

HEALTH SERVICES AGREEMENT NUECES COUNTY CORRECTIONAL FACILITIES

THIS AGREEMENT by and between NUECES COUNTY, a political subdivision of the State of Texas (hereinafter referred to as the "County"), the NUECES COUNTY HOSPITAL DISTRICT, a political subdivision of the State of Texas (hereinafter referred to as "Hospital District") and WEXFORD HEALTH SOURCES, INC. (hereinafter referred to as "WHS"), is entered into and effective as of the 1st day of December, 2025 and shall continue for a period of three (3) years until November 30, 2028 with two (2) potential one (1)-year extensions, in accordance with Article 7.1 herein.

WHEREAS, the County owns and operates Nueces County Jail Facilities (hereinafter referred to as "Facilities") comprised of the County Jail (hereinafter referred to as "Jail") located at 901 Leopard Street and the McKenzie Annex Jail (hereinafter referred to as "Annex") located at 745 North Padre Island Drive, both units situated in Corpus Christi, Nueces County, Texas (Facilities does not include the Nueces County Juvenile Justice Center); and

WHEREAS, the County and the Nueces County Sheriff (hereinafter referred to as "County Sheriff") have the obligation to provide for the health, safety, and welfare of all inmates incarcerated at the Facilities; and

WHEREAS, the Hospital District has certain obligations to provide medical and hospital care to eligible indigent Nueces County residents and those eligible Nueces County indigents who are incarcerated at the Facilities; and

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

WHEREAS, the County issued a Request for Proposals styled "RFP No. 3315-25 Jail Medical Services" which solicited proposals for the provision of inmate medical services at the Facilities (hereinafter referred to as "RFP"); WHS submitted a responsible proposal in response to the RFP;

WHEREAS, County with the concurrence of the Hospital District selected WHS's proposal for award of this Agreement; and

WHEREAS, WHS 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, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, including the above Recitals, which are hereby incorporated as part of this contract, the parties hereto agree as follows:

ARTICLE 1: HEALTH CARE SERVICES

1.1. General Engagement. The County hereby contracts with WHS to provide for the delivery of reasonable and necessary medical, mental health, nursing, dental care, and related supporting services covered under the terms of this Agreement to all inmates at the Facilities, including Work Release Inmates, in the custody of the County Sheriff, even if under the jurisdiction of other authority, such

as U.S. Marshals Service, U.S. Immigration and Customs Enforcement, Texas Department of Criminal Justice or other agencies, counties and municipalities, and to provide for the medical and mental screening of all persons brought to the Facilities for booking.

1.2. Scope of General Services. The responsibility of WHS to deliver reasonably necessary health care services to an inmate commences with the commitment of an inmate into custody of the Facilities, which is considered the official booking. WHS shall provide health care services for all inmates, incarcerated at the Facilities, including Work Release Inmates. WHS shall provide twenty-four (24) hours per day, seven (7) days per week, at full staffing, all professional medical, dental, mental health, and nursing, in accordance with **Appendix A, Staffing Matrix**. WHS's services shall include but are not limited to (i) intake medical and mental health assessments, health care services for chronic, infirmary, and sick call care, routine and preventive care, including health assessments, and acute and emergency care; (ii) laboratory, radiology, pharmacy, , and other supporting ancillary services and supplies; (iii) other related non-ancillary support services for all inmates under the custody and control of the County Sheriff at the Facilities, as set out in County's Request to Proposers No. 3315-25 (herein "RFP No. 3315-25").

WHS 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 (iii) Texas Administrative Code Title 37, Part 9, Chapter 273, (the Texas Commission on Jail Standards related to health services) and any other applicable state and federal statutes, including any other applicable Order of a Court.

Except as otherwise agreed herein, the services to be provided by WHS under the terms of this Agreement shall be those (i) required under Attachment B - Scope of Work and Continuity of Services of RFP No. 3315-25, which is attached hereto as **Appendix B, Scope of Work** and hereby is incorporated herein by reference as if set out word for word herein.

1.3. WHS Staffing. WHS shall provide weekly staffing, twenty -four (24) hours, seven (7) days per week at the Facilities in accordance with the staffing matrix attached hereto as **Appendix A, Staffing Matrix**. No more than 10% of Nursing Staff may be outsourced by WHS.

1.4. Responsibility for Offsite Medical Care. Offsite specialty clinics, ambulance transportation (including emergency ambulance transportation), offsite radiology services, emergency room visits, hospitalization (including physician charges) and any other services provided by licensed medical professionals (hereinafter referred to as "Offsite Medical Care") which are not provided onsite at the Facilities shall be arranged for by WHS but not paid for by WHS unless otherwise indicated. Except for emergency ambulance transportation, WHS shall arrange all other Offsite Medical Care with the Hospital District's indigent health care contractor, CHRISTUS Spohn Health System Corporation. Financial responsibility for all other Offsite Medical Care shall be governed by the terms of the Hospital District's indigent care agreement with CHRISTUS Spohn Health System Corporation but shall not be the financial responsibility of WHS. The Hospital District will designate a CHRISTUS Spohn Healthcare Corporation liaison to WHS for WHS to coordinate and arrange Offsite Medical Care. Any Offsite Medical care not arranged with CHRISTUS Spohn Health System Corporation shall be the sole financial responsibility of WHS.

