

## **BILLING SERVICES AGREEMENT**

This **BILLING SERVICES AGREEMENT** (“**Agreement**”) dated as of 2/1/25 (the “**Effective Date**”), by and between SensiBill Services, Inc, a North Carolina S-Corp with offices located at 644 Holly Springs Road, Suite 254, Holly Springs, NC 27540 (“**SensiBill**”), and Roots Recovery, a company incorporated under the laws of Texas with offices at 1300 Chicago St., Ste. 101, Laredo, Texas 78041 (“**Customer**”) (each of Customer and SensiBill may be referred to herein as “**Party**,” and collectively, the “**Parties**”).

### **RECITALS**

**WHEREAS**, SensiBill has experience in providing billing services to clients, including clients who provide behavioral health services to Patients;

**WHEREAS**, Customer desires to engage SensiBill, and SensiBill desires to be so engaged, to act as Customer’s agent in the provision of billing services and Customer desires to utilize such billing services in connection with its business.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements and covenants hereinafter set forth and intending to be legally bound hereby, the Parties hereby agree as follows:

### **AGREEMENT**

**1. Incorporation of Recitals; Definitions.** The Parties agree that the foregoing recitals are true and correct and are incorporated herein by this reference. The Parties also agree that the following terms as used in this Agreement shall have the meanings as hereinafter ascribed to them:

**1.1 “Billing Services” or “Services”** means those billing services as provided by SensiBill from time to time as described in Schedule A, which is attached hereto and incorporated herein by this reference.

**1.2 “Customer Data”** means any electronic data, information or material provided or submitted or made available by Customer to SensiBill in order to provide the Billing Services to Customer pursuant to this Agreement.

**1.3 “Net Collections”** shall mean all collections for Customer’s services exclusive of (a) nonmedical services not billed to third-party payors or Patients, and (b) any Patient co-payments and deductibles.

**1.4 “Patients”** means those individuals who obtain clinical services from Customer for which SensiBill provides Services.

**1.5 “Term”** shall have the meaning ascribed thereto in Section 7.1.

### **2. Party Obligations.**

**2.1 Responsibilities of SensiBill.** During the Term (as hereinafter defined) and subject to the terms and conditions of this Agreement, including the payment of the applicable Fees (as defined hereinbelow and as set forth in Schedule B, which is attached hereto and incorporated herein by this reference), SensiBill shall use commercially reasonable efforts to provide the Services to Customer on a timely basis. Notwithstanding the foregoing, Customer acknowledges, understands and agrees that SensiBill makes no representations or warranties as to, and does not guaranty (and specifically disclaims) (a) any outcome as a result of its Services (e.g., denial rate), or (b) any level of success as a result of its Services (e.g., reimbursement level or amount).

Customer further understands and agrees that Sensible (a) may provide billing and other services to other clients and customers but that Customer shall only utilize the Services of SensiBill, (b) may provide the

Services through its employees and/or contractors, and (c) has the right to perform the Services at any place or location and at such times as SensiBill chooses.

**2.2 Responsibilities of Customer.** During the Term and subject to the terms and conditions of this Agreement, Customer agrees to the following obligations:

- (a) In order for SensiBill to provide the Services to Customer, SensiBill must have access to and be provided with true, accurate and complete information, including information regarding the services Customer provided to its Patients, in a timely manner. SensiBill shall not be responsible for the denial of claim(s), in whole or in part, with respect to which it did not receive true, accurate and complete information on a timely basis, and any such denial(s) shall not affect the Fees (as hereinafter defined) due and owing to SensiBill hereunder.
- (b) Customer shall, and hereby represents and warrants that it shall, appropriately code and submit for billing all items and services in accordance with all applicable federal and State laws, rules, regulations and CMS guidance (including all applicable Medicare Manual provisions), as well as insurance carrier rules, regulations and guidelines regarding insurance reimbursement and billing. This shall include, without limitation, that Customer shall (i) ensure that appropriate, adequate and contemporaneous documentation exists to support all codes billed; (ii) ensure that all charges for “incident to services” are performed and billed in accordance with applicable federal and State laws, rules, regulations and CMS guidance; (iii) ensure that all providers are appropriately credentialed and services are billed by the rendering provider (and/or in accordance with “incident to” rules) and maintain the credentialing of physicians and other licensed healthcare providers, including the submission, update, renewal and approval of all memberships and licenses for insurance carriers, Medicaid/Medicare, State licensure, DEA, etc. Customer shall assume sole responsibility and liability for proper diagnostic and procedural coding of all claims, including number of units and charge amount of all claims.
- (c) SensiBill may from time to time provide Customer with coding guidance for informational purposes, but in no event shall (i) Customer rely on such guidance; rather, Customer shall independently verify, analyze, interpret and apply all coding requirements and guidance provided by CMS, payors and other sources, as solely determined by Customer; and (ii) SensiBill be required to update and/or advise Customer of any updates or changes to any such coding guidance. Further, under no circumstances shall SensiBill (1) interpret, define, or otherwise determine the nature, content or quality of the care given to any Patient, or (2) provide any suggestions or advice regarding the utilization of procedure codes, diagnostic codes or modifiers to maximize Customer’s reimbursement. Although SensiBill may from time to time alert Customer as to errors in Customer’s codes and billing changes that may come to its attention, Customer is ultimately responsible for the use of the proper codes and procedures and shall indemnify and hold harmless SensiBill from any costs, expenses, and/or losses arising from, related to, or in connection with Customers for failure to so comply, including costs and expenses related to or associated with any government or payor audit, investigation, subpoena, request or demand for information (including attorneys’ fees), as well as any fines and/or penalties. Notwithstanding the foregoing, in the event SensiBill believes that Customer may be improperly coding, SensiBill may provide Customer with notice of its intent to terminate this Agreement on ten (10) days’ written notice.
- (d) Customer agrees and understands that it will look solely to patients and third-party payors for reimbursement of Patient services and SensiBill is acting only as a billing agent on behalf of Customer. Customer acknowledges that SensiBill may from time to time make billing errors and SensiBill shall have a reasonable opportunity to correct such errors. Further, Customer shall indemnify and hold SensiBill harmless for any fines, payments, penalties, repayments, overpayments, claims, costs and expenses incurred by SensiBill in connection with any coding, billing, provider credentialing or similar issues, including the cost of counsel and any consultants retained by SensiBill in defending any audit, governmental inquiry, subpoena or investigation in which SensiBill may become involved in connection with Practice’s coding, credentialing and/or similar issues.

### **3. Fees.**

**3.1 Payment of Fees.** In consideration of the Billing Services provided hereunder, Customer shall pay to SensiBill the Fees as specified in Schedule A electronically, and if no date is set forth therein, within thirty (30) days of the date of SensiBill's invoice for the same. Any amounts not paid within such thirty (30) days will be subject to interest at the lesser rate of 1.5% per month or the greatest amount permitted under applicable law, which interest will be immediately due and payable. If Customer's account is 30 days or more overdue, in addition to any of its other rights or remedies, SensiBill reserves the right to suspend the Services provided to Customer, without liability to SensiBill, until such amounts are paid in full. Further, Customer understands and agrees that it shall pay such Fees to SensiBill regardless of whether Customer must repay or refund, in whole or in part, any payor or patient for amounts paid to Customer.

**3.2 Taxes.** All amounts and fees stated or referred to in this Agreement are exclusive of federal, state, dominion, provincial, or local sales, use, personal property, excise or other taxes, fees, duties, levies, tariffs, and other governmental charges (collectively, "Taxes"). Customer shall pay or reimburse SensiBill for all Taxes arising from, related to, or in connection with this Agreement and the transactions contemplated by this Agreement (other than Taxes on the net income of SensiBill), if and as applicable. The Parties shall reasonably cooperate to more accurately determine each Party's tax liability and to minimize such liability, to the extent legally permissible. When SensiBill has the legal obligation to pay or collect any such Taxes the appropriate amount shall be invoiced to Customer and timely paid by Customer, unless Customer provides SensiBill with a valid tax or other exemption certificate issued or authorized by the appropriate authority within a time frame allowed under applicable law or provides SensiBill such other legally appropriate evidence requested by SensiBill to establish such exemption.

### **4. Term and Termination.**

**4.1 Term.** This Agreement will take effect on the Effective Date and will remain in force for a period of one (1) year unless earlier terminated in accordance with this Agreement ("Initial Term"). This Agreement shall automatically extend for an additional twelve (12) month periods (each, a "Renewal Term") following such term unless a Party gives written notice to the other Party of its intention not to extend this Agreement no less than 60 days prior to the end of the then-current Term. The Initial Term and any Renewal Term will be referred to collectively as the "Term."

