

SUBJECT:

**Amendment to Agreement with Correct Care
for Inmate Health Care.**

MEETING DATE:

December 20, 2022

SUBMITTED BY:

Tye Beavers

SUGGESTED ACTION:

Consider Amendment to Agreement with Correct Care in the amount of \$1,066,603.00 for inmate medical care at the 600 inmate level, for a total price of \$4,503,002.00.

FACTS AND ISSUES:

Correct Health provides inmates with health care and dental services. This work was priced out in September of 2020 for three (3) years not knowing the level of impact to the marketplace for medical services was going to result in significant cost increases. Amendment One for year two left this final contract year unpriced due to the lack of visibility. Since Amendment One, the availability and cost for RN's and LPN's has continued to escalate causing new pricing to increase substantially. At the 600 inmate level, RN/LPN staffing is at 14.7 FTE, which makes up 77.6% of the direct labor. The negotiated price is comprised of \$161,237.00 in general escalation and \$905,366.00 in RN/LPN increases.

In the initial proposal, RN's and LPN's were contemplated as Correct Health employees with salaries expected to average about \$62,500. As of the time of reaching price agreement only two RN/LPN's were Correct Health employees with 12.7 full time equivalents coming from temporary agencies at an average annual pay rates of \$146,422.

ATTACHMENTS:

[Procurement Summary for Change 02 with Correct Health, incl Attachment A PPT slides.pdf](#)
[Amendment 2.pdf](#)