

**LIMITED SERVICE AGREEMENT FOR PHI CARES MEMBERSHIPS**

**Effective Date: November 1, 2020**

This Service Agreement for PHI Cares Memberships ("Agreement") is made by and between **Navarro County, Texas** ("Company") and **PHI Health, LLC d/b/a PHI Air Medical**, a Louisiana limited liability company ("PHI"). Company and PHI may hereinafter be referred to individually as a "Party" and collectively as the "Parties." The Parties agree as follows:

**1. Purchase of Memberships.** PHI is an air ambulance company that is licensed in the State of Texas (the "State") and provides a membership-based program called PHI Cares in compliance with all applicable laws and regulations to cover the uninsured or otherwise uncovered portion of the flight charges that may be incurred by members requiring medically necessary air medical transportation on a PHI aircraft. Company currently has **283** employees and hereby agrees to purchase PHI Cares memberships for the benefit of Company's employees (hereinafter, the "Company Members").

**2. Term & Termination.** The term of this Agreement commences as of the Effective Date and continues for a period of one (1) year, through **October 31, 2021** (the "Term"); provided, however, either Party may terminate this Agreement for any reason or no reason upon providing the other Party with at least thirty (30) days prior written notice. In the event that PHI terminates this Agreement under this Section, PHI shall refund Company the prorated amount of the Annual Fee (defined below) for the remainder of the Term. In the event that Company terminates this Agreement under this Section, Company shall not be entitled to a refund of any portion of the Annual Fee.

**3. Annual Fee.** Company hereby agrees to purchase **283** PHI Cares memberships for use by Company Members for **\$12.00 per membership** (the "Annual Fee"). The Annual Fee shall be paid in advance on or before the Effective Date. The total amount due is equal to **\$3,396.00** (the "Annual Fee").

**4. Terms and Conditions.** The general terms and conditions of the PHI Cares membership program (the "PHI Cares Terms and Conditions"), which are located at <http://phicare.com/>, and are attached hereto as Exhibit "1," are incorporated into and shall constitute part of this Agreement. Should there be any conflict between the PHI Cares Terms and Conditions and this Agreement, the terms of this Agreement shall prevail. In addition to the PHI Cares Terms and Conditions, the following specific terms apply to this Agreement:

- a. *Payment.* Navarro County, Texas will provide PHI with an employee roster including the full names of each eligible employee, mailing address and date of birth.
- b. *Roster of Company Members.* Company shall provide PHI with a detailed employee roster which shall contain a list of the full names, address and dates of birth for all Company Members.
- c. *Notifying PHI.* It is the responsibility of the Company Member to contact PHI and notify PHI if the Company Member or a qualified household dependent has been transported by PHI. In addition, Company Members should inform the healthcare provider, dispatcher, or emergency personnel of their PHI Cares membership at the time an air transport is requested, as these personnel will not be aware of Company Members' PHI Cares membership.
- c. *Unavailability.* Company acknowledges that PHI may not always have an aircraft available to provide a transport due to prior use, weather, mechanical downtime, or other reasons, as set forth more fully in the PHI Cares Terms and Conditions. Further, medical or dispatch personnel may call another air ambulance provider in which event a PHI Cares membership will not cover the medical transport. Company acknowledges and agrees that PHI will have no liability to Company or any Company Member as a result of PHI's inability to respond to a transport request for any Company Member.
- d. *Benefit Coverage Area.* **The membership benefits of this Agreement are restricted to PHI transports which originate in the State of Texas** for registered Company Members and their household members.

- e. *Membership Upgrade Option:* Registered Company Members can upgrade their limited benefit coverage to national household benefits for an additional cost of \$35.00 per household, per year. To upgrade a membership, the registered Company Member must contact the PHI Cares membership department and provide their membership ID number and pay the \$35.00 annual fee.
- f. *Membership ID #.* PHI will provide the Navarro County with a supply of **500 membership cards** which Navarro County will distribute and make available to their eligible employees. These membership cards will contain the Membership ID # for the Navarro County Employee Group and the contract Expiration Date.
- g. *Not Insurance Product.* MEMBERSHIP ONLY APPLIES TO TRANSPORT ABOARD A PHI AIRCRAFT. MEMBERSHIP IS NOT AN INSURANCE PRODUCT AND DOES NOT PAY FOR SERVICES PROVIDED BY OTHER AIR OR GROUND AMBULANCE SERVICE PROVIDERS.
- h. *Coverage.* Each membership covers the entire household except for any person in the household who is now or at the time of the transport request is a recipient of Medicaid benefits. Medicaid recipients are excluded from membership in accordance with applicable state law.
- i. *Additional Membership Purchases.* Additional memberships for Company Members may be purchased by Navarro County and added to the official master roster at the \$12.00 rate for the remainder of the Term of this Agreement. All memberships added and purchased during the Term of this Agreement will expire at the expiration date of this Agreement.

