

## AGREEMENT FOR AMBULANCE SERVICES

### WALKER COUNTY, GEORGIA

This Agreement is made and entered into on September 30th, 2015 by and between Walker County, Georgia, a political subdivision of the State of Georgia (the "County") and Puckett Emergency Medical Services, Inc. (the "Provider").

WHEREAS, the County desires to have available reliable ambulance service on a cost effective basis in the unincorporated areas of Walker County, Georgia and the municipalities of Lafayette, Chickamauga, Lookout Mountain, Rossville, and Flintstone, Georgia (the "Coverage Area");

WHEREAS, Provider, as an ambulance service provider approved by the Georgia Department of Public Health, is able to provide quality and cost effective ambulance services;

WHEREAS, County desires to arrange for Provider to make available ambulance services in the Coverage Area, and Provider desires to provide same, subject to the terms and conditions herein;

NOW, THEREFORE, for and consideration of the covenants, terms and conditions herein, the Parties hereby covenant and agree:

### ARTICLE 1

#### AMBULANCE SERVICE

1.1 Provider shall be the exclusive provider of emergency and non-emergency advanced life support ("ALS") ambulance service as needed in the Coverage Area on a 24 hour/7 day per week basis unless emergency circumstances reasonably require otherwise. Provider shall be available for such service by dispatch operated by the County or its authorized agents or contractor. Provider shall furnish such services to all persons within the Coverage Area regardless of ability to pay.

1.2 Provider will furnish and operate four (4) ALS ambulances acceptable to County ("Provider Ambulances"). The ambulances will be located and ready for service in the Coverage Area on a 24 hours/7 day per week basis. The Provider further agrees to station as many peak hour ambulances within the county to guarantee response time and service requirements.

## ARTICLE 2

### TERM AND TERMINATION

2.1 The term of this Agreement shall commence November 1, 2015 at 12:01 a.m. Eastern Standard Time (the "Effective Date") and continue in effect thereafter for a period of five (5) years. Thereafter, the term of this Agreement shall automatically renew for successive one-year terms with an automatic increase of the subsidy amount paid to the Provider in the amount of 3% of the subsidy from the previous 12 months. Unless, at least one hundred twenty (120) days prior to the expiration of the current term, written notice is provided by either party of an intent not to renew.

2.2 Either party may terminate this Agreement with or without cause upon provision of at least one hundred eighty (180) days written notice. Provided, however, if the County elects to terminate the Agreement without cause before the expiration of 36 months from the Effective Date, County will reimburse Provider for the capital expenditures incurred in upgrading the services hereunder less depreciation. The capital expended equals \$675,000, but shall be adjusted by depreciation each month \$18,750. For example, if the County terminates the Agreement without cause in the sixth month, County shall reimburse Provider \$562,500 ( $\$675,000 - (6 \times \$18,750) = \$562,500$ )

2.3 Either party may terminate this Agreement upon provision of thirty (30) days written notice in the event of a material breach by the other party; provided that said material default is not cured to the reasonable satisfaction of the non-breaching party within thirty (30) days after such written notice is given.

## ARTICLE 3

### AMBULANCE AND EQUIPMENT REQUIREMENTS

3.1 The Provider and County Ambulances shall meet all vehicle requirements of the Georgia Department of Public Health.

3.2 All ambulances shall carry and maintain the necessary medical equipment and supplies required under applicable law and as necessary to properly respond to emergency calls hereunder. Provider shall replenish such supplies at its expense.

3.3 The Provider shall bear the cost of ensuring that the ambulances are properly maintained and remain in reasonably operable condition and stocked with supplies as required by applicable law.

3.4 County shall have the right to inspect and review the ambulances, equipment and supplies on provision of reasonable notice to Provider, provided that such inspection shall not unreasonably interfere with the operations of Provider.

