ATTACHMENT A

SAN AUGUSTINE COUNTY HOUSEHOLDS

COVERAGE PERIOD	**10/01/2026**	**9/30/2027**
COVERED PERSONS		
☐ **# of Households**	**Price**	**# Households**
which shall cover the eligibility of Residents residing in these households covered under this PHI Cares Agreement for PHI Cares Memberships for County Residents.	**${10.00]/** per household	3,017
NON-COVERED PERSONS		
☐ **# of Persons recipient of Medicaid Benefits**		**# of Medicaid Benefits Residents**
Medicaid recipients are excluded from membership In accordance with applicable state law.		
[Household Residents Medicaid Residents]		567
	Total Participants:	**2,450**

COVERED LOCATIONS

☐ **San Augustine County, TX**

This program automatically covers air medical transportation provided by PHI for medical emergencies originating in the San Augustine County Service Area.

Sign: _____

Print: Jeff Boyd County Judge

Date: 9/22/2024

AGREEMENT FOR PHI CARES MEMBERSHIP BENEFITS
FOR
SAN AUGUSTINE COUNTY, TEXAS

This County Agreement for PHI Cares Memberships for **San Augustine County,** Texas (this "**Agreement**") is made effective on **October 1, 2026 (the "Effective Date**") between **San Augustine County,** State of Texas ("**COUNTY**") and PHI Health, LLC d/b/a PHI Air Medical, a Louisiana limited liability company ("**PHI**"). COUNTY and PHI may hereinafter be referred to individually as a "**Party**" and collectively as the "**Parties**."

Recitals

WHEREAS, COUNTY has approximately **2,450 households** in the State of Texas, with approximately **7,918 residents** living in these households (each a "**Resident**" and collectively, the "**Residents**"),

WHEREAS, PHI is an air ambulance company that is licensed in the State of Texas and that provides a membership-based program (the "**PHI Cares Program**") 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 emergency air medical transportation on a PHI aircraft; and

WHEREAS, COUNTY desires to enter into this Agreement with PHI whereby the Covered Residents (as defined below) within COUNTY will be members of the PHI Cares Program and entitled to receive the privileges and benefits of the PHI Cares Program in accordance with the terms and limitations of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Parties agree as follows:

Article I.
Scope of Agreement and Term

1.1 Contract for Ambulance Membership. This Agreement relates to the acquisition of PHI Cares memberships by COUNTY for the benefit of the Covered COUNTY Residents and covers the uninsured or otherwise uncovered portion of the flight charges that may be incurred by such Covered Residents when requiring emergency air medical transportation on a PHI aircraft.

1.2 Term. The term of this Agreement commences as of the Effective Date set forth above and continues for a period of one (1) year, through **September 30, 2027** (the "**Term**"), unless otherwise terminated as provided for herein. At the end of the Term, the Parties may negotiate to extend this Agreement or enter into a new agreement upon written agreement signed by all of the Parties. Any such renewal will be on the same terms and conditions set forth in this Agreement unless otherwise specified in any such renewal (each a "**Renewal Term**" and, together with the original Term, the "**Term**").

Article II.
PHI Memberships

2.1 Annual Fee; Adjustment. Pursuant to this Agreement and effective during the Term of this Agreement, COUNTY is purchasing PHI Cares memberships for the households and the Covered Residents residing in these households of COUNTY for a total annual amount equal to **$24,500.00** (the "**Annual Fee**"). The Annual Fee is based on an expectation of **2,450 households** at a rate of **$10.00 per household**, which shall cover the Covered Residents residing in these households. The Annual Fee has been calculated to exclude charges for any Medicaid recipients residing in such households. The Annual Fee shall be paid in advance on or before the Effective Date.

2.2 Compliance. COUNTY and PHI shall comply with all applicable federal and state laws and regulations governing membership programs.

2.3 Non-Exclusivity. It is understood and agreed by the Parties that PHI is not the exclusive carrier for air medical transports in COUNTY. Any calls for air medical transports in COUNTY shall be made in accordance with the protocols of the requesting EMS agency or referring hospital physician.

2.4 Terms and Conditions. The general terms and conditions of the PHI Cares Program are as described in the attached **Exhibit "1" (the "PHI Cares General Terms and Conditions")** and **Attachment "A,"** which are made a part of this Agreement. In addition, the following specific terms shall apply to this Agreement:

(a) **Location.** Transport must be for a COUNTY Resident requiring PHI to provide air medical transport from a pickup location within **San Augustine County;** or one of the following surrounding counties in Texas: **Angelina, Jasper, Nacogdoches, Sabine, or Shelby (the "San Augustine County Service Area").**

(b) **Membership ID #.** PHI will provide COUNTY with a supply of **2,500 membership cards** which COUNTY will distribute and make available to the Residents of COUNTY, Texas. This membership card will contain the Membership ID # for COUNTY.

