

**CONTRACT AMENDMENT NO. 1
CONTRACT FOR MEDICAL LABORATORY SERVICES:
CONTRACT # COR17-0037JT**

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, Department of Corrections, (State), located at 5 South Last Chance Gulch, Helena, MT 59601, and Pathology Associates Medical Laboratories, LLC (Contractor), whose address and phone number are 611 North Iron Bridge Way, Suite 100, Spokane, WA 99202, (509) 755-8118. This Contract is amended for the following purpose(s):

- 1) In accordance with the section entitled Effective Date, Duration, and Renewal, both parties mutually agree to extend this Contract for the period January 1, 2018 through December 31, 2018, per the terms, conditions, and prices agreed upon. This is the first renewal, second year of the Contract.

Except as modified above, all other terms and conditions of Contract # COR17-0037JT remain unchanged.

**STATE OF MONTANA
Department of Corrections
5 South Last Chance Gulch
Helena, MT 596601**

**PATHOLOGY ASSOCIATES MEDICAL
LABORATORIES, LLC
611 North Iron Bridge Way, Suite 100
Spokane, WA 99202
FEDERAL ID # 27-0943279**

BY: Connie Winner, Administrator
(Name/Title) of Clinical Services

BY: Clarissa Willett, Vice President
(Name/Title)

Connie Winner
(Signature)

[Signature]
(Signature)

DATE: 11/9/17

DATE: 11/9/17

Approved as to Form:

[Signature]
Contracts Officer
State Procurement Bureau

10/20/17
(Date)

**MEDICAL LABORATORY SERVICES
COR-IFB2017-0037JT**

THIS CONTRACT is entered into by and between the State of Montana, Department of Corrections, (State), whose address and phone number are 5 South Last Chance Gulch, Helena, MT 59620 and (406) 444-3930 and Pathology Associates Medical Laboratories, LLC (Contractor), whose address and phone number are 611 North Iron Bridge Way, Suite 100, Spokane, WA 99202 and (509) 755-8118.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. The Contract's initial term is January 1, 2017, through December 31, 2017, unless terminated earlier as provided in this Contract. In no event is this Contract binding on State unless State's authorized representative has signed it. The legal counsel signature approving legal content of the Contract and the procurement officer signature approving the form of the Contract do not constitute an authorized signature.

1.2 Contract Renewal. State may renew this Contract under its then-existing terms and conditions (subject to potential cost adjustments described below in section 2) in one-year intervals, or any interval that is advantageous to State. This Contract, including any renewals, may not exceed a total of seven years.

2. COST ADJUSTMENTS

2.1 Cost Increase by Mutual Agreement. After the Contract's initial term and if State agrees to a renewal, the parties may agree upon a cost increase. State is not obligated to agree upon a renewal or a cost increase. Any cost increases must be based on demonstrated industry-wide or regional increases in Contractor's costs. Publications such as the Federal Bureau of Labor Statistics and the Consumer Price Index (CPI) for all Urban Consumers may be used to determine the increased value.

3. SERVICES AND/OR SUPPLIES

Contractor shall provide State the medical laboratory services at the Montana State Prison (MSP) as more fully described in **COR-IFB2017-0037JT** and the Contractor's response to the request for proposal.

Contractor shall provide the following on-site medical laboratory services every weekday, before 3:00 p.m., or at a mutually agreed upon time. Services will be provided at Montana State Prison, 400 Conley Lake Road, Deer Lodge, MT 59722. Services will be provided in the infirmary. Contractor and all personnel shall provide pertinent personal information (full name, birth date, Social Security number) to be cleared through security for entrance to the facility and are subject to annual review.

3.1 Federal Standards. Contractor shall have a mechanism in place designed for determining performance, acceptability, and compliance with federal standards and Joint Commission on Accreditation of Health Care Organizations (JCAHO) guidelines.

Contractor shall hold all samples in accordance with applicable law and standards and kept available in case additional tests are required.

Contractor shall provide copies of current accreditation by the Clinical Laboratory Improvement Act (CLIA) and College American Pathologist (C.A.P.) to the State annually.

3.2 Supplies and Equipment Provided. Contractor shall to provide MSP all needles, tubes, vacutainers, lab requisition forms, and any other supplies necessary for specimen collection and transportation. Contractor shall also provide a dedicated facsimile machine/printer.

Contractor shall interface with the state computer system for the preparation of all requisition forms for the drawing and processing of labs. The State must have the ability to view lab results immediately when completed.

