

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

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	:	
In re:	:	Chapter 11
	:	
MODIVCARE INC., <i>et al.</i> ,	:	Case No. 25-90309 (ARP)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
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**MOTION OF DEBTORS FOR
AUTHORITY TO RETAIN AND COMPENSATE
PROFESSIONALS USED IN THE ORDINARY COURSE OF BUSINESS**

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <https://ecf.txsb.uscourts.gov/> within twenty-one days from the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within twenty-one days from the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

ModivCare Inc. and its debtor affiliates in the above-captioned cases, as debtors and debtors in possession (collectively, the “***Debtors***”), respectfully state as follows in support of this motion (this “***Motion***”):

RELIEF REQUESTED

1. By this Motion, the Debtors hereby seek entry of an order, substantially in the form attached hereto (the “***Proposed Order***”), authorizing the Debtors to retain and compensate professionals that they use in the ordinary course of business (the “***Ordinary Course***”

¹ A complete list of each of the Debtors in these chapter 11 cases (the “***Chapter 11 Cases***”) and the last four digits of each Debtor’s taxpayer identification number (if applicable) may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/ModivCare>. Debtor ModivCare Inc.’s principal place of business and the Debtors’ service address in these Chapter 11 Cases is 6900 E. Layton Avenue, Suite 1100 & 1200, Denver, Colorado 80237.



Professionals”). A non-exhaustive list of (a) the Debtors’ Ordinary Course Professionals as of the Petition Date and (b) a description of the services provided by the Ordinary Course Professionals is attached to the Proposed Order as **Exhibit A** (the “*Ordinary Course Professional Schedule*”).

JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the Southern District of Texas (the “*Court*”) has jurisdiction to consider this Motion under 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and the Court may enter a final order consistent with Article III of the United States Constitution. Venue is proper under 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief requested herein are sections 105(a), 327, 328, and 330 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “*Bankruptcy Code*”), rule 2014 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), rule 2016-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “*Bankruptcy Local Rules*”), and the Procedures for Complex Cases in the Southern District of Texas.

BACKGROUND

4. On August 20, 2025 (the “*Petition Date*”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code. On September 5, 2025, the Office of the United States Trustee for the Southern District of Texas (the “*U.S. Trustee*”) appointed an official committee of unsecured creditors [Docket No. 124] (the “*Committee*”). No request for the appointment of a trustee or an examiner has been made in the Chapter 11 Cases.

5. The Chapter 11 Cases are jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Bankruptcy Rules and Rule 1015-1 of the Bankruptcy Local Rules.

6. The factual background regarding the Debtors, including their business, their capital structure, and the events leading to the commencement of the Chapter 11 Cases is set forth in the *Declaration of Chad J. Shandler in Support of Chapter 11 Petitions and First Day Relief* (the “**First Day Declaration**”) [Docket No. 14].²

7. ModivCare is a technology-based healthcare services company that helps people (especially those in vulnerable situations) get the care and support they need. The Company works with government and private health insurance plans, as well as individuals, to provide: (a) transportation to and from medical appointments (non-emergency medical transportation totaling over 36 million rides per year); (b) in-home personal care (*e.g.*, helping with daily activities); (c) remote monitoring of patients’ health from home; and (d) community health kiosks and wellness programs. ModivCare employs approximately 23,675 people and operates across 48 states and the District of Columbia, including Texas, with corporate offices in Denver, Colorado. ModivCare’s goal is to make it easier for patients to get care, remove barriers that keep people from staying healthy, and improve overall health outcomes.

8. As described in the First Day Declaration, the Debtors are party to that certain Restructuring Support Agreement (the “**RSA**”) with certain creditors who collectively hold approximately 90% of the First Lien Claims and approximately 70% of the Second Lien Claims. Pursuant to the RSA, the consenting creditors have agreed to provide \$100 million in debtor-in-possession financing to fund the Chapter 11 Cases and support the comprehensive restructuring transactions set forth in the term sheet attached to the RSA (the “**RSA Term Sheet**”). The RSA Term Sheet contemplates, among other things: (a) the equitization of approximately \$871 million

² Capitalized terms used but not otherwise defined herein have the meaning assigned to them in the First Day Declaration.