1.5. Responsibility for Onsite Medical Care. The particular onsite services to be provided by WHS under terms of this Agreement shall be those services described in RFP-3315-25. WHS shall provide the onsite medical, mental health, and dental care and treatment services in the quantity, type, manner, and if applicable using the methods described in RFP 3315-25 WHS'S staffing matrix **Appendix A, Staffing Matrix attached hereto.** Onsite medical care to be provided by WHS under terms of this Agreement shall also include medically necessary overnight infirmary care provided within the Facilities' health care units. Onsite medical, mental health, and dental services and related technical and support personnel shall be the financial responsibility of WHS. WHS shall maintain a liaison, coordinate, and arrange any related offsite inmate health care services with the Hospital District's indigent health care provider, CHRISTUS Spohn Health System Corporation. Any related offsite inmate health care services not arranged with CHRISTUS Spohn Health System Corporation shall be the sole financial responsibility of WHS.

WHS agrees to administer tuberculosis (TB), human immunodeficiency virus (HIV), Hepatitis C (HCV), and COVID-19 screening tests to County Sheriffs staff as determined by the County Sheriff or his designee. WHS shall purchase the medical supplies and other items, including the TB serum, necessary to perform such screenings, but such costs shall pass through to the County and/or Hospital District so that the County and/or Hospital District will reimburse WHS for all such costs on a monthly basis. At the end of each calendar quarter, WHS shall submit to the County an invoice for all medical supplies and items, including the TB serum, purchased for the TB, HIV, HCV, COVID-19 screenings. The County and/or Hospital District shall pay such invoice within thirty (30) days of the invoice date. If the County Sheriff determines that payment for specific services is disputed, the undisputed portion of the invoice shall be approved for payment. The parties shall attempt to resolve the disputed portions of the invoice within ten (10) calendar days.

For any onsite health care services not described above, WHS, in conjunction with the County and Hospital District, shall determine and then specify which additional onsite health care services is/are appropriate.

1.6. Pharmaceutical Services. WHS shall provide onsite pharmaceutical and related services within the Facilities in accordance with RFP 3315-25. Pursuant to the requirements of the RFP, WHS shall (i) provide a copy of the formulary to be used within the Facilities under this agreement to the Sheriff or his designee as well as to the Hospital District, (ii) obtain human immunodeficiency virus (hereinafter referred to as "HIV") and Hepatitis C (hereinafter referred to "HCV") medications for inmates in the Facilities through available Texas Department of State Health Services programs, including the Texas HIV Medication Program and the Texas HIV State Pharmacy Assistance Program (collectively hereinafter referred to as "THMP") or other public sources, other than the County and the Hospital District, or through patient assistance programs offered through pharmaceutical companies ("Patient Assistance Programs"); and (iii) coordinate and pursue applications for THMP and other public source assistance or Patient Assistance Programs for inmates of the Facilities. In the event inmate HIV and/or HCV medications are not available through Patient Assistance Programs, the THMP, or other public sources other than the County and Hospital District, WHS will acquire the applicable medication and the Hospital District will reimburse WHS's purchase cost pursuant to its monthly invoices. WHS will charge the Hospital District for these medications as part of its monthly invoices submitted under Article 8.1. WHS will provide as back up to the monthly invoices its

medications purchase invoices, as well as written notice indicating non-availability or denial of the medications from THMP, Patient Assistance Programs, or other public sources.

1.7. Exceptions to Treatment. WHS 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, and if determined by all Parties to be a further obligation of WHS; and result in increased cost to WHS, the County and/or Hospital District shall reimburse WHS for those increased costs. WHS agrees to provide the County and/or Hospital District prior written information sufficient to evaluate the scope and necessity of any forensic medical testing and obtaining samples and the associated cost.

WHS will not be responsible for costs associated with the transportation or security of inmates for offsite non-emergency health care treatment. WHS will provide qualified emergency ambulance transportation services when medically necessary in connection with offsite emergency medical treatment. WHS will not be financially responsible for costs associated with transplants and experimental procedures. WHS will not be financially responsible for costs associated with factor 8 blood products, and medications that cost more than \$2,000.00 per month per application. WHS will charge the Hospital District for these medications, at cost, as part of its monthly invoices submitted under Article 8.1. WHS will not be financially responsible for any costs incurred after an inmate is released from the County's custody. WHS will not be responsible for the provision of elective medical care to inmates. For purposes of this Agreement, "elective medical care" means medical care which, if not provided, would not in the opinion of WHS's Medical Director cause the inmate's health to deteriorate or cause definite harm to the inmate's well-being and specifically includes sex or gender reassignment surgeries.