3.3 Courier Services. Contractor shall provide courier services for specimen collections at MSP. Contractor is responsible for costs of transporting specimens from MSP to Contractor's facility for testing.

3.4 Processing Time. Contractor shall perform all necessary preparation for drawing, processing, packaging and transporting of labs Monday-Friday. Contractor agrees to provide turnaround time of 24 hours for Complete Blood Counts (CBCs) and profiles. All specialty tests will be provided within a timely manner that meets criteria for certification of the laboratory performing the tests. All labs will be drawn on-site.

3.5 Laboratory Service Providers. Contractor agrees the laboratory shall meet standards for accreditation by the JCAHO. These standards are contained in the current edition of the Comprehensive Accreditation Manual for Pathology and Clinical Laboratory Services published by JCAHO.

3.6 Primary Reference Laboratory. State will utilize Contractor for referenced laboratory services. Contractor acknowledges State may refer certain tests to other laboratories where or when circumstances warrant.

3.7 Special labs. Contractor shall provide special lab testing as may be required and must manage and process special lab tests.

3.8 Patient Information and Records. Contractor shall maintain, in accordance with state and federal laws, including the requirements of HIPAA and the Federal Privacy Act (Title V U.S., Code 552(a)), the security, confidentiality, privacy and integrity of all patient records and health care information prepared or maintained incidental to the rendering of services.

3.9 Medicare Certification. All directors, officers or employees of the Contractor must be eligible for participation in any government health care program, including but not limited to, Medicare, Medicaid, CHAMPUS, or Tricare.

3.10 Available Testing. The Contractor shall provide all laboratory testing services on-site at MSP. The Contractor shall follow their process for completing a test they do not offer and shall ensure the test results are communicated back to the Department.

4. WARRANTIES

4.1 Warranty of Services. Contractor warrants that the services provided conform to the Contract requirements, including all descriptions, specifications and attachments made a part of this Contract. State's acceptance of services provided by Contractor shall not relieve Contractor from its obligations under this warranty. In addition to its other remedies under this Contract, at law, or in equity, State may, at Contractor's expense, require prompt correction of any services failing to meet Contractor's warranty herein. Services corrected by Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished.

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration of the medical laboratory services to be provided, State shall pay Contractor according to the following schedule:

All laboratory services will be billed to Xerox on a HCFA-1500 claim form. Billing information shall include, but is not limited to, the inmate AO number, valid diagnosis codes, and Montana Medicaid's current procedure/service codes. Claims shall be submitted to:

Xerox Claims Processing Unit
PO Box 8000
Helena, MT 59604

The Contractor will be compensated by XEROX according to current fee schedules and limits as contained in Montana Medicaid's Manual. Only claims submitted by the Contractor within one (1) year of date of service shall be processed.

All Contractor claims must be submitted within one (1) calendar year of date of service. State will accept no adjustments, including coding and late-charge adjustments, later than 30 days after payment of the original claim. Claims submitted after one calendar year, or adjustments or late charges submitted 30 days after payment of the original claim, which would have resulted in an increased payment, will be forfeited. State shall have no liability for claims not submitted in accordance with this requirement.

5.2 Reference to Contract. The Contract number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the Contract. If the number is not provided, State is not obligated to pay the invoice.

6. PREVAILING WAGE REQUIREMENTS

6.1 Montana Resident Preference. The nature of the work performed, or services provided, under this Contract meets the statutory definition of a "public works contract" in 18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of \$25,000 for construction or non-construction services. Contractor shall abide by the requirements set out in 18-2-401 through 18-2-432, MCA, and all administrative rules adopted under these statutes.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with 18-2-403 and 18-2-409, MCA. Any and all questions concerning prevailing wage and Montana resident issues should be directed to the Montana Department of Labor and Industry.

6.2 Standard Prevailing Rate of Wages. In addition, unless superseded by federal law, all employees working on a public works contract must be paid prevailing wage rates in accordance with 18-2-401 through 18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in 18-2-401, MCA, in which the total cost of the contract is greater than \$25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract.

Because this Contract has an initial term of 12 months with optional renewals, this Contract is subject to the 3% adjustment when the Contract length becomes more than 30 months. The 3% rate increase becomes effective upon the second renewal, and the 3% is paid starting in the third year of the Contract beginning with the 25th month. The adjustment must be made and applied every 12 months for the term of the Contract. This adjustment is the sole responsibility of Contractor and no cost adjustment in this Contract will be allowed to fulfill this requirement.