3.5 The County will furnish dispatch services for the first one hundred and twenty (120) days after the Effective Date to facilitate a transition of dispatching services to Provider (the "Transition Period"). Following the Transition Period, Provider shall furnish dispatch services for ambulances on a 24 hour/7 day per week basis that will be available to dispatch 911 calls received from the County by telephone or radio.

## ARTICLE 4

### AMBULANCE RESPONSE TIMES

4.1 Subject to Section 4.5, upon receipt of a call from a County or other authorized dispatcher for emergency ambulance services in the Coverage Area, Provider shall respond on average during a month at least 90% of the time within the time periods set out below (collectively the "Response Standards"):

(a) For all urban areas reflected in Exhibit B, within Fifteen (15) minutes of receipt of the call; and

(b) For all rural areas reflected in Exhibit B, within twenty-five (25) minutes of receipt of the call.

(c) For all super rural areas reflected in Exhibit B, within forty (40) minutes of receipt of the call.

The definition of a call being received by the Provider is: The address, cross street and call information is provided to the Provider, and verbal confirmation that the call information was provided to the Provider.

4.2 Response times shall be measured by reference to Provider's key performance indicator report ("KPI Report"). Provider shall furnish the KPI Report to County no later than the tenth (10<sup>th</sup>) day after the end of each month hereunder.

4.3 The County shall determine from the KPI Report whether Provider's actual response times in the month satisfied the applicable Response Standards at least ninety percent (90%) of the time on average taking into consideration the factors outlined in Section 4.5.

4.4 In the event it is determined that Provider has failed for the first time in a contract year to meet the Response Standards set forth herein as determined in accordance with Section 4.2, and as adjusted in light of Section 4.5 as applicable, County shall provide written notice of such failure to Provider. Provider shall thereafter promptly provide to County a written plan of cure to correct such deficiency. If the failure to respond timely reoccurs within the same contract year, County may upon written notice deduct or otherwise set-off against compensation due that month to Provider the following amounts:

(a) If the response times are greater than eighty percent (80%) but less than ninety percent (90%), a monthly amount of \$1,000.

(b) If the response times are greater than seventy-five percent (75%) but less than eighty percent (80%), a monthly amount of \$2,500.

(c) If the response times are below seventy-five percent (75%), a monthly amount of \$3,500.

Notwithstanding the foregoing, upon receipt of written notice of intent to deduct or set-off amounts against compensation due, Provider may request that County demonstrate in writing the calculation of response time percentages and County shall promptly furnish same.

4.5 Provider shall not be responsible for any failure at any time to meet Response Standards in the event such failure is caused by the following conditions:

- (a) Any natural disaster, extreme weather condition or similar event;  
or
- (b) Where a second ambulance unit is required to respond to the same call; or
- (c) A call that requires a response outside of the Coverage Area; or
- (d) Any failure by the county dispatcher to provide correct response information; or
- (e) The failure by County to properly maintain their provided ambulance; or
- (f) Where County requires the services of a third ambulance through no fault of Provider in which case Provider shall have thirty (30) minutes to respond; or
- (g) Any other event preventing performance beyond the reasonable control of Provider.

## ARTICLE 5

### AMBULANCE STAFF

5.1 Provider shall staff responding ambulances with an appropriately certified and trained paramedic and emergency medical technician. In addition, all other ambulance staff shall be properly trained and certified as required by law.

5.2 It is agreed and understood that all ambulance staff shall be employees of the Provider and are not employees, agents, or other representatives of the County.

## ARTICLE 6

### DISASTER PLANNING AND PROTOCOLS

6.1 Provider shall work within the Incident Command Structure of the County Emergency Operations Center and shall maintain and provide to the County (upon request) a written disaster response pre-plan that will be designed to function on a day-to-day basis and provide high quality pre-hospital medical care, with full inter-agency participation and complete medical control. It will be integrated with neighboring counties and provide complete emergency medical services and transportation along with complete evaluation, training and testing mechanisms. Provider will participate in community disaster drills and integrate its service in to the County disaster plans.

