner for sick call
 - Number of referrals for outside treatment
 - Number of inmates seen by dentist
 - Number of inmates sent to emergency room
 - Number of inmates admitted to community hospital
 - Number of inmates receiving medication
 - Number on inmates screened for TB
 - Number of inmates receiving a trustee physical
 - Number of grievances received by clinic
 - Number of inmate kite requests for services
 - Number of inmates seen in response to kite requests
 - Number of inmates started by clinic on psychiatric meds
- AA. NaphCare shall provide in accordance with standard quality of care for each profession and for the operation in general. NaphCare shall initiate its system

ensuring that quality is continuously monitored and appropriate corrective actions are taken as indicated. The County maintains the right to audit health care issues either via County staff or its agent(s). Any deficiencies noted via audit will result in a written plan of corrective action by NaphCare.

- BB. NaphCare's staff shall receive basic orientation to custody rules and standards.
- CC. NaphCare will respond to inmate grievances in accordance with internal grievance policy standards.
- DD. NaphCare shall maintain contracted staffing levels as required by NaphCare and set forth within Exhibit B, or as otherwise stated within the Agreement.
- EE. Adhere to Spokane County Detention Services security policies and procedures.
- FF. Provide a monthly staffing schedule to the designated contact for Detention Services.
- GG. NaphCare shall designate one person as its Authorized Representative. NaphCare's Authorized Representative shall be present at the facility as is necessary to assure satisfactory performance of this Agreement.
- HH. All proposed NaphCare employees must undergo a background check conducted by Spokane County Detention Services prior to starting work in the facility. The County will notify NaphCare if any proposed employee is not approved for work in the facility. If an employee is refused clearance for assignment to the Jail and/ or Geiger, NaphCare shall be notified and given thirty (30) days to find a replacement.
- II. NaphCare shall advise the County on operating policies for the medical services conducted by NaphCare.
- JJ. NaphCare shall maintain the highest level of ethical relationships with its customers, employees, suppliers and inmates in the performance of this Agreement.
- KK. NaphCare shall provide a local representative to attend management meetings as set forth by Spokane County Detention Services or his/her designee.
- LL. All records of NaphCare bearing upon medical services operations on the County's premises shall be maintained by NaphCare. The County shall have the right to inspect, at any time during business hours, records that pertain to this Agreement. Records shall be kept on file for three (3) years, or for such other period of time as may be required by the County after the end of this Agreement. The County shall have the right to conduct reviews and inspections of the medical services operations.
- MM. NaphCare shall comply with all Federal, State and Local laws, regulations and requirements applicable to the services and operations provided herein, and

applicable Federal and State wage and hour requirements. NaphCare shall obtain any and all licenses or permits necessary for the provision of medical services on the premises, as direct cost of operation, except those that may be imposed by the County to bring up to code the facilities, whereby the County shall be responsible. Upon request, NaphCare shall provide copies of all staff/facility licensure that NaphCare maintains.

County Responsibilities:

- A. Maintain on site supportive mental health services professionals (i.e., LCSW, MSW, MHP). County Mental Health professionals will integrate its services with NaphCare including maintaining shared medical records.
- B. Assist with performing the mental health initial screenings on inmates and refer any to medical if it is determined that the inmate requires medical attention.
- C. Ensure mental health professionals utilize NaphCare's TechCare® software system to ensure continuity of care.
- D. Spokane County Detention Services will provide custody staff to transport inmates to scheduled outside appointments and the provider will work with designated custody staff to assure these appointments are kept in a manner that respects both the needs of the inmate and the security concerns of the custody staff.
- E. County shall be financially responsible for the transports of inmates for scheduled and non-emergent medical services outside the Facility.
- F. Adequate heat, lights, ventilation, and all other utilities as well as repairs and maintenance of County medical equipment or County-owned equipment, and office supplies (i.e., county forms, copy paper, etc., long distance phone calls, Language Line interpreter services, medical hazardous waste disposal, and provision of PC's at each work station, copy and fax machine for use by NaphCare). The County shall not be responsible for maintenance of NaphCare equipment. The County shall not permit any interruptions in utility service, except in emergency circumstances reasonably beyond the control of the County, for necessary repairs, or for improvement of the service, and in such case the County agrees to notify NaphCare as soon as reasonably possible of any interruption or proposed interruption in utility service.
- G. Extermination services and the removal of trash and garbage from the clinic.
- H. General maintenance to the building structure including, but not limited to, the maintenance of water, gas, sewer, ventilation, lighting, air conditioning, refrigeration, duct work, floor coverings, wall and ceiling surfaces. Shall be responsible for all equipment, floor drains, light fixtures, and other such building maintenance as may be reasonably required by the County.

- I. Security, control and limitation of inmate movement in, to and from the medical clinic, including physical security of employees, suppliers, and other authorized visitors.
- J. The County's Director, or designee, shall be the Authorized Representative under NaphCare for issues pertaining to the facility.
- K. Provide, at its expense, criminal history background check of NaphCare employees/subcontractor(s).
- L. The County will have final approval rights for all proposed hires and reserves the right to bar any contractor employee from the facility at the sole discretion of the County.
- M. County shall have the final authority with regard to all aspects of performance standards of NaphCare but decisions relating to the standard of medical care shall be within the sole province of NaphCare.
- N. County shall be liable for damages, claims, or expenses for work not actually performed by NaphCare, where NaphCare or County are prevented from performing any undertaking by labor action, injunction or order of a court or an administrative body, civil unrest, acts of God, or conditions not within the reasonable control of the County.
- O. County shall provide necessary space for medical services for NaphCare's use.
- P. The County will provide access to the necessary data, and other technology that is in existence at the time the Agreement is executed.
- Q. NaphCare and County will confer 90 days prior to end of first term to discuss any issues surrounding Agreement services.