5. **Miscellaneous.** This Agreement (including any and all exhibits attached hereto or incorporated herein) constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous agreements, either oral or written, with respect to the matters addressed herein. This Agreement may only be modified by a written instrument duly executed by both Parties. No rights, duties, or obligations under this Agreement may be assigned to any third party without the prior written consent of the other Party. If any provision of this Agreement is held illegal, invalid, or unenforceable by any Court of competent jurisdiction, the invalidity of such provision will not affect any of the remaining provisions of this Agreement. This Agreement is governed by and will be construed in accordance with the laws of the **State of Texas** without giving regard to its conflict of laws rules. In the event of any litigation between the Parties arising out of this Agreement, the prevailing Party (as determined by the court) shall be entitled to recover its reasonable attorney's fees, litigation expenses and court costs from the losing Party. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument. Each individual executing this Agreement on behalf of a Party represents that he/she is authorized to enter into and deliver this Agreement and bind the Party hereto. Any notice required or permitted to be given pursuant to this Agreement shall be in writing and shall be personally delivered; sent via overnight courier (with proof of delivery); or sent via certified mail, postage prepaid, return receipt requested to the Parties' addresses listed in the signature block.

The Parties hereto have entered into this Agreement as of the date and year written below, but which shall be effective for all purposes as of the Effective Date.

[Signature Page Follows]

**PHI HEALTH, LLC d/b/a PHI AIR MEDICAL COMPANY: NAVARRO COUNTY, TEXAS**

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

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

Name: David Motzkin

Name: \_\_\_\_\_

Title: President

Title: \_\_\_\_\_

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

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

Address for Notices:

2800 N. 44<sup>th</sup> Street, Suite 800

Phoenix, Arizona 85008

Attn: David Motzkin, President

*With a copy to: Jeff Stanek, Vice President, Finance*

Address for Notices:

The Honorable, H.M. Davenport, Jr

300 W. 3rd Ave. Suite 102

Corsicana, TX 75110

Phone: 903-654-3025

Fax: 903-875-3974

## EXHIBIT 1

### PHI CARES – MEMBERSHIP TERMS AND CONDITIONS

#### **PHI Cares Membership Program Terms and Conditions**

##### **Membership**

PHI Cares is a membership program operated by PHI Health, LLC, which covers the uninsured or otherwise uncovered portion of the flight charges that may be incurred by members who are transported on a PHI medically configured aircraft as set forth herein. Membership is valid for one (1) year beginning five (5) days after your completed application and nonrefundable payment have been received and processed by the PHI Cares membership office. These Terms and Conditions also apply to renewing memberships, provided that payment of the annual membership fee is received within thirty (30) days of the renewal date.

As used herein, the terms "you," "your," and "Member" shall mean any members enrolled in the PHI Cares Program; the terms "our," "we," "us," and "PHI" shall mean PHI Health, LLC; the term "PHI Cares Program" shall mean the PHI Cares membership program operated by PHI; and the term "Terms and Conditions" shall mean the PHI Cares Program Terms and Conditions.

##### **Billing**

Members are charged an annual membership fee payable yearly in advance. The annual membership fee charged by PHI is based on certain factors, including whether or not you have healthcare insurance coverage.

A Member who receives a medically necessary transport through the PHI Cares Program is relieved from paying any charges related to the medical transport other than amounts paid or reimbursed to the Member by any available healthcare insurance, a third party payor, or a third party who may be legally responsible for the charges. In other words, PHI Cares accepts what your insurance or other third-party source of payment pays as "payment-in-full," relieving you of any other charges for the air medical transport.

PHI will bill your healthcare insurer or other third-party payor (for example, Medicare), or seek recovery from any legally liable third party (for example, a car accident which causes you injury as a result of someone else's fault or negligence) for the air medical transport. Should you receive payment directly from your healthcare insurer, other third-party payor, or from a legally liable third party for all or any portion of the charges for the air medical transport, you agree to promptly remit such payment to PHI. If any third party or his/her insurer who is legally liable pays for the air transport charges either through settlement of a claim or a judgment from a lawsuit, you agree to promptly remit the amount received by you for air transport charges included in such settlement or judgment.