**4.2 Termination.** The Parties may terminate this Agreement upon the occurrence of any of the following (each, a Termination Event"):

- (a) **By SensiBill:** SensiBill may terminate this Agreement at any time upon the occurrence of any of the following Termination Events: (i) material failure by Customer to perform an obligation other than payment under this Agreement and continuance of such failure for a period of thirty (30) days after receipt of written notice from SensiBill specifically identifying the basis for such failure; (ii) failure by Customer to timely perform its payment obligations which are not cured within fifteen (15) days after receipt of written notice from SensiBill; (iii) the voluntary or involuntary filing (which is not dismissed within sixty (60) days) of a petition in bankruptcy for Customer, or the making by Customer of a general assignment for the benefit of its creditors; and/or (iv) discontinuance by Customer of the use of the SensiBill Services for more than six (6) months. In addition, SensiBill may immediately terminate this Agreement upon the occurrence of any of the following:
  - i. Whenever, for any reason, any required federal or State license or authority is revoked, suspended, or terminated, or restrictions are placed on the license by any licensing authority, or Customer is otherwise sanctioned by any licensing authority;

- ii. Customer is barred from participating in, or otherwise sanctioned by, any government-sponsored or government-funded health care program;
  - iii. Customer is convicted of a felony or crime involving moral turpitude;
  - iv. Customer becomes insolvent or bankrupt, or files a voluntary petition in bankruptcy, or has filed for an involuntary petition for bankruptcy;
  - v. Customer commits a breach of a material covenant, commitment or obligation under this Agreement which is of such nature as not to admit of any readily realizable cure in the sole opinion of SensiBill, including, but not limited to, a breach of Customer's representations, warranties and/or covenants or a violation(s) of any Federal, state, or local law or governmental regulation; or
  - vi. Customer engages in any activity that, in the sole opinion of SensiBill, is detrimental to the reputation or business operations of SensiBill.
- (b) **By Customer:** Subject to the terms and conditions of this Agreement, Customer may terminate this Agreement as its sole remedy upon the occurrence of the following Termination Event: in the event of a material failure by SensiBill to perform any material obligation under this Agreement and the continuance of such material failure for a period of sixty (60) days after SensiBill's receipt of written notice from Customer specifically identifying the basis for such material failure (or if such failure cannot reasonably be cured within such sixty (60) day period, the failure SensiBill to commence the cure within such period and diligently pursue such cure).
- (c) **By Either Party:** Either Party may terminate this Agreement without cause on thirty (30) days' prior written notice to the other Party.

**4.3 Effect of Termination.** If any Termination Event occurs, termination will become effective immediately or on the date set forth in the written notice of termination. In the event of any termination or expiration of this Agreement, (a) each Party shall immediately return to the other Party all Confidential Information and other materials provided to such Party; provided, however, that SensiBill shall be permitted to keep copies of all documents and Customer Data on which it relied to provide the Services hereunder, (b) Customer shall immediately pay to SensiBill all amounts due and owing to SensiBill, including all amounts for Services provided to Customer prior to the termination or expiration of this Agreement, and (c) Customer understands and agrees that, notwithstanding the foregoing termination provisions, certain provisions contained in this Agreement will survive the termination or expiration of this Agreement, and Customer shall be bound by and comply with all such surviving provisions. In addition, upon the termination or expiration of this Agreement, SensiBill shall have ninety (90) days after the effective date of the termination to complete all open claims/items and shall be entitled to all Fees in connection therewith. After such ninety (90) day period, SensiBill shall have no further obligation to provide any Services to Customer.

## **5. Confidentiality.**

**5.1 Confidential Information.** Each Party recognizes and acknowledges that, by virtue of entering into this Agreement and performing their respective obligations hereunder, each Party may receive certain information of the other Party that is confidential and constitutes proprietary, valuable, special and unique property of the other Party. For the purposes of this Agreement, the term "Confidential Information" means any information disclosed by either Party to the other Party, either directly or indirectly, in writing, orally or by inspection of tangible objects (including without limitation documents and information). Each Party's Confidential Information shall be held confidential by the receiving Party. While SensiBill will use its best efforts to maintain the confidentiality of information provided to it by Customer, Customer must designate all Confidential Information as "Confidential," "Proprietary" or some similar designation and Customer information that is communicated orally to SensiBill will be considered Confidential Information only if