1.8. Changes in Standards of Care or Scope of Services. The price in Article 8, below, reflects the scope of services required by RFP3315-25 and 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 and/or Hospital District request a change in the scope of services, and such changes result in an increase in cost to WHS, the parties agree to review the necessity of implementing the changes and the coverage of costs related to such changes not covered in this Agreement to negotiate the price of any increased cost. Prior to such negotiation, WHS agrees to provide the County and Hospital District information sufficient to evaluate the scope and necessity of and any increase in cost.

ARTICLE 2: PERSONNEL

2.1. Incorporation of WHS Proposal. The personnel to be provided by WHS under the terms of this Agreement shall be those described in RFP 3315-25. All personnel and related personnel licensure, certification and registration required to be provided under the terms of this Agreement by WHS shall be delivered in accordance with the RFP. Notwithstanding the foregoing, WHS may change personnel at any time without the consent of the County so long as all persons performing services under this Agreement are licensed, certified or registered in accordance with applicable law and the requirements of RFP 3315-25.

2.2. Provision of Personnel. WHS shall provide medical, dental, mental health, nursing, technical and support personnel as necessary for the rendering of health care services to inmates at the Facilities as required in RFP 3315-25.

A. This staffing pattern as described in **Appendix A, Staffing Matrix** shall be required under this Agreement. Should the County add new locations or services which WHS considers are new and not covered in RFP 3315-25, WHS shall provide written notice to County and Hospital District of the matter and any impact to WHS's operation, which result in staffing cost increases to WHS. WHS may negotiate for additional compensation from the County and/or the Hospital District.

2.3. Licensure, Certification and Registration of Personnel. WHS will ensure that all personnel provided or made available by WHS to render services hereunder shall be licensed, certified or registered in the State of Texas, as appropriate, in their respective areas of expertise as required by applicable law. If requested by the County and/or the Hospital District, WHS shall provide to the appropriate, designated officer or department a copy of the license, certificate or registration of personnel employed by WHS.

2.4 WHS will provide continuing education for all WHS' staff providing services under this agreement at County's Facilities. WHS will provide ongoing continuing education and training which will assist their staff in the delivery of services under this agreement. WHS shall maintain comprehensive records of all continuing education and training offered and completed by WHS personnel. Upon request by County and/or Hospital District, WHS shall make records of continuing education sessions offered and the reception of the staff to the sessions and staff participation. Failure to comply with the continuing education requirement of the RFP NO. 3315-25 shall constitute a material breach of this Agreement and may result termination for cause.

2.5 County's Satisfaction with Health Care Personnel. If County should become dissatisfied with any health care personnel provided by WHS, County will give written notice to WHS and Hospital District of its reasons for dissatisfaction, except as noted in Article 2.4(A), below. WHS agrees to cooperate with the County Sheriff and respond to inquiries or complaints about its personnel, including lack thereof, or contractors in a timely manner, should the County Sheriff have security or other concerns about WHS's employees and/or contractors' fitness or ability to perform at the Facilities. WHS 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, WHS will remove the individual according to WHS's personnel policy or independent contractor agreement.

A. All WHS personnel, subcontractors, and agents shall meet minimum standards as determined by the County prior to receiving a security clearance to enter the Facilities. If, at any time during the course of their employment or contract engagement, any WHS employee or subcontractor engages in conduct (either on or off duty) which threatens the security of the Facilities 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 WHS and Hospital District.

- B. WHS shall consult with the County regarding initial and continued assignment of staff and subcontractors. All persons employed by WHS or its subcontractors shall not be deemed to be the employees of County or Hospital District by reason of any provision of this Agreement.
- C. WHS shall continuously maintain personnel files (or copies thereof) of all employees assigned to the Facilities.

2.6 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.

2.7 Discrimination.

2.7.1 During the performance of this Agreement, WHS, their employees, agents, subcontractors, and assignees agree as follows:

- a) WHS will not discriminate against any employee or applicant for employment because of race, creed, sex, religion, color, disability or national origin, WHS will take affirmative action to ensure that applicants are employees, and that employees are treated during employments, without regard to their race, creed, sex, color, handicap or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff, or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. WHS agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- b) WHS will, in all solicitations or advertisements for employees placed by or on behalf of WHS, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, disability or national origin.
- c) WHS will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontract for standard commercial supplies or raw materials.
- d) WHS will send to each labor union or representative of workers with whom WHS' has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of WHS' commitments under Section 202 of Executive Order Number 11246, as amended in 3 CFR 169 (1974), and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e) WHS will comply with all provisions of Executive Order Number 11246, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- f) WHS will furnish all information and reports required by Executive Order Number 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to WHS' books, records, and accounts by the contracting

agency and the Secretary of Labor for purposes of investigation to ascertain complaints with such rules, regulations, and orders.

g) In the event of WHS' non-compliance with the non-discrimination clauses of this contract or with any of such rules, regulations, and orders, this contract may be cancelled, terminated, or suspended in whole or in part and WHS may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order Number 11426, as amended or by rules, regulations, or orders of the Secretary of Labor, or as otherwise provided by law.

