

# INDEPENDENT CONTRACTOR AGREEMENT

This **Independent Contractor Agreement** (the “**Agreement**”) is made and effective as of \_\_\_\_\_, by and between **AB Med Healthcare Solutions** and **AB Med Southwest**, located at 7455 Arroyo Crossing Parkway, Suite 220-1063, Las Vegas, NV 89113, together with all affiliated entities, subsidiaries or divisions thereof, (hereinafter collectively referred to as the “**Contractor**”) and \_\_\_\_\_, whose principal place of business is located at \_\_\_\_\_, together with all affiliated or associated entities (hereinafter referred to as “**Organization**”). The **Contractor** and **Organization** are hereinafter collectively referred to as the “**Parties**.”

## Recitals

**WHEREAS**, the Contractor specializes in providing healthcare consulting services, including medical leadership, performance measurement, and strategic advisory in correctional healthcare settings;

**WHEREAS**, the Organization desires to engage the Contractor to provide consulting services to support the design, optimization, and management of its healthcare delivery within its correctional facilities;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the Parties agree as follows:

### 1. **Services**

Contractor agrees to provide high-quality, specialized healthcare consulting and leadership services to the Organization. These services focus on improving healthcare delivery within the correctional environment, including but not limited to:

#### a. **Medical Leadership in Designing Correctional Healthcare Services**

Contractor will provide expert guidance in the design and implementation of healthcare services for the correctional facility. This includes optimizing medical operations, enhancing workflows, and tailoring services to meet the unique needs of the correctional environment.

#### b. **Correctional Healthcare Consulting**

Contractor will offer specialized consulting aimed at enhancing the effectiveness and efficiency of healthcare delivery within the correctional setting. Services include assessing current systems, identifying areas for improvement, and recommending strategies based on industry best practices.

#### c. **Stakeholder Engagement and Reporting**

Contractor will work closely with key stakeholders to align performance goals with healthcare delivery strategies. Regular progress reports will be provided, highlighting key findings and offering strategic recommendations for continuous improvement.

#### d. **Best Practices and Compliance**

Contractor will develop and implement best practice guidelines specifically tailored to the correctional healthcare environment. These guidelines will ensure compliance with state and federal regulations while improving the quality and efficiency of care.

#### e. **Additional Services**

Contractor may propose additional services to further enhance the Organization’s healthcare operations. These may include advanced data analytics, policy and procedure development and management, or the introduction of new healthcare initiatives. Should the Organization choose to engage these additional services, they will be provided at an agreed-upon additional fee as detailed in Exhibit A, and must be approved in writing before implementation.

## 2. Compensation

### a. **Monthly Service Fee**

The Organization agrees to pay the Contractor a monthly service fee of **\$15,000**. This fee covers up to **40 hours per month** of consulting services, as outlined in **Section 1**. Hours are not transferable from one month to the next.

### b. **Additional Hours**

Any services exceeding the 40-hour monthly limit will be billed at a rate of **\$500 per hour**. Any additional hours must be mutually agreed upon in writing by both the Contractor and the Organization prior to being incurred.

### c. **Additional Services**

If the Organization opts to engage any of the additional services outlined in **Exhibit A**, these services will be billed at the rates specified in that exhibit. Such additional services must be approved in writing before they are performed.

### d. **Invoicing and Payment**

- i. **Invoicing:** The Contractor will issue invoices to the Organization on a **monthly** basis via email to the Organization's designated representative.
- ii. **Payment Terms:** Payment is due within **twenty (20) days** from the Organization's receipt of the invoice. If payment is not received within this timeframe, late fees will apply at a rate of 1.5% per month on the overdue amount, compounded monthly.

### e. **Reimbursement of Expenses**

The Organization agrees to reimburse the Contractor for all reasonable and necessary expenses incurred by the Contractor in connection with the performance of services under this Agreement, including but not limited to travel, lodging, and meals. All such expenses must be pre-approved in writing by the Organization prior to being incurred.

### f. **Reimbursement Upon Termination**

In the event of termination of this Agreement, the Organization shall reimburse the Contractor for all services performed up to the effective termination date.

## 3. Term and Termination

### a. **Term of Agreement**

This Agreement shall commence on \_\_\_\_\_ and will continue in force unless either Party provides a **thirty (30) days' written notice** to terminate the Agreement.

### b. **Termination for Convenience**

Either Party may terminate this Agreement for any reason by providing **thirty (30) days' written notice** to the other Party.

### c. **Termination for Cause**

Either Party may terminate this Agreement immediately upon written notice if the other Party breaches any material provision of this Agreement and fails to cure such breach within **thirty (30) business days** after receiving written notice of the breach.