(c) **Notifying PHI.** It is the responsibility of any transported Resident of COUNTY to contact PHI and notify it that a COUNTY Resident has been transported by PHI and to provide PHI with the name of such Resident. In addition, in order to avoid receiving a bill for their medical transport, Residents 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 Residents' PHI Cares membership.

(d) **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.

(e) **Coverage.** Each membership covers the entire household (i.e., each individual member of the household that is a Resident of COUNTY) except for any person in the household who is now or at the time of the transport request is a recipient of Medicaid benefits (each resident that is not a Medicaid recipient, a "**Covered Resident**"). Medicaid recipients are excluded from membership in accordance with applicable state law and are not Covered Residents.

of the Parties, which may be withheld in either Party's absolute and sole discretion. If any provision or application of this Agreement is held illegal, invalid, or unenforceable by any Court of competent jurisdiction, the invalidity of such provision will not affect or impair any of the remaining provisions of this Agreement, except as expressly set forth herein.

5.2 Assignment and Delegation. The Parties each hereby bind themselves, their successors, assigns and legal representatives to each other with respect to the terms of this Agreement. Neither Party may assign any rights or delegate any duties under this Agreement without the other Party's prior written approval, which approval shall not be unreasonably withheld.

5.3 Severability. If any provision or application of this Agreement is held illegal, invalid, or unenforceable by any Court of competent jurisdiction, the invalidity of such provision will not affect or impair any of the remaining provisions of this Agreement, except as expressly set forth herein.

5.4 Applicable Law; Attorney's Fees. This Agreement is governed by and will be construed in accordance with the laws of the State of Texas, without giving regard to its conflicts of law rules or provisions. This Agreement will be interpreted and construed as broadly as possible consistent with the purposes stated herein. In the event of any litigation between the Parties arising out of or relating to this Agreement, the prevailing Party (as determined by the court) shall be entitled to recover its reasonable attorneys' fees, litigation expenses and court costs from the other Party.

5.5 Notice. Any notice required or permitted to be given pursuant to this Agreement shall be in writing and shall be personally delivered, sent via certified mail, postage prepaid, return receipt requested, or sent via facsimile to the following addresses:

If to San Augustine County:

Honorable Judge, Jeff Boyd
100 W Columbia Street, Rm 105
San Augustine, TX 75972

With a copy to:

If to PHI:

PHI Health, LLC
1033 W. Roosevelt Way, Suite 500
Tempe, Arizona 85288
Attn: Mark Leighton, President PHI Cares
Email: mleighton@phiairmedical.com

With a copy to:
PHI Health, LLC
Attn: PHI Legal Department
1033 W. Roosevelt Way, Suite 500
Tempe, Arizona 85288
Attn: PHI Legal Department
Email: Legal@phiairmedical.com

Any Party may change their address for purposes of this Section by giving the other Party written notice of the new address in the manner set forth above.

5.6 Counterparts; Authority. 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.

[Signature Page Follows]

(f) Unavailability. COUNTY 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. COUNTY and the Residents acknowledge and agree that PHI will have no liability to COUNTY or any Resident as a result of PHI's inability to respond to a transport request for any COUNTY Resident.

2.5 National Household Membership Upgrade Option. Any Covered Resident who resides within the boundaries of COUNTY may elect to upgrade his or her membership to a full national household membership (covering the entire household, as defined below), which shall include coverage outside the COUNTY Service Area, for an additional **$40.00** per year; provided, however, that coverage would only extend to any current PHI Cares service areas and shall only apply to transport aboard a PHI aircraft. For a list of PHI Cares service areas, please see the PHI Cares website: www.phicares.com, or contact the membership office for a copy. To obtain this upgrade, Covered Residents are required to call the PHI Cares Membership office directly or complete a Membership Upgrade Form for each Covered Resident requesting this option.

2.6 Household. For purposes of this Agreement and PHI Cares membership, a household is considered to include all immediate family members and up to 3 non-family members who reside in the same household who reside within such household on a full-time basis, excluding any such individuals who are Medicaid recipients.

2.7 Refunds. No refunds will be extended to COUNTY **(or any Covered Resident)** as a result of existing PHI Cares members, which are separate from this Agreement.

