

**SIXTH AMENDMENT TO THE PROFESSIONAL SERVICE CONTRACT
(Effective January 1, 2024)**

This Sixth Amendment, effective January 1, 2024 (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 the estimated direct expenses by 4 0% and the management fee by 2 0%

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, 2024 to December 31, 2024 ANNUAL AMOUNT.
 The base annual amount to be paid by the County to Contractor under this Agreement is \$2,480,964.74, with \$2,200,464.74 for estimated direct expenses and \$280,500 for the management fee, for a period of 12 months, payable in equal monthly installments. Each monthly installment shall be pro-rated for any partial months and subject to any reconciliations as set forth below. Each monthly installment is to be paid to Contractor on or before the 1st day of the month of service

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

This Agreement shall be extended by remaining in effect from January 1, 2024, to December 31, 2024.


This Agreement may be renewed by mutual agreement of the two parties for one (1) additional one (1) year term. Such renewals shall continue with the cost-plus model where all costs are passed through to the County, along with an increase to the management fee based on the Consumer Price Index (CPI) based on the US City Average for Medical Care Services for the month of June each year.

- 4 **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
- 5. **DEFINITIONS.** Capitalized terms used but not defined herein shall have the meaning ascribed to them under the Agreement
- 6. **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.

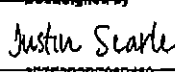
AGREED TO AND ACCEPTED AS STATED ABOVE:

Washtenaw County, Michigan

By: 
01/25/2024


Title County Administrator

Wellpath LLC

By: 
31772828008400

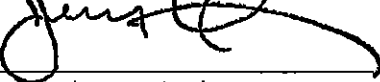
Justin Searle
Title President

ATTESTED TO:

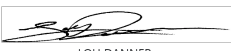
By:  01/26/2024

Title County Clerk/Register of Deeds

APPROVED AS TO CONTENT:

By: 
JERRY L. CLAYTON
Title Sheriff

APPROVED AS TO FORM:

By:  01/22/2024 For
LOU DANNER

Title. Corporation Counsel



June 29, 2023

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

RE: Professional Service Contract #35041 - Renewal Year 2024

Greetings Commander Schlappacasse

I hope this letter finds you well. Wellpath is pleased to be your provider for medical services for the Washtenaw County Sheriff's Office, and we are excited to move into another year of delivering quality healthcare

Contract Renewal

Our contract is set to expire on December 31, 2023. Wellpath proposes to extend our contract for an additional one-year period beginning January 1, 2024, and ending December 31, 2024.

The current national and local nursing shortage continues to create staffing challenges. Wellpath will continue to make every effort to staff according to the contracted matrix. In the event that a staffing shortage requires a staffing model outside of the contracted matrix, including (but not limited to), the use of agency and higher licensed personnel (IE an RN in an LPN role) the substitution will be discussed with the commander or captain (in the commander's absence) prior to the substitution occurring.

Proposed Compensation Adjustment

Under normal circumstances, Wellpath would request a CPI increase consistent with the Consumer Price Index for all Urban Consumers, U.S. City Average, Medical Care Services, not to exceed 4.0% of the annual amount, currently -0.1% for May 2023. However, the CPI for the Medical Care Services does not accurately reflect the extreme inflation in the economy during the past year. The 12-month percent change for the Consumer Price Index ("CPI"), US City Average, for All Items was 4.0% in May of 2023, and the annual average for 2022 was 8.0%. These indices more accurately reflect the overall inflation we have been experiencing.

We must adjust the contract amount to reflect the current market rates to maintain the quality and standard of medical services provided to the patients. Therefore, we request to increase the contract by 4.0% to the estimated Direct Expenses and 2.0% to the Management Fee to help curb the current inflation rate and alleviate overhead costs. The proposed CPI adjustments would increase the contract total by \$90,133.26 annually or \$7,511.11 monthly.

Wellpath understands the importance of controlling expenses, but providing adequate medical care to patients is critical to the county's operation. The proposed increase would help us to meet the increased costs of providing medical services and maintain our commitment to providing high-quality care for the Washtenaw County patients.

Total Proposed Compensation





To hope and healing

The following table presents the annualized and monthly costs for the proposed additional services to the current contract amount

Washtenaw County, MI - Proposed Compensation	Monthly	Annually
Current Compensation (Direct Expenses)	\$176,319.29	\$2,115,831.48
Current Compensation (Management Fee)	\$22,916.67	\$275,000.00
Total Combined Base Compensation	\$199,235.96	\$2,390,831.48
Proposed 4.0% Increase (Direct Expenses)	\$7,052.77	\$84,633.26
Proposed 2.0% Increase (Management Fee)	\$458.33	\$5,500.00
Total Proposed Increase	\$7,511.11	\$90,133.26
Proposed Base Compensation (Direct Expense)	\$183,372.06	\$2,200,464.74
Proposed Base Compensation (Management Fee)	\$23,375.00	\$280,500.00
Total Proposed Effective 01/01/24 - 12/31/24	\$206,747.06	\$2,480,964.74

The total proposed compensation amount would be \$2,480,964.74 annually effective January 1, 2024. If the County agrees to the proposed terms, please return a signed copy of this letter indicating agreement and email a signed copy to Joseph Figg, Retention Specialist, at JFigg@Wellpath.us. Upon receiving the signed proposal, our Legal Department will draft a formal contract amendment and route it to the appropriate individuals for signature. All other terms of the current Agreement, including any changes detailed above, shall remain in full force and effect.

We appreciate our relationship over the years and look forward to continued success. Please do not hesitate to contact Mark Morrissey at (248) 762-3431 with any questions or concerns.

Sincerely,

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

Cc. Mark Morrissey, Regional Director of Operations
Tony Lamonica, Director of Partner Services
Christi Cunningham, Contract Administrator

The undersigned is authorized by Washtenaw County to accept the above terms:

Authorized Washtenaw County Representative

11.30.23
Date Signed

Jerry L. Clayton
Print Name

Sheriff
Title