## ARTICLE 7

### COMPENSATION

7.1 Provider shall furnish emergency ambulance services to all who require such services in the Coverage Area regardless of ability to pay. When appropriate, however, Provider shall be permitted to bill the responsible party for services provided and County shall cooperate with Provider to facilitate such billing if necessary for accuracy. With respect to emergency ambulance services provided for inmates or detainees in County facilities that meet medical necessity for ambulance transport, Provider agrees to perform these as part of the monthly subsidy.

7.2 In addition, County shall pay to the Provider the monthly sum of \$20,833.33, which shall be due and payable in advance on the first day of each month hereunder, subject to any adjustments provided for in Article 4.

7.3 County shall permit Provider to utilize the Walker County Training Center and all its contents and furnishings located at 107 Alex Rd, Chickamauga, GA for classes, training activities, supervisor office space, and meetings. The Provider agrees to

maintain all equipment and furnishing at no cost to the County. Provider also agrees to allow county personnel to attend provider offered classes at no charge.

7.4 County agrees to sell the assets listed in Exhibit A to the Provider for the amount of \$1,350,000 to be paid within 10 business days of the signing of this contract. The County further agrees to legally transfer ownership of all property within 5 business of receiving the purchasing funds. The county warrants and certifies that all property is free of liens and clear for transfer of ownership.

7.5 County will provide appropriate space at no charge including all utility cost for the Provider's radio repeater on the County's radio tower.

7.6 County will provide appropriate and reasonable housing for Provider personnel furnishing services in the Coverage Area. County shall be responsible for all costs associated with provision of the housing, including utilities and the maintenance of same. Provider will be responsible to furnish the housing with appropriate furniture and be responsible for the upkeep of said furniture for the life of the contract.

7.7 County will on the beginning date of service turn over all outstanding Accounts Receivable to the Provider. The Provider will take 100% possession of all uncollected Accounts Receivable on November 1<sup>st</sup>, 2015. The County agrees to relinquish within 30 days of receipt any payments received on or after November 1<sup>st</sup>, 2015 to the Provider. County further agrees to provide monthly accounting of all funds received on or after November 1<sup>st</sup>, 2015 for ambulance services.

7.8 Upon request of the County Coroner or other approved official to transport deceased persons the county agrees to reimburse the Provider at the current Medicare BLS base rate and mileage.

7.9 Provider shall not violate the requirements of the Anti-Kickback Statute and comply with its policies regarding pricing and discounts as generally outlined in Exhibit C hereto.

## ARTICLE 8

### INSURANCE AND INDEMNITY

- 8.1 Provider shall maintain during the term hereof the following insurance coverages:
- (a) Professional and general liability coverages with minimum limits of \$1M per occurrence and \$3M in the annual aggregate.
  - (b) Appropriate liability and collision coverages for the Provider Ambulance.

- (c) Umbrella coverage of \$5,000,000 per each occurrence and \$5,000,000 in annual aggregate; and
- (d) Workers Compensation coverage in compliance with the requirements of applicable law.

8.2 Provider shall maintain an irrevocable letter of credit or performance bond in the amount of \$250,000 which County may permit Provider to reduce in its discretion after the first year of operation.

8.3 The parties shall indemnify, defend and hold one another harmless, from and against, to the extent permitted by law, all claims, demands, causes of action, losses, liabilities and expenses (including reasonable attorney's fees) arising out of the negligence of that party or its employees, agents and/or subcontractors.

## ARTICLE 9

### APPROVAL BY COUNTY COMMISSIONER

9.1 County represents and warrants that the undersigned representative has been duly authorized by binding action of the State of Georgia to execute this Agreement and bind the County to the terms and conditions herein.

## ARTICLE 10

### PRIVACY

10.1 The parties shall comply with the privacy and security requirements of the Health Insurance Portability and Accountability Act, as amended and as applicable. The parties shall execute mutually acceptable Business Associate Agreements.

