

K23-638

**AMENDMENT NO. 1 TO AGREEMENT
BETWEEN
THE CITY OF NEW ORLEANS
AND
THE ORLEANS PARISH SHERIFF'S OFFICE
AND
WELLPATH LLC**

COMPREHENSIVE CORRECTIONAL HEALTH SERVICES

THIS FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT (the "**Amendment**") is entered into by and between the City of New Orleans, represented by LaToya Cantrell, Mayor (the "**City**"), the Orleans Parish Sheriff's Office, represented by the Honorable Susan Hutson in her official capacity as Sheriff (the "**OPSO**"), and Wellpath LLC, a Delaware limited liability company authorized to do business in Louisiana, represented by Justin Searle, Local Government Division President ("**Wellpath**" or the "**Contractor**"). The City, OPSO and the Contractor may sometimes each be referred to as a "**Party**," and collectively, as the "**Parties**." The Amendment is effective as of **June 1, 2023** (the "**Effective Date**").

RECITALS

WHEREAS, effective June 1, 2022, the Parties entered into an Agreement for Comprehensive Correctional Health Services in Orleans Parish (the "**Agreement**"); and

WHEREAS, the Parties, each having the authority to do so, desire to enter into this Amendment to increase the Compensation, to extend the Term, and to set forth certain other matters in connection therewith.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties amend the Agreement as follows:

1. **Rate of Compensation.** The City will pay the Contractor in accordance with the rates set forth in Exhibit "E", as amended, which is attached hereto and fully incorporated herein, and the Cost Proposal dated December 8, 2021, subject to the adjustments and limitations contained in the Agreement and this Amendment.

2. **Maximum Amount.** The Agreement is amended by revising Article V, Section B Maximum Amount to increase the maximum aggregate amount by \$21,242,146 for a total amount not to exceed \$40,466,810. This is a Cost-Plus Management Fee Agreement in which operational costs of the Contractor are passed to the City, up to the Maximum Amount set forth in the Agreement. Exhibit E contains all budgeted costs, including 1) the Management Fee, a fixed cost which is paid to the Contractor for administering the services outlined in this Agreement and 2) Operating Costs, which includes all personnel and other operating costs associated with the delivery of services required under the Agreement. For Year 2, the Management Fee is \$2,374,307 and the Operating Costs are a maximum of \$18,867,839. The Parties acknowledge that Operating Costs may vary based on the needs of detained persons and the actual cost of materials and

supplies. However, the Contractor will not charge above the maximum aggregate for Operating Costs, except as explicitly authorized by provisions within the Agreement.

3. **Adjustments to Compensation.** The Agreement is amended by deleting Article V, Section E, Subsection 2 Unfilled Hours Adjustment and Subsection 3 Temporary Staffing Adjustment.

4. **Payment to the Contractor.** The Agreement is amended by revising Article V, Section C Payment to the Contractor. The Contractor will submit an invoice to the City for the monthly Management Fee (\$197,858.92) and the estimated monthly Operating Costs (\$1,572,319.92).

5. **Liquidated Damages.** The Agreement is amended by revising Exhibit D, Section 5 Liquidated Damages to add an additional breach within the chart to read: "Failure to maintain an overall Productive Fill Rate of at least 80% for Wellpath staff in clinical positions in any calendar month." The amount of the breach shall be \$5,000 per occurrence.

6. **Extension.** In accordance with Article VI, Section B of the agreement, the term is extended for an additional year from June 1, 2023, through May 31, 2024.

7. **Termination for Convenience.** The Agreement is amended by revising Article VI, Section C Termination for Convenience. The City or the Contractor may terminate this Agreement at any time by giving the other party and OPSO at least 120 calendar days written notice of the termination.

8. **Prior Terms Binding.** Except as otherwise provided by this Amendment, the terms and conditions of the Agreement remain in full force and effect.

