



City of Marshall
Fire Department
P.O. Box 698
Marshall, Texas 75671
903-935-4580 / FAX 903-935-3568



REGINALD K. COOPER, EFO FIRE CHIEF

May 12, 2016

Marshall City Manager, Marshall City Commission
City of Marshall
401 S. Alamo St.
Marshall, Texas 75670

Dear City Manager and Commissioners:

The Marshall Fire Department respectfully requests the authorization to enter in to a contract agreement with McKesson (PST) Services, Inc., for the City of Marshall's future participation in the Texas Ambulance Supplemental Payment Program. In 2009, the Texas Ambulance Supplemental Payment Program (TASPP) was established as a governmentally assisted program which began offering Emergency Medical Service (EMS) providers in the state the potential to receive additional funds above the standard Medicaid rate to supplement transport costs for Medicaid and also uninsured patients.

Supplemental payment programs have long been available to qualifying hospitals and other healthcare providers to help fill the gap, or loss, between the cost of providing services to Medicaid patients and the payment received. Today, many states, including Texas, allow government EMS providers to participate in similar programs. However, many providers have not taken advantage of the program either because they are unaware of the available assistance or there are concerns about how to set up and manage the program.

After our research of qualified companies that would better suit the City of Marshall's Fire Department, and visiting with other departments utilizing the program, PST's services offered the satisfaction of our need for reliability, strength, and security. There is a one-time set-up fee of \$5,500, and ongoing payments based on a 15% collection rate from the collected revenues received by the City under the TASPP. PST Services will provide the necessary reporting for successful participation and will provide any audit support to the City as necessary during the program.

Chief Cooper, EFO

A handwritten signature in blue ink, appearing to read "R. Cooper", enclosed within a blue circular scribble.

Marshall Fire Department

Texas Ambulance Supplemental Payment Program (TASPP)

Overview

Established in 2009, the Texas Ambulance Supplemental Payment Program (TASPP) offers EMS providers in the state the potential opportunity to receive additional funds above the standard Medicaid rate to supplement transport costs for Medicaid and uninsured patients.

Supplemental payment programs have long been available to qualifying hospitals and other healthcare providers to help fill the gap, or loss, between the cost of providing services to Medicaid patients and the payment received. Today, many states, including Texas, allow government EMS providers to participate in similar programs. However, many providers haven't taken advantage of the program either because they're unaware of it or they're concerned about how to set it up and manage it.

Other Fire Departments

1. San Angelo – Chief Brian Dunn, contacted by Chief Cooper and Battalion Chief Jeans. Expected revenue to be received in August or September 2016, \$400,000.00. Approximately 7,000 transports per year.
2. Garland – Asst. Chief Lovett, contacted by Battalion Chief Jeans, going into forth year in the program, positive review, strongly advised that we outsource the application process due to the required cost analysis and depreciation reports, etc. Revenues received for past three years has been between \$350k- \$400k yearly. Approximately 7,000 transports per year.
3. Pearland – EMS Chief Daniel, contacted by Battalion Chief Jeans. Just submitted reports for the completion of their first full year of program. Initial enrollment was done with only one month left in the state's fiscal year, received \$30,000.00 for that month. Expected revenue for the full year submitted is \$500,000.00 based on his report. Call volume 10k plus per year with Medicaid/ uninsured transports approximately 4,600.

These figures can vary slightly from year to year based on what percentage of federal funds the state allocates to EMS and this program.

Marshall Fire Department Initial Projections for TASPP from McKesson Business Performances Services.

- Need to have application in to Texas Health and Human Services Commission by June 1st , McKesson Services deadline for this will be May 16th
- Initial cost to MFD, \$5500.00 which is a onetime fee that will not be required upon contract renewals.
- Projected revenue to be received for the last quarter of state fiscal year 2016 is \$49,000.00
- Projected revenue increase for first full year \$149,000.00, based on previous twelve months call volume.
- Based on our previous 12 months, **transports by ambulance 4101.**
- Conference call to come later in this week with further details to potential contract agreement and percentage of collected revenue required by McKesson for their services.
- McKesson will handle all required application forms and filings, cost and depreciation analysis
- Approved revenue is paid once yearly normally within 60 days of the end of the state's fiscal year, which ends September 30.

