Docket #1863 Date Filed: 11/04/2026
United States Bankruptcy Court
Southern District of Texas
ENTERED
November 04, 2026
Nathan Ochsner, Clerk

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	:	Chapter 11
MODIVCARE INC., *et al.*,	:	Case No. 25-90309 (ARP)
Reorganized Debtors.[1]	:	(Jointly Administered)

STIPULATION AND AGREED ORDER RESOLVING PROTRANSPORT-1 LLC's AND PRN AMBULANCE LLC'S APPLICATION FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE CLAIM
[Relates to Docket Nos. 1470 & 1539]

This stipulation and agreed order (this "***Stipulation***") is entered into by and among the above-captioned reorganized debtors and their successors (prior to the Effective Date, collectively, the "***Debtors***", and after the Effective Date, collectively, the "***Reorganized Debtors***") on one hand, and ProTransport-1 LLC and PRN Ambulance LLC (collectively, "***PRN***") on the other hand.[2] PRN, together with the Reorganized Debtors, are collectively referred to herein as the "***Parties***".

RECITALS

WHEREAS, on October 30, 2025, the Debtors filed the *Notice of Potential Assumption of Certain of Debtors' Executory Contracts and Unexpired Leases* [Docket No. 605], which listed two executory contracts with PRN (the "***PRN Contracts***");

[1] A complete list of each of the Reorganized Debtors in these chapter 11 cases (the "***Chapter 11 Cases***") and the last four digits of each Reorganized Debtor's taxpayer identification number (if applicable) may be obtained on the website of the Reorganized Debtors' claims and noticing agent at https://www.veritaglobal.net/Modivcare. Reorganized Debtor Modivcare Inc.'s principal place of business and the Reorganized Debtors' service address in the Chapter 11 Cases is 6900 E. Layton Avenue, Suite 1200, Denver, Colorado 80237.

[2] Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the *Second Amended Joint Chapter 11 Plan of Reorganization of Modivcare Inc. and Its Debtor Affiliates* [Docket No. 959] (as may be amended, modified, and supplemented, the "***Plan***").

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WHEREAS, on November 14, 2025, PRN filed the *Limited Objection of Counterparties PRN Ambulance, LLC. and ProTransport-1 LLC to Debtors' Notice of Potential Assumption of Certain Executory Contracts and Unexpired Leases and Cure Amounts* [Docket No. 721] (the "***Cure Objection***"), objecting to the proposed cure amounts for the PRN Contracts, but not otherwise objecting to the assumption of the PRN Contracts;

WHEREAS, on December 15, 2025, the Court entered the *Order (I) Confirming Second Amended Joint Chapter 11 Plan of Reorganization of Modivcare Inc. and Its Debtor Affiliates and (II) Denying Motions of Official Committee of Unsecured Creditors for Leave, Derivative Standing, and Authority to Commence and Prosecute Certain Causes of Action on Behalf of Debtors' Estates* [Docket No. 1055] (the "***Confirmation Order***"), and following entry of the Confirmation Order and pursuant to its terms, the Reorganized Debtors and PRN continued to engage in discussions in an effort to resolve the Cure Objection;

WHEREAS, the Parties were unable to reach a consensual resolution of the Cure Objection, and on March 19, 2026, the Reorganized Debtors filed the *Notice Regarding Rejection of Executory Contracts with PRN Ambulance LLC and ProTransport-1 LLC* [Docket No. 1376], which purported to reject the PRN Contracts;

WHEREAS, on March 26, 2026, PRN filed the *Response to Notice re: Rejection of Executory Contracts with PRN Ambulance LLC and ProTransport-1 LLC* [Docket No. 1389] and on April 29, 2026, PRN filed *ProTransport-1 LLC's and PRN Ambulance LLC's Application for Allowance and Payment of Administrative Expense Claim* [Docket No. 1470] (the "***Application***") seeking allowance and reimbursement of an estimated $830,237.00 for post-petition transport services as an administrative expense claim;

WHEREAS, on May 20, 2026, the Reorganized Debtors filed the *Objection to ProTransport-1 and PRN Ambulance's Application for Allowance of Administrative Claim* [Docket No. 1539] (the "***Objection***") objecting to PRN's Application and disputing the administrative expense claim status;

WHEREAS, PRN scheduled a hearing on the Application (the "***Hearing***") for June 22, 2026, which has been continued on several occasions because of settlement negotiations between the Parties, and is currently set for November 18, 2026, at 4:00 p.m. (prevailing Central Time) [Docket Nos. 1561, 1613, 1647, 1670, 1766, and 1808]; and