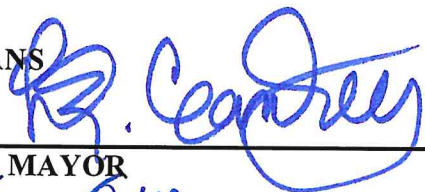
9. **Electronic Signature and Delivery.** The Parties agree that a manually signed copy of this Agreement and any other document(s) attached to this Agreement delivered by email shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. No legally binding obligation shall be created with respect to a Party until such Party has delivered or caused to be delivered a manually signed copy of this Agreement.

[SIGNATURES CONTAINED ON NEXT PAGE]

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties, through their duly authorized representatives, execute this Agreement.

CITY OF NEW ORLEANS

BY: 
LATOYA CANTRELL, MAYOR

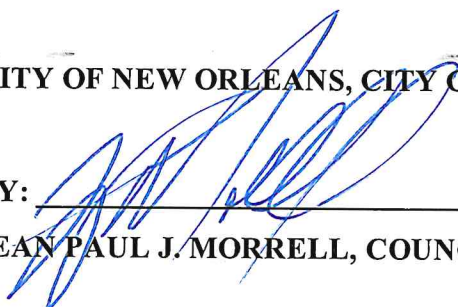
Executed on this 13th of July, 2023.

FORM AND LEGALITY APPROVED:

Law Department

By: 
Printed Name: Tracy

CITY OF NEW ORLEANS, CITY COUNCIL

BY: 
JEAN PAUL J. MORRELL, COUNCIL PRESIDENT

WELLPATH LLC

BY: _____
JUSTIN SEARLE, LOCAL GOVERNMENT DIVISION PRESIDENT

ORLEANS PARISH SHERIFF'S OFFICE

BY: _____
HONORABLE SUSAN HUTSON, SHERIFF

IN WITNESS WHEREOF, the parties, through their duly authorized representatives, execute this Agreement.

CITY OF NEW ORLEANS

BY: _____
LATOYA CANTRELL, MAYOR
Executed on this _____ **of** _____, 2023.

FORM AND LEGALITY APPROVED:
Law Department

By: _____
Printed Name: _____

CITY OF NEW ORLEANS, CITY COUNCIL

BY: _____
JEAN PAUL J. MORRELL, COUNCIL PRESIDENT

WELLPATH LLC
BY: _____
JUSTIN SEARLE, LOCAL GOVERNMENT DIVISION PRESIDENT

ORLEANS PARISH SHERIFF'S OFFICE

BY: _____
HONORABLE SUSAN HUTSON, SHERIFF

IN WITNESS WHEREOF, the parties, through their duly authorized representatives, execute this Agreement.

CITY OF NEW ORLEANS

BY: _____

LATOYA CANTRELL, MAYOR

Executed on this _____ of _____, 2023.

FORM AND LEGALITY APPROVED:

Law Department

By: _____

Printed Name: _____

CITY OF NEW ORLEANS, CITY COUNCIL

BY: _____

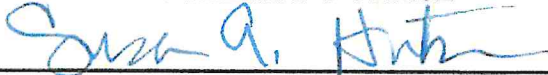
JEAN PAUL J. MORRELL, COUNCIL PRESIDENT

WELLPATH LLC

BY: _____

JUSTIN SEARLE, LOCAL GOVERNMENT DIVISION PRESIDENT

ORLEANS PARISH SHERIFF'S OFFICE

BY:  _____

HONORABLE SUSAN HUTSON, SHERIFF

EXHIBIT “E”
Amended Budget – Year Two

Line Item / Category	Year 2
Expenses (capped with not-to-exceed amounts)	
Staffing / SWB	\$11,961,040
Travel	\$52,322
Insurance	\$589,391
On-site Medical Costs	\$380,051
Off-site Medical Costs	\$60,651
Other Administrative / Operational Costs	\$340,877
Sub-Contract: Tulane Psychiatry	\$3,105,686
Subtotal	\$16,490,016
Expenses (capped with excess amounts pass-through)	
Pharmacy	\$2,377,823
Subtotal	\$2,377,823
Total Operating Costs	\$18,867,839
Management Fee	\$2,374,307
Total	\$21,242,146