## ARTICLE 11

### PATIENT COMPLAINTS

11.1 Provider shall reasonably cooperate with the County in the resolution of any patient complaints which shall be resolved at the reasonable discretion of the Walker County Commissioner. Provided however, the Provider may upon the written advice of its counsel decline to carry out any proposed resolution hereunder.

## ARTICLE 12

### MISCELLANEOUS

12.1 This Agreement incorporates the terms and conditions of that certain Emergency Ambulance Service Request for Proposal, dated 08/28/15 ("RFP") and the Provider's Walker County Service Request Proposal dated 09/10/15 (the "Response"), to the extent not inconsistent with the terms and conditions hereof. The parties agree that in the event of any conflict between the terms hereof and the terms of the RFP and/or Response, the terms of this Agreement shall control.

12.2 This Agreement shall be binding upon and shall inure to the benefit of the parties and their permitted successors and assigns. Neither party shall, without the prior written consent of the other, assign this Agreement or any rights or obligations hereunder to a third party.

12.3 In the event of material changes in applicable laws, rules and/or regulations which adversely affect performance hereunder or reimbursement of services provided by Provider, either party may, upon provision of written notice, request a renegotiation of the terms of the Agreement as appropriate. If the parties are unable to agree on the terms of a new Agreement within sixty (60) days after the provision of said written notice, this Agreement shall terminate automatically.

12.4 Any notice or other communication required or permitted to be delivered hereunder shall be deemed delivered if hand-delivered or mailed to the party in interest as follows:

If to County: Walker County, Georgia  
County Commissioner  
101 South Duke St.  
Lafayette, GA 30728

If to Provider: Puckett Emergency Medical Services, Inc.  
c/o Steven K. Puckett, President  
3760 Tramore Pointe Parkway  
Austell, GA 30106

12.5 This Agreement shall be enforced and construed in accordance with the laws of the State of Georgia, irrespective of any conflict of law provisions thereof. In addition, in the event of any dispute concerning the terms and conditions of this Agreement, or the performance thereof, the parties agree that the sole and exclusive jurisdiction and venue for the initiation of any claim arising out of such dispute shall lie in the Walker County Superior Court and/or the United States District Court, Northern District of Georgia.



12.6 Neither party shall be liable for any failure or delay in the performance of its obligations under this Agreement due in whole or in part to any cause beyond its reasonable control, including without limitation fire, natural disaster, extreme weather condition, accident, labor dispute or unrest, flood, riot, war, terrorism, rebellion, insurrection, sabotage, transportation delays, shortage of raw materials, energy or machinery, acts of God or the civil or military authorities of the state or nature, or the inability, due to the aforementioned causes, to obtain necessary labor or facilities.

ARTICLE 13

SEVERABILITY

13.1 If any portion or portions of this Agreement shall be for any reason invalid or unenforceable, the remaining portion(s) shall be valid and enforceable and carried into effect unless to do so would clearly violate the present legal and valid intention of the parties hereto.

WALKER COUNTY, GEORGIA:

PUCKETT EMERGENCY

MEDICAL SERVICES, INC.:

By: Bebe Heiskell

By: Steven K. Puckett

Name: Bebe Heiskell

Name: Steven K. Puckett

Title: County Commissioner

Title: President

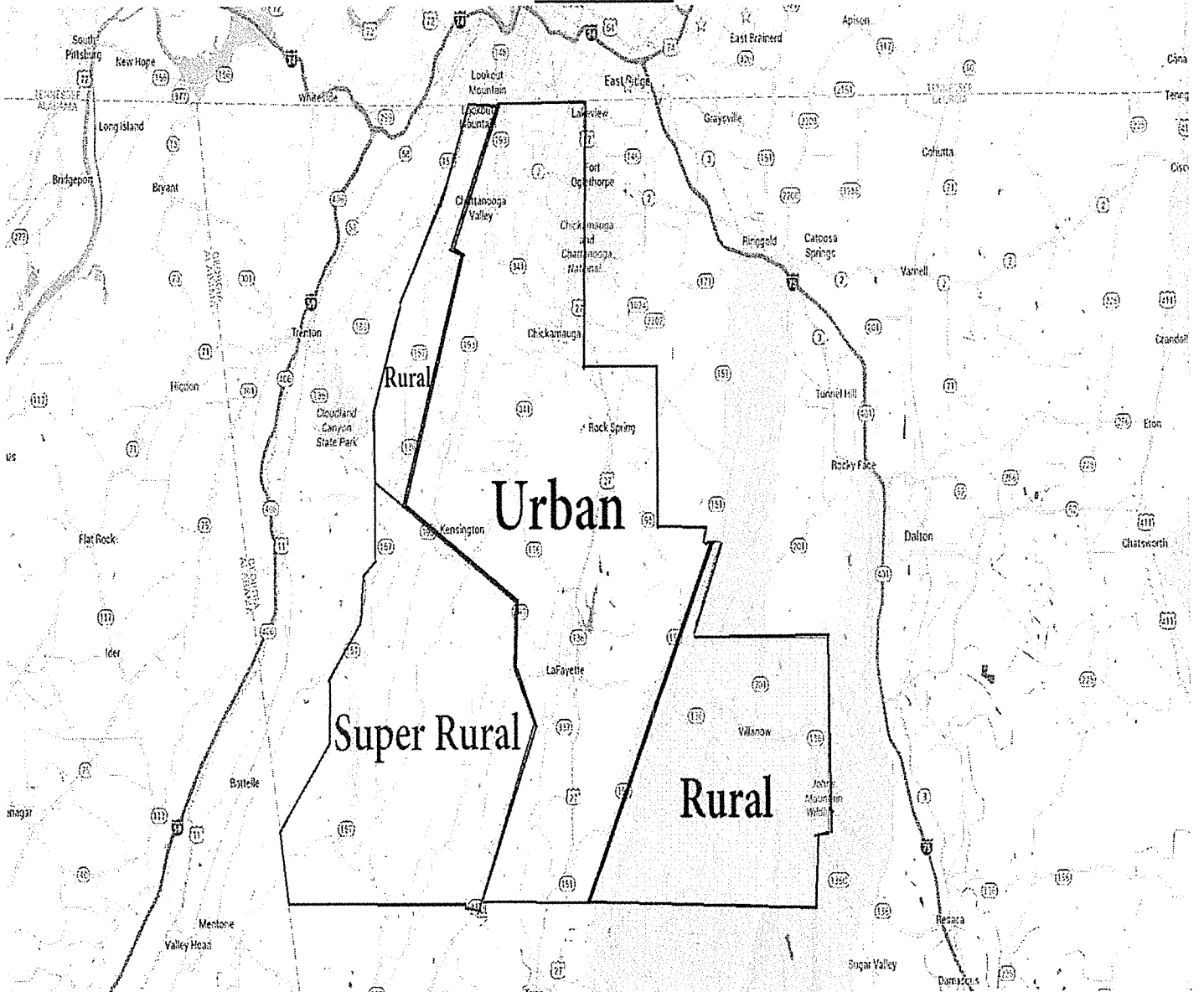
Date: 09-30-2015

Date: 09/30/2015

**EXHIBIT A**

Assets To Be Purchased From Walker County			
Description	# Item	VIN	Additional Information
Zoll E-Series monitor	16		
LUCAS 2.1 device	5		
Stryker Power-Pro stretcher	5		
Stryker MX-Pro stretcher	11		
Stryker Stair Pro 6252	5		
Stryker Bariatric Pro Stretcher	1		
Stryker traditional stair chair	11		
Laerdal LCSU suction unit	14		
Thermo Scan Pro 400 thermometer	12		
Masimo RAD SpO2	10		
Pediatric immobilization device	10		
Patient Mover	10		
Fingertip pulse ox	10		
EZ-IO GE Powered drills	11		
Scoop Stretcher	11		
Adult Sager Splint	11		
EMS Extrication Gear	30		
Pedi Sager splint	11		
Vacuum full body splint	11		
Vacuum extremity splint	11		
Meti Stan patient simulator	1		
Wrecked 05 Wheeled Coach Box	1	1GBG5CL9B1126366	Wheeled Coach Box
Supply Room Soft Supplies	NA		90 Day Operational Supply
Station 10 Building and Property	1		265 South Avenue, Flintstone, GA 30725
Billing IT & Computer	4		
Panasonic Toughbook CF-19	8		
Kubota Event Cart/trailer	1		
2014 Chevrolet 4500 Type 3	1	1GBG5CL0E1118872	Medic Specialty Remounted Box
2015 Ford 350 Type 1 4x4	1	1FDRF3HT7FEA76716	Coach Works Remounted Box
2013 Ford F350 Type 1 4x4	1	1FDRF3HT6DA57376	Coach Works Remounted Box
2010 Chevrolet 4500 Type 1	1	1GBG5CL5B1104414	Wheeled Coach Remounted Box
2009 Ford F650 Type 1 Bariatric	1	3FRNX66FX9V190039	Wheeled Coach Box
2009 Ford F650 Type 1	1	3FRNX66F69V190040	Wheeled Coach Box
2009 Ford F650 Type 1	1	3FRNX66F89V190038	Wheeled Coach Box
2008 Dodge Sprinter Type 1	1	WDXPF345589375256	Medic Specialty Box
2008 Ford F350 Type 1	1	1FDWF36R08ED51629	McCoy Miller Box
2001 Ford E350 Type 3	1	1FDXE45F11HA04738	Wheeled Coach Box
VHF Handheld Radios	10		
Training Center Equip/Aids/IP	NA		
Ford Ranger	1	IFTYRI0D48PA60920	
Event Medicine Bikes & Equip	2		
Oregon Spine Splints OSS2	10		
Any Additional EMS Equip Not Listed	NA		