Summarized General definition from state web site

Governmentally owned ambulance providers are eligible to participate in the supplemental payment program if they are directly funded by a local government, hospital authority, hospital district, city, county or state as specified in 42 CFR 433.50 (i) which describes a unit of government.

The cost report will include only allocable expenditures related to Medicaid, Medicaid Managed Care and Uncompensated Care as defined and approved in the Texas Healthcare Transformation and Quality Improvement 115 Waiver Program.

The Ambulance Services Supplemental Payment Cost Report must be prepared and completed by a governmental entity on a basis for fiscal years ending on September 30. Cost reports are due to HHSC 180 days after the close of the applicable reporting period. A provider who meets the definition of eligible governmental provider and who has been approved to submit a cost report for supplemental payment will prepare the cost report and will attest to, and certify through its cost report the total actual, incurred Medicaid and Uncompensated (uninsured) costs/expenditures, including the federal share and the non-federal share applicable to the cost report period. The completed cost report will be sent to the Texas HHSC at 11209 Metric Boulevard, Building H, Mail Code H-400, Austin, TX 78758

For questions on completing the cost report, please contact the Health and Human Services Commission, Rate Analysis Department at 512-491-1802.

MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT (this "MA") is effective the latest date in the signature block below (the "Effective Date") between PST Services, Inc. ("Service Provider") and Marshall Fire Department ("Client"), consisting of the MA Terms and Conditions and all Exhibits, Schedules, and Amendments. This MA governs all the Services described on a Service Schedule that is included in this MA during the term.

Subject to the terms and conditions of this MA, Client agrees to purchase from Service Provider, and Service Provider agrees to provide Client with, the service(s) listed in the table below (individually, a "Service" and collectively, the "Services"). The description of each Service provided under this MA and any additional terms and conditions relating to such Service are set forth in the Service Schedule referenced in the table below and attached hereto.

SERVICES	SERVICE SCHEDULE
Scope of Services – Supplemental Payment Recovery Assistance Services	Service Schedule 1

This MA is executed by an authorized representative of each party.

MARSHALL FIRE DEPARTMENT

PST SERVICES, INC.

By: _____
 Printed Name: _____
 Title: _____
 Date: _____
 Tax ID: _____

By: _____
 Printed Name: _____
 Title: _____
 Date: _____

Client:
 601 South Grove Street
 Marshall, Texas 75670
 Attention: President

Service Provider:
 5995 Windward Parkway
 Alpharetta, Georgia 30005
 Attention: President

With a copy to the General Counsel at the same address

yes
 no invoices sent to above address

If no, list invoice address below:

Attention: _____

MA TERMS AND CONDITIONS**1. TERM**

- 1.1. This MA will begin on the Effective Date and continues until termination or expiration of each Schedule or amendment attached hereunder, unless earlier terminated as set forth herein.
- 1.2. Further, this MA will remain in force so long as there is an active Service Schedule(s).

2. SERVICES**2.1. Responsibilities.**

- 2.1.1. Service Provider will perform the Services set forth in the applicable Service Schedule 1 on behalf of Client.
- 2.1.2. Service Provider agrees to perform the Services in accordance with all material applicable laws, rules and regulations.

2.2. Operating Procedures.

- 2.2.1. Client acknowledges (i) that the Services or obligations of Service Provider hereunder may be dependent on Client providing data, information, or assistance to Service Provider from time-to-time (collectively, "Cooperation"); and (ii) that such Cooperation may be essential to the performance of the Services by Service Provider. The parties agree that any delay or failure by Service Provider to provide the Services hereunder which is caused by Client's failure to provide timely Cooperation, as reasonably requested by Service Provider, shall not be deemed a breach of Service Provider's performance obligations under this MA.
- 2.2.2. Client acknowledges that Service Provider has every incentive to perform the Services in a timely and proficient manner, but the timing and amount of collections generated by the Services are subject to numerous variables beyond Service Provider's control. Therefore, Client hereby acknowledges that such variables are specifically excluded from Service Provider's liability under this MA.
- 2.2.3. Service Provider will be the sole provider of the Services to Client.