2.7.2 WHS will include provisions (a) through (g) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order Number 11426, as amended, so that such provisions will be binding upon each subcontractor or purchase order, as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance; provided however, that in the event the contractor becomes involved in or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

3 ACCREDITATION

3.1 Use of Accreditation Standards. WHS agrees to operate and maintain compliance with the National Commission on Correctional Health Care, American Correctional Association, Texas Commission on Jail Standards, and other applicable laws or court orders.

3.2 NCCHC Accreditation. WHS agrees to cooperate with the County in the event the County seeks NCCHC accreditation at the Facilities, and WHS shall bear the costs and expenses of obtaining and maintaining the NCCHC accreditation, if any, during the remainder of the term of this Agreement and any extensions thereof.

3.3 ACA Accreditation. In the event the County pursues ACA accreditation of the Facilities, WHS agrees to affirmatively support and actively participate in the County's pursuit of such accreditation with respect to the ACA medical services standards. However, WHS shall in no way be responsible for any costs or expenses related to ACA accreditation.

4 REPORTS AND RECORDS

4.1 Medical Records. WHS shall maintain complete and accurate medical records for each Facilities inmate who receives health care services from WHS. Each medical record will be maintained in accordance with applicable laws, Texas Commission on Jail Standards related to health services, NCCHC standards, and ACA standards.

The medical records shall be property of the County, and WHS shall be custodian of all County inmate medical records during the term of this Agreement. Notwithstanding the ownership of the medical records by County, WHS is responsible for all health care services required under RFP 3315-25 and as set out in this Agreement and neither County and/or Hospital District nor the County Sheriff will interfere as further described in paragraph 5.2 herein.

Further, no County personnel shall make any medical decisions or perform any health care services based upon ownership of the records. The medical records shall be kept separate from the inmate's confinement records. A complete legible electronic copy or paper copy of the applicable medical record shall be available at all times. Medical records shall be kept confidential in accordance with applicable law.

During the term of this Agreement, WHS shall assist the County in responding to any information request concerning the medical records, including gathering information for requests and preparing responses when disclosure would not be permissible under law, regardless of whether such request is pursuant to HIPAA, FOIA, the Texas Public Information Act, or any similar law.

At the termination or expiration of this Agreement, such electronic medical records and any paper copies in existence at the termination or expiration of this Agreement shall be delivered to the County, and WHS shall cooperate with the County's new inmate health care services provider at the Facilities in the transfer of such medical records, in electronic format and paper copies. However, the County or the County's designee provider shall, within the limits of applicable law, provide WHS with reasonable ongoing access to all medical records, including for a reasonable amount of time after the termination of this Agreement, for the purposes of defending claims and litigation subject to payment of actual costs.

- 4.2 **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. WHS will require subcontractors to comply with requirements of HIPAA and HITECH Act. WHS, County and Hospital District agree to the Business Associate Agreement as set forth in **Appendix C, Business Associate Agreement** attached hereto, which is incorporated in its entirety. WHS agrees to assist County in any HIPAA and HITECH compliance requirements.
- 4.3 **Regular Reports by WHS to the County and Hospital District.** WHS shall provide County and Hospital District, on a date and in a form mutually acceptable to WHS and County and Hospital District, monthly and annual reports regarding the 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 WHS, County, and the Hospital District.
- 4.4 **Inmate Information.** Subject to the applicable federal and state laws, in order to assist WHS in providing the best possible health care services to inmates, County will provide WHS with information pertaining to inmates that WHS and County mutually identify as reasonable and necessary for WHS to adequately perform its obligations hereunder, which shall include allowing WHS access to the Facilities' inmate information management system as it relates to pertinent information that may assist WHS in rendering necessary medical, mental health and/or dental care to inmates housed within the Facilities. The County will cooperate with WHS to the extent permitted under applicable federal and state law to provide inmate information to WHS for a reasonable time after termination of this Agreement when requested by WHS in connection with the investigation of, or defense of, any claim by a third party related to WHS's conduct as

jail medical provider. WHS shall reimburse the County for actual costs incurred in the provision of information.

- 4.5 WHS Records Available to the County with Limitations on Disclosure. Subject to Article 4.1, 4.2 and applicable law, WHS shall make available to County, at 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. County understands that many of the systems, methods, procedures, written materials, computer programs and other controls employed by WHS in the performance of its obligations hereunder are proprietary in nature and will remain the property of WHS. 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, including but not limited to the Texas Public Information Act.
- 4.6 County's Records Available to WHS with Limitations on Disclosure. During the term of this Agreement, and for a reasonable time thereafter, County will provide WHS, at WHS's request, County's records relating to the provision of health care services to Facilities' inmates as may be reasonably requested by WHS or as are pertinent to the investigation or defense of any claim related to WHS's conduct and performance. Consistent with applicable law, County will make available to WHS 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 WHS may reasonably request. Any such information provided by the County to WHS that County considers confidential shall be kept confidential by WHS and shall not, except as may be required by law, be distributed to any third party without the prior written approval of the County.

