

August 15, 2024

Melissa Fleming
Contract Administrator
Galveston County Purchasing Department
722 21st Street, 5th Floor
Galveston, TX 77550

Re: B202004 – Inmate Health Care Medical Services

Dear Melissa,

VitalCore is committed to providing the best care we can for the incarcerated patients at your facility and the citizens of your county. We are pleased to serve another year in partnership with Galveston County and will continue to do our best in this relationship.

Since VitalCore began providing healthcare services for Galveston County in 2020, correctional healthcare services as an industry has been forced to adjust to the effects of the pandemic and the long-term financial impacts on operations. In the last three years, we have absorbed the bulk of additional cost of healthcare operations. While the contract language allows for annual increases of 3%, this amount has not allowed VitalCore to realize the increases needed to keep up with the rising cost of providing healthcare services. Last year alone, without any Administrative Overhead or Margin, VitalCore saw a loss of approximately \$473,000 at the Adult Jail and \$158,000 at the Juvenile site. We are not requesting any change in the Juvenile portion of the contract. However, based on the information below, we are formally requesting to amend our agreement for year five (5) at a budget of \$7,799,113.27 for the adult jail. This represents an increase of \$335,161.88. This increase represents \$253,629.00 for increases in wages and salaries and \$81,532.88 for an additional LVN/EMT position for intake on night shift.

We are requesting the adjustments in the salary line item to bring the contract in closer alignment with actual experience. One of the characteristics of a safe, effective clinical operation in Corrections is the experience, training, and stability of staff. The goals of both ensuring an adequate number of professional staff and of maintaining a strong level of experience and stability create a staff culture that is mutually supportive and confident in the level of patient care being provided. In our experience, this creates a high level of staff satisfaction, reduces turnover, and provides a better focus on patient-centered care. This, in turn, can increase better treatment outcomes, reduce off-site referrals, and reduce complaints, grievances and litigation.

We have seen a significant escalation of nursing wages to provide necessary healthcare services. This is certainly not unique to our experience generally or this contract specifically. Many industries, and healthcare in particular, have experienced escalating costs for wages and salaries as one of the effects of the pandemic. When this contract was initiated, we originally budgeted \$32.00/hr. for Registered Nurses (RN's) and \$24.00/hr. for Licensed Vocational Nurses (LVN's). To be competitive in recruiting and retaining staff in

the Galveston area we are currently paying \$42.00-\$45.00/hour for RN's and \$32.00-\$34.00/hour for LPN's. This represents a 30%-40% increase in nursing salaries alone.

The proposed increase will not address the full impact of the salary and wage deficits but will provide some additional funds toward our recruitment and retention of vital nursing staff.

I have attached a new financial and staffing document reflecting the proposed changes in both contract year 5 and contract year 6. I know this is much to review and I apologize for the late timing. We understand the requested changes are significant. Please let me know of any questions or clarifications you have. I know we must get this in process as soon as possible and on schedule for the Commissioners' Court for approval. We will be available to discuss this with the County staff and the Commissioners as necessary and appropriate. Please let us know how we can help expedite this process.

Sincerely,

Roger Haden
President of Business Strategies
VitalCore Health Strategies, LLC
785-230-3580
RHaden@vitalcorehs.com



Revised Proposal for Years 5 & 6 for
**Galveston County Jail &
Juvenile Justice
Detention Facility**