WHEREAS, the Parties have conferred in good faith and agreed to (a) fully and finally resolve the Application and the Objection and (b) cancel the Hearing, pursuant to terms set forth herein, upon the Court's approval of the terms set forth herein.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, AND UPON APPROVAL BY THE COURT OF THIS STIPULATION, IT IS SO ORDERED AS FOLLOWS:

1. The Hearing scheduled for November 18, 2026, at 4:00 p.m. (prevailing Central Time) is cancelled.

2. Within thirty (30) days after the Court's approval of this Stipulation, for each of PRN's outstanding claims under the PRN Contracts arising from August 20, 2025 to March 19, 2026, PRN shall submit to the Reorganized Debtors, either electronically or in hard copy at PRN's election, all of the documentation and information identified on Exhibit 1, attached hereto and incorporated herein by this reference, that is already in PRN's possession or that PRN may obtain from third parties through commercially reasonable efforts (such requirement, the "***Document Submission***"). For the avoidance of doubt, (x) PRN shall not be required to produce any

documents or information beyond those described in Exhibit 1 for each of PRN's outstanding claims under the PRN Contracts arising from August 20, 2025 to March 19, 2026, nor shall it be required to prove up the validity of such claims, and (y) the Payment (as defined below) due from Reorganized Debtors to PRN shall not be conditioned on the Reorganized Debtors confirming or otherwise agreeing to the validity of such outstanding claims.

3. In the event the Reorganized Debtors contend PRN failed to comply with the Document Submission set forth in paragraph 2, then no later than five (5) business days after the thirty (30) day period described in paragraph 2 has expired, the Reorganized Debtors may send written notice (email being sufficient) to PRN informing PRN of its failure to comply with the Document Submission and listing the documentation or information necessary to cure the deficiency. If the Reorganized Debtors fail to timely send PRN such notice in writing (email being sufficient), PRN shall be deemed to have satisfied the Document Submission. If the Reorganized Debtors send such notice to PRN within the five (5) day period set forth above, then upon the Reorganized Debtors' receipt of the materials set forth in such notice, PRN shall be deemed to have satisfied the Document Submission. After receipt of such notice from the Reorganized Debtors, PRN shall make commercially reasonable efforts to obtain the missing information.

4. Upon the later of (a) sixty (60) days after the Court's approval of this Stipulation and (b) thirty (30) days after PRN satisfies the Document Submission, the Reorganized Debtors shall pay to PRN $250,000.00 in cash, in accordance with wire instructions provided by PRN (the "***Payment***") as a compromise amount in full satisfaction of PRN's claims arising under the PRN Contracts; *provided,* that, such Payment shall not be due until after PRN satisfies the Document Submission and delivers a W-9 and wire instructions to the Reorganized Debtors. Pursuant to NY

UCC § 4-A-104 (2025), the Payment shall be deemed to have been completed the moment PRN's bank accepts the payment order.

5. If the Reorganized Debtors fail to timely complete the Payment, PRN may send written notice (email being sufficient) to the Reorganized Debtors informing them that the Payment has not been timely completed (the "***Default Notice***"). The Reorganized Debtors shall be in default under this Stipulation if they do not complete the Payment within five (5) business days of receipt of the Default Notice. At any time thereafter, PRN may apply to the Court for an order compelling the Reorganized Debtors to make the Payment to PRN immediately. Notwithstanding the foregoing, if the Reorganized Debtors make the Payment at any time, the Reorganized Debtors shall be deemed to have satisfied all obligations hereunder, including the satisfaction in full of any allowed priority administrative claim which PRN is deemed to have pursuant to paragraph 8 of this Stipulation.

6. Upon PRN's receipt of the Payment and any additional amount (if any) that the Court orders the Reorganized Debtors to pay to PRN in connection with a default pursuant to paragraph 5 of this Stipulation: (a) the claims asserted in the Application shall be deemed satisfied in full and extinguished, including Claim Nos. 789, 2526, and 2527; (b) the Reorganized Debtors are authorized to direct the claims agent to expunge the claims set forth in paragraph 6(a) on the claims register; (c) PRN shall not have any claims and the Reorganized Debtors shall have no further obligations to PRN in connection with any and all services PRN provided under the PRN Contracts; (d) PRN shall not file any other applications seeking allowance of administrative priority claim(s) or assert any further rights, obligations, damages, or remedies under the PRN Contracts; (e) PRN will withdraw the Application with prejudice within fifteen (15) calendar days

of receiving the Payment; and (f) the PRN Contracts will be deemed rejected as of December 29, 2025 and of no further force and effect.

7. Until such time as the Application is withdrawn, the Parties expressly reserve all rights, claims, defenses, and remedies with respect to the PRN Contracts, Application, and Objection, as applicable, and nothing herein shall impair either Party's rights with respect thereto.