such information is confirmed in writing as being Confidential Information by Customer within a reasonable time after the initial disclosure. Confidential Information may also include information disclosed to a disclosing Party by third parties. Confidential Information will not, however, include any information which (i) was publicly known and made generally available in the public domain prior to the time of disclosure by the disclosing Party; (ii) becomes publicly known and made generally available after disclosure by the disclosing Party to the receiving Party through no action or inaction, directly or indirectly, of the receiving Party or its employees, contractors or agents; (iii) is already in the possession of the receiving Party at the time of disclosure by the disclosing Party as evidenced by the receiving Party's files and records immediately prior to the time of disclosure; (iv) is obtained by the receiving Party from a third party without a breach of such third party's obligations of confidentiality; (v) is independently developed by the receiving Party without use of or reference to the disclosing Party's Confidential Information, as evidenced by documents and other competent evidence in the receiving Party's possession, or (vi) is considered "Protected Health Information" as such term is defined in Section 7 of this Agreement (it being understood that Protected Health Information (as hereinafter defined) will be subject to the terms of a Business Associate Agreement entered into between the Parties).

**5.2 Non-Use and Non-Disclosure.** Each Party agrees not to use any Confidential Information of the other Party for any purpose except to exercise its rights and perform its obligations under this Agreement. Each Party agrees not to disclose any Confidential Information of the other Party to third parties or to such Party's employees, except to such Party's financial personnel, attorneys, and those employees of the receiving Party with a need to know, as determined by the receiving Party. Each Party agrees that it shall take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information of the other Party. Notwithstanding the foregoing, a receiving Party may disclose such Confidential Information to the extent it is required by law to be disclosed by the receiving Party; provided that the receiving Party gives the disclosing Party prompt written notice of such requirement prior to such disclosure and assistance in obtaining an order protecting the information from public disclosure.

**5.3 Copies.** Except as expressly permitted otherwise in this Agreement (including, without limitation, Section 4.3 hereinabove), neither Party shall make any copies of the Confidential Information of the other Party unless reasonably necessary to exercise its rights and perform its obligations under this Agreement.

**5.4 Remedies.** Each Party agrees that any violation or threatened violation of this Section may cause irreparable injury to the other Party, entitling the other Party to seek injunctive relief in addition to all legal remedies.

**5.5 Survival.** The provisions of this Section shall survive the expiration or termination of this Agreement, regardless of the cause of such termination.

**6. Legal Event; Consequences.** Notwithstanding any other provision of this Agreement, if the governmental agencies that administer Medicare, Medicaid or other federally or state funded programs (or their representatives or agents), or any other federal, state or local governmental or nongovernmental agency, or any court or administrative tribunal passes, issues or promulgates any law, rule, regulation, standard, interpretation, order, opinion, decision or judgment, including but not limited to those relating to any regulations pursuant to state or federal anti-kickback or self-referral statutes (collectively or individually, a "Legal Event"), which, in the good faith judgment of one Party (the "Noticing Party"), materially and adversely affects either Party's licensure, accreditation, certification, or ability to refer, to accept any referral, to bill, to claim, to present a bill or claim, or to receive payment or reimbursement from any federal, state or local governmental or nongovernmental payer, or which subjects the Noticing Party to a risk of prosecution or penalty, or if in the reasonable opinion of counsel to either Party any term or provision of this Agreement could trigger a Legal Event, then the Noticing Party may give the other Party notice of intent to amend or terminate this Agreement in accordance with this Section.

**6.1 Notice Requirements.** The Noticing Party shall give notice to the other Party setting forth the following information: (a) The Legal Event(s) giving rise to the notice; (b) The potential consequences of the Legal Event(s) as to the Noticing Party; (c) The Noticing Party's intention to either: (i) Terminate this

Agreement; or (ii) Amend this Agreement, together with a statement that the purpose thereof is one or more of the following: (A) to further comply with any anti-kickback or self-referral statutory provisions or rules or regulations created or affected by the Legal Event(s); and/or (B) to satisfy any licensure, accreditation or certification requirements created or affected by the Legal Event(s); and/or (C) to eliminate or minimize the risk of prosecution or penalty; (iii) The Noticing Party's proposed amendment(s); and (iv) The Noticing Party's request for commencement of the Renegotiation Period (as defined below).