in First Lien Claims and approximately \$316 million in Second Lien Claims; (b) the commitment of the consenting creditors to provide exit financing through the Exit Term Loan Facility; (c) the reorganized Debtors' entry into an exit revolving credit facility to support ongoing operations; and (d) the discharge of the Unsecured Notes Claims and General Unsecured Claims; with holders of such claims entitled to participate in an equity rights offering of up to \$200 million, subject to the terms of the RSA. On September 4, 2025, the Debtors filed the *Joint Chapter 11 Plan of Reorganization of ModivCare Inc. and its Debtor Affiliates* [Docket No. 119] (the "**Plan**") and corresponding disclosure statement [Docket No. 120] reflecting the terms of the RSA and RSA Term Sheet. In total, the transactions contemplated by the Plan and RSA Term Sheet are expected to reduce the Debtors' funded debt obligations by approximately \$1.1 billion.

9. The Debtors employ various Ordinary Course Professionals, including accountants, lobbyist, attorneys, and other non-attorney professionals, in the ordinary course of business to provide services relating to, among other things, audits, tax returns, general corporate, transactional, labor and employment, regulatory matters, litigation, various other legal services, and other matters requiring the advice and assistance of professionals. The Debtors believe that the postpetition services of the Ordinary Course Professionals are necessary for the continued operation of the Debtors' business, as such Ordinary Course Professionals have, among other things, a great deal of knowledge, expertise, and familiarity with the Debtors and their operations.

THE COMPENSATION PROCEDURES

10. The Debtors request the following procedures for the retention and compensation of the Ordinary Course Professionals:

- a. Within thirty days of the date on which (i) the Proposed Order is entered or (ii) any Ordinary Course Professional begins work for the Debtors, whichever is later, the Debtors shall file a declaration of disinterestedness (the "***Declaration of Disinterestedness***") on the docket of the Chapter 11 Cases, substantially in the form attached to the Proposed Order as **Exhibit B**, by which

such Ordinary Course Professional will certify that it does not represent or hold any interest adverse to the Debtors or their estates with respect to the matter on which the professional is to be employed.

- b. The Debtors shall file and serve (with ECF or email service being sufficient) the Declaration of Disinterestedness on the following parties (collectively, the “**Notice Parties**”): (i) the Office of the United States Trustee for the Southern District of Texas; (ii) counsel to any statutory committees appointed in the chapter 11 cases; and (iii) counsel to the First Lien Agent and the Consenting Creditors.
- c. Any party in interest shall have 10 days after filing of the Declaration of Disinterestedness (the “**Objection Deadline**”) to file an objection on the docket of the Chapter 11 Cases to the retention, employment, or compensation of the Ordinary Course Professional. The objecting party shall serve any such objection upon the Debtors’ counsel and the respective Ordinary Course Professional on or before the Objection Deadline. If an objection is asserted by the Objection Deadline and such objection cannot be resolved, the Debtors shall schedule the matter for hearing before the Court.
- d. If no objections are filed and served by the Objection Deadline, the retention, employment, and compensation of the Ordinary Course Professional shall be deemed approved by the Court without the need for a hearing or further order and the Debtors shall be authorized to pay such Ordinary Course Professional as set forth below.
- e. The Debtors reserve the right to modify the Ordinary Course Professional Schedule as necessary to add or remove Ordinary Course Professionals, from time to time, in their sole discretion. In the event that an Ordinary Course Professional is added to the Ordinary Course Professional Schedule, the Debtors will file a notice on the docket of the Chapter 11 Cases listing the additional Ordinary Course Professionals that the Debtors intend to employ (each, an “**Ordinary Course Professional Notice**”). Additionally, the Debtors will file a Declaration of Disinterestedness on the docket of the Chapter 11 Cases for each additional Ordinary Course Professional, and the same objection procedures described above shall apply.
- f. Subject to the objection procedures described above, and upon receipt of reasonably detailed invoices indicating the nature of the services rendered and calculated in accordance with such Ordinary Course Professional’s standard billing practices (without prejudice to the Debtors’ right to dispute any such invoices), the Debtors are authorized to pay compensation and reimburse expenses to each of the Ordinary Course Professionals retained pursuant to the Order in the customary manner and in the full amount billed by each such Ordinary Course Professional up to the monthly amount set forth for such Ordinary Course Professional on **Exhibit A** on average over the preceding

three-month period on a rolling basis (the “**Ordinary Course Professional Cap**”).