Transition Responsibilities:

- A. Pharmacy: NaphCare shall ensure there is immediate pharmacy support upon execution of the Agreement to ensure continuity of care.
- B. Staffing: NaphCare shall have appropriate medical staff available to assume the medical services responsibilities at 12:01 a.m. on May 7, 2016. Following the initial start date, NaphCare shall be granted a thirty (30) day grace period in which to fulfill the staffing requirements set forth in Exhibit B.
- C. Safety/Training: County shall provide an orientation and safety and security training to all NaphCare staff as soon as is practical.

- D. Access to Facility (i.e. keys, background, etc.): County shall conduct background checks in an immediate fashion. County shall provide NaphCare with the necessary keys to the appropriate medical areas within the facilities. NaphCare shall maintain a key inventory and provide a copy to the County any time there is a change.
- E. Equipment: An inventory of all equipment shall be conducted in conjunction with NaphCare for the provision of medical services.
- F. Dental: NaphCare shall ensure continuity of dental services.
- G. Outside Providers: County shall provide the list of outside providers the County has been using to NaphCare.
- H. Medical Records: County shall provide access to all medical records to NaphCare. All current records shall be retained for 8 years and for juveniles for 8 years after the inmate turns 18.

EXHIBIT B
NAPHCARE PROPOSAL

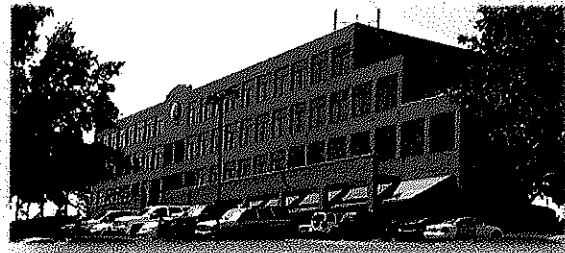


Spokane County
Detention
Center

April 18, 2016

NAPHCARE COMPANY OVERVIEW

NaphCare was founded on January 4, 1989, and we provide healthcare services to the incarcerated population, including County, State, and Federal inmates. Our mission is to be the leading provider of *quality* health care in the correctional industry. NaphCare has extensive experience in diverse sectors in the correctional industry, ranging from comprehensive health care services, to on-site dialysis, to off-site management services. For 27 years, we have been devoted *solely* to providing correctional institutions with cost-



Corporate Headquarters, Birmingham, AL

effective, quality healthcare services. NaphCare is headquartered in Birmingham, Alabama, and successfully operates comprehensive healthcare programs for over 100,000 inmates in 27 states for 51 clients.

Independence

Because every facility is unique, Spokane County Jail deserves services that mold to your needs. We focus on delivering solutions based on your requests rather than telling you how to run your facility. When you choose NaphCare, you will experience greater efficiency, reduce unnecessary costs, encourage preventive health care, and transfer your legal liability—all without giving up your independence. NaphCare is leading the way with an all-in-one approach to correctional healthcare that provides services unique to your facility.

Customized Programs

We devote our attention to our clients and are dedicated to implementing cost-effective, quality services according to their needs. Our experience comes from working *solely* within the correctional industry. We evaluate, evolve, and adapt our programs according to not only the needs of our clients, but also to the ever-changing field of correctional healthcare. NaphCare's EMR and operational system *TechCare*® is fully customizable to meet the particular healthcare, management, and reporting needs for Spokane County. This level of customer service, reliability, and correctional healthcare expertise is unmatched by any other competitor.

Open Door Communication

NaphCare operates with a simplified management structure in which on-site teams have direct access to corporate personnel and senior leadership. We strongly believe in open, responsive communication in which jail management, security, and healthcare program work *together*. Daily communication, as well as weekly and monthly reports, informs all parties about the healthcare activities in the facility.

Personal Attention

With NaphCare, people come first. As an independent healthcare partner, we are free from complex partnerships and distant investors that limit our competitors' responsiveness. NaphCare has not undergone any corporate reorganization or restructuring since the company was founded in 1989. This stability, along with planned and structured growth, ensures that clients receive personal attention from our administrative and medical support personnel at our headquarters.

Reasons to Choose NaphCare

NaphCare offers the following critical advantages to Spokane County:

✓ Proactive Care Model:

NaphCare's Proactive Care Model emphasizes the prompt identification of medical and mental health issues in order to intervene early and minimize emergency situations and off-site trips. We practice proactive care from the initial intake screening to discharge planning. Decades of experience has taught us that the more comprehensive our care is on-site and up front, the more we are able to shelter our clients from negative health outcomes, costly litigation, and unnecessary off-site trips that expend officer transportation and officer overtime dollars.