6.2 **Renegotiation Period; Termination.** In the event of notice under Subsection 4(a) hereinabove, the Parties shall have twenty (20) days from the giving of such notice ("Renegotiation Period") within which to attempt to amend this Agreement in accordance with the Noticing Party's proposal (if any) or otherwise as the Parties may agree. If this Agreement is not so amended within the Renegotiation Period, this Agreement shall terminate as of midnight on the 20th day after said notice was given. Except as otherwise required by applicable law, any amounts owing to either Party hereunder shall be paid, on a pro rata basis, up to the date of such termination, and any obligation hereunder that is to continue beyond expiration or termination shall so continue pursuant to its terms. All opinions of counsel presented by the Noticing Party hereunder, and any corresponding opinions given by the other Party in response, shall be deemed confidential and given solely for purposes of renegotiation and settlement of a potential dispute, and shall not be deemed disclosed so as to waive any privileges otherwise applicable to said opinions.

7. **Indemnification.** To the fullest extent permitted by law, Customer (the "Indemnifying Party") agrees to defend, indemnify and save SensiBill, its affiliates, parents and subsidiaries, and their respective owners, directors, officers, partners, managers, employees, contractors, agents, licensors, suppliers, successors and assigns harmless from and against any and all liabilities, losses, damages, claims, judgments, actions, demands, awards, assessments and penalties (collectively, "Claims"), and all fees, expenses and costs incidental thereto (including, without limitation, reasonable attorneys', accountants' and consultants' fees and other costs) from third-party claims, to the extent based upon, related to or arising out of, in whole or in part, the breach of this Agreement by the Indemnifying Party or any affiliates, parents and subsidiaries, and their respective owners, directors, officers, partners, managers, employees, contractors, agents, licensors, suppliers, successors and assigns of the Indemnifying Party (each, a "Customer Entity" and collectively, the "Customer Entities"), or a negligent act, error, omission or the willful misconduct of, the Indemnifying Party or any Customer Entity or anyone acting under such Indemnifying Party's direction or control or on its behalf in the course of its performance under this Agreement.

SensiBill (the "Indemnified Party") shall, after receipt of a threat of any claim or a notice of the commencement or filing of any claim against such Indemnified Party, give timely notice thereof to the Indemnifying Party. Failure to give or delay in giving such notice shall not relieve the Indemnifying Party of any liability except to the extent that the defense of such claim is prejudiced thereby. The Indemnified Party shall allow the Indemnifying Party to have sole control of the defense and of all negotiations for settlement of such claim, except that no compromise or settlement thereof may be effected or committed unless (i) the Indemnified Party consents to the terms of the settlement; (ii) such settlement or compromise includes a full discharge and release of any and all liability for the Indemnified Party, (iii) such settlement or compromise does not involve any non-monetary, injunctive or other equitable relief entered against the Indemnified Party, does not require the Indemnified Party to do or to forbear from doing any act, and does not involve, require, or imply the admission of any wrongful act (whether civil or criminal) by the Indemnified Party, and (iv) is kept confidential pursuant to a confidentiality and non-disclosure agreement which shall be reasonably acceptable to the Indemnified Party. The Indemnified Party shall provide reasonable assistance, at the Indemnifying Party's request and expense, needed in the defense or negotiation for settlement of such claim. The Indemnified Party may also elect to participate in the defense of such claim at its own expense with counsel of its choice. The provisions of this Section shall survive the expiration or termination of this Agreement, regardless of the cause of such termination.

8. **LIMITATION OF LIABILITY.** CUSTOMER UNDERSTANDS AND AGREES THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL SENSIBILL, ITS AFFILIATES, PARENTS, SUBSIDIARIES AND THEIR RESPECTIVE OWNERS, SHAREHOLDERS, DIRECTORS, OFFICERS, PARTNERS, MSENSIBILLERS, MANAGERS, EMPLOYEES, CONTRACTORS, OR AGENTS BE LIABLE FOR ANY DAMAGES OF ANY KIND, UNDER ANY LEGAL THEORY, INCLUDING, WITHOUT LIMITATION, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND INCLUDING LOSS OF PROFITS OR REVENUE, LOSS OF USE, BUSINESS INTERRUPTION, LOSS