- g. The Debtors may increase the Ordinary Course Professional Cap for any Ordinary Course Professional with the consent (email being sufficient) of the Notice Parties. Absent consent, the Debtors may file a motion seeking Court authority to increase the Ordinary Course Professional Cap for any Ordinary Course Professional.
- h. To the extent an Ordinary Course Professional seeks compensation in excess of the Ordinary Course Professional Cap (the “**Excess Fees**”), the Ordinary Course Professional shall file on the docket of the Chapter 11 Cases a Notice of Fees in Excess of the Ordinary Course Professional Cap (the “**Notice of Excess Fees**”) which shall include an invoice setting forth, in reasonable detail, the nature of the services rendered and disbursements actually incurred, including all time entries and fees incurred by the Ordinary Course Professional for the relevant month. Interested parties shall then have 14 days to file an objection on the docket of the Chapter 11 Cases to the Notice of Excess Fees. If after 14 days no objection is filed, the Excess Fees shall be deemed approved, and the Ordinary Course Professional may be paid 100% of its fees and 100% of its expenses without the need to file a fee application. For the avoidance of doubt, the Debtors are authorized to pay compensation and reimburse expenses of an Ordinary Course Professional up to the Ordinary Course Professional Cap, notwithstanding the objection period set forth above for any Excess Fees. To the extent an Ordinary Course Professional seeks compensation in excess of the Ordinary Course Professional Cap on more than two occasions, the Debtors shall file an application to employ such Ordinary Course Professional pursuant to sections 327 and 328 of the Bankruptcy Code, as applicable, and such Ordinary Course Professional’s subsequent compensation shall be governed by the Court’s order, if any, approving such Ordinary Course Professional’s employment.
- i. The foregoing proposed ordinary course retention and compensation procedures shall not apply to those professionals for whom the Debtors filed (or will file) separate applications for approval of employment, such as the Debtors’ proposed bankruptcy counsel and/or financial restructuring advisors nor will they apply to professionals that are being paid by non-Debtor third parties.

11. To the extent that any agreement between the Debtors and an Ordinary Course Professional provides for the indemnification by the Debtors of such Ordinary Course Professional in connection with the services that are the subject of this Motion (each such agreement, an “**OCP**”

Agreement”), the Debtors request that such indemnification provisions are approved, subject to the following modifications, applicable during the pendency of the Chapter 11 Cases:

- a. The Ordinary Course Professional shall not be entitled to indemnification, contribution, or reimbursement pursuant to the OCP Agreement for services other than the services provided under the OCP Agreement, unless such services and the indemnification, contribution, or reimbursement are approved by the Court.
- b. Notwithstanding anything to the contrary in the OCP Agreement, the Debtors shall have no obligation to indemnify the Ordinary Course Professional, or provide contribution or reimbursement to the Ordinary Course Professional, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from the Ordinary Course Professional’s gross negligence, willful misconduct, bad faith, breach of fiduciary duty (if any), or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of the Ordinary Course Professional’s contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; (iii) of any type for which the Court determines that indemnification, contribution, or reimbursement would not be permissible; or (iv) settled prior to a judicial determination under (i) or (ii), but determined by the Court, after notice and a hearing, to be a claim or expense for which the Ordinary Course Professional should not receive indemnity, contribution, or reimbursement under the terms of the OCP Agreement as modified by the Court.
- c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in the Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing the Chapter 11 Cases, the Ordinary Course Professional believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors’ indemnification, contribution, and/or reimbursement obligations under the OCP Agreement (as modified by the Order), including the advancement of defense costs, the Ordinary Course Professional must file an application therefor in the Court, and the Debtors may not pay any such amounts to the Ordinary Course Professional before the entry of an order by the Court approving the payment. All parties in interest shall retain the right to object to any demand by the Ordinary Course Professional for indemnification, contribution, or reimbursement. In the event that the Ordinary Course Professional seeks reimbursement from the Debtors for attorneys’ fees and expenses in connection with the payment of an indemnity claim pursuant to the OCP Agreement, the invoices and supporting time records for the attorneys’ fees and expenses shall be included in the

Ordinary Course Professional's own applications, both interim and final, but determined by the Court after notice and a hearing.