### d. **Obligations Upon Termination**

Upon termination of this Agreement, the Organization shall compensate the Contractor for all services rendered and expenses incurred up to the effective termination date. Both Parties shall return any confidential information, materials, or property belonging to the other Party.

#### **4. Confidentiality**

##### **a. Confidential Information**

During the term of this Agreement, both Parties may have access to confidential and proprietary information belonging to the other Party, including but not limited to business strategies, financial data, patient records, healthcare procedures, and other sensitive information (hereinafter referred to as "Confidential Information").

##### **b. Obligations of Confidentiality**

Each Party agrees not to disclose, use, or share the Confidential Information of the other Party for any purpose other than as necessary to perform their obligations under this Agreement. Both Parties agree to take reasonable precautions to protect the confidentiality of such information, in accordance with applicable laws and regulations, including but not limited to HIPAA (Health Insurance Portability and Accountability Act).

##### **c. Exclusions from Confidential Information**

Confidential Information does not include information that:

- i. Is or becomes publicly available through no fault of the receiving Party;
- ii. Is already in the possession of the receiving Party at the time of disclosure;
- iii. Is independently developed by the receiving Party without use of or reference to the disclosing Party's Confidential Information; or
- iv. Is required to be disclosed by law or regulation, provided the receiving Party gives prompt written notice to the disclosing Party and cooperates with any efforts to limit the scope of disclosure.

##### **d. Return or Destruction of Confidential Information**

Upon termination or expiration of this Agreement, each Party agrees to return or destroy all Confidential Information received from the other Party, upon request, and to certify that such information has been returned or destroyed.

#### **5. Intellectual Property**

Any intellectual property developed by the Contractor during the course of the Agreement, including but not limited to reports, methodologies, processes, or procedures, shall remain the exclusive property of the Contractor, unless otherwise agreed in writing by both Parties. The Organization shall not use, distribute, or reproduce any such intellectual property without the prior written consent of the Contractor, except as required for internal use by the Organization in accordance with the terms of this Agreement.

#### **6. Non-Solicitation**

The Organization agrees that during the term of this Agreement and for a period of twelve (12) months following its termination, the Organization will not directly or indirectly solicit for employment or hire any employee, contractor, or consultant of the Contractor without the Contractor's prior written consent. This provision does not apply to employees or contractors who respond to general job advertisements or solicitations not specifically targeted at the Contractor's personnel.

## **7. Indemnification and Limitation of Liability**

### **a. Indemnification by Contractor**

The Contractor agrees to indemnify, defend, and hold harmless the Organization, its officers, employees, agents, and affiliates from and against any and all third-party claims, liabilities, damages, losses, and expenses (including reasonable attorney's fees and costs) arising out of or in connection with:

- i. Any breach of this Agreement by the Contractor;
- ii. Any negligence or willful misconduct by the Contractor in the performance of its obligations under this Agreement; or
- iii. Any violation of applicable laws or regulations by the Contractor.

### **b. Indemnification by Organization**

The Organization agrees to indemnify, defend, and hold harmless the Contractor, its officers, employees, agents, and affiliates from and against any and all third-party claims, liabilities, damages, losses, and expenses (including reasonable attorney's fees and costs) arising out of or in connection with:

- i. Any breach of this Agreement by the Organization;
- ii. Any negligence or willful misconduct by the Organization in the performance of its obligations under this Agreement; or
- iii. Any violation of applicable laws or regulations by the Organization.

### **c. Limitation of Liability**

In no event shall either Party's liability under this Agreement exceed the total fees paid by the Organization to the Contractor in the twelve (12) months preceding the event giving rise to such liability. Neither Party shall be liable for any indirect, incidental, consequential, special, or punitive damages, including lost profits, even if advised of the possibility of such damages.

## **8. Governing Law and Dispute Resolution**

### **a. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of **Arizona**, without regard to its conflict of law principles.

### **b. Dispute Resolution**

In the event of any dispute, claim, or controversy arising out of or relating to this Agreement, the Parties agree to first attempt to resolve the dispute through good faith negotiations.

### **c. Mediation and Arbitration**

If the dispute cannot be resolved through negotiations within **thirty (30) days**, either Party may request mediation through a mutually agreed-upon mediator. If mediation is unsuccessful or if either Party refuses to participate, the dispute shall be submitted to binding arbitration in accordance with the rules of the **American Arbitration Association (AAA)** or another mutually agreed-upon arbitration body. The arbitration shall take place in **Tucson, Arizona**.