OF BUSINESS OR ANTICIPATED SAVINGS, LOSS OF GOODWILL, LOSS OF DATA, COST OF COVER, PERSONAL INJURY, PAIN AND SUFFERING, OR EMOTIONAL DISTRESS IN CONNECTION WITH, OR ARISING OUT OF, OR RELATED TO THE FURNISHING, PERFORMANCE OR USE OF SENSIBILL SERVICES AND/OR PRODUCTS WHETHER ALLEGED AS A BREACH OF CONTRACT OR TORT, INCLUDING NEGLIGENCE, OR OTHERWISE EVEN IF CUSTOMER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER IN NO EVENT SHALL SENSIBILL'S LIABILITY FOR DAMAGES UNDER THIS AGREEMENT EXCEED, IN ANY EVENT, THE FEES PAID BY CUSTOMER TO SENSIBILL UNDER THE APPLICABLE AGREEMENT WITHIN THE SIX (6) MONTH PERIOD PRIOR TO THE ASSERTION OF ANY SUCH CLAIM. THE PROVISIONS OF THIS SECTION ALLOCATES RISKS UNDER THIS AGREEMENT BETWEEN CUSTOMER AND SENSIBILL. SENSIBILL'S PRICING OF SENSIBILL SERVICES REFLECTS THIS ALLOCATION OF RISK AND LIMITATION OF LIABILITY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT, REGARDLESS OF THE CAUSE OF ANY SUCH TERMINATION.

9. **DISCLAIMER OF WARRANTIES.** EXCEPT AS MAY EXPRESSLY BE PROVIDED IN AN AGREEMENT AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, SENSIBILL, AND ITS AFFILIATES, PARENTS, SUBSIDIARIES AND THEIR RESPECTIVE OWNERS, DIRECTORS, OFFICERS, PARTNERS, MANAGERS, EMPLOYEES, CONTRACTORS, AND AGENTS, EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND AND MAKE NO WARRANTY IN CONNECTION WITH SENSIBILL'S SERVICES, WHETHER WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT, REGARDLESS OF THE CAUSE OF ANY SUCH TERMINATION.

10. **Publicity.** Customer may not use SensiBill's name, trademarks, trade names or other proprietary identifying symbols without the prior written approval of SensiBill, in its sole discretion. Customer may not issue any press release, promotional literature or public statement relating to this Agreement or any of the services SensiBill provides to Customer except as may be approved in writing in advance by SensiBill in writing.

11. **Business Associate Agreement.** It is likely that a Party may provide the other Party with "Protected Health Information" as such term is defined in the Health Insurance Portability and Accountability Act of 1996 (18 U.S.C. §§669, 1035, 1347 and 1518; 42 U.S.C. §1320d et seq.) as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and their respective implementing regulations, as any of the foregoing may be amended from time to time (collectively, "HIPAA"). In such event, the Parties shall enter into a Business Associate Agreement that complies with HIPAA (a "BAA").

12. **Representations & Warranties.** Each Party represents and warrants:

- (a) It is validly existing and in good standing under the laws of the jurisdiction of its formation and has all requisite corporate power and authority to enter into this Agreement.
- (b) It is duly licensed to transact its current business and in good standing in each jurisdiction in which the conduct of its business requires such licensure.
- (c) It has the right to enter into this Agreement and doing so will not violate the terms or provisions of any other agreement or contract to which it is a party.
- (d) It will comply with the laws, rules and regulations applicable to it in connection with this Agreement.

13. **Force Majeure.** Neither Party shall be liable of any delay or failure in performance due to Force Majeure, which includes without limitation, acts of God, earthquakes, labor disputes, riots, war, fire, pandemics, epidemics, acts or omissions of vendors or suppliers, equipment failures, transportation difficulties or other events which are beyond its reasonable control and are reasonably unforeseeable. Any delay beyond SensiBill's reasonable control shall be excused and the period of performance extended as may be necessary to enable SensiBill to perform after the cause of delay has been removed.