3. PAYMENT

- 3.1. **Fees.** Client will pay all fees in accordance with this Section and Schedule 1 attached hereto.
- 3.2. **Invoicing Terms.** Beginning on the Commencement Date (as defined in each Service Schedule), Client will pay all fees and other charges in U.S. dollars within 30 days after the invoice date.
- 3.3. **Late Payments.** Service Provider may charge Client interest on any overdue fees, charges, or expenses at a rate equal to the lesser of 1.5% per month or the highest rate permitted by law. Client will reimburse Service Provider for all reasonable costs and expenses incurred (including reasonable attorneys' fees) in collecting any overdue amounts.
- 3.4. **Suspension of the Services.** Service Provider reserves the right to suspend performance of the Services (i) for nonpayment of sums owed to Service Provider that are 30 days or more past due, where such breach is not cured within ten days after notice to Client, or (ii) if such suspension is necessary to comply with applicable law or order of any governmental authority.
- 3.5. **Fee Change.** Either party may request a fee change in the event of a material change in legislation, Client's business or other market conditions which result in a material change in either the cost associated with Service Provider's provision of the Services or Service Provider's anticipated revenues under this MA. In addition, Service Provider may request a fee change in the event (i) Client fails to disclose to Service Provider information relating to Client, which information, if disclosed prior to the Effective Date, would have led Service Provider to propose a higher fee or (ii) any of the information provided by Client to Service Provider upon which the assumptions set forth in any applicable Service Schedule are

based, is or becomes inaccurate. In the event either party requests a change in the Fee, the requesting party will provide the non-requesting party with ninety (90) days' prior written notice (the "Notice Period") of the requested change (the "Notice") and such fee change will be effective at the end of the Notice Period. If the non-requesting party provides the requesting party written notice during any such Notice Period that any such fee change request is unacceptable to the non-requesting party, this MA will terminate at the end of the Notice Period and the Fee in place at that time will remain in effect until the end of the Workout Period, if any.

4. GENERAL TERMS

4.1. Confidentiality and Proprietary Rights.

- 4.1.1. Use and Disclosure of Confidential Information. Each party may disclose to the other party confidential information. Except as expressly permitted by this MA, neither party will: (i) disclose the other party's confidential information except (a) to its employees or contractors who have a need to know and are bound by confidentiality terms no less restrictive than those contained in this MA, or (b) to the extent required by law following prompt notice of such obligation to the other party, or (ii) use the other party's confidential information for any purpose other than performing its obligations under this MA. Client will not disclose nor cause its employees, agents and representatives to disclose to anyone Service Provider's business practices, trade secrets or Confidential Information, except as legally required. Each party will use all reasonable care in handling and securing the other party's confidential information and will employ all security measures used for its own proprietary information of similar nature. Notwithstanding the foregoing, Client agrees that Service Provider may de-identify Client information consistent with the HIPAA Privacy Rule and use Client information and data from transactions received or created by Service Provider for statistical compilations or reports, research and for other purposes (the "Uses"). Such Uses shall be the sole and exclusive property of Service Provider.
- 4.1.2. Period of Confidentiality. The restrictions on use, disclosure and reproduction of confidential information set forth in Section 4.1, which are a "trade secret" (as that term is defined under applicable law) will be perpetual, and with respect to other confidential information such restrictions will remain in full force and effect during the term of this MA and for three years following the termination of this MA. Following the termination of this MA, each party will, upon written request, return or destroy all of the other party's tangible confidential information in its possession and will promptly certify in writing to the other party that it has done so.
- 4.1.3. Injunctive Relief. The parties agree that the breach, or threatened breach, of any provision of this Section 4.1 may cause irreparable harm without adequate remedy at law. Upon any such breach or threatened breach, the breached party will be entitled to seek injunctive relief to prevent the other party from commencing or continuing any action constituting such breach, without having to post a bond or other security and without having to prove the inadequacy of other available remedies. Nothing in this Section will limit any other remedy available to either party.
- 4.1.4. Retained Rights. Client's rights in the Services will be limited to those expressly granted in this MA. Service Provider and its suppliers reserve all intellectual property rights not expressly granted to Client. All changes, modifications, improvements or new modules made or developed with regard to the Services, whether or not (i) made or developed at Client's request, (ii) made or developed in cooperation with Client, or (iii) made or developed by Client, will be solely owned by Service Provider or its suppliers. Service Provider retains title to all material, originated or prepared for Client under this MA. Client is granted a license to use such materials in accordance with this MA. For purposes of clarification, all data used in the reports prepared by Service Provider in the performance of Services or Client, and all rights and interests therein, shall be the sole property of Client. The

form of the reports, work product, including processes and templates used to prepare such reports shall be the sole property of Service Provider.