### **d. Jurisdiction and Venue**

In the event that arbitration is not applicable, both Parties agree that any legal action or proceeding arising out of or related to this Agreement shall be brought exclusively in the state or federal courts located in **Tucson, Arizona**. Both Parties consent to the jurisdiction and venue of such courts.

**9. Miscellaneous Provisions**

**a. Entire Agreement**

This Agreement, including all exhibits and schedules attached hereto, constitutes the entire understanding between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, and negotiations, whether written or oral. No amendment or modification of this Agreement will be valid unless made in writing and signed by both Parties.

**b. Amendments and Modifications**

Any amendments or modifications to this Agreement must be in writing and signed by both Parties. No oral agreements or representations will have any force or effect unless expressly stated in this Agreement.

**c. Assignment**

Neither Party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other Party, except to an affiliate or successor in the event of a merger or acquisition.

**d. Severability**

If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**e. Waiver**

No waiver of any provision of this Agreement will be deemed or construed as a further or continuing waiver of such provision or any other provision. Any waiver must be in writing and signed by the Party waiving its rights.

**f. Notices**

All notices, requests, consents, or approvals required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or via certified mail, return receipt requested, or via email with confirmation of receipt, to the addresses set forth in this Agreement or such other addresses as may be designated by written notice.

If to Contractor:  
AB Med Southwest  
7455 Arroyo Crossing Pkwy  
Suite 220-1063  
Las Vegas, NV 89113

If to Organization:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**10. Force Majeure**

Neither Party shall be liable for any failure or delay in the performance of its obligations under this Agreement if such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, natural disasters, war, terrorism, strikes, labor disputes, governmental actions, pandemics, or any other similar event that could not have been anticipated or avoided through the exercise of reasonable care (a "Force Majeure Event").

If a Force Majeure Event occurs:

- The affected Party shall notify the other Party as soon as practicable and provide reasonable details about the nature and expected duration of the event.

- The affected Party shall take all reasonable steps to minimize the impact of the Force Majeure Event on its performance of the Agreement.
- If the Force Majeure Event continues for a period of more than thirty (30) days, either Party may terminate the Agreement by providing written notice to the other Party.

**11. No Implied Waiver**

Either party’s failure to insist in any way one or more instances upon strict performance by the other party of any of the terms of this Agreement shall not be construed as a waiver of any continuing or subsequent failure to perform or delay in performance of any term hereof.

**12. Headings**

Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

**13. Signatures**

**IN WITNESS WHEREOF**, the Parties hereto have executed this Independent Contractor Agreement as of the date first written above.

**Contractor:** AB MED Southwest, LLC

**Organization:** \_\_\_\_\_

**By:** Erik McLaughlin, CMO

**By:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Address:** 7455 Arroyo Crossing Pkwy

**Address:** \_\_\_\_\_

Suite 220-#1063

Las Vegas, NV 89113

**Email:** emclaughlin@myabmed.com

**Email:** \_\_\_\_\_

**Telephone:** +1 (888) 361 – 5551

**Telephone:** \_\_\_\_\_

**EXHIBIT A**  
**ADDITIONAL SERVICES AVAILABLE FROM CONTRACTOR**

This Exhibit A outlines the additional services offered by AB Med Healthcare Solutions and AB Med Southwest (collectively referred to as "Contractor") to the Organization, and the corresponding fees for such services. These services are outside the scope of the core consulting services outlined in **Section 1** of the Agreement and will only be provided upon the Organization's written request and approval.

**1. Healthcare Services Monitoring and Epidemiology – AB Med Monitoring**

**Description:**

This service provides a comprehensive, data-driven approach to monitoring and analyzing healthcare delivery within correctional facilities. Through a combination of advanced software, data specialists, and Subject Matter Experts (SMEs), Contractor will collect, visualize, and interpret critical public health data from the inmate population to drive decision-making and improve patient outcomes.

**Key Metrics Monitored Include:**

- **Timeliness and Quality of Medical Screenings:** Measures such as the time taken for receiving screenings, medical screening exams (MSEs), and follow-up on identified health needs.
- **Access to Care and Wait Times:** Tracking metrics related to the timeliness of non-emergency healthcare requests, sick call clinic wait times, and door-to-medical-provider times.
- **Chronic Disease Management:** Monitoring the identification, treatment, and management of chronic health conditions, including individualized treatment plans and medication adherence.
- **Opiate Use Disorder Programs:** Evaluating the effectiveness of interventions for substance use disorders, including medication-assisted treatment (MAT) and access to recovery support.
- **Medication Management:** Adherence to the "Five Rights" of medication administration, medication uptake ratios, and follow-up on medication refusals.
- **Financial Metrics:** Detailed analysis of healthcare spending, including cost per inmate, budget adherence, and return on investment (ROI) for healthcare interventions.
- **Healthcare Quality and Outcome Tracking:** Continuous quality improvement (CQI) initiatives, satisfaction surveys, and performance evaluations to monitor healthcare effectiveness.