**EXHIBIT B**



## EXHIBIT C

### **CONTRACTING RELATING TO MEDICARE AND MEDICAID PRICING AND DISCOUNTS**

It is the policy of Puckett Emergency Medical Services Inc. that PEMS or its subsidiaries or affiliates shall not enter into contracts or pricing agreements that, in the judgment of a prudent individual, violate anti-kickbacks statutes. The federal anti-kickback statute, section 1128B of the Social Security Act, 42 U.S.C. section 1320a-7b, makes it a criminal offense to solicit, offer, pay, or receive remuneration intended to compensate for or induce the referral of business reimbursed by Medicare or Medicaid.

PEMS and its subsidiaries have adopted the following guidelines when participating in a competitive process or entering into a PEMS contract:

Discounted pricing for services may not be valued below the cost of providing such services.

Providing free services in return for referrals is expressly prohibited.

If pricing is below the lower of the prevailing Medicaid or Medicare rate, Division management must have documentation to support the pricing.

All contracts for discounted services should be in writing.

Any contracts, which are to be priced below Medicare/Medicaid prevailing rates, should be sent to PEMS's General Counsel with supporting documentation for review and approval prior to execution.

Both PEMS and its contracting partners are subject to criminal enforcement for violations of anti-kickback statutes. PEMS management should, during the RFP and/or contract negotiation process, make our contracting partners aware of the statute and their potential liability for entering into an illegal pricing agreement.

No influence on Referrals. It is not the intent of either party to this AGREEMENT that any remuneration, benefit or privilege provided for under this AGREEMENT shall influence or in any way be based on the referral or recommendation referral by either party of patients to the other party or its affiliated providers, if any, or the purchasing, leasing, or ordering of any services other than the specific services described in this AGREEMENT. Any payments specified in this AGREEMENT are consistent with what the parties reasonably believe to be a fair market value for the services provided.

This PEMS policy is to be included as an addendum to all PEMS contracts and as an addendum to all responses to RFP's, RFI's, etc.