AUGUST 14, 2024



**Galveston County,
Texas**

 785-246-6840  785-408-5617

 VCHSAdmin@VitalCoreHS.com

**STAFFING SCHEDULE BASE PLAN
INMATE MEDICAL SERVICES GALVESTON Revised 8/14/24**

VITALCORE BASE STAFFING									
Position	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Hr/WK	FTE
Day Shift									
H.S.A	8	8	8	8	8			40	1.00
Director of Nursing (DON)	8	8	8	8	8			40	1.00
Medical Director	8	4	8	4	8			32	0.80
Mid-Level Provider - P.A	8	8	8	8	8			40	1.00
Dentist	8		8		8			24	0.60
Dental Assistant	8		8		8			24	0.60
RN - Charge	12	12	12	12	12	12	12	84	2.10
RN	24	24	24	24	24	24	24	168	4.20
LVN Wound care	8	8	8	8	8			40	1.00
RN - H&P	8	8	8	8	8			40	1.00
LVN INFECTIOUS DISEASE	8	8	8	8	8			40	1.00
LVN CCC	8	8	8	8	8			40	1.00
LVN	24	24	24	24	24	24	24	168	4.20
C.M.A.	20	20	20	20	20	12	12	124	3.10
Administrative Assistant	8	8	8	8	8			40	1.00
Medical Records	16	16	16	16	16			80	2.00
Psychiatrist	8		8		8			24	0.60
RN - Mental Health	8	8	8	8	8	0	0	40	1.00
LSCW/LPC	12	12	12	12	12	12	12	84	2.10
TOTAL HOURS/FTE - Days	212.00	184.00	212.00	184.00	212.00	84.00	84.00	1172.00	29.30
Night Shift									
RN - Charge	12	12	12	12	12	12	12	84	2.10
RN	12	12	12	12	12	12	12	84	2.10
LVN	24	24	24	24	24	24	24	168	4.20
EMT		8	8	8	8	8		40	1.00
C.M.A.	12	12	12	12	12	12	12	84	2.10
LSCW/LPC	12		12	12	12	12	12	84	2.10
TOTAL HOURS/FTE - Days	60.00	60.00	60.00	60.00	60.00	60.00	60.00	544.00	13.60
								1716.00	42.90

Increased Staffing by 1 FTE - EMT on Night Shift



Direct Labor for Base Year - Medical Staffing - Galveston County - Revised 8.14.24

Direct Labor Costs										
Personnel Costs cover all Contract Line Items (CLINs)	FTE	Estimated Labor Hours Auto Imported from Tab2	Regular Hours		Back Fill			Total Labor Hour Cost	Total Benefit Percent: 21%	Total Annual Direct Labor
			Regular Hourly Rate \$	Regular Hours Cost	Backfill Hours 0.10 of FTE	Regular Hourly rate	Back Fill Costs			
H.S.A	1.00	40	\$ 52.00	\$ 2,080.00	0.00	\$ 52.00	\$ -	\$2,080.00	\$436.80	\$2,516.80
Director of Nursing (DON)	1.00	40	\$ 48.00	\$ 1,920.00	0.00	\$ 48.00	\$ -	\$1,920.00	\$403.20	\$2,323.20
Medical Director	0.80	32	\$ 165.00	\$ 5,280.00	0.08	\$ 165.00	\$ 13.20	\$5,293.20	\$1,111.57	\$6,404.77
Mid-Level Provider - P.A	1.00	40	\$ 75.00	\$ 3,000.00	0.10	\$ 75.00	\$ 7.50	\$3,007.50	\$631.58	\$3,639.08
Dentist	0.60	24	\$ 100.00	\$ 2,400.00	0.06	\$ 100.00	\$ 6.00	\$2,406.00	\$505.26	\$2,911.26
Dental Assistant	0.60	24	\$ 25.00	\$ 600.00	0.06	\$ 25.00	\$ 1.50	\$601.50	\$126.32	\$727.82
RN CHARGE	2.10	84	\$ 32.00	\$ 2,688.00	0.21	\$ 32.00	\$ 6.72	\$2,694.72	\$565.89	\$3,260.61
RN	4.20	168	\$ 32.00	\$ 5,376.00	0.42	\$ 32.00	\$ 13.44	\$5,389.44	\$1,131.78	\$6,521.22
RN - H&P	1.00	40	\$ 32.00	\$ 1,280.00	0.10	\$ 32.00	\$ 3.20	\$1,283.20	\$269.47	\$1,552.67
LVN INFECTIOUS DISEASE/EDUCATION	1.00	40	\$ 24.00	\$ 960.00	0.10	\$ 24.00	\$ 2.40	\$962.40	\$202.10	\$1,164.50
LVN CCC	1.00	40	\$ 24.00	\$ 960.00	0.10	\$ 24.00	\$ 2.40	\$962.40	\$202.10	\$1,164.50
LVN WOUND CARE	1.00	40	\$ 24.00	\$ 960.00	0.10	\$ 24.00	\$ 2.40	\$962.40	\$202.10	\$1,164.50
LVN	4.20	168	\$ 24.00	\$ 4,032.00	0.42	\$ 24.00	\$ 10.08	\$4,042.08	\$848.84	\$4,890.92
C.M.A.	3.10	124	\$ 20.00	\$ 2,480.00	0.31	\$ 20.00	\$ 6.20	\$2,486.20	\$522.10	\$3,008.30
Administrative Assistant	1.00	40	\$ 22.00	\$ 880.00	0.00	\$ 22.00	\$ -	\$880.00	\$184.80	\$1,064.80
Medical Records	2.00	80	\$ 20.00	\$ 1,600.00	0.00	\$ 20.00	\$ -	\$1,600.00	\$336.00	\$1,936.00
NIGHTS										
RN Charge	2.10	84	\$ 32.00	\$ 2,688.00	0.21	\$ 32.00	\$ 6.72	\$2,694.72	\$565.89	\$3,260.61
RN	2.10	84	\$ 32.00	\$ 2,688.00	0.21	\$ 32.00	\$ 6.72	\$2,694.72	\$565.89	\$3,260.61
LVN	4.20	168	\$ 24.00	\$ 4,032.00	0.42	\$ 24.00	\$ 10.08	\$4,042.08	\$848.84	\$4,890.92
C.M.A.	2.10	84	\$ 20.00	\$ 1,680.00	0.21	\$ 20.00	\$ 4.20	\$1,684.20	\$353.68	\$2,037.88
TOTAL NUMBER FTE	36.10	1444.00							WEEKLY \$57,700.98	
									ANNUAL COST \$3,000,450.94	