4.2. Termination.

4.2.1. Termination for Default. Either party may terminate this MA by providing 30 days prior written notice of termination to the other party, if the other party (i) materially breaches this MA and fails to remedy or commence reasonable efforts to remedy such breach within 15 days, and materially cure within 45 days, after receiving notice of the breach from the terminating party, (ii) materially breaches this MA in such a way that cannot be remedied, (iii) commences dissolution proceedings or (iv) ceases to operate in the ordinary course of business.

4.2.2. Termination for Payment Default. Service Provider may terminate this MA immediately if Client defaults on its payment obligations under this MA and such payment default is not cured within ten days of written notice from Service Provider.

4.2.3. Survival of Provisions. Those provisions of this MA that, by their nature, are intended to survive termination or expiration of this MA will remain in full force and effect, including, without limitation, the following Sections of this MA: 3 (Payment), 4.1 (Confidentiality), 4.3 (Indemnification), 4.4 (Limitation of Liability), 4.5.3 (Books and Records), and 4.8 – 4.24 (Governing Law – Entire Agreement).

4.3. Indemnification. Client will indemnify and hold harmless Service Provider and its affiliates, employees and agents from and against, and at the option of Service Provider (or any of its affiliates, employees or agents) defend against, at Client's sole expense, all claims, liabilities, damages, losses and expenses as they are accrued, including court costs and fees and expenses of attorneys, expert witnesses and other professionals, arising out of, relating to or resulting from: any breach or alleged breach of any representation, warranty, covenant or obligation of Client pertaining to the Supplemental Payment Recovery Assistance Services, more fully described in Schedule 1 attached hereto; and any alleged negligent act or omission or intentional misconduct of Client or Client's employees or agents or subcontractors related to any of Client's obligations pertaining to the Supplemental Payment Recovery Assistance Services.

4.4. Limitation of Liability.

4.4.1. Exclusion of Damages. IN NO EVENT WILL SERVICE PROVIDER BE LIABLE TO CLIENT UNDER, IN CONNECTION WITH, OR RELATED TO THIS MA FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR LOSS OF GOODWILL, WHETHER BASED ON BREACH OF CONTRACT, WARRANTY, TORT, PRODUCT LIABILITY, OR OTHERWISE, AND WHETHER OR NOT SERVICE PROVIDER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

4.4.2. Cap on Damages. IN NO EVENT SHALL SERVICE PROVIDER BE LIABLE IN THE AGGREGATE FOR ANY CLAIMS OR DAMAGES IN AN AMOUNT EXCEEDING THE AMOUNTS PAID BY CLIENT FOR SERVICES HEREUNDER DURING THE ONE (1) MONTH IMMEDIATELY PRECEDING SUCH CLAIM OR DAMAGES.

4.4.3. Material Consideration. THE PARTIES ACKNOWLEDGE THAT THE FOREGOING LIMITATIONS IN SECTIONS 4.4.1 AND 4.4.2 ARE A MATERIAL CONDITION FOR THEIR ENTRY INTO THIS MA.

4.5. Audits.

4.5.1. Internal Audit by Client. Client may use its own internal resources ("Internal Auditors") to perform audits of Service Provider's accuracy and correctness of the

accounting and internal controls performed and maintained by Service Provider. Service Provider will provide the Internal Auditors with information that the Internal Auditor determines to be reasonably necessary to perform and complete the audit procedures. Client agrees that an audit conducted under this section will be conducted at such times and in a manner that avoids undue disruption of Service Provider's operations.