Contractor will generate regular reports based on facility and patient data, which will be reviewed and interpreted by SMEs. These reports help facility leadership and healthcare administrators understand key healthcare performance indicators, identify areas for improvement, and ensure compliance with healthcare standards.

**Access to this service** is available via a monthly subscription and includes custom-designed servers, HIPAA compliance, and integration with existing facility systems.

**Cost:**

- Monthly Subscription: starting at **\$5,000.00**
- One-Time Start-Up Fee: **\$3,500.00**

## 2. Correctional Healthcare Policies and Procedures – AB Med Policy

### a. **Creation and Management of Policies and Procedures**

AB Med provides comprehensive healthcare policies and procedures specifically tailored for correctional facilities. These policies are designed to meet the stringent requirements of correctional healthcare, ensuring alignment with ACA/NCCHC, federal, and local regulations. From medical protocols to patient care standards, AB Med develops policies that are focused on improving healthcare delivery, safety, and compliance within the correctional environment.

#### **Key Features Include:**

- **Custom Policy Creation:** AB Med develops policies and procedures that are aligned with ACA/NCCHC standards, federal healthcare laws, and local regulations. This ensures that facilities remain compliant with key industry guidelines and healthcare requirements.
- **Regulatory Compliance:** Policies are designed to meet healthcare regulations, including HIPAA, ACA/NCCHC, and local health department guidelines, ensuring adherence to the highest standards of correctional healthcare.
- **Ongoing Updates and Maintenance:** Policies are regularly reviewed and updated to ensure they comply with the latest legal standards and regulatory changes, keeping your facility audit-ready.

#### **Cost:**

- **Turnkey Policy Solutions:** starting at **\$15,000.00**

### b. **Platform for Hosting and Automation**

In addition to policy creation, AB Med offers a cloud-based platform that simplifies the management, hosting, and automation of healthcare policies and procedures. This platform ensures that all facility staff have access to up-to-date guidelines, allowing for seamless compliance and operational efficiency.

#### **Key Features of the Platform Include:**

- **Automated Policy Approvals and Revisions:** The platform automates policy creation, approval, and revision workflows, ensuring that updates are implemented quickly and efficiently.
- **24/7 Access to Policies:** The platform provides round-the-clock access to policies and procedures from any location, ensuring that staff can always access the most current information.
- **Compliance Monitoring and Reporting:** Built-in tools monitor adherence to policies and compliance with ACA, federal, and local healthcare regulations, providing detailed reporting to help administrators track compliance.
- **Custom Dashboards and Real-Time Data:** Administrators can view real-time insights into policy compliance, staff engagement, and overall system usage, ensuring better oversight and decision-making.
- **Audit Trail and Version Control:** The platform maintains a detailed audit trail of policy changes, ensuring transparency and accountability during audits and reviews.

#### **Cost:**

- **Monthly Subscription:** starting at **\$5,000.00**
- **One-Time Start-Up Fee:** **\$2,500.00**



### 3. Peer Review Tools – AB Med Peer Review

#### **Description:**

AB Med offers a comprehensive software platform that facilitates the peer review of medical providers to ensure continuous quality improvement. This platform allows for structured feedback and performance evaluations, helping healthcare teams maintain high standards of care and compliance with industry best practices. The tool provides a streamlined process for evaluating clinical performance, identifying areas for improvement, and tracking the implementation of corrective actions.

#### **Key Features Include:**

- **Structured Peer Reviews:** Facilitates systematic evaluations of medical providers' performance through a standardized review process.
- **Compliance and Quality Tracking:** Ensures that peer review results align with compliance standards, contributing to ongoing quality assurance and improvement.
- **Data-Driven Feedback:** Provides quantitative and qualitative feedback on provider performance, helping healthcare teams pinpoint strengths and areas for development.
- **Actionable Insights:** Generates reports that highlight critical insights into provider performance and tracks progress on improvement initiatives.

Access to this service is available through a monthly subscription, with an initial start-up cost that covers server customization, staff training, and system access.

#### **Cost:**

- **Monthly Subscription:** starting at **\$2,500.00**
- **One-Time Start-Up Fee:** **\$1,000.00**