✓ Advanced, Proactive Intake Services:

NaphCare's approach to proactive correctional care is to perform the initial *Receiving Screening* upon an inmate's admittance to detect urgent medical needs early and minimize inmate movement. Our staffing model provides for medical coverage with an RN available 24/7 who is trained to perform the initial *Receiving Screening* to quickly identify any medical, dental and mental health issues needing prompt attention. The RN will assess all positive screenings with first line prescription treatment provided from our corporate office, and then take appropriate action. Each positive screening will be ranked due to severity, which works to prevent slow down and backup during the intake process.

If the initial *Receiving Screening* is positive, we conduct a thorough physical examination early on, where vital signs are recorded and the inmate's medical history is obtained, all of which is documented in *TechCare®*, our proprietary, corrections-based electronic medical record system. Our competitors wait up to two weeks to perform this step, potentially missing critical health information. NaphCare's advanced intake services help us identify pre-existing conditions and enroll the inmate in chronic care clinics to manage their condition from day one.

✓ Medication Management Process:

NaphCare utilizes a decentralized sick call schedule that enables physicians and practitioners to provide care in the modules occupied by the patients. This model also reduces inmate movement and increases the amount of time allowed for sick call to occur. Our clinicians essentially take the clinic to our patients on a daily basis. Our nurses **triage sick call requests at every shift** in order to identify major medical conditions and provide the necessary care quickly.

✓ Early Detection of Mental Health Issues:

Our proactive process also streamlines your mental health program by focusing on *early recognition and intervention*. By devoting more attention to critical mental health needs at intake, we stabilize your mental health population quickly, allowing us to reduce suicide risks and improve the overall stability of your incarcerated population. Care is improved, grievances and movement are reduced, and the probability of legal complications is minimized. NaphCare's proactive strategy works to identify, assess, and treat mental illnesses and detox events as quickly as possible, and when appropriate, in partnership with off-site providers. Our detoxification and withdrawal protocol has decreased our healthcare staff's infirmary and observation protocol from a 7 day average length of stay to 2 days for inmates that arrive with chemical dependency issues.

✓ TechCare®:

Our innovative technology goes above and beyond a traditional EMR system. *TechCare®* not only stores medical records, but also serves as the foundation of our medical management system designed to improve inmate care, staff efficiency, communications with correctional staff, compliance, documentation, and reporting. It enables

us to emphasize clinical positions over clerical ones, yet maintain all core functions necessary for efficient inmate care.

- *TechCare*® will be operational on **DAY ONE**.
- Correctional-specific and fully customizable for Spokane County and state standards, *TechCare*® aids compliance with state, NCCHC and ACA guidelines.
- *TechCare*® is certified as a meaningful-use EHR by the Certification Commission for Health Information Technology (CCHIT®) in accordance with the applicable certification criteria adopted by the Secretary of Health and Human Services.
- NaphCare has installed and operates *TechCare*® in jail systems throughout the country.

✓ Industry-leading Utilization Management and Off-site Tracking:

Our pre-authorization process means early proactive intervention, and along with retrospective reviews of each off-site event, we can ensure the right care, in the right setting. In the event that an off-site trip is needed, our corporate Utilization Management department tracks and monitors the care being administered, electronically, using *TechCare*®. **Our URAC accredited Utilization Management team reviews every single off-site order to match intensity of service with severity of illness.** Our attention to critical needs early on identifies high risk events before they become high dollar cases.

✓ Re-entry Resources and Discharge Planning:

Our discharge planning starts at intake, with individualized plans formulated for each inmate patient. We develop a network of re-entry partners who share our goal of integrating the inmate back into the community. Our discharge planning department makes appointments for Spokane County inmates prior to release, and medication is provided in sufficient amounts to get them to their community provider, ensuring continuity of care. We believe in reducing recidivism by ensuring access to resources and care following release.

✓ Coordination with Public and Private Insurance:

NaphCare is experienced and proficient in leveraging the benefits of Medicaid. We carefully screen incoming inmates for Medicaid or other coverage and flag their electronic record with this information. Prior to any off-site encounters, especially inpatient hospital admissions that qualify for Medicaid reimbursement, our electronic system will verify whether Medicaid or other insurance could be an appropriate payor for the event. As an ONC-certified EHR, *TechCare*® is fully compatible with State Health Information Exchanges and State Medicaid systems across the country.

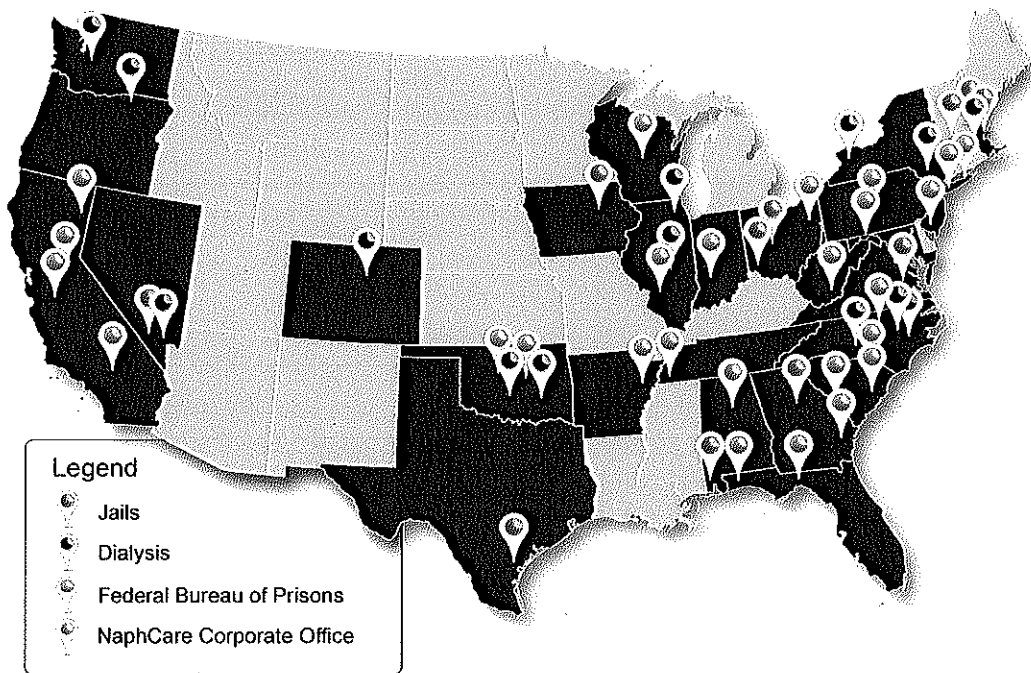
✓ Insurance and Indemnification:

Due to our financial strength, we have exceptional insurance programs - *the best available in the industry*. We have the ability to provide almost any kind of insurance a facility may require (workers compensation, employer's liability insurance, commercial general liability, automobile liability insurance, and medical professional liability insurance).

Our ability to purchase additional limits was due to the significant premium reduction in recognition of NaphCare's excellent liability history and quality of care. While some in the industry realized premium reductions, ours far exceeds the industry average. Ratings of NaphCare's current insurance companies are:

Coverage	Carrier	Rating
PL/GL	Evanston	A XV
Employment Practices	One Beacon	A XI
Property	Philadelphia	A++ XV
Workers' Compensation	Travelers	A+ XV
Excess Auto	Evanston	A XV

Current Clients List



JAIL CLIENTS

Facility	ADP	Accreditation	Contract Dates	Contact
Clark County Detention Center 330 S. Casino Center Blvd. Las Vegas, NV 89101	3,538	NCCHC October 2005* Dec. 2008* February 2009* ACA Jan. 2008* October 2010*	7/1/05 - present	Captain Fred Meyer Telephone: (702) 671-3862 Fax: (702) 671-3934 Email: f6381m@lvmpd.com
Hillsborough County Jail 520 N Falkenburg Rd Tampa, FL 33619	2,900	N/A	10/1/14-present	Major Paul Adee Telephone: (813) 242-5111 Fax: (813) 242-1887 Email: padee@hcsa.tampa.fl.us
Mobile County Metro Jail 450 St. Emanuel Street Mobile, AL 36603	1,670	NCCHC	7/1/13-present	Deputy Warden Same Houston Telephone: (251) 574-3239 Email: shouston@mobileso.com

Facility	ADP	Accreditation	Contract Dates	Contact
Essex County Correctional Facility 20 Manning Avenue Middleton, MA 01949	1,580	NCCHC June 2009* ACA May 2009* October 2012*	7/1/08 - present	Assistant Superintendent James F. Lander Telephone: (978) 750-1900, ext. 3276 Fax: (978) 750-1999 Email: JLander@eccf.com
Hamilton County Corrections System 1000 Sycamore Street Cincinnati, OH 45202	1,550	NCCHC Nov. 2010*	12/30/07 - present	Keith Clepper, Administrative Assistant Telephone: (513) 946-6611 kclepper@sheriff.hamilton-co.org
Virginia Beach Correctional Center 2501 James Madison Blvd. Virginia Beach, VA 23456	1,500	N/A	5/1/15 - present	Captain Larry Kiefer Telephone: (757) 385-6961 Email: kiefer@vbso.net
Suffolk County House of Correction 20 Bradston Street Boston, MA 02118 Nashua Street Jail 200 Nashua Street Boston, MA 02114	1,300 650	NCCHC NCCHC	3/12/12 - present 3/1/16-present	Yolanda L. Smith, Superintendent Phone: (617) 704-6511 Fax: (617) 704-6558 Email: YSmith@scsdma.org
Richmond City Justice Center 1701 Fairfield Way Richmond, VA 23223	1,286	N/A	10/1/14-present	Tony H. Pham, General Counsel Telephone: (804) 646-0229 Fax: (804) 646-4237 Email: Tony.Pham@richmondgov.com
Pierce County Detention and Corrections Center 910 Tacoma Ave. South Tacoma, Washington 98402	1,200	N/A	8/8/15-present	Pattie Jackson-Kidder, Lieutenant Telephone: (253) 753-4340 Email: pjackso@pierce.wa.us
Santa Ana Jail 62 Civic Center Plaza P.O. Box 22003 Santa Ana, CA 92701	1,200	N/A	10/1/14-present	Christina Holland, Jail Administrator Telephone: (714) 245-8123 Fax: (714) 245-8116 Email: cholland@santa-ana.org
Washoe County Sheriff's Office 911 E Parr Blvd. Reno, NV 89512	1,019	N/A	6/1/15 - present	Captain Heidi Howe Phone: (775) 328-2962 Email: hhowe@washoecounty.us
Montgomery County Jail 333 West 2nd Street Dayton, OH 45422	860	NCCHC Dec 2007* March 2011* July 2014 ACA: Sept 2007 Jan 2013	8/19/03 - present	Captain Chuck Crosby Telephone: (937) 496-3024 Fax: (937) 225-3484 Email: CrosbyC@MCOhioSheriff.org