- 4.5.2. Third-Party Audit by Client. Client may engage, at its own expense, independent, external, third-party auditors ("Third-Party Auditors") to perform audits of Service Provider's accuracy and correctness of the accounting and internal control performed and maintained by Service Provider. The Third-Party Auditors shall execute Service Provider's "Confidentiality Agreement", substantially in the form attached hereto as Exhibit A, prior to the start of the audit. Client agrees that an audit conducted under this section will be conducted at such times and in a manner that avoids undue disruption of Service Provider's operations.
- 4.5.3. Books and Records. If required by Section 952 of the Omnibus Reconciliation Act of 1980, 42 U.S.C. Section 1395x(v)(1)(i) and (ii), for a period of four years after the Services are furnished, the parties agree to make available, upon the written request of the Secretary of Health and Human Services, the Comptroller General, or their representatives, this MA and such books, documents, and records as may be necessary to verify the nature and extent of the Services with a value or cost of \$10,000 or more over a twelve month period.

4.6. Warranties.

4.6.1. Service Provider.

- (a) Prior to the Commencement Date. Unless Service Provider provided Services prior to the Commencement Date of any Service Schedule, Client will be responsible for all matters prior to the Commencement Date.
- (b) Disclaimer of Warranties. Service Provider disclaims any warranties or representations pertaining to the timing and amount of collections generated by the Services.

4.6.2. Client.

- (a) Charges and Information. Client represents and warrants that it will forward information to Service Provider (pursuant to the applicable Service Schedule[s]) that Service Provider will need to satisfy the reporting requirements of the Texas Ambulance Supplemental Payment Program. Client agrees to monitor and to refrain from knowingly submitting false or inaccurate information documentation or records to Service Provider and to ensure that the documentation provided by Client or an agent of Client to Service Provider supports the medical services provided by Client. Client acknowledges and agrees it has an obligation to report and correct any credible evidence of deficiencies on the part of Client.

- 4.7. Exclusion from Federal Healthcare Programs. Each party warrants that it is not currently listed by a Federal agency as excluded, debarred, or otherwise ineligible for participation in any Federal health care program. Each party agrees that it will not employ, contract with, or otherwise use the services of any individual whom it knows or should have known, after reasonable inquiry, (i) has been convicted of a criminal offense related to health care (unless the individual has been reinstated to participation in Medicare and all other Federal health care programs after being excluded because of the conviction), or (ii) is currently listed by a Federal agency as excluded, debarred, or otherwise ineligible for participation in any Federal health care program. Each party agrees that it will immediately notify the other in the event that it, or any person in its employ, has been excluded, debarred, or has otherwise become ineligible for participation in any Federal health care program. Each party agrees to continue to make reasonable inquiry regarding the status of its employees and independent contractors on a regular basis by reviewing the General Services

Administration's List of Parties Excluded from Federal Programs and the HHS/OIG List of Excluded Individuals/Entities.

