



CUMBERLAND COUNTY COMMISSIONERS

POSITION PAPER OF THE DEPUTY COUNTY MANAGER

Date: August 30, 2024

Subject: 9th Amendment to Health Services Contract

Background: In the fall of 2018, the County entered into a new contract with Armor Medical, which replaced our old inmate medical provider, Corizon. The contract has renewed on an annual basis following the first 3 year contract. Unfortunately, timing delays between Armor and our medical liaison caused the final version of this contract to arrive just after the deadline for the July 8th meeting, and is thus on the agenda for September.

Issue: The new contract will be an increase of \$368,093 or \$4,097,282 annually, 10% over the prior year. This amount is unusually large because the contract will now include roughly \$85,000 in additional stipends to the nursing staff that had been paid using ARPA funds in prior budget years. The good news here is that over the summer, some relaxation to the ARPA rules has occurred, and we will be able to pay these fees using ARPA funds for another year. As a result, the real net increase is \$283,093.

This increase is still large, and is due to both pay increases, and also increased medication costs. Even though the jail has fewer inmates than prior years, the medication cost per inmate is steadily increasing. These increases were anticipated, and thus attempts were made to budget accordingly in the winter of 2024.

Fiscal Impact: The attached contract will cause an increase of \$283,093 over the prior year, but the overall budget impact will be smaller. While this amount will technically be roughly \$100,000 over the budget estimated back in the winter of 2024, the current budget should represent a return to the "cost-plus" model functioning correctly, and thus will arrive within budget once the FY 24-25 budget year is complete due to rebates of unspent funds from the year.

Maine Cumberland County

Recommendation: Armor has done a commendable job managing the jail through very difficult times, and all the expense increases are for very understandable reasons. They are also proving to be a critical partner in both the jail medical expansion project, and also the continuing efforts to improve the overall process of transitioning inmates back to the community at the end of their stay in the jail. While the cost increases for Armor are not ideal, their rationale for the increases is well documented, and there are no complaints from any portion of staff about the level of service provided. Recommend Commissioners approve the attached contract.

Prepared By: Alex Kimball

A handwritten signature in blue ink, appearing to be 'G. L.', is written over a horizontal line.

Deputy County Manager