Facility	ADP	Accreditation	Contract Dates	Contact
Newton County Jail 15151 Alcovy Jersey Road Covington, GA 30014	650	N/A	1/10/04 - present	1st Lieutenant Brice Smith Telephone: (678) 625-1434 Fax: (678) 625-1566 Email: brsmith@newtonsheriffga.org
Kings County Jail 1570 Kings County Drive Hanford, CA 93230	600	N/A	12/1/14-present	Robert Thayer, Assistant Sheriff Telephone: (559) 582-3211 ext. 2886 Email: Robert.Thayer@co.kings.ca.us
Washington County Jail 215 W Adams Avenue Hillsboro, OR 97123	570	N/A	6/1/15 - present	Lieutenant Matt Frohnert Telephone: (503) 846-6820 Email: matt_frohnert@co.washington.or.us
Black Hawk County Jail 225 East Sixth Street Waterloo, IA 50703	258	NCCHC Nov. 2004* Nov. 2007* March 2011*	4/25/00 - present	Captain Mark Herbst Telephone: (319) 291-2587 ext. 5128 Fax: (319) 291-2541 Email: MHerbst@bhcsso.org

**Initial Accreditation

*Re-accreditation Date

Metropolitan Correctional Center, New York 150 Park Row New York, NY 10007	800	ACA/ JCAHO	11/02/09 - present
Federal Prison Camp, Pensacola 110 Raby Avenue Pensacola, FL 32509	800	ACA/ JCAHO	1/12/04 - present

ELECTRONIC MEDICAL RECORDS CLIENTS

Client	ADP	Contract Dates	Contact
Maricopa County Correctional Health Services 320 West Lincoln Street Phoenix, AZ 85003	7,000 ADP Manage 2,070,000 records, 250,000+ per year	5/21/12-present	Tom Tegeler, Director of Health Services Email: T.Tegeler@mail.maricopa.gov
San Bernardino County Jail 630 E Rialto Ave San Bernardino, CA 92415	6,300 ADP	12/16/15-present	Terry Fillman, Health Services Administrator Email: tfillman@sbcasd.org
County of Orange Health Care Agency 405 West 5th Street, Suite 600 Santa Ana, CA 92701	7,000+ ADP Manage >1.4 million records	12/4/12-present	Kim Pearson, Deputy Agency Director Email: kpearson@ochca.com
Riverside County Correctional Healthcare Services Division 4000 Orange Street Riverside, CA 92501	4,000+ ADP	12/1/14-present	William Wilson, Director Email: wiwilson@co.riverside.ca.us

New Hampshire Department of Corrections PO Box 1806, Rm 327 Concord, NH 03302	3,000 ADP	1/27/16-present	Joyce Leeka, Operations Administrator Email: Joyce.leeka@doc.nh.gov
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Spokane County, WA – NaphCare Pricing

NaphCare has provided the following quote based on 975 inmates to cover certain medical and mental health positions, as well as off-site and pharmacy services at Spokane County. Please see the staffing matrices at the end of this proposal for more detail.

Pricing Summary:

NaphCare Pricing	
6-Month Total	\$ 2,633,524.02
Monthly Amount	\$ 438,920.67

Off-site Risk and Services:

NaphCare will be financially responsible for all off-site risk and off-site management services. NaphCare will be limited to financial exposure up to \$15,000 per inmate, per incident. Any amount beyond this catastrophic limit will be the financial responsibility of the County. Additionally, our full risk pricing offer is contingent upon community hospitals and providers signing and agreeing to continue the Medicaid rates we believe are currently in place.

Included in the full risk pricing option are all off-site management services: utilization management, claims payment and processing, scheduling, and provider network management.

Pharmacy Risk and Services:

NaphCare will be financially responsible for pharmaceutical risk and services.

Equipment and Software:

Quantity	Medical Equipment - Description
2	Vital Signs Machine
10	Glucometers
2	Pulse Oximeters
1	EKG Machines
2	Medication Carts
2	Treatment Cart
2	Crash Carts
2	Crash Bags
1	Dental Suite
2	AED

Quantity	Technical Equipment - Description
1	Server
10	Desktop Computers
5	Laptop Computers
1	Copier/Scanners
5	Signature Pads
1	Telemedicine Suite

- Medical Equipment Value: \$ 50,000.00
- Technical Equipment Value: \$ 60,000.00
- *TechCare*® Management System Value: \$ 200,000.00
- **Total Added Value** \$ **310,000.00**

Change of Scope Provision:

Should there be a significant change or modification to state or federal laws or regulations, inmate census, standards of care, scope of services, or the number of correctional facilities that results in a material increase or decrease in costs, coverage of costs related to such changes are not included in this proposal and would need to be negotiated with the County.

Conclusion:

Our goal is to use your funds in the most efficient way and we pride ourselves on our ability to price projects correctly. We look forward to partnering with Spokane County and welcome the opportunity to discuss our proposal in greater detail.

Staffing – NaphCare and Union Matricies

NaphCare will be financially responsible for all personnel costs of the following staffing matrix.