5 SECURITY

- 5.1 General. WHS and the County and Hospital District understand the importance of security services to the safety of the agents, employees and subcontractors of WHS as well as for the security of inmates and the County's staff, consistent with the correctional setting. Accordingly, both County and/or Hospital District and WHS will cooperate with each other in addressing security issues. County will use reasonable efforts to provide sufficient security to enable WHS and its personnel to safely and adequately provide the health care services required by RFP3315-25 and described in this Agreement, however, nothing herein shall be construed to make County, its deputies or employees a guarantor of the safety of WHS's employees, agents or subcontractors, including their employees.
- 5.2 Security Override for Offsite Medical Services. In the event that WHS recommends health care services for any inmate or WHS recommends that an inmate be sent offsite for medical services, County and/or the County Sheriff will not interfere or override WHS's health care recommendations.
- 5.3 Security During Transportation for Offsite Medical Services. County will provide security in connection with the transportation of any inmate between the Facilities and any other location for offsite medical services.

6 OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES

- 6.1 General.** County agrees to provide WHS with office space, facilities, equipment (to the extent specified in RFP 3315-25), and utilities at the Facilities sufficient to enable WHS to perform its obligations pursuant to this Agreement. County shall be responsible for providing substitute space, if reasonably available and necessary, should WHS recommend that the designated facilities are inadequate for the purposes hereof or that the designated medical facilities become unsafe for any reason.
- 6.2 Delivery of Possession.** County will provide to WHS, beginning on the date of commencement of this Agreement, possession and control of all supplies, medical equipment, and office equipment in place at the Facilities health care unit(s) which items are the County's or Hospital District's property or in the possession of the County or Hospital District. At the termination of this Agreement, WHS will return to the County or Hospital District possession and control of all medical equipment and office equipment, in working order, reasonable wear and tear excepted, which were in place at the Facilities' health care unit(s) prior to the commencement of services under this Agreement. Any equipment purchased under the Agreement shall be the property of the party who purchased the equipment, and equipment owned by the County or the Hospital District shall remain onsite at the termination of the Agreement, and any equipment or other property purchased or owned by WHS may be removed by WHS upon termination of the Agreement (including any policies and procedures) subject to County and/or Hospital District's right to purchase from WHS as described below. All supplies purchased for the performance of the Agreement shall be the property of the County and/or Hospital District and shall remain onsite at the termination of the Agreement.
- 6.3 Equipment.** WHS will be responsible for ongoing repair and maintenance of all existing medical and office equipment provided and owned by the County or the Hospital District for use by WHS under this Agreement
- 6.4 Right to Purchase.** Ninety (90) days prior to expiration/termination of the Agreement, WHS will provide County and Hospital District a list of all WHS-owned equipment at the Facilities. County and/or Hospital District will have the right, but not obligation, to purchase such equipment from WHS at its fair market value.
- 6.5 General Maintenance Services.** County will provide for each inmate receiving health care services the same services and facilities provided by County for all inmates at the Facilities including, but not limited to, daily housekeeping services, dietary services, building maintenance services, personal hygiene supplies and services, and linen supplies.
- 6.6 Damaged Equipment.** WHS shall not be liable for loss of or damage to equipment and supplies if such loss or damage was caused by the sole negligence of County or Hospital District employees, and WHS shall not have to pay for the repair or replacement of the same.

7 TERM AND TERMINATION OF AGREEMENT

- 7.1 Term.** This Agreement shall commence at 12:00 A.M. on December 1, 2025 ("Effective Date"). The initial term of this Agreement shall be for three (3) years, ending at 11:59 P.M. on November

30, 2028 (the "Initial Term"), with an option for two (2) additional one (1)-year terms ("Renewal Term(s)"), which may only be exercised upon mutual agreement of the parties.

7.2 Termination. Notwithstanding the provisions of Article 7.1, this Agreement may be sooner terminated on the first to occur of the following:

A. Termination for Default. County and/or the Hospital District elect to give notice to WHS that WHS has materially defaulted in the performance of any of its obligations hereunder and if such default shall not have been cured within sixty (60) 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. Any party may terminate this Agreement without cause by providing not less than six (6) months one hundred eighty days (180) days prior written notice of their intent to terminate to each of the other parties. Notice hereunder shall be provided pursuant to Article 10.3 of this Agreement.

7.3 Responsibility for Inmate Health Care. Upon termination or expiration of this Agreement, all responsibilities of WHS hereunder shall immediately cease and become null and void, except for those that by their nature or as are otherwise required to continue herein, would continue beyond termination or expiration of this Agreement.

7.4 Continuity of Services.

7.4.1 Upon termination of this Agreement, WHS agrees to (a) furnish phase-in training upon request and (b) exercise its best efforts and cooperation to affect an orderly and efficient transition to a successor inmate health care services provider at the Facilities.

7.4.2 WHS shall, upon termination notice, negotiate in good faith a plan with a successor inmate health care services provider at the Facilities to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a date for work described in the plan and shall be subject to the applicable Hospital District and Jail Administrator's approval. WHS shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services under this Agreement are maintained at the required level of proficiency.