14. **Independent Contractor Status.** SensiBill shall act at all times under this Agreement as an independent contractor and not an employee of Customer. In no event shall this Agreement establish or be construed as establishing a partnership, joint venture or similar relationship between the Parties hereto, and nothing herein contained shall be construed to authorize either Party to bind the other. Except as may specifically be set forth in an Agreement, neither Party shall act as an agent of the other Party. As an independent contractor, SensiBill shall not be subject to any Customer policies solely applicable to Customer's employees and shall not be eligible for any employee benefit plan offered by Customer. In the event that this independent contractor relationship is determined by tax authorities to constitute an employment relationship, SensiBill hereby waives, for the period prior to the date such determination becomes final, any and all claims to coverage under Customer pension, profit sharing, health, dental, welfare or similar type plans which are limited to Customer employees, unless otherwise agreed by Customer in writing. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

15. **Governing Law.** This Agreement and all matters arising out of or relating to this Agreement shall be governed by and interpreted in accordance with - in all respects - the laws of the State of North Carolina applicable therein, without giving effect to any choice of law provision or rule. All actions commenced to enforce or interpret this Agreement will be brought in the federal or state courts in Wake County, North Carolina and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such action. Neither Party may assert or be entitled to relief on a claim of forum non conveniens as to a court of competent jurisdiction located in Wake County, North Carolina. Notwithstanding the foregoing, because of the unique nature of the SensiBill Service, Customer understands and agrees that SensiBill will suffer irreparable injury in the event Customer fails to comply with any of the terms of this Agreement and that monetary damages may be inadequate to compensate SensiBill for such breach. Accordingly, Customer agrees that SensiBill will, in addition to any other remedies available to it at law or in equity, be entitled to injunctive relief, without posting a bond, to enforce any threatened or actual breach of the terms of this Agreement.

16. **Non-Disparagement.** During the term of this Agreement and following its expiration or termination for any reason, Customer agrees to not, directly or indirectly, in public or private, whether in oral, written, electronic or other format, disparage, deprecate, impugn or otherwise make any statements or remarks that would tend to or be construed to defame or slander the personal or professional reputations, professional qualifications, services and/or business of SensiBill, its affiliates, parents and subsidiaries and their respective owners, directors, officers, partners, managers, employees, contractors and agents, nor will Customer in any manner assist or encourage any third party in doing so.

17. **Notices.** For purposes of this Agreement, notices and all other communications provided for herein and therein must be in writing, addressed as set forth below to the Party to whom the notice or request is given, and must be either (a) delivered personally, (b) sent by United States certified mail, postage prepaid, return receipt requested, or (c) placed in the custody of a nationally recognized overnight carrier for next day delivery. Notice will be deemed given when received if delivered personally; three (3) days after deposit if sent by mail; and upon delivery if sent by nationally recognized overnight carrier for next day delivery. From time to time either Party may designate another address within the 48 contiguous United States of America for all purposes of this Agreement by giving the other party written notice of such designation in accordance with the provisions hereof.

**SensiBill:** SensiBill Services  
644 Holly Springs Rd., Suite 254  
Holly Springs NC 27540

**Customer:**

18. **Assignment.** This Agreement may not be assigned or transferred in whole or in part by Customer without the prior written consent of SensiBill, in its sole discretion, and any purported assignment or transfer shall be void *ab initio*. SensiBill may assign this Agreement in whole or in part without the consent of or notice to Customer.

19. **No Third Party Beneficiaries.** This Agreement is entered into solely for the benefit of the Parties hereto and their successors in interest, and is not entered into for the benefit of any other person or entity. Without



limiting the generality of the foregoing, This Agreement shall not be construed as establishing, with respect to any third party, any obligation, duty or standard of care or practice different from or in addition to whatever obligations, duties or practices may exist separate and apart from this Agreement, as applicable.

20. **Severability.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and this Agreement, as applicable, shall be construed and enforced as if such illegal, invalid or unenforceable provision is not a part hereof, and the remaining provisions hereof shall remain in full force and effect. In lieu of any illegal, invalid or unenforceable provision herein or therein, there shall be added automatically as a part of this Agreement, as applicable, a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

21. **Entire Agreement.** This Agreement and all attachments and documents referenced herein or therein, contain the entire understanding of the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements, oral or written, and all other communications between the Parties relating to such subject matters. As between the Parties, no oral statements or prior written material not specifically referenced in this Agreement will be of any force and effect. Neither this Agreement may be amended or modified except by the mutual written agreement of the Parties.

22. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which when so executed and delivered (whether by facsimile, e-mail, or other electronic means) shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument. A facsimile, PDF, or other electronic signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed), and shall be deemed an original signature for all purposes under this Agreement.