Spokane County Jail NaphCare Staffing ADP 675									
	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Hours	FTE
Position Title	Day Shift								
Health Services Administrator (RN)	8.000	8.000	8.000	8.000	8.000			40	1.000
Administrative Assistant/Medical Assistant	8.000	8.000	8.000	8.000	8.000			40	1.000
Medical Director	8.000		8.000		8.000			24	0.600
NP/PA	8.000	8.000	8.000	8.000	8.000			40	1.000
Medical Assistant/Pharmacy Tech	8.000	8.000	8.000	8.000	8.000			40	1.000
Psychiatrist	4.000							4	0.100
Psych NP/PA	8.000	8.000	8.000	8.000	8.000			40	1.000
Licensed Practical Nurse	12.000	12.000	12.000	12.000	12.000	12.000	12.000	84	2.100
Dentist			8.000					8	0.200
Dental Assistant			8.000					8	0.200
Night Shift									
Licensed Practical Nurse	24.000	24.000	24.000	24.000	24.000	24.000	24.000	168	4.200

Total FTEs 12.400

Geiger Correctional Center NaphCare Staffing ADP 300									
	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Hours	FTE
Position Title	Day Shift								
Nurse Practitioner				4.000				4	0.100
Administrative Assistant/Medical Assistant	8.000	8.000	8.000	8.000	8.000			40	1.000

Total FTEs 1.100

Grand Total FTEs 13.500

Spokane County Jail Union Staffing ¹									
	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Hours	FTE
Position Title	Day Shift								
Director of Nursing	8.000	8.000	8.000	8.000	8.000			40	1.000
Registered Nurse - Sick Call	8.000	8.000	8.000	8.000	8.000			40	1.000
Registered Nurse - Booking	12.000	12.000	12.000	12.000	12.000	12.000	12.000	84	2.100
Licensed Practical Nurse	12.000	12.000	12.000	12.000	12.000	12.000	12.000	84	2.100
	Night Shift								
Registered Nurse	12.000	12.000	12.000	12.000	12.000	12.000	12.000	84	2.100

Total FTEs 8.300

Geiger Correctional Center Union Staffing ¹									
	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Hours	FTE
Position Title	Day Shift								
Registered Nurse	12.000	12.000	12.000	12.000	12.000	12.000	12.000	84	2.100
	Night Shift								
Registered Nurse	12.000	12.000	12.000	12.000	12.000	12.000	12.000	84	2.100

Total FTEs 4.200

Grand Total FTEs 12.500

¹ NaphCare will not be financially responsible for any personnel costs of the following union staffing matrix except for backfilling a position due to vacation or sick leave.

EXHIBIT C BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT (the "**BAA**") is made and entered into between NaphCare, Inc. ("**NaphCare**"), and the party identified on the signature page of this BAA ("**Customer**").

Customer is a Covered Entity, or is a Business Associate to one or more Covered Entities, that possesses information about individuals that is protected under the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act (commonly referred to as the "**HITECH Act**"), and the regulations promulgated under the foregoing from time to time by the United States Department of Health and Human Services (collectively, as amended from time to time, "**HIPAA**").

Customer and NaphCare have entered into one or more agreements (collectively, the "**Agreement**") pursuant to which NaphCare will provide certain services to Customer (the "**Services**"), and in the course of providing the Services, Customer may make available to NaphCare or have NaphCare obtain or create on its behalf information that may be deemed protected health information subject to the provisions of HIPAA.

In order to comply with the applicable provisions of HIPAA, the parties agree as follows:

1. Definitions.

1.1 Capitalized terms used but not otherwise defined in this BAA shall have the meanings ascribed in HIPAA (whether or not such terms are capitalized therein).

1.2 "**Effective Date**" means the date indicated on the signature page of this BAA or, if later, the first date upon which NaphCare receives or creates PHI.

1.3 "**PHI**" means Protected Health Information received by NaphCare from or on behalf of Customer or created by NaphCare for or on behalf of Customer.

2. Permitted Uses. NaphCare may use PHI only as permitted or required by this BAA for the following purposes:

- (i) as necessary to provide the Services;
- (ii) to carry out its legal responsibilities;
- (iii) for the proper business management and administration of NaphCare;
- (iv) to provide Data Aggregation services relating to the Health Care Operations of Customer to the extent, if any, necessary or requested pursuant to the Services; and
- (v) as Required By Law.

3. Permitted Disclosures. NaphCare may disclose PHI only as permitted or required by this BAA for the following purposes:

- (i) as necessary to provide the Services;
- (ii) for the proper business management and administration of NaphCare or to carry out its legal responsibilities, if NaphCare has obtained reasonable assurances that the

recipient will (A) hold such PHI in confidence, (B) use or further disclose it only for the purpose for which it was received or as Required By Law, and (C) notify NaphCare of any instance of which the recipient becomes aware in which the confidentiality of such PHI has been breached;

(iii) for the proper business management and administration of NaphCare or to carry out its legal responsibilities, if Required By Law; and

(iv) as otherwise Required By Law;

provided, however, that any disclosure to an agent or subcontractor of NaphCare shall be pursuant to a written agreement between NaphCare and such agent or subcontractor containing substantially the same restrictions and conditions on the use and disclosure of PHI as are set forth in this BAA.

3.1 Transfer of PHI.

NaphCare and/or Customer may transfer PHI via encrypted or secure email or via other means permitted by law. Said transfer shall only disclose the minimum necessary PHI.