7.4.3 WHS agrees to extend this Agreement on a month-to-month basis until phase in/phase out is completed ("Extended Month-to-Month Period") for up to six (6) months and the Parties shall negotiate compensation for the Extended Month-to-Month Period at such time, as necessary to reflect any increase in medical cost, but not greater than 8% of what is currently being paid.

7.4.4 Nothing herein shall be construed as to require WHS to indemnify, defend, or hold harmless the successor inmate health care services provider at the Facilities for any training, transition matters, or the acts or omissions of WHS, its officers, employees, or personnel.

7.5 Payment for Services Performed. In the event that this Agreement is terminated for any reason, the Hospital District agrees to pay WHS for services actually performed through the date of termination.

8 COMPENSATION

8.1 Compensation. The Hospital District shall pay WHS the following for services rendered under this Agreement as indicated below, subject to acknowledgement by the County Sheriff that monthly services have been rendered:

- **Initial Three-Year Agreement Term for three (3) years beginning December 1, 2025 through November 30, 2028:** \$22,345,703.04 to be paid in equal monthly installments of \$620,713.97
- **Optional Year Four Term for one (1) year beginning December 1, 2028 and ending November 30, 2029:** \$7,970,565.28 to be paid in equal monthly installments of \$664,213.77
- **Optional Year Five Term for one (1) year beginning December 1, 2029 and ending November 30, 2030:** \$8,236,074.16 to be paid in equal monthly installments of \$686,339.51

In addition to the compensation set out above, a monthly per diem charge ("Per Diem") will be applied as set out herein. If the ADP falls below 990 a Per Diem credit of \$4.66 per inmate below 990 will be applied. If the ADP goes above 990, WHS will bill the \$4.66 Per Diem per inmate above 990 in the succeeding month's invoice.

By the fifth day of each month or first business day thereafter during the Term of this Agreement (including any Renewal term), WHS shall submit a written invoice via mail or email, to the County Sheriff or his designee for approval of payment. The County Sheriff or his designee shall review the invoice against the services required and provided under this Agreement and forward the approved invoice to the Hospital District for approval and payment within thirty-five (35) calendar days of the invoice date. The Hospital District shall pay WHS within sixty (60) calendar days of the invoice date with payment sent via the United States Postal Service to the address provided by WHS on the invoice. Any Per Diem charges shall be clearly identified and billed in subsequent invoices. In the event this Agreement should terminate or be amended on a date other than the end of any calendar month, compensation to WHS will be prorated accordingly based on the fractional portion of the month during which WHS actually provided services. If the County Sheriff or Hospital District determines that payments for specific services are disputed, the undisputed portion of the invoice shall be approved for payment. The parties shall attempt to resolve the disputed portions of the invoice within ten (10) calendar days.

8.1.1 In the event that the County and/or Hospital District fails to make any undisputed payment to WHS hereunder within ten (10) calendar days following WHS's written notice to the County and Hospital District of non-payment pursuant to Article 10.3 of this Agreement, WHS may seek recovery of said funds pursuant to any available remedy at law or in equity, including termination of this Agreement.

8.1.2 In the event that WHS terminates this Agreement due to the County and/or Hospital District's non-payment as described in Article 8.1, the County and/or Hospital District will be responsible for the pro-rated monthly payment of any services actually provided up to and including the date of termination.

8.2 Changes in the Law. If any statute is passed, , or any statute adopted or interpretation made, or additional facilities opened, that materially changes the scope of services or increases the cost to WHS of providing health care services hereunder, WHS, County and Hospital District agree to discuss whether additional compensation will be paid to WHS as a result of such changes. Prior to any discussion, WHS agrees to provide County and Hospital District information sufficient to evaluate the scope and necessity of, and any increase in cost. If the parties are unable to agree on appropriate compensation, pursuant to 7.2B any party may provide six (6) months prior notice of their intent to terminate this Agreement by written notice to the other parties.

9 LIABILITY AND RISK MANAGEMENT

9.1 Insurance. WHS shall purchase and maintain in force at all times during the term of this Agreement, insurance with limits not less than indicated below. The County and the Hospital District are to be named as an additional insured in all policies, except for workers' compensation coverage, and all policies shall include a waiver of subrogation along with primary and non-contributory wording and shall be provided to the County and Hospital District for all policies. Policies shall not exclude coverages for explosion, collapse, or underground hazards. Certificates of Liability must reference the project number and name.

Certificates of the coverage outlined below shall be available to County or Hospital District upon request.