- 4.8. Governing Law. This MA is governed by and will be construed in accordance with the laws of the State of Texas, exclusive of its rules governing choice of law and conflict of laws and any version of the Uniform Commercial Code. Each party agrees that exclusive venue for all actions, relating in any manner to this MA will be in a federal or state court of competent jurisdiction located in Harrison County, Texas.
- 4.9. Claims Period. Any action relating to this MA and any claim for damages, including, but not limited to, a claim for recurring damages arising out of the same cause or event, must be commenced within six months after the date upon which the cause of action occurred.
- 4.10. Assignment and Subcontracts. Neither party will assign this MA without the prior written consent of the other party, which will not be unreasonably withheld, delayed or conditioned. Service Provider may, upon notice to Client, assign this MA to any affiliate or to any entity resulting from the transfer of all or substantially all of Service Provider's assets or capital stock or from any other corporate reorganization. Service Provider may subcontract its obligations under this MA.
- 4.11. Severability. If any part of a provision of this MA is found illegal or unenforceable, it will be enforced to the maximum extent permissible, and the legality and enforceability of the remainder of that provision and all other provisions of this MA will not be affected.
- 4.12. Notices. All notices relating to the parties' legal rights and remedies under this MA will be provided in writing and will reference this MA. Such notices will be deemed given if sent by: (i) postage prepaid registered or certified U.S. Post mail, then five working days after sending; or (ii) commercial courier, then at the time of receipt confirmed by the recipient to the courier on delivery. All notices to a party will be sent to its address set forth on the cover page hereto, or to such other address as may be designated by that party by notice to the sending party.
- 4.13. Waiver. Failure to exercise or enforce any right under this MA will not act as a waiver of such right.
- 4.14. Force Majeure. Except for the obligation to pay money, a party will not be liable to the other party for any failure or delay caused in whole or in material part to any cause beyond its sole control, including but not limited to fire, accident, labor, dispute or unrest, flood, riot, war, rebellion, insurrection, sabotage, terrorism, transportation delays, shortage of raw materials, energy, or machinery, acts of God or of the civil or military authorities of a state or nation, or the inability, due to the aforementioned causes, to obtain necessary labor or facilities.
- 4.15. Amendment. This MA may be modified, or any rights under it waived, only by a written document executed by the authorized representatives of both parties. To avoid doubt, this MA may not be amended via electronic mail or other electronic messaging service.
- 4.16. No Third Party Beneficiaries. Except as specifically set forth in a Service Schedule, nothing in this MA will confer any right, remedy, or obligation upon anyone other than Client and Service Provider.
- 4.17. Relationship of Parties. Each party is an independent contractor of the other party. This MA will not be construed as constituting a relationship of employment, agency, partnership, joint venture or any other form of legal association. Neither party has any power to bind the other party or to assume or to create any obligation or responsibility on behalf of the other party or in the other party's name.
- 4.18. Non-solicitation of Employees. During the term of this MA and for a period of 12 months following the termination of this MA, each party agrees not to employ, contract with for services, solicit for employment on its own behalf or on behalf of any third party, or have ownership in any entity which employs or solicits for employment, any individual who (i) was an employee of the other or its parent, affiliates or subsidiaries at any time during the preceding 12 months and (ii) was materially involved in the provision or receipt of the

Services hereunder without the prior written consent of the other party. Notwithstanding the foregoing, upon any termination of this MA, Client may rehire any individual who was employed by Client on the Effective Date, and who was hired by Service Provider on or after such date. Each party agrees that the other party does not have an adequate remedy at law to protect its rights under this Section and agrees that the non-defaulting party will have the right to injunctive relief from any violation or threatened violation of this Section.

- 4.19. Publicity. The parties may publicly announce that they have entered into this MA and describe their relationship in general terms, excluding financial terms. The parties will not make any other public announcement or press release regarding this MA or any activities performed hereunder without the prior written consent of the other party.
- 4.20. Construction of this MA. This MA will not be presumptively construed for or against either party. Section titles are for convenience only. As used in this MA, "will" means "shall," and "include" means "includes without limitation." The parties may execute this MA in one or more counterparts, each of which will be deemed an original and one and the same instrument.
- 4.21. Conflict between MA and Schedules. In the event of any conflict or inconsistency in the interpretation of this MA (including its Service Schedules and all Amendments executed hereunder), such conflict or inconsistency will be resolved by giving precedence according to the following order: (a) the Amendment, (b) the Service Schedule, (c) the MA Terms and Conditions and Exhibits, (d) documents incorporated by reference.
- 4.22. Section Headings. The Section headings used herein are for convenience only and shall not be used in the interpretation of this MA.
- 4.23. Authority. Service Provider and Client represent and warrant that they have the full power and authority to enter into this MA, that there are no restrictions or limitations on their ability to perform this MA, and that the person executing this MA has the full power and authority to do so.
- 4.24. Entire Agreement. This MA, including Service Schedules, Exhibits, Amendments, and documents incorporated by reference, is the complete and exclusive agreement between the parties with respect to the subject matter hereof, superseding and replacing all prior agreements, communications, and understandings (written and oral) regarding its subject matter.

EXHIBIT A
CONFIDENTIALITY AGREEMENT

Service Provider and Marshall Fire Department ("Client") have entered into an agreement whereby Service Provider provides certain services (the "Services") to Client (the "Master Services Agreement"). Client has entered into a contractual relationship with _____ [insert name of person/entity performing the audit] _____ ("Recipient") and instructs Service Provider to allow Recipient to review certain information in Service Provider's possession regarding Client's business and accounts receivable billing and collections performed by Service Provider ("Client Proprietary Information"). Therefore, in consideration of the mutual covenants and conditions contained in this Confidentiality Agreement (the "Confidentiality Agreement"), Recipient and Client agree as follows:

A. During the course of Recipient's examination and review of Client Proprietary Information, Recipient may be exposed to or review certain proprietary information regarding Service Provider ("Service Provider Proprietary Information"). Service Provider Proprietary Information refers to any and all data and information relating to the business of Service Provider which has value to Service Provider and is not generally known by its competitors or the public, including, without limitation, financial information, inventions, methods, techniques, actual or potential customers and suppliers, the Master Services Agreement, Service Provider's business practices or other trade secrets or confidential information of Service Provider, all report formats, and existing and future products and computer systems and software. Recipient acknowledges and agrees that all Service Provider Proprietary Information and all physical embodiments thereof are confidential to Service Provider and are and will remain the sole and exclusive property of Service Provider. All Service Provider Proprietary Information acquired by Recipient will be kept strictly confidential and will not be disclosed to any other person or entity (including any entity affiliated with or any division of Recipient).

B. Service Provider Proprietary Information does not include information which (i) is publicly known or which becomes publicly known through no act or failure to act on the part of Recipient; (ii) is lawfully obtained by Recipient from any third party entitled to disclose such information; (iii) is in the lawful possession of Recipient prior to such information having been disclosed to Recipient by Service Provider; or (iv) is independently developed by Recipient.

C. Recipient further agrees that during Recipient's engagement by Client and for a period of one (1) year following any termination of Recipient's engagement for whatever reason, Recipient will not, directly or indirectly, on Recipient's own behalf or in the service of, or on behalf of any other individual or entity, divert, solicit or hire away, or attempt to divert, solicit or hire away, to or for any individual or entity, any person employed by Service Provider, whether or not such employee is a full-time employee, temporary employee, leased employee or independent contractor of Service Provider, whether or not such employee is employed pursuant to written agreement and whether or not such employee is employed for a determined period or at-will.

D. Recipient acknowledges that great loss and irreparable damage would be suffered by Service Provider if Recipient should breach or violate the terms of this Confidentiality Agreement. In the event Recipient breaches or violates this Confidentiality Agreement, Recipient agrees that Service Provider would not have an adequate remedy at law and, therefore, that Service Provider would be entitled to a temporary restraining order and permanent injunction to prevent a breach of any of the terms or provisions contained in this Confidentiality Agreement, in addition to any monetary damages that may be available at law or equity. Recipient's obligations under this Confidentiality Agreement will survive indefinitely.

E. Recipient represents and warrants that (i) it has the full power and authority to enter into this Confidentiality Agreement, and (ii) the person executing this Confidentiality Agreement has the full power and authority to do so.

IN WITNESS WHEREOF, Recipient has signed this Confidentiality Agreement as of the date below written.

RECIPIENT:

By:

Printed Name:

Title:

Date:

[SAMPLE
(No Signature Required)]

CLIENT:

By:

Printed Name:

Title:

Date:

MARSHALL FIRE DEPARTMENT

[SAMPLE
(No Signature Required)]

SERVICE SCHEDULE 1**SCOPE OF SERVICES – SUPPLEMENTAL PAYMENT RECOVERY ASSISTANCE SERVICES**

The MA Terms and Conditions and this Service Schedule apply to all services rendered by Service Provider under this Service Schedule.

1. TERM

- 1.1. Initial Term of Schedule. The initial term of this Service Schedule is three years (the "Schedule Term") beginning May 15, 2016 (the "Commencement Date").
- 1.2. Automatic Renewal. This Service Schedule will automatically renew for one year terms unless (i) either party delivers to the other written notice of termination at least 90 days prior to the expiration of the then-current term, or (ii) as otherwise set forth in the MA.