6.3 Notice of Wages and Benefits. Furthermore, 18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with 18-2-423, MCA.

6.4 Wage Rates, Pay Schedule, and Records. 18-2-423, MCA, requires that employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer shall maintain payroll records in a manner readily capable of being certified for submission under 18-2-423, MCA, for not less

than three years after the contractor's, subcontractor's, or employer's completion of work on the public works contract.

All contractors and employers shall classify each employee who performs labor on a public works project according to the applicable standard prevailing rate of wages for such craft, classification, or type of employee established by the Commissioner of the Montana Department of Labor and Industry, and shall pay each such employee a rate of wages not less than the standard prevailing rate as specified in the Montana Prevailing Wages Rates for Non-construction Services 2016.

7. ACCESS AND RETENTION OF RECORDS

7.1 Access to Records. Contractor shall provide State, Legislative Auditor, or their authorized agents access to any records necessary to determine Contract compliance. State may terminate this Contract under section 15, Contract Termination, without incurring liability, for Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

7.2 Retention Period. Contractor shall create and retain all records supporting the janitorial services for a period of eight years after either the completion date of this Contract or termination of the Contract.

8. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this Contract without State's prior written consent. (18-4-141, MCA) Contractor is responsible to State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and State under this Contract.

9. HOLD HARMLESS/INDEMNIFICATION

Contractor agrees to protect, defend, and save State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of State, under this Contract.

10. REQUIRED INSURANCE

10.1 General Requirements. Contractor shall maintain for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

10.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by State, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

10.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be

caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor; products, and completed operations; and the premises owned, leased, occupied, or used.

10.4 Specific Requirements for Professional Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors. Note: If "occurrence" coverage is unavailable or cost prohibitive, Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of this Agreement must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

10.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by State. At the request of State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

10.6 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages has been received by State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. *The certificates must name the State of Montana as certificate holder and Contractor shall provide copies of additional insured endorsements required by Contractor's commercial general liability and automobile liability policies.* Contractor must notify State immediately of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. State reserves the right to require complete copies of insurance policies at all times.

11. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be sent to State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135.

12. COMPLIANCE WITH LAWS

Contractor shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

CONTRACTOR shall comply with the Prison Rape Elimination Act 42 U.S.C.A. § 15601ff, the Prison Rape Elimination Act final rule 28 CFR Part 115, MDOC Policy 1.3.14, Prison Rape Elimination Act, and ACCD

1.3.1400 PREA to include incident reporting. CONTRACTOR shall establish a zero tolerance policy to incidents of sexual assault/rape or sexual misconduct.

In accordance with 49-3-207, MCA, and Executive Order No. 04-2016 Contractor agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract. Any subletting or subcontracting by Contractor subjects subcontractors to the same provisions.

13. DISABILITY ACCOMMODATIONS

State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

14. REGISTRATION WITH THE SECRETARY OF STATE

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

15. CONTRACT TERMINATION

15.1 Termination for Cause with Notice to Cure Requirement. State may terminate this Contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this Contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

15.2 Termination for Convenience. State may, by written notice to Contractor, terminate this Contract without cause and without incurring liability to Contractor. State shall give notice of termination to Contractor at least 30 days before the effective date of termination. State shall pay Contractor only that amount, or prorated portion thereof, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

15.3 Termination for Cause with Notice to Cure Requirement. Contractor may terminate this Contract for State's failure to perform any of its duties under this Contract after giving State written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

15.4 Reduction of Funding. State must by law terminate this Contract if funds are not appropriated or otherwise made available to support State's continuation of performance of this Contract in a subsequent fiscal period. (18-4-313(4), MCA) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, State shall terminate this Contract as required by law. State shall provide Contractor the date State's termination shall take effect. State shall not be liable to Contractor for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

16. EVENT OF BREACH – REMEDIES

16.1 Event of Breach by Contractor. Any one or more of the following Contractor acts or omissions constitute an event of material breach under this Contract:

- Products or services furnished fail to conform to any requirement;
- Failure to submit any report required by this Contract;
- Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without prior State approval or breaching section 21.1, Technical or Contractual Problems, obligations; or
- Voluntary or involuntary bankruptcy or receivership.

16.2 Event of Breach by State. State's failure to perform any material terms or conditions of this Contract constitutes an event of breach.