1 new FTE EMT Not Entered on this Sheet - only on Allocation Page



Direct Labor for Base Year - Mental Health Staffing - Galveston County

Direct Labor Costs										
		Regular Hours			Back Fill					
Personnel Costs cover all Contract Line Items (CLINs)	FTE	Estimated Labor Hours Auto Imported from Tab2	Regular Hourly Rate \$	Regular Hours Cost	Backfill Hours 0.10 of FTE	Regular Hourly rate	Back Fill Costs	Total Labor Hour Cost	Total Benefit Percent: 21%	Total Annual Direct Labor
Psychiatrist	0.60	24	\$ 175.00	\$ 4,200.00	0.06	\$ 175.00	\$ 10.50	\$4,210.50	\$884.21	\$5,094.71
RN - Mental Health	1.00	40	\$ 32.00	\$ 1,280.00	0.10	\$ 32.00	\$ 3.20	\$1,283.20	\$269.47	\$1,552.67
Masters level Psychologist/LSCSW	4.20	168	\$ 30.00	\$ 5,040.00	0.42	\$ 30.00	\$ 12.60	\$5,052.60	\$1,061.05	\$6,113.65
NIGHTS										
				\$ -			\$ -			
									WEEKLY	\$12,761.02
TOTAL NUMBER FTE	5.80	232.00							ANNUAL COST	\$663,573.20

ANNUAL ALLOCATIONS - BASE PLAN - GALVESTON COUNTY - Revised 8.14.24

Annual Allocation Year 1 BASE PLAN	
Description Population	1103
Staffing Medical	\$ 3,000,450.94
Staffing Mental Health	\$ 663,573.20
Employee Education, Recruiting, Orientation	\$ 7,000.00
Lab, Diagnostics and on-site services	\$ 48,000.00
Medical Supplies	\$ 98,000.00
Telephones, Communications, Computers, Office Supplies, and Equipment	\$ 2,000.00
Pharmacy	\$ 780,000.00
Out of Facility Care	\$ 1,400,000.00
Insurance	\$ 115,000.00
Administration, Overhead and Margin	\$ 480,000.00
Taxes	\$ 6,000.00
Software License, Hardware, Installation, and Training	\$ 28,000.00
Software Usage Fee	\$ 3,600.00
Total Annual Cost by Population:	\$ 6,631,624.14
COST PER INMATE PER DAY	\$16.47

