

CR 44547.4

FARTH

**THIRD AMENDMENT TO THE PROFESSIONAL SERVICE CONTRACT
(Effective January 1, 2022)**

FARTH

This Third Amendment, effective January 1, 2022 (this "Amendment"), to the Professional Service Contract, dated December 9, 2014 (the "Agreement") is by and between Wellpath LLC ("Contractor") and Washtenaw, Michigan ("County").

WHEREAS, the Parties agree to renew the Agreement; and

WHEREAS, the Parties agree to increase compensation; and

WHEREAS, the Parties desire to amend the Agreement to memorialize such changes.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **RECITALS.** The Parties hereto incorporate the foregoing recitals as a material portion of this Amendment.

2. **AMENDMENT TO ARTICLE II OF THE AGREEMENT.** The Agreement shall be amended by inserting the following language in Article II:

January 1, 2022 to December 31, 2022: One Million Six Hundred Twenty Thousand Two Hundred Fifty-Seven and Sixteen Cents (\$1,620,257.16). 2% increase and salary increases (for the Health Services Administrator and Nursing staff) from 2021.

3. **AMENDMENT TO ARTICLE IV OF THE AGREEMENT.** The Agreement shall be amended by adding the following language to Article IV:

This contract shall be extended by remaining in effect from January 1, 2022 to December 31, 2022.

4. **AMENDMENT TO EXHIBIT D OF THE AGREEMENT.** The Parties agree that the Staffing Matrix attached hereto as Exhibit D-1 shall replace the previous Staffing Matrix incorporated into the Agreement as Exhibit D.

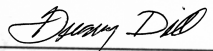
5. **SEVERABILITY.** If any terms or provisions of this Amendment or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Amendment or the application of such term or provision to person or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term and provision of this Amendment shall be valid and enforceable to the fullest extent permitted by law.

6. **DEFINITIONS.** Capitalized terms used but not defined herein shall have the meaning ascribed to them under the Agreement.
7. **REMAINING PROVISIONS.** The remaining provisions of the Agreement not amended by this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed in their names or their official acts by their respective representatives, each of whom is duly authorized to execute the same.

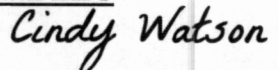
AGREED TO AND ACCEPTED AS STATED ABOVE:

WASHTENAW COUNTY


 01/20/2022

Gregory Dill
County Administrator

Wellpath LLC

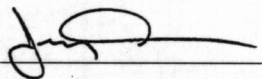

By: _____
Cindy Watson 01 / 06 / 2022
Title: President

ATTESTED TO:

 01/20/2022

Lawrence Kestenbaum
County Clerk/Register

APPROVED AS TO CONTENT:

By:  _____
Jerry L. Clayton 01 / 09 / 2022
Title: Sheriff

APPROVED AS TO FORM:

By: _____
Title: Corporation Counsel

**EXHIBIT D-1
Staffing Matrix**

Washtenaw County, MI - Adult									
Title	Mo n	Tu e	We d	Th u	Fr i	Sa t	Su n	Hrs/W K	FTE
Days									
Health Services Administrator (HSA/RN)	8	8	8	8	8			40	1
Clerical /Medical Assistant	7	7	7	7	8			36	0.9
Physician			3					3	0.075
Mid-Level Provider (NP/PA/ARNP)	4			4				8	0.2
Registered Nurse (RN)	8	8	8	8	8	8		48	1.2
Licensed Practical Nurse (LPN)	24	24	24	24	24	24	24	168	4.2
Dentist	4		4					8	0.2
Dental Assistant	4		4					8	0.2
TOTAL HOURS/FTE-Day								319	7.975
Evenings									
Physician				3				3	0.075
Licensed Practical Nurse (LPN)	16	16	16	16	16	16	16	112	2.8
								0	0
TOTAL HOURS/FTE-Evenings								115	2.875
Nights									
Licensed Practical Nurse (LPN)	8	8	8	8	8	8	8	56	1.4
								0	0
TOTAL HOURS/FTE-Nights								56	1.4
TOTAL								490	12.25

*On call 24/7/365 Medical Director and MD on call and Nursing

**Specific days/times may vary



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November 26, 2021

Kurt Schiappacasse, Corrections Commander
Washtenaw County Sheriff's Office
2201 Hogback Road
Ann Arbor, MI 48105

RE: Continued Health Care Services 2022 -2023

Dear Commander Schiappacasse,

As the proud provider of medical services for the Washtenaw County Sheriff's Office (WCSO), Wellpath LLC strives to meet and exceed your expectations regarding the quality of services provided.