Members who have no healthcare insurance coverage at the time of enrollment and no other third-party payor to cover air medical transport charges will be relieved by PHI from any patient transport charges for medically necessary air transport services on a PHI aircraft.

PHI Cares Members are responsible for and agree to pay for any charges that are not covered by the PHI Cares Program, including but not limited to air transport pick-ups outside of the PHI Cares service area or any ground ambulance transportation services that Members may incur in connection with any PHI air medical transport.

##### **Eligibility & Availability**

Medicaid participants are not eligible for membership in the PHI Cares Program.

Please note that a PHI aircraft may not be available at the time a flight request is made due to inclement weather, the PHI aircraft being in service at the time of the request, the PHI aircraft undergoing maintenance or repairs, weight limitations of the PHI aircraft, or other reasons that make the PHI aircraft unavailable to respond to a request. Further, medical or dispatch personnel may call another air ambulance provider in which event your PHI Cares membership will not cover the medical transport.

Passenger weights and other operating restrictions may limit our ability to transport a Member.

PHI, in consultation with other healthcare providers or dispatch agencies, reserves the right to determine whether air medical transport is medically necessary, safe, and appropriate under the circumstances.

**Membership in the PHI Cares Program is not an insurance product.** PHI Cares does not cover and will not pay or reimburse you for services performed by any other air medical transport services provider or any ground ambulance services provider.

Notwithstanding the foregoing, in addition to covering medically necessary transports on PHI aircraft, your membership will also cover medically necessary transports on PHI's partners' aircraft if such transports occur within PHI's service areas. Please visit our website at [www.PHICares.com](http://www.PHICares.com) or contact our Membership Department to obtain more information on our current air ambulance membership partners. Any medical transports on a PHI Cares partner aircraft shall be subject to the same Terms and Conditions stated herein.

#### **Service Area**

Membership provides household national coverage for medically necessary air transports on PHI medically configured aircraft to the closest appropriate facility within 200 miles for a rotor wing (helicopter) and 600 miles for a fixed wing (airplane). The point of pickup must be within the PHI Cares service area. For a list of service areas, please see the coverage map on the PHI Cares website: [www.PhiCares.com](http://www.PhiCares.com) or contact the membership office directly.

#### **Notifying PHI Cares Membership Department of Transport**

You should inform the healthcare provider, dispatcher, or emergency personnel of your PHI Cares membership at the time an air medical transport is requested, as these personnel will not be aware of your PHI Cares Membership. In addition, it is the responsibility of each Member to contact us if a registered and eligible household dependent has been flown by PHI. Please call our Membership Department at: **1.888.435.9744 (1.888. I Fly PHI), Monday-Friday, 0800 to 1600 Hours MST.**

#### **Termination and Renewal of Coverage**

PHI may terminate your membership for failure to comply with the Terms and Conditions of the PHI Cares membership program. PHI reserves the right to discontinue its PHI Cares Program at any time upon notice to Members. In such event, PHI shall return a pro rata portion of the membership fee. PHI also reserves the right to unilaterally modify the Terms and Conditions, including but not limited to the membership fee to be charged to Members who join or renew their membership after the effective date of such change.

It is your responsibility to renew your membership prior to the expiration of the one-year term. A completed renewal application and nonrefundable payment must be received within thirty (30) days of the renewal date. If you do not renew your membership, your membership and coverage thereunder will automatically terminate at the end of the one-year term. Renewal contracts may include changes in coverage.

#### **Acknowledgment**

You acknowledge that all information included in the completed application is correct to the best of your knowledge, including all health insurance information. If your healthcare insurance is no longer in effect at the time air medical services are rendered, your PHI Cares membership will not cover your air medical transport charges, unless you have notified PHI Cares of such cancellation and have paid the supplemental membership fee charged to PHI Cares members who do not have healthcare insurance. Any changes in your healthcare insurance information, including the cancellation of healthcare insurance coverage, must be reported to the PHI Cares membership office within five (5) business days of such change or cancellation.

By approving and submitting your application for PHI Cares membership, you agree to all of the Terms and Conditions set forth herein.

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<https://www.phicare.com>