8. If, and only if, PRN fully complies with the Document Submission and the Reorganized Debtors do not pay the full Payment to PRN on the terms and conditions set forth above within five (5) business days of receipt of the Default Notice, then PRN shall be deemed automatically and without further application or Court order to have an allowed priority administrative claim under 11 U.S.C. § 503(b)(1)(A) in the amount of the Payment; *provided*, that PRN shall not be deemed to have an allowed priority administrative claim if it is in material breach of this Stipulation. For the avoidance of doubt, PRN shall not be deemed to have an allowed priority administrative claim earlier than five (5) business days after the Reorganized Debtors' receipt of the Default Notice.

9. All notices and communications which are required or may be given to a Party under this Stipulation shall be in writing (email being sufficient), addressed as to the applicable Party and their respective counsel as indicated below and shall be deemed to have been duly given upon the earliest of: (a) if by personal delivery, then the date of delivery if such date is a Business Day[3] during normal business hours, or, if such date is not a Business Day during normal business hours, then the next Business Day, (b) if sent by U.S. certified mail, postage prepaid, return receipt requested, then the date shown as received on the return notice, (c) if sent by email, when received,

[3] "***Business Day***" means any day, excluding Saturdays, Sundays or legal holidays, on which commercial banks are open for business in New York, NY.

or (d) if by Federal Express overnight delivery (or other reputable overnight delivery service), the date shown on the notice of delivery if such date is a Business Day during normal business hours, or if such date is not a Business Day during normal business hours, then on the next Business Day:

If to PRN:

Ana Arechiga
VP, National Revenue Cycle Operations
Covalent Health
6040 Commerce Blvd., Suite 111
Rohnert Park, CA 94928-2181
Email: ana@covalent-health.com

and to:

Gary F. Torrell
Hooper, Lundy & Bookman, P.C.
1875 Century Park East, Suite 1600
Los Angeles, California 90067
Email: gtorrell@hooperlundy.com

Simon R. Mayer
Troutman Pepper Locke LLP
600 Travis, 28th Floor
Houston, Texas 77002
Email: simon.mayer@troutman.com

If to Reorganized Debtors:

Alessandra Melloni
SVP, General Counsel, Secretary
ModivCare Topco, LLC
6900 E. Layton Avenue, Suite 1200
Denver, Colorado 80237
Email: alessandra.melloni@modivcare.com

and to:

George Klidonas
Jonathan J. Weichselbaum
Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Email: george.klidonas@lw.com
jon.weichselbaum@lw.com

10. In the event of any conflict between the terms in this Stipulation and the terms in either the Confirmation Order or the Plan, the terms of this Stipulation shall control.

11. This Stipulation may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. A signature transmitted by facsimile or other electronic copy shall be deemed an original signature for purposes of this Stipulation.

12. This Stipulation may only be changed, modified, or otherwise altered in a writing executed by the Parties to this Stipulation. Oral modifications are not permitted.

13. This Stipulation shall be effective immediately upon approval by the Court.

14. The Court shall retain jurisdiction to hear any matters or disputes arising from or relating to this Stipulation, including as to whether PRN satisfied the Document Submission and/or with respect to the Reorganized Debtors' obligation to make the Payment.

15. In the event of any application or motion seeking to enforce or interpret the terms of this Stipulation, the prevailing party shall be entitled to seek to recover its reasonable legal fees and costs from the non-prevailing party, in addition to any other relief ordered by the Court.

[*Signatures Follow*]

IN WITNESS WHEREOF, the Parties, by their authorized counsel, executed this Stipulation as of the date written below.

Dated: November 3, 2026

s/ Timothy A. ("Tad") Davidson II
HUNTON ANDREWS KURTH LLP
Timothy A. ("Tad") Davidson II (Texas Bar No. 24012503)
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Brandon Bell (Texas Bar No. 24127019)
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-and-

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Counsel for the Reorganized Debtors

s/ Simon R. Mayer
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-and-

HOOPER, LUNDY & BOOKMAN, P.C.
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Counsel for ProTransport-1 LLC and PRN Ambulance LLC

Signed: November 04, 2026

Alfredo R Pérez
United States Bankruptcy Judge

Exhibit 1

Documents PRN Shall Submit

Complete CMS 1500 forms including all of the following information:

1. Member Name;
2. Member ID (MCD ID);
3. Member DOB;
4. HCPCS for services provided with corresponding charges;
5. Pick up and Drop of Location Modifiers;
6. Pick up and Drop COMPLETE addresses;
7. NPI and Tax ID of the rendering providers; and
8. ICDN 10 codes for services provided that correspond with HCPC charges.