Annual Allocation Year 4		% Increase From Year 3
Description Population	1103	
Staffing Medical	\$ 3,278,673.75	3%
Staffing Mental Health	\$ 725,104.35	3%
Employee Education, Recruiting, Orientation	\$ 7,649.09	3%
Lab, Diagnostics and on-site services	\$ 52,450.90	3%
Medical Supplies	\$ 107,087.25	3%
Telephones, Communications, Computers, Office Supplies, and Equipment	\$ 2,185.45	3%
Pharmacy	\$ 852,327.06	3%
Out of Facility Care	\$ 1,529,817.80	3%
Insurance	\$ 125,663.61	3%
Administration, Overhead and Margin	\$ 524,508.96	3%
Taxes	\$ 6,556.36	3%
Software License, Hardware, Installation, and Training and Telehealth	\$ 30,596.36	3%
Software Usage Fee	\$ 3,933.82	3%
Total Annual Cost by Population:	\$ 7,246,554.75	

Annual Allocation Year 2		% Increase From Year 1
Description Population	1103	
Staffing Medical	\$ 3,090,464.47	3%
Staffing Mental Health	\$ 683,480.40	3%
Employee Education, Recruiting, Orientation	\$ 7,210.00	3%
Lab, Diagnostics and on-site services	\$ 49,440.00	3%
Medical Supplies	\$ 100,940.00	3%
Telephones, Communications, Computers, Office Supplies, and Equipment	\$ 2,060.00	3%
Pharmacy	\$ 803,400.00	3%
Out of Facility Care	\$ 1,442,000.00	3%
Insurance	\$ 118,450.00	3%
Administration, Overhead and Margin	\$ 494,400.00	3%
Taxes	\$ 6,180.00	3%
Software License, Hardware, Installation, and Training	\$ 28,840.00	3%
Software Usage Fee	\$ 3,708.00	3%
Total Annual Cost by Population:	\$ 6,830,572.86	

Annual Allocation Year 5		% Increase From Year 4	% Increase From Year 3
Description Population	1103		
Staffing Medical	\$ 3,377,033.97	3%	
5% Wage Increase + 1 FTE EMT	\$335,161.88		
Staffing Mental Health	\$ 746,857.48	3%	
Employee Education, Recruiting, Orientation	\$ 7,878.56	3%	
Lab, Diagnostics and on-site services	\$ 54,024.42	3%	
Medical Supplies	\$ 110,299.86	3%	
Telephones, Communications, Computers, Office Supplies, and Equipment	\$ 2,251.02	3%	
Pharmacy	\$ 877,896.87	3%	
Out of Facility Care	\$ 1,575,712.33	3%	
Insurance	\$ 129,433.51	3%	
Administration, Overhead and Margin	\$ 540,244.23	3%	
Taxes	\$ 6,753.05	3%	
Software License, Hardware, Installation, and Training	\$ 31,514.25	3%	
Software Usage Fee	\$ 4,051.83	3%	
Total Annual Cost by Population:	\$ 7,799,113.27		\$335,161.88 Increase

