Agreement Between Johnson County, Texas and CareFlite for Paramedic Care and Ambulance Services Effective 10/1/15 Amendment #2

Whereas, Johnson County, Texas and CareFlite signed the above named agreement ("Agreement") on June 22, 2015, which was effective on October 1, 2015; and

Whereas, CareFlite has provided 911 emergency service under the Agreement to Johnson County since October 1, 2003; and

Whereas, The City of Cleburne was initially covered under the Agreement; and

Whereas, The pricing and response times in the Agreement were based on an area that includes the City of Cleburne; and

Whereas, The City of Cleburne began operating its own 911/EMS service taking first call in the City beginning in March 2016; and

Whereas, the RFP which resulted in the above named agreement between Johnson County and CareFlite did not provide for or request alternative proposals taking Cleburne's possible actions into account, and the parties were not aware that in the future the Regulated Service Area would significantly shrink; and

Whereas, Cleburne Fire operated 515 transports in the 3rd quarter of FY16 (April, May, June 2016) out of the total of 2133 transports across Johnson County (excluding Burleson and Keene which have never participated in the County System) representing 24 % of the total transports; and

Whereas, Cleburne Fire has announced that a second ambulance will be put in service during the current quarter which is expected to raise the percent of the County System operated by the City of Cleburne to 37% once in service; and

Whereas the aforementioned loss of volume and revenue has made the current Agreement's system unsustainable; and

Whereas, Johnson County and CareFlite find it prudent and necessary to modify the terms of the Agreement to enhance its potential sustainability.

Now, therefore, the parties agree to modify the above named agreement as follows:

Section 3.05 Paragraph e is deleted from the agreement.

Section 3.16A is amended to add Cleburne after Burleson and before Mansfield.

Section 3.16b subparagraphs 1,2,3 and 4 are deleted and replaced with the following:

CareFlite will maintain a response time on all transports under this Agreement as set forth below:

In Johnson County (except Rural Remote Johnson County):

Life Threatening Emergency Calls will have a response time 90% or better of 15 minutes and 59 seconds. Non-Life Threatening Emergency Calls will have a response time 90% or better of 20 minutes and 59 seconds.

In Rural Remote Johnson County (the Areas of Johnson County greater than 12 miles from the center of the cities of Alvarado or Cleburne): Life Threatening Emergency Calls will have a response time 90% or better of 24 minutes and 59 seconds. Non-Life Threatening Emergency Calls will have a response time 90% or better of 30 minutes and 59 seconds.

Section 3.16b subparagraph 5 is amended to insert the following sentences in place of the last two sentences in this subparagraph:

First Responders operating at an ALS level shall constitute "arrival on scene" by the contractor for the purposes of compliance with the response time requirements shown above. Contractor's paramedic that is fully equipped

to provide ALS care and prepare patient for transport as necessary constitutes "arrival on scene." A First Responder operating at an ALS level or Contractor's paramedic fully equipped to provide ALS care stops the clock only if a fully equipped transport vehicle capable of MICU arrives on scene within 14:59 in Johnson County except in Rural Remote Johnson County where the standard shall be 19:59. CareFlite may use a helicopter for the purpose of stopping the clock in accordance with all applicable federal and state regulations.

Section 3.16 subparagraph 9e is amended to read as follows:

Requests during times of unusually heavy call demand is defined as three (3) active responses.

Section 3.17 is amended to delete paragraphs a and b.

Section 3.25 is deleted.

Section 3.26 is amended as follows:

In the third sentence the words "level penalties" is deleted. Paragraph o is deleted and replaced with "not applicable"

Section 5.01 is amended by deleting the last sentence is deleted and replacing it as follows: The County shall pay CareFlite an annual cost sharing in the amount of \$300,000 per year (50% payable in October and 50% payable in April each year) during the initial term of the agreement starting on October 1, 2016. If the contract shall be renewed under the provisions of Section 7.02, the parties agree to negotiate in good faith to reach a mutually acceptable amount of cost sharing for the renewal period.

Section 6.01 The first sentence is amended to read as follows: "...through September 30, 2019 and \$12 per employee per year for the following three (3) years terminating on..." The second sentence is amended to insert "or \$12 per year as applicable" after \$10.00 and before "times the number of county employees...".

Article VII is amended to add Section 7.03 which shall read as follows: Care Flite shall have the right to terminate this Agreement upon one hundred and eighty (180) days written notice to County in the event Care Flite has losses in excess of one-half million dollars in its fiscal year or Care Flite can demonstrate prospected losses of one-half million dollars in its fiscal year. Care Flite will continue to provide County paramedic care and ambulance services for the one hundred and eighty (180) days after sending written notice to County as provided for in Section 3.30. Notwithstanding the above, County and Care Flite may negotiate during this time in good faith regarding any increase in the subsidy County is to pay Care Flite.

This amendment is effective as of August 22, 2016 as to all terms contained herein except that the cost sharing payments shall not begin until October 1, 2016. Any conflict between the terms of this Amendment #2 and the original agreement effective 10/1/15 shall be resolved in favor of the this Amendment No. 2.

The parties have affixed their signatures below and the Johnson County seal signifying their acceptance of this Amendment #2 to the above named agreement.

For Johnson County:

Honorable Roger Harmon

Johnson County Judge

(date)

Attest: Beck Iver Johnson County C lerk (Date)

For CareFlite