9.1.1 Commercial General Liability Insurance: The minimum required limits of liability insurance to be provided by such general liability insurance shall be as follows:

- Bodily Injury/Property Damage Insurance
- Limits for each occurrence \$1,000,000

Annual Aggregate \$3,000,000

9.1.2 Professional Liability/ Medical Malpractice Insurance: The minimum acceptable limits of liability to be provided by such professional liability insurance shall be as follows:

- \$1,000,000 per medical incident
- \$3,000,000 per annual aggregate per physician/dentist or other insured contractor
- \$5,000,000 per annual aggregate for corporate ancillary personnel

9.1.3 Automobile Liability Insurance covering Owned, Non-Owned and Hired automobiles and those of Independent Contractors:

- Bodily Injury/Property Damage
- Per Occurrence: \$1,000,000

9.1.4 Umbrella (excess liability policy) or additional limits on foregoing risks:

- \$1,000,000

9.1.5 Workers Compensation Insurance Certificate:

- Employer's Liability Coverage Limit: \$1,000,000

- The provisions of the “Workers Compensation Certification” sub-section of Section 7. ADDITIONAL REQUIREMENTS of RFP No. 3315-25 are attached hereto as **Appendix D, Workers Compensation Certification from RFP 3315-25** and is hereby incorporated by reference as if each word were included herein.

All insurance must be written by insurance companies which are rated in the A.M. Best Rating Guide-Property & Casualty with a policyholder’s rating of A and a financial size category of Class VII.

9.2 Performance Bond. WHS shall maintain and continue to provide the County with a performance bond in the amount of \$2,250,000.00. New bonds will be required for each renewal (if any) in one (1) year increments, not to exceed two (2) additional years past the initial term. Such performance bond must be written by a Texas Licensed company, or companies.

9.3 County Indemnity. WHS agrees to indemnify, defend and hold harmless the County, the Hospital District, and their agents, officers and employees, from and against all suits, actions or other claims of any character and description, including but not limited to reasonable attorney fees, brought for or on account of any injuries, bodily injury, including death, and property loss or damages received or sustained arising solely out of any wrongful act, negligence, or omission of WHS, its agents, employees or subcontractors, regardless of whether such suit, action or claim is instituted by a third party or an employee, agent or subcontractor or supplier of WHS in the execution of, or performance under this Agreement . WHS shall pay any judgement with cost that may be obtained against County and/or Hospital District growing out of such injuries. WHS's obligations pursuant to this provision will not apply to any claim, liability, cost or expense to the extent caused by the acts or omissions of any of the County or Hospital District's officers, agents, or employees which prevent an inmate from receiving medical care as directed by WHS. County or Hospital District shall promptly notify WHS of any incident, accident, claim or lawsuit of which County or Hospital District becomes aware that does or may potentially involve WHS, and shall fully cooperate in the defense of such claim. This provision shall survive the termination or expiration of this agreement.

10 ADDITIONAL REQUIREMENTS/MISCELLANEOUS

10.1: Americans with Disabilities Act. WHS shall comply with all applicable provisions of the Americans with Disabilities Act of 1990 (Public Law 101-136) and implementing regulations thereunder.

10.2: Civil Rights Act of 1964. Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

10.3 Conflict of Interest Questionnaire. Chapter 176 of the Texas Local Government Code requires a vendor who enters or seeks to enter into a contract for the sale or purchase of real property, goods, or services with a local governmental entity or local government officer thereof to file a conflict-of-interest questionnaire with the governmental entity prescribed.

A Conflict-of-Interest Questionnaire Form (CIQ) must be submitted not later than the seventh (7th) business day after the date the vendor begins discussion, negotiation, applies or responds to a request

for proposal or bids or correspondence in writing related to a potential contract with the local governmental entity.

10.4 Drug Free Workplace Act. WHS shall comply with all applicable requirements of the Drug-Free Workplace Act of 1988 (Public Law 100-690, Title V, Subtitle D, 41 U.S. §8102, et seq.) and implementing regulations thereunder.

10.5 Immigration Laws and Use of E-Verify. WHS agrees to comply with all requirements of the U.S. Immigration Reform and Control Act of 1986, as amended, and any implementing regulations thereto. WHS further agrees to utilize the E-Verify system through the Department of Homeland Security on its employees. WHS shall not employ unauthorized aliens and shall not assign services to be performed to any supplier or subcontractor who are unauthorized aliens. If any personnel performing any services hereunder are discovered to be an unauthorized alien, then WHS will immediately remove such personnel from performing services hereunder and shall replace such personnel with personnel who are not unauthorized alien(s).

10.6 OSHA Regulations. WHS agrees to maintain and to display any applicable materials for its employees in accordance with OSHA regulations.

10.7 Independent Contractor Status. The parties acknowledge that WHS is an independent contractor and no employee or agent of WHS shall be deemed for any reason to be an employee or agent of the County. 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.

10.8 Assignment and Subcontracting. Except as provided in Article 2.6, WHS shall not assign this Agreement, except to an affiliate of WHS or a successor to substantially all of its assets, or any of its rights or obligations under this Agreement, without the express written consent of the County and Hospital District. Any assignment proposed by WHS, must be to an assignee who is a qualified provider of services such as those to be provided hereunder and who shall have equal or more financial resources than WHS. Any such proposed assignment or subcontract shall include all of the obligations contained in this Agreement.

10.9 Independent Contractors/Subcontractors. If WHS utilizes the services of any independent contractors serving as medical providers in carrying out the obligations contained in this Agreement, such action would require the prior written consent of the County and Hospital District.