5% Wage Increase = \$253,629.00 plus 1 FTE EMT wage = \$81,532.88

Annual Allocation Year 3		% Increase From Year 2
Description Population	1103	
Staffing Medical	\$ 3,183,178.40	3%
Staffing Mental Health	\$ 703,984.81	3%
Employee Education, Recruiting, Orientation	\$ 7,426.30	3%
Lab, Diagnostics and on-site services	\$ 50,923.20	3%
Medical Supplies	\$ 103,968.20	3%
Telephones, Communications, Computers, Office Supplies, and Equipment	\$ 2,121.80	3%
Pharmacy	\$ 827,502.00	3%
Out of Facility Care	\$ 1,485,260.00	3%
Insurance	\$ 122,003.50	3%
Administration, Overhead and Margin	\$ 509,232.00	3%
Taxes	\$ 6,265.40	3%
Software License, Hardware, Installation, and Training	\$ 29,705.20	3%
Software Usage Fee	\$ 3,819.24	3%
Total Annual Cost by Population:	\$ 7,035,490.05	

Annual Allocation Year 6		% Increase From Year 5	
Description Population	1103		
Staffing Medical	\$ 3,478,344.99	3%	
5% Wage Increase + 1 FTE EMT	\$ 345,216.74		
Staffing Mental Health	\$ 769,263.21	3%	
Employee Education, Recruiting, Orientation	\$ 8,114.92	3%	
Lab, Diagnostics and on-site services	\$ 55,645.16	3%	
Medical Supplies	\$ 113,608.86	3%	
Telephones, Communications, Computers, Office Supplies, and Equipment	\$ 2,318.55	3%	
Pharmacy	\$ 904,233.78	3%	
Out of Facility Care	\$ 1,622,983.70	3%	
Insurance	\$ 133,316.52	3%	
Administration, Overhead and Margin	\$ 556,451.56	3%	
Taxes	\$ 6,955.64	3%	
Software License, Hardware, Installation, and Training	\$ 32,459.67	3%	
Software Usage Fee	\$ 4,173.39	3%	
Total Annual Cost by Population:	\$ 8,033,086.67		\$345,216.74 Increase

ACA Behavioral Health Suicide Precautions Training Estimated Cost to VitalCore \$10,800 = No change to County

ACA Health Care Accreditation estimated cost to VitalCore of \$8500 = No change to County

Correctional Facility Staff TB skin tests and pre-employment physicals and Sheriff's Office testing - no cost for staff time - now includes costs for supplies.

This proposal pricing includes staffing for detoxification by nursing staff and physicians/psychiatrists.

Pharmacy - No cap proposed. We have budgeted \$780,000 but believe our costs will run closer to \$500,000. Any amount saved in this line item will be split 50/50 with the County, and the 50% refund will be issued to the County at the end of the contract year. After our first year of experience in Galveston County, we will be willing to renegotiate this line item.

Out of Facility or Off-Site Costs is budgeted at \$1,400,000, but we believe our actual costs will be closer to \$980,000. Any amount saved in this line item will be split 50/50 with the County and the 50% refund will be issued to the County at the end of the contract year. After our first year of experience and negotiations with Off-Site providers, we will be willing to renegotiate this item.


No Change



Galveston County Juvenile Justice Center Staffing Plan

Position	FTE	Backfill	Hours	S	M	T	W	T	F	S	S	M	T	W	T	F	S
				7:00 a.m. to 3:00 p.m.							3:00 p.m. to 11:00 p.m.						
CMA	0.70	0.07	28								4	4	4	4	4	4	4
LVN	1.20	0.12	48	4	8	8	8	8	8	4							
Medical Director (Physician)	0.10	0.01	4		4												
APRN/PA	0.05	0.005	2												2		
TOTALS:	2.050	0.205	82	4	12	8	8	8	8	4	4	4	4	4	6	4	4
	Backfill	0.205		Hrs/WK DAY = 52. = 1.3							Hrs/WK EVENING = 30. = .75						
		2.255															