4. Prohibited Uses and Disclosures.

Subject to Customer's compliance with its obligations set forth in Section 14 as applicable, NaphCare shall not use or further disclose PHI in a manner that would violate HIPAA if done by the Customer. NaphCare shall not sell PHI or use or disclose PHI for purposes of marketing or fundraising. Unless Customer gives its prior, express written consent, NaphCare shall not de-identify any PHI except as necessary to provide the Services, and unless expressly provided otherwise in a written agreement between the parties, (i) as between NaphCare and Customer all

de-identified PHI shall be and remain exclusively the property of Customer, (ii) NaphCare assigns to Customer all of NaphCare's right, title, and interest therein, if any, and (iii) NaphCare shall not use any such de-identified PHI for any purpose other than to provide the Services and shall not disclose the same to any third party except with the prior written consent of Customer or as otherwise required by applicable law or upon the order of a court of competent jurisdiction.

5. Safeguards. NaphCare shall establish and maintain appropriate safeguards intended to prevent use or disclosure of PHI other than as provided in this BAA. Without limiting the foregoing, NaphCare shall establish and maintain, in compliance with HIPAA and any applicable guidance issued pursuant thereto, administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any PHI that is Electronic Protected Health Information or any other Electronic Protected Health Information maintained or transmitted by NaphCare for or on behalf of Customer, and NaphCare shall establish and maintain policies and procedures, and comply with the documentation requirements, set forth in HIPAA. In the event PHI is maintained and not disposed of, said PHI may be stored in a technical format as determined by NaphCare to be safe and secure. Said format may include on-site computer servers maintained by NaphCare or off-site cloud based secure storage.

6. Reports to Customer; Breach Notification.

6.1 Without unreasonable delay and in no case later than 10 days after discovering a Breach involving PHI that is Unsecured Protected Health Information, NaphCare shall report such Breach to Customer in writing, setting forth the date of discovery thereof, the identities of affected individuals (or, if such identities are unknown at that time, the classes of such individuals), a general description of the nature of the incident, and such other information as is required pursuant to HIPAA or reasonably requested by Customer. For purposes hereof, a Breach shall be deemed discovered by NaphCare when it is known to NaphCare or, by exercising reasonable diligence, would have been known to NaphCare.

6.2 NaphCare shall report to Customer in writing any use or disclosure of PHI that is not permitted by this BAA, other than a Breach involving PHI that is Unsecured Protected Health

Information, within 30 days of NaphCare's discovery thereof.

6.3 NaphCare shall report to Customer in writing any Security Incident involving PHI that is Electronic Protected Health Information within 30 days of NaphCare's discovery thereof. The parties acknowledge and agree that this section constitutes notice by NaphCare to Customer of the ongoing occurrence of incidents that may constitute Security Incidents but that are trivial and do not result in unauthorized access, use, or disclosure of PHI that is Electronic Protected Health Information, including without limitation pings and other broadcast attacks on NaphCare's firewall, port scans, unsuccessful log-on attempts, and denials of service, for which no additional notice to Customer shall be required.

7. Reimbursement; Mitigation. NaphCare shall reimburse Customer for all reasonable and necessary out-of-pocket costs incurred by Customer to provide required notices of a Breach involving PHI that is Unsecured Protected Health Information, and NaphCare shall take all actions reasonably necessary and cooperate with Customer as reasonably requested to mitigate, to the extent practicable, any harmful effect of such occurrence.

8. Minimum Necessary. NaphCare shall request, use, and disclose only the minimum amount of PHI necessary to provide the Services.

9. Access and Amendment. With respect to an Individual as to whom NaphCare maintains PHI, NaphCare shall notify Customer promptly upon receipt of a request from such an Individual for access to or a copy of such Individual's PHI or to amend such Individual's PHI. To the extent permitted under HIPAA, and except as otherwise required upon the order of a court of competent jurisdiction, (i) NaphCare shall direct such Individual to make such request of Customer and (ii) NaphCare shall not consent to such access, deliver such copy, or comply with such request except as directed by Customer. With respect to PHI maintained by NaphCare in a Designated Record Set, to the extent required by HIPAA of a Covered Entity, NaphCare shall (i) make available PHI to Individuals or Customer, as requested by Customer and in accordance with HIPAA, and (ii) upon receipt of notice from Customer, promptly amend any portion of the PHI so that Customer may meet its amendment obligations under HIPAA.

10. Accounting for Disclosures. NaphCare shall document all disclosures of PHI by NaphCare and information related to such disclosures as would be required for Customer to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with HIPAA. NaphCare shall maintain such information for the applicable period set forth in HIPAA. NaphCare shall deliver such information to Customer or, upon Customer's request, to the Individual, in the time and manner reasonably designated by Customer, in order for Customer to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with HIPAA. The obligations set forth in this section shall survive the expiration or any termination of this BAA and shall continue, as to a given instance of a disclosure, until the earlier of (i) the passing of the time required for such information to be maintained pursuant to HIPAA or (ii) the delivery to Customer of all such information in a form and medium reasonably satisfactory to Customer and the return or destruction of all PHI as provided in this BAA.

11. Additional Restrictions. If Customer notifies NaphCare that Customer has agreed to be bound by additional restrictions on the uses or disclosures of PHI pursuant to HIPAA, NaphCare shall be bound by such additional restrictions and shall not use or disclose PHI in violation of such additional restrictions.