16.3 Actions in Event of Breach. Upon Contractor's material breach, State may:

- Terminate this Contract under Section 15.1, Termination for Cause with Notice to Cure and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and pursue any of its remedies under this Contract, at law, or in equity.

Upon State's material breach, Contractor may:

- Terminate this Contract under section 15.3, Termination for Cause with Notice to Cure, and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law, or in equity.

17. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than five working days after the onset. If the notice is not provided within the five-day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this Contract, unless the parties mutually agree that the obligation is excused because of the condition.

18. WAIVER OF BREACH

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

19. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Contract shall be granted without the State Procurement Bureau's prior written consent. Product or services provided that do not conform to the Contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

20. LIAISONS AND SERVICE OF NOTICES

20.1 Contract Liaisons. All project management and coordination on State's behalf must be through a single point of contact designated as State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed under this Contract must be coordinated between State's liaison and Contractor's liaison.

Melissa Scharf is State's liaison
(Address): 400 Conley Lake Road
(City, State, ZIP): Deer Lodge, MT 59722
Telephone: (406) 846-1320 x 2520
E-mail: mscharf@mt.gov

Troy Rausch is Contractor's liaison
(Address): 611 N Iron Bridge Way -- Ste 100
(City, State, ZIP): Spokane, WA 99202
Telephone: (406) 241-5070
E-mail: trausch@PAML.com

20.2 Notifications. State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, mail, or facsimile. If notice is provided by personal service or facsimile, the notice is effective upon receipt; if notice is provided by mail, the notice is effective within three business days of mailing. A signed and dated acknowledgement of the notice is required of both parties.

21. MEETINGS

21.1 Technical or Contractual Problems. Contractor shall meet with State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the Contract term or to discuss the progress made by Contractor and State in the performance of their respective obligations, at no additional cost to the State. State may request the meetings as problems arise and will be coordinated by State. State shall provide Contractor a minimum of three full working days' notice of meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Contractor's consistent failure to participate in problem resolution meetings, Contractor missing or rescheduling two consecutive meetings, or Contractor's failure to make a good faith effort to resolve problems may result in termination of the Contract.

22. TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, if the Contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this Contract or particular work under this Contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this Contract, except for those terms or conditions that do not reasonably apply to such transition assistance. State shall pay Contractor for any resources utilized in performing such transition assistance at the most current Contract rates. If State terminates a project or this Contract for cause, then

State may offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages State may have sustained as a result of Contractor's breach.

23. CHOICE OF LAW AND VENUE

Montana law governs this Contract. The parties agree that any litigation concerning this bid, proposal, or this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees.

24. TAX EXEMPTION

State of Montana is exempt from Federal Excise Taxes (#81-0302402).

25. AUTHORITY

This Contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

26. SEVERABILITY

A declaration by any court or any other binding legal source that any provision of the Contract is illegal and void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually and materially dependent.

27. SCOPE, ENTIRE AGREEMENT, AND AMENDMENT

27.1 Contract. This Contract consists of ten (10) numbered pages, any Attachments as required, Solicitation # COR-IFB2017 0037JT, as amended, and Contractor's response, as amended. In the case of dispute or ambiguity arising between or among the documents, the order of precedence of document interpretation is the same.

27.2 Entire Agreement. These documents are the entire agreement of the parties. They supersede all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by the parties.

28. WAIVER

State's waiver of any Contractor obligation or responsibility in a specific situation is not a waiver in a future similar situation or is not a waiver of any other Contractor obligation or responsibility.

Remainder of this page is intentionally left blank.

29. EXECUTION

The parties through their authorized agents have executed this Contract on the dates set out below.

STATE OF MONTANA
DEPARTMENT OF CORRECTIONS
5 South Last Chance Gulch
Helena, MT

PATHOLOGY ASSOCIATES MEDICAL LABORATORIES, LLC
611 North Iron Bridge Way, Suite 100
Spokane, WA 99202
FEDERAL ID # 27-0943279

BY: Connie Winner
(Name/Title)
Clinical Services Division Administrator
Connie Winner
(Signature)

BY: Clarissa Willett
(Name/Title)
~~CFQ/Sr. Vice President~~
[Signature]
(Signature)

DATE: 1-23-17

DATE: 1/17/17

Approved as to Legal Content:

Mike Mamon 12-29-2016
Legal Counsel (Date)

Approved as to Form:

[Signature] 12-13-2016
Procurement Officer (Date)
State Procurement Bureau