23. **Invalid Provision.** Whenever possible, each provision of this Agreement will be construed and interpreted so that it is valid and enforceable under applicable law. However, if a provision of this Agreement is held by a court to be invalid or unenforceable, that provision will be deemed separable from the remaining provisions of this Agreement and will not affect the validity, interpretation, or effect of other provisions of this Agreement or the application of that provision to a person or circumstance with respect to which it is valid and enforceable.

24. **Binding Effect.** This Agreement is binding upon and inures to the benefit of SensiBill, its representatives, successors and permitted assigns.

25. **Interpretation.** The terms that are defined in this Agreement may be used in the singular or the plural, as the context requires. Any reference to the masculine, feminine, or neutral gender will be deemed to include each

other gender, as the context requires. When a reference is made in this Agreement to a section, subsection, paragraph, or clause, such reference will be deemed to be to Agreement unless otherwise indicated. The Section, Subsection, and other headings are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement. Whenever the words “include,” “includes,” and “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation.”

26. **Attorneys’ Fees.** If there is a dispute over the terms of this Agreement or their enforcement, which dispute results in litigation, mediation or arbitration, the prevailing Party will have its reasonable attorneys’ fees and costs (whether before trial, during trial, on appeal, or otherwise), as well as any other costs and expenses associated with such litigation, mediation or arbitration, paid by the other Party.

27. **Understanding Of Agreements.** Each Party represents and warrants to the other that it has completely read and fully understands the provisions of this Agreement, and in executing this Agreement, it has not relied on any promise or representation made by any person other than the promises and representations explicitly stated in this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorized representatives.

CITY OF LAREDO

ROOTS RECOVERY CENTER authorized signature:

\_\_\_\_\_  
Joseph Neeb  
City Manager  
Date: \_\_\_\_\_

\_\_\_\_\_  
Viviana Martinez, Ph.D., DHA, LCDC, CART, QMHP  
Detoxification Director  
1300 Chicago St.  
Laredo, Texas 78040  
956-679-2826  
Date: \_\_\_\_\_

APPROVED AS TO FORM

\_\_\_\_\_  
Amber Holmes  
Assistant City Attorney  
Date: \_\_\_\_\_

\_\_\_\_\_  
Mario Maldonado, Jr.  
City Secretary  
Date: \_\_\_\_\_

S2 Group d/b/a SensiBill

Its: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

## **Schedule A**

### **Billing Services**

#### **SERVICES TO BE PERFORMED BY SENSIBILL**

SensiBill will provide the followings services:

- A. Providing the employees/contractors to perform the Services
- B. Access Customer information
- C. Receive and input all necessary demographic and charge data
- D. Conducting insurance processing and follow up
- E. Statement processing and mailing
- F. Current and delinquent account follow up
- G. Respond to all insurance company inquiries
- H. Prompt deposit of patient payments directly into a checking account owned and maintained exclusively by Customer (subject to endorsements, if required)
- I. Forward bank deposit receipts to the Customer
- J. Processing refunds/Refund management
- K. Monitor Customer's outstanding accounts receivable balance
- L. Prepare bad debt accounts for collection or write off at the Customer's request and instruction
- M. Provide Customer with monthly reports and trending analysis within 15 days after close of month, which shall include a summary of actual collections remitted to Customer for the previous month
- N. Electronic claims filing with carriers
- O. Claims denial tracking and resolution
- P. Line item posting
- Q. Verification of Benefits and updating calendar with patient benefits

**Schedule B**

**Fees**

Client agrees to pay SensiBill Services as follows, which payment(s) will be made according to the terms set forth in the Contract:

Full payment to SensiBill Services must be made within thirty (30) days of date of invoice.

Fixed Amount Owed: \$216,000 one year

Credentialing - Waived

Check mailed to 644 Holly Springs Rd., Ste 254, Holly Springs, NC 27540

(Any checks returned for insufficient funds shall be assessed a \$35.00 penalty)

Credit Card or ACH payment. Sensibill Services will send invoice on the 1st of each month for the month prior. If approved, Sensibill Services will process payment on the 15th of each month.

In the event that payment is not received on or before thirty (30) days of date of invoice a late fee will be assessed at the following rate.

One Percent (1%) of amount owed shall be assessed for every five (5) business days that the payment is not received by SensiBill

Services. Said late fee shall be remitted in the payment check.