12. Audit. If NaphCare receives a request, made on behalf of the Secretary of the Department of Health and Human Services, that NaphCare make its internal practices, books, and records relating to the use or disclosure of PHI available to the Secretary of the Department of Health and Human Services for the purposes of determining Customer's or NaphCare's compliance with HIPAA, NaphCare promptly shall notify Customer of such request and, unless enjoined from doing so by order of a court of competent jurisdiction in response to a challenge raised by Customer or NaphCare (which challenge NaphCare shall not be obligated to raise), NaphCare shall comply with such request to the extent required of it by applicable law. Nothing in this BAA shall waive any attorney-client privilege or other privilege applicable to either party.

13. Remuneration. NaphCare shall not receive remuneration, directly or indirectly, in exchange for PHI; provided, however, that this

prohibition shall not affect payment to NaphCare by Customer pursuant to the Services.

14. Obligations of Customer. Customer shall (i) notify NaphCare of any limitation in Customer's Notice of Privacy Practices to the extent that such limitation may affect NaphCare's use or disclosure of PHI, (ii) notify NaphCare of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such change may affect NaphCare's use or disclosure of PHI, (iii) notify NaphCare of any restriction on the use or disclosure of PHI to which Customer has agreed in accordance with HIPAA, to the extent that such restriction may affect NaphCare's use or disclosure of PHI, and (iv) obtain any authorization or consents as may be Required by Law for any of the uses or disclosures of PHI pursuant to the Services.

15. Term and Termination. This BAA shall become effective on the Effective Date and shall continue in effect until the earlier to occur of (i) the expiration or termination of the Agreement or (ii) termination pursuant to this section. Either party may terminate this BAA effective immediately if it determines that the other party has breached a material provision of this BAA and failed to cure such breach within 30 days of being notified by the other party of the breach. If the non-breaching party reasonably determines that cure is not possible, such party may terminate this BAA effective immediately upon written notice to other party.

16. Effect of Termination. Upon termination of this BAA, NaphCare shall deliver to Customer the disclosure accounting information as provided in this BAA and (i) if feasible, return to Customer or destroy all PHI that NaphCare maintains in any form and retain no copies of such PHI, or (ii) if return or destruction is not feasible, notify Customer and extend the protections of this BAA to the PHI and limit its further use or disclosure to those purposes that make the return or destruction of the PHI infeasible. The requirements of this section shall survive termination or expiration of this BAA and shall be in force as long as any PHI remains in the custody or control of NaphCare.

17. Miscellaneous.

17.1 Amendments. This BAA may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of the parties; provided, however, that upon the enactment of any

law or regulation affecting the use or disclosure of PHI, or on the publication of any decision of a court of competent jurisdiction relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, Customer may, by written notice to NaphCare, propose to amend this BAA in such a manner as Customer reasonably determines necessary to comply therewith, and such proposed amendment shall become operative unless NaphCare rejects such amendment by written notice to Customer within 30 days thereafter, in which case, either party may terminate this BAA by written notice to the other.

17.2 Notices. Notices and reports given under this BAA shall be in writing and sent to NaphCare at Attn: Privacy and Security Officer, NaphCare, Inc., 2090 Columbian Road, Suite 4000, Birmingham, AL 35216, and to Customer at the address shown on the signature page hereof. Such notices shall be deemed delivered (i) when personally delivered, (ii) on the second business day after deposit, properly addressed and postage pre-paid, when sent by certified or registered U.S. mail to the address provided herein, or (iii) on the next business day when sent with next-business-day instruction by recognized overnight document delivery service to the address provided herein.

17.3 Governing Law. This BAA shall be governed and construed under the laws of the state

that governs the Agreement, other than its conflicts of laws principles.

17.4 Waiver. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of, any right or remedy as to subsequent events.

17.5 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations, or liabilities whatsoever.

17.6 Interpretation. In the event of an inconsistency between the provisions of this BAA and mandatory provisions of HIPAA, as amended, or its interpretation by any court or regulatory agency with authority over either party hereto, HIPAA (interpreted by such court or agency, if applicable) shall control. Where provisions of this BAA are different from those mandated under HIPAA, but are nonetheless permitted by such rules as interpreted by relevant courts or agencies, the provisions of this BAA shall control.

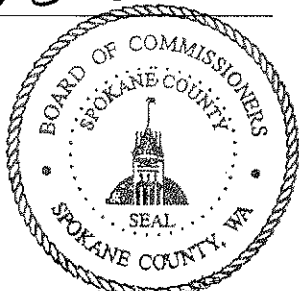
17.7 Counterparts. This BAA may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. Such counterparts may be delivered in faxed or scanned electronic form, and each shall be deemed an original.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date opposite their respective signature block, with the effective date being the date of the last signature.

DATED: 5.3.16

ATTEST:

Ginna Vasquez
Clerk of the Board



BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON


SHELLY O'QUINN, Chair


AL FRENCH, Vice-Chair


NANCY MCLAUGHLIN, Commissioner

DATED: 4/28/16

NAPHCARE, INC.



By: James S. McLane
Its: Chief Executive Officer

Customer Name: Spokane County Detention Services

Customer Address (for notices): Spokane County Detention Services
Attn: John C. McGrath, Director
1100 West Mallon
Spokane, WA 99260

Effective Date: May 7, 2016