The current term of our Agreement ends December 31, 2021 and can be extended for one additional two-year term upon mutual consent. Wellpath desires to extend our contract; however, we have conducted a review of our contract and propose to make the following changes that include salary increases.

Proposed Annual Renewal

In the previous letter dated September 8, 2021, Wellpath requested to extend our contract term for the optional two-year term with set 3.0% increases each year. The county proposed a three-year extension with set 2.0% increases.

Due to current state of the healthcare industry, Wellpath cannot accept the county's proposal for a set 2.0% increase over multiple years. However, we agree to a one-year extension with a 2.0% increase and salary increases for the contract term beginning January 1, 2022 through December 31, 2022. ✓

Salary and Wage Enhancement

The demand for nurses has increased dramatically over the past decade, fed by the aging of the baby boomers into Medicare and increased access to healthcare with the passage of the Affordable Care Act. At the same time, the nursing workforce has been aging along with the rest of the country (more than half of all nurses are over 50), and nursing schools are not graduating enough nurses to meet rising demand.

The COVID-19 pandemic has become the proverbial straw that broke the camel's back, increasing the demand for nurses to inoculate the population and care for the rising number of (largely unvaccinated) COVID patients. And the stress, anxiety, and exhaustion brought on by COVID have driven just enough nurses out of the field to create the current crisis.

As one would expect, this imbalance has driven up the cost of nurses (when they can be found) to levels we have never seen. Across many markets, temporary agencies and nurse travel companies have bid hourly rates, in some cases, north of \$100 per hour.

It has become increasingly challenging to recruit and retain quality staff due to the high demand for health care professionals. Wellpath is experiencing competition from other entities enticing health care professionals with higher pay.





As such, in addition to the 2.0% annual increase, we request additional salary increases for the Health Services Administrator, Registered and Licensed Practical Nursing staff. To remain competitive and recognize our valued staff members' hard work and dedication, we request an additional \$143,613.60 annually towards a salary increase for these positions.

Detailed Overview			
Position	FTE Change	Shift	Est. Cost
Health Services Administrator	1.0	Day	\$22,324.92
Registered Nurse	1.2	Day/Weekend	\$31,552.56
Licensed Practical Nurse	8.4	Day/Weekend/Evening/Night	\$89,736.12
Total	10.6		\$143,613.60

Cost Overview

Application of the 2.0% increase and Salary and Wage Enhancement, revises the base compensation from \$1,447,689.72 to \$1,620,257.16 annually, effective January 1, 2022 through December 31, 2022.

Cost Adjustment	Monthly	Annually
Current Monthly compensation	\$120,640.81	\$1,447,689.72
2% Annual Increase	\$2,412.82	\$28,953.84
Salary and Wage Enhancement	\$11,967.80	\$143,613.60
Total	\$135,021.43	\$1,620,257.16

Thank you for your consideration and this opportunity to continue providing our services in Washtenaw County. We look forward to discussing the information presented above.

Per previous years, we will wait to receive the county-drafted amendment. If the County accepts and wishes for Wellpath to draft an Amendment, please indicate acceptance by returning a signed copy of this letter to Stephanie Vardell Contract Retention Specialist, at sdvardell@wellpath.us.

The terms of this price quote shall expire December 15, 2021, if not accepted before that date by the County.

Should you have any questions, please do not hesitate to contact Mark Morrissey, Regional Director of Operations, at 248-762-3431.

We are Wellpath. We are the right people, always striving *to do the right thing*. We appreciate our partnership and look forward to continued success working together.

Sincerely

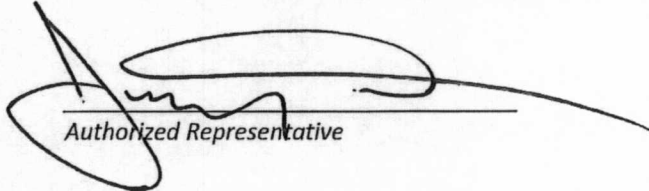
Synthia A. Peterson, MSN, RN, CFN
Regional Vice President

Cc: Mark Morrissey MSN, RN, CCHP, Regional Director, Operations
Adolfo Cisnero, MPH, CCHP, Senior Director of Contract Retention





The undersigned is authorized by Washtenaw County Sheriff's Office to accept the above terms


Authorized Representative

12/8/21
Date Signed

Jerry L. Clayton
Print Name

Sheriff
Title

PLEASE NOTE: Final delivery of the contract amendment will be via email. If hard copies with original signatures are required, please indicate the number of copies needed: ____.

WASHTENAW COUNTY

Gregory Dill
County Administrator

ATTESTED TO:

Lawrence Kestenbaum
County Clerk/Register