2.8 Conflicts. Should there be any conflict between the PHI Cares General Terms and Conditions and the terms set forth in this Agreement, the terms of this Agreement shall prevail.

Article III.
Termination

3.1 Termination. Either Party may terminate this Agreement for any reason upon providing the other Party with at least thirty (30) days prior written notice. In the event that PHI terminates this Agreement for convenience pursuant to this Section 3.1, PHI shall refund COUNTY the prorated amount of the Annual Fee for the remainder of the Term. In the event that COUNTY terminates this Agreement for convenience pursuant to this Section 3.1, COUNTY shall not be entitled to a refund of any portion of the Annual Fee.

3.2 Immediate Termination. Either Party may terminate this Agreement with ten (10) days' prior written notice (provided such notice period is legally permitted) if: (1) the Attorney General of Texas renders an official opinion that voids, modifies, or otherwise affects any provision in this Agreement; or (2) a court of competent jurisdiction issues a judgment or ruling that voids, modifies, or otherwise affects any provision of this Agreement; or (3) a duly authorized statute, law, rule, or regulation is enacted or modified by a competent legislative authority in such a manner that materially modifies, voids, or affects this Agreement (including having any material effect on PHI's cost, as determined in PHI's reasonable discretion). If any one of the above-described events occurs, the Parties will exert their best efforts to agree on an alternative agreement in conformance with any such opinion, judgment, or legislative enactment to the extent feasible.

3.3 Termination for Default.

(A) COUNTY may terminate this Agreement for default if PHI breaches any material term of this Agreement or fails to perform as required under this Agreement and fails to cure or remedy such breach or failure of performance within fifteen (15) days of receiving written notice from COUNTY.

(B) PHI may terminate this Agreement for default if COUNTY breaches any term of this Agreement or fails to perform as required under this Agreement and fails to cure or remedy such breach or failure of performance within fifteen (15) days of receiving written notice from PHI.

(C) Remedies. In the event of a default by PHI and COUNTY's termination pursuant to Section 3.3(A) above, COUNTY's sole and exclusive remedy shall be the pro-rata refund of the Annual Fee for the remainder of the Term. In the event of a default by COUNTY and PHI's termination pursuant to Section 3.3(B) above, PHI's sole and exclusive remedy shall be to retain the Annual Fee for the Term.

Article IV.
Limitation of Liability

4.1 TO THE EXTENT ALLOWED BY APPLICABLE LAW, EACH PARTY (**"INDEMNITOR"**) SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY AND ITS EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE **"INDEMNIFIED PARTIES"**), FROM AND AGAINST ALL COSTS, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES, EXPENSES OF INVESTIGATION AND LITIGATION, AND COURT COSTS), LIABILITIES, DAMAGES, CLAIMS, SUITS, JUDGMENTS, ACTIONS, AND CAUSES OF ACTION WHATSOEVER, (COLLECTIVELY, **"CLAIMS"**) TO THE EXTENT BUT ONLY TO THE EXTENT RESULTING OR ARISING FROM THE INDEMNITOR'S BREACH OF THIS AGREEMENT OR ANY NEGLIGENT ACT OR OMISSION OR WILLFUL MISCONDUCT OF THE INDEMNITOR OR ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES.

4.2 Limitation of Liability. Notwithstanding anything herein to the contrary, in no event, whether as a result of contract, tort, strict liability or otherwise, shall PHI be liable to COUNTY or any Resident for any punitive, indirect, incidental or consequential damages, including, without limitation, loss of profits, loss of use or loss of contract.

4.3 Survival. The provisions of this Article IV will survive the expiration or early termination of this Agreement or any extensions hereof.

Article V.
Miscellaneous

5.1 Entire Agreement. This Agreement (including any and all exhibits and attachments hereto) constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous communication, representations or agreements, either oral or written, with respect to the matters addressed herein. All modifications or amendments to this Agreement must be in expressed in a written instrument duly executed by both Parties mutually agreeing to such modification or amendment. No rights, duties, or obligations under this Agreement may be assigned nor may any interest or options contained herein be made available or otherwise assigned to any third party without the prior written consent of both

IN WITNESS WHEREOF, 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.

PHI HEALTH, LLC d/b/a PHI AIR MEDICAL

By:_____

Name: Mark Leighton

Title: President PHI Cares, CRO, CAO

Date:_____

SAN AUGUSTINE COUNTY, TEXAS

By:_____

Name:_____

Title:_____

Date:_____

EXHIBIT 1

PHI CARES

MEMBERSHIP 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. 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 payer, 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 payer (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 payer, 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 payer 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 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 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.

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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