10.10 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:

WHS:

John M. Froehlich
Senior Vice President & Chief Financial Officer
Wexford Health Sources, Inc.
501 Holiday Drive
Suite 300
Pittsburgh, Pennsylvania 15220

County: Connie Scott
Nueces County Judge
901 Leopard Street
Room 303
Corpus Christi, Texas 78401

With copies to: Sheriff John Hooper
Nueces County Sheriff's Office
901 Leopard Street
Corpus Christi, Texas 78401

Nueces County Attorney
901 Leopard Street, Room 207
Corpus Christi, Texas 78401

Hospital District: Jonny F. Hipp
Administrator/Chief Executive Officer
Nueces County Hospital District
555 N. Carancahua Street
Suite 950
Corpus Christi, Texas 78401

Notices shall be effective upon receipt.

10.11 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 Texas. Venue for any and all disputes that may arise hereunder shall lie exclusively in a court of competent jurisdiction in Nueces County, Texas.

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

10.13 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.

10.14 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.

10.15 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.

10.16 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. All parties

understand and agree that there are such occurrences, both beyond the control and within the control of the parties, may result in health care expenses which are outside the scope of the normal operation of a correctional facility and, therefore, outside the contemplated scope of services under this Agreement. While all parties will act in good faith and endeavor to reduce the possibility of such occurrences in the unlikely event of an occurrence such as an Act of God, riot, explosion, fire, food poisoning, epidemic illness outbreak or any other catastrophic event, or an event caused by the negligent, reckless, or intentional actions or omissions of the County or their employees, agents or contractors, having catastrophic results and resulting in medical care for the inmates, County staff, visitors, or contractors, WHS shall not be responsible for costs attributable to such catastrophic event.

10.17 Inconsistency with Request for Proposal. If there is any conflict, inconsistency, or ambiguity between the provisions of this Agreement (including any attachments or exhibits) and those of the Request for Proposals ("RFP NO. 3315-25") (including any attachments, exhibits or addenda), the provisions of the RFP shall take precedence and control over the provisions of this Agreement.

10.18 Effect of This Agreement. This Agreement, including any attachments, addenda, is issued, instructions to proposers, general requirements of the RFP No. 3315-25, WHS Proposal Response, signed copy of the proposal response form, evidence of insurance, payment bond if applicable, performance bond, advertisement for proposal, including the scope of work as detailed in the RFP and documents previously incorporated herein as the RFP, the WHS Proposal, and Appendixes, together with said documents are fully a part of this Agreement as if hereto attached or herein repeated, and all said documents together form and constitute the contract and 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.

10.19 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 with respect to services rendered prior to termination and still owing.

10.20 Discharge Medications. WHS will provide the service which allows discharged inmates access to a 30-day supply of medications upon release. The prescription may be filled at any pharmacy. WHS will provide a prescription card for all inmates in need of discharge medications, including those in need of psychotropic medications. When the prescription is filled, WHS will absorb the costs. This shall be WHS's sole responsibility with respect to discharge medications.

10.21 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.

10.22 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 any 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 the-current law.

10.23 Gratuities. WHS shall not offer County employees benefits, gifts, or favors. Failure to honor this policy may result in the termination of this Agreement. Termination of the Agreement will be in accordance with the General Conditions.

No Public Official shall have interest in this contract except in accordance with Vernon's Texas Codes Annotated, Local Government Code Title 5, Subtitle C, Chapter 171.

10.24 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. A party will not, without the express written consent of the other parties, use the Confidential Information of a party, except as expressly contemplated by this Agreement, and the receiving party/parties 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.

10.25 Limitation of Hospital District's Role and Lack of Control. The parties acknowledge and agree that the Nueces County Hospital District's sole interest under this Agreement is limited to the payment or reimbursement of healthcare services provided to inmates as specified herein. The Hospital District does not employ, supervise, or control, and shall not be deemed to employ, supervise, or control, the County, the Sheriff, WHS, or any of their respective officers, employees, agents, or contractors.

Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or employment relationship between the Hospital District and any other party. The Hospital District shall have no authority to direct or control the manner, means, or method by which the County, the Sheriff, or WHS performs services under this Agreement.

This provision is intended to ensure that the Hospital District's role is strictly limited to its statutory purpose of financing or arranging payment for healthcare services under Texas Health and Safety Code Chapter 281 and applicable interlocal cooperation provisions of Texas Government Code Chapter 791.

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

WEXFORD HEALTH SOURCES, INC.

By: John M. Froehlich

Its: Senior VP & CFO

Date: 10/20/25

NUECES COUNTY

By: Connie Scott

Its: County Judge

Date: 11/5/2025

NUECES COUNTY HOSPITAL DISTRICT

By: Jonny F. Hipp

Its: Administrator/Chief Executive Officer

Jonny F. Hipp
Date: 11/7/25

ATTEST:

Kara Sands, Nueces County Clerk

Kara Sands

Date: 11-5-25

