



CONTRACT AMENDMENT COVER SHEET

Agency Tracking # 32901-31230	Edison ID 57216	Contract # 57216	Amendment # 5		
Contractor Legal Entity Name Centurion of Tennessee, LLC			Edison Vendor ID 0000166648		
Amendment Purpose & Effect(s) The proposed amendment extends the current contract an additional year and increases the per diem rates for the extension period while the Department issues an RFP for these services.					
Amendment Changes Contract End Date: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		End Date: June 30, 2024			
TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A):			\$138,786,211.36		
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2019	\$96,465,562.43				\$96,465,562.43
2020	\$104,288,464.60				\$104,288,464.60
2021	\$107,786,792.29				\$107,786,792.29
2022	\$106,603,419.78				\$106,603,419.78
2023	\$122,336,700.00				\$122,336,700.00
2024	\$148,350,900.00				\$148,350,900.00
TOTAL:	\$685,831,839.10				\$685,831,839.10
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations. <div style="text-align: center;"> <u>Lisa Parks (Jun 16, 2023 10:51 CDT)</u> </div> </div> <div style="width: 45%; text-align: center; vertical-align: middle;"> <i>CPO USE</i> </div> </div>					
Speed Chart (optional)		Account Code (optional)			

AMENDMENT FIVE OF CONTRACT 57216

This Amendment is made and entered by and between the State of Tennessee, Department of Correction, hereinafter referred to as the "State" and Centurion of Tennessee, LLC, hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

1. Contract Section B. is deleted in its entirety and replaced with the following:

B. TERM OF CONTRACT:

- B.1. This Contract shall be effective on July 1, 2018 ("Effective Date") and extend for a period of seventy-two (72) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

2. Contract Section C.1. is deleted in its entirety and replaced with the following:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Six Hundred Eighty-Five Million, Eight Hundred Thirty-One Thousand, Eight Hundred Thirty-Nine Dollars and Ten Cents (\$685,831,839.10) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to the Contractor by the State of otherwise specified by this Contract.

3. Contract Section C.3. is deleted in its entirety and replaced with the following:

C.3. PAYMENT METHODOLOGY. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.
- b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the average daily population (inmates located at State facilities and those undergoing medical treatment at other locations) at the time specified by the Deputy Commissioner of Operations or designee times the number of days in the month times the blended per diem rate. The blended per diem rate below does not include the Lois M. DeBerry Special Needs Facility (DSNF). At the time DSNF is added as a comprehensive site, the State will amend the blended per diem rates through a formal amendment process (See A.13.b. of this Contract). Cost Items below shall be used for adjustments in total population for increases and decreases. Adjustments of either an increase or decrease in population, as verified by the State, of less than five (5) percent will not result in a per diem adjustment, per the table below column labeled "Inmate Population".
- c. The Contractor shall reimburse the State fifty percent (50%) of the cost of all antiretroviral medications prescribed by Physician or Mid-Level providers for the treatment of Hepatitis-C (HCV) and HIV/AIDS (see Section A.9.c.). The Contractor's responsibility shall be capped at \$2,000,000 per year for HCV.
- d. When a single hospitalization for a single inmate from the date and time of admission through the date and time of discharge exceeds fifty thousand (\$50,000), the State shall reimburse the Contractor for 75% of the cost of the hospitalization in excess of fifty

thousand dollars (\$50,000). These costs do not include the four thousand dollars (\$4,000) amount described in Section A.8.e. of this Contract paid by the privately managed facilities. Cost sharing shall be based on actual costs paid by the Contractor – not “billed charges”. The Contractor is responsible for negotiating the lowest rate possible to benefit both the Contractor and the State. The Contractor shall supply a copy of the invoice submitted from the hospital, as well as, all supporting documentation.

- e. Should employees decline the Contractor’s job offer and remain state employees, the amount billed to STATE per month shall be reduced by 140% of those employee’s salaries as listed in ATTACHMENT FIVE. This reflects employee’s base salary plus estimated benefits.

STATE RUN FACILITIES

Cost Item Service Description	Amount (per compensable increment)						
	Year 1	Year 2	Year 3	Year 4	Year 5 7-1-22 to 2-28-23	Year 5 3-1-23 to 6-30-23	Year 6 7-1-23 to 6-30-24
Inmate Population							
9,500 – 10,499						\$28.48	\$34.22
10,500 - 11,531						\$28.03	\$32.93
11,532 - 12,252	\$20.63	\$21.33	\$22.04	\$22.78	\$23.55	\$27.70	\$31.83
12,253 - 12,973	\$19.41	\$20.07	\$20.73	\$21.42	\$22.16	\$26.07	\$30.05
12,974 - 13,693	\$18.32	\$18.94	\$19.57	\$20.22	\$20.91	\$24.61	\$29.03
13,694 - 15,136	\$16.89	\$17.47	\$18.05	\$18.65	\$19.28	\$22.70	\$27.52
15,137 - 15,857	\$16.81	\$17.39	\$17.95	\$18.55	\$19.18	\$22.36	\$26.86
15,858 - 16,577	\$16.03	\$16.57	\$17.12	\$17.69	\$18.29	\$21.33	\$26.77
16,578 - 17,298	\$15.31	\$15.83	\$16.36	\$16.91	\$17.48	\$20.39	\$26.26

PRIVATELY MANAGED FACILITIES

Cost Item Service Description	Amount (per compensable increment)						
	Year 1	Year 2	Year 3	Year 4	Year 5 7-1-22 to 2-28-23	Year 5 3-1-23 to 6-30-23	Year 6 7-1-23 to 6-30-24
Inmate Population							
7,059 - 7,802	\$2.82	\$2.88	\$2.94	\$3.00	\$3.05	\$3.10	\$3.34
6,687 - 7,058	\$2.90	\$2.95	\$3.02	\$3.07	\$3.13	\$3.13	\$3.36
6,316 - 6,686	\$3.05	\$3.11	\$3.18	\$3.24	\$3.30	\$3.30	\$3.43
5,945 - 6,315	\$3.22	\$3.29	\$3.36	\$3.43	\$3.49	NA	NA
7,803 - 8,173	\$2.75	\$2.81	\$2.86	\$2.93	\$2.98	\$3.05	\$3.26
8,174 - 8,545	\$2.62	\$2.68	\$2.73	\$2.78	\$2.84	\$3.02	\$3.22
8,546 - 8,916	\$2.51	\$2.56	\$2.61	\$2.67	\$2.71	\$2.96	\$3.20

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective July 1, 2023. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

CENTURION OF TENNESSEE, LLC:



6/12/2023

SIGNATURE

DATE

Keith Lueking / Chief Executive Officer

PRINTED NAME AND TITLE OF SIGNATORY (above)

TENNESSEE DEPARTMENT OF CORRECTION:



Jun 30, 2023

FRANK STRADA, COMMISSIONER

DATE

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