No Change

		Direct Labor for Base Year - Galveston County Juvenile Justice Center							
		Direct Labor Costs - Weekly						Total Labor Hour Cost	Total Benefit Percent: 21%
Personnel Costs cover all Contract Line Items (CLINs)	Estimated Labor Hours Auto Imported from Tab1	Regular Hours		Back Fill		Total Labor Hour Cost	Total Benefit Percent: 21%		
		Regular Hourly Rate \$	Regular Hours Cost	Backfill Hours 0.10 of FTE	Regular Hourly rate			Back Fill Costs	
CMA	28	\$ 20.00	\$ 560.00	2.8	\$ 20.00	\$ 56.00	\$616.00	\$129.36	\$745.36
LVN	48	\$ 24.00	\$ 1,152.00	4.8	\$ 24.00	\$ 115.20	\$1,267.20	\$266.11	\$1,533.31
Medical Director (Physician)	4	\$ 165.00	\$ 660.00	0.40	\$ 165.00	\$ 66.00	\$726.00	\$0.00	\$726.00
APRN/PA	2	\$ 75.00	\$ 150.00	0.20	\$ 75.00	\$ 15.00	\$165.00	\$0.00	\$165.00
	82							Weekly	\$3,169.67
Total FTE: 2.05								Yearly	\$164,822.94

No Change



Annual Allocations Galveston County Juvenile Justice Center

Annual Allocation Year 1	
Description Population	45
Staffing (Personnel Costs)	\$ 164,822.94
CorEMR and Hosting - Year One	\$ 7,000.00
CorEMR/Hosting Maintenance Fees	\$ 1,000.00
Insurance	\$ 14,000.00
Overhead and Margin	\$ 8,000.00
Operational & Administrative Costs	\$ 10,000.00
Total Annual Cost:	\$ 204,822.94

Annual Allocation Year 4	
Description Population	45
Staffing (Personnel Costs)	\$ 180,106.48
CorEMR and Hosting - Year One	\$ -
CorEMR/Hosting Maintenance Fees	\$ 1,092.73
Insurance	\$ 15,298.18
Overhead and Margin	\$ 8,741.82
Operational and Administrative Costs	\$ 10,927.27
Total Annual Cost:	\$ 216,166.47

% Increase From Year 3
3.0%
3.0%
3.0%
3.0%
3.0%
3.0%

Annual Allocation Year 2	
Description Population	45
Staffing (Personnel Costs)	\$ 169,767.63
CorEMR and Hosting - Year One	
CorEMR/Hosting Maintenance Fees	\$ 1,030.00
Insurance	\$ 14,420.00
Overhead and Margin	\$ 8,240.00
Operational and Administrative Costs	\$ 10,300.00
Total Annual Cost:	\$ 203,757.63

% Increase From Year 1
3.0%
3.0%
3.0%
3.0%
3.0%
3.0%

Annual Allocation Year 5	
Description Population	45
Staffing (Personnel Costs)	\$ 185,509.68
CorEMR and Hosting - Year One	\$ -
CorEMR/Hosting Maintenance Fees	\$ 1,125.51
Insurance	\$ 15,757.12
Overhead and Margin	\$ 9,004.07
Operational and Administrative Costs	\$ 11,255.09
Total Annual Cost:	\$ 222,651.47

Revised Cost 8.12.24
3.0%
3.0%
3.0%
3.0%
3.0%

Annual Allocation Year 3	
Description Population	45
Staffing (Personnel Costs)	\$ 174,860.66
CorEMR and Hosting - Year One	\$ -
CorEMR/Hosting Maintenance Fees	\$ 1,060.90
Insurance	\$ 14,852.60
Overhead and Margin	\$ 8,487.20
Operational & Administrative Costs	\$ 10,609.00
Total Annual Cost:	\$ 209,870.36

% Increase From Year 2
3.0%
3.0%
3.0%
3.0%
3.0%
3.0%

Annual Allocation Year 6	
Description Population	45
Staffing (Personnel Costs)	\$ 191,074.97
CorEMR and Hosting - Year One	\$ -
CorEMR/Hosting Maintenance Fees	\$ 1,159.27
Insurance	\$ 16,229.84
Overhead and Margin	\$ 9,274.19
Operational and Administrative Costs	\$ 11,592.74
Total Annual Cost:	\$ 229,331.01

% Increase From Year 5
3.0%
3.0%
3.0%
3.0%
3.0%
3.0%