2. SCOPE OF SERVICES

- 2.1. Scope. Service Provider will provide Supplemental Payment Recovery Assistant Services (also referred to herein as the "Services") as specified below based on information provided by Client for professional ambulance services rendered by Client in accordance with the terms of the MA and this Service Schedule.
- 2.2. Responsibilities. Each party agrees to perform its respective responsibilities identified below in a timely and diligent manner. Client acknowledges and agrees that Service Provider's performance of the Services described herein is dependent upon Client's performance of its responsibilities as set forth in this Service Schedule.
 - 2.2.1. Service Provider Responsibilities. As part of the Service Provider's Supplemental Payment Recovery Assistance Services, Service Provider's responsibilities under this Service Schedule will include:
 - (a) Advising and assisting Client with enrolling in the Texas Ambulance Supplemental Payment Program ("ASPP");
 - (b) Managing the ASPP applications and required cost reports for Client in accordance with the ASPP;
 - (c) Managing the ASPP pre-cost report submittal process for Client, which may also include:
 - Developing and submitting the Provider Approval materials to the Texas Health and Human Services Commission ("HHSC") on behalf of Client;
 - Receiving the Provider Approval from HHSC for Client's participation in the ASPP;
 - Developing and submitting the Cost Allocation Model and Report to HHSC on behalf of Client for review as part of the ASPP; and
 - Changing and finalizing the Cost Allocation Model during HHSC's review of the Cost Allocation Model and Report, to meet HHSC's requirements to move forward with the cost report submittal.
 - (d) Assisting Client in developing cost models for EMS transports for submission to the ASPP;
 - (e) Assisting Client with submitting other annual reports as my required by the ASPP;
 - (f) Ensuring that cost report preparer(s) engaged on behalf of Client by Service Provider are certified in accordance with all applicable rules, laws and regulations; and

- (g) Ensuring that it utilizes separate staff for all billing and cost report preparation services provided to Client.

2.2.2. Client Responsibilities. Client acknowledges and understands that inaccurate or false data submissions, even advertent ones, can lead to a false claim charge or Medicaid program exclusion. Therefore, Client agrees that it will use best efforts to:

- (a) Ensure the accuracy of all cost report data provided by Client to Service Provider and provide written certification of the accuracy of such data to Service Provider and all applicable governmental agencies;
- (b) Make its internal practices, books and records relating to all cost report data provided to Service Provider by Client available to Service Provider to ensure the accuracy of all such data;
- (c) Comply with Service Provider policies and procedures for the documentation of all cost report data as established and provided to Client by Service Provider from time to time; and
- (d) Provide Service Provider with the following as part of Client's request for the Supplemental Payment Recovery Assistant Services:
 - An organizational chart of Client's agency;
 - An organizational chart of Client's ambulance department;
 - Identification of the specific geographic service area covered by Client's ambulance department;
 - Copies of job descriptions for all staff employed within Client's ambulance department and an estimated percentage of time spent working for Client's ambulance department and for other departments of Client's agency;
 - Primary contact person for Client's agency; and
 - A signed letter documenting the governmental provider's voluntary contribution of non-federal funds.

3. SERVICE FEES

- 3.1. For the Supplemental Payment Recovery Assistance Services rendered under Section 2 of this Service Schedule, Client will pay Service Provider a service fee equal to 15.0% of the Supplemental Payments recovered by Service Provider on behalf of Client, in accordance with Section 3 of the MA, entitled "Payment." Supplemental Payments shall include any payments from Texas Medicaid to Client related to the Texas Ambulance Supplemental Payment Program.
- 3.2. In addition to the 15.0% service fee due by Client to Service Provider under this Schedule, Client will pay Service Provider a one-time, upfront fee of \$5,500.00 ("Set-up Fee") for completion of the pre-cost report submittal requirements necessary for Client's participation in the Texas Ambulance Supplemental Payment Program. The Set-up Fee will be due upon Client's execution of this MA.
- 3.3. All service fees are exclusive of all federal, state and local taxes, including sales taxes, assessed on or due in respect of any Services performed by Service Provider under this MA, for which taxes Client shall be solely responsible. Client shall reimburse Service Provider for all those costs and expenses of Client paid by Service Provider or any subsidiary or affiliate of Service Provider on behalf of Client in connection with the provision of the Services hereunder.
- 3.4. There will be a charge to the Client for requests, including but not limited to, requests for special programming and non-standard reports. The cost for such requests will be determined on an individual basis and shall be reimbursed in accordance with Sections 3.2 of the MA and this Service Schedule.
- 3.5. Client acknowledges and agrees that Service Provider shall be entitled to receive service fees for Services provided by Service Provider under this MA even after expiration or

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Client: Marshall Fire Department
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earlier termination of this MA provided that Service Provider provided such services on or before the date of expiration or termination of this MA.