12. The Debtors submit that the continued employment and compensation of the Ordinary Course Professionals is in the best interests of their estates, creditors, and other parties in interest. While certain Ordinary Course Professionals may wish to continue to represent the Debtors on an ongoing basis, others may be unwilling to do so if the Debtors cannot pay them on a regular basis, or, given the relatively small fees that may be involved, if they are required to comply with the requirements for retention under section 327(a) of the Bankruptcy Code. If the knowledge, expertise, and familiarity that the Ordinary Course Professionals have regarding the Debtors and their operations are lost, the Debtors will undoubtedly incur additional and unnecessary expenses in getting replacement professionals "up to speed." The Debtors rely on the assistance of the Ordinary Course Professionals for essential business functions and would be unable to operate without their services. The Debtors' estates and their creditors are best served by avoiding any disruption in the professional services required in the ordinary course of the Debtors' businesses.

BASIS FOR RELIEF

13. Section 327(a) of the Bankruptcy Code requires court approval for the employment of "professional persons" retained to represent or perform services of the estate. In determining whether an entity is a "professional" whose retention must be approved by a court as required by section 327 of the Bankruptcy Code, courts generally consider the following factors:

- a. whether the entity controls, manages, administers, invests, purchases, or sells assets that are significant to the debtor's reorganization;
- b. whether the entity is involved in negotiating the terms of a plan of reorganization;
- c. whether the entity is directly related to the type of work carried out by the debtor or to the routine maintenance of the debtor's business operations;

- d. whether the entity is given discretion or autonomy to exercise his or her own professional judgment in some part of the administration of the debtor's estate;
- e. the extent of the entity's involvement in the administration of the debtor's estate; and
- f. whether the entity's services involve some degree of special knowledge or skill, such that it can be considered a "professional" within the ordinary meaning of the term.

See In re Smith, 524 B.R. 689, 696 (Bankr. S.D. Tex. 2015); *In re Cyrus II P'ship*, No. 05-39857 (MI), 2008 WL 3003824, at *2 (Bankr. S.D. Tex. July 31, 2008) (quoting *In re Johns-Manville Corp.*, 60 B.R. 612, 619 (Bankr. S.D.N.Y. 1986) ("the phrase 'professional persons' as used in [Section] 327(a) is a term of art reserved for those persons who play an intimate role in the reorganization of a debtor's estate.")); *In re Lowry Graphics, Inc.*, 86 B.R. 74, 78 (Bankr. S.D. Tex. 1988) ("[A] person will be determined to be a 'professional' from an examination of the relation of the services performed to the administration of the case, rather than from an examination of the type of services rendered by that person").³

14. Further, section 327(b) of the Bankruptcy Code authorizes debtors to continue to employ and replace attorneys, accountants, or other professional persons, without the court's approval, if necessary in the operation of the business, and if the debtor has regularly employed such professionals on salary. 11 U.S.C. § 327(b). Moreover, section 327(e) of the Bankruptcy Code provides that "[t]he trustee, with the court's approval, may employ, for a specified special purpose, other than to represent the trustee in conducting the case, an attorney that has represented

³ *See also Elstead v. Nolden*, 168 B.R. 226, 230 (Bankr. N.D. Cal. 1994) (only the retention of professionals whose duties are central to the administration of the estate require prior court approval under Bankruptcy Code section 327); *In re Madison Mgmt. Grp., Inc.*, 137 B.R. 275, 283 (Bankr. N.D. Ill. 1992) (same); *In re Sieling Assocs. L P.*, 128 B.R. 721, 723 (Bankr. E.D. Va. 1991) (same); *In re Riker Indus., Inc.*, 122 B.R. 964, 973 (Bankr. N.D. Ohio 1990) (reasoning that there was no need for approval under the Bankruptcy Code section 327 of the fees of a management and consulting firm that performed only "routine administrative functions" and whose "services were not central to [the] bankruptcy case").

the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtors or to the estate with respect to the matter on which such attorney is to be employed.” 11 U.S.C. § 327(e)

15. Considering all of the aforementioned factors, the Debtors submit that the Ordinary Course Professionals are not “professionals” within the meaning of section 327 of the Bankruptcy Code whose retention must be approved by the Court. In particular, the Ordinary Course Professionals will not be involved in the administration of the Chapter 11 Cases. Rather, the Ordinary Course Professionals will provide services in connection with the Debtors’ ongoing business operations and services ordinarily provided by in-house counsel or other non-bankruptcy professionals, some of which have already been commenced prior to the Chapter 11 Cases. Nevertheless, out of an abundance of caution, the Debtors seek the relief requested in this Motion to avoid any subsequent controversy as to the Debtors’ employment and payment of the Ordinary Course Professionals during the Chapter 11 Cases. Moreover, the Debtors will request specific court authority under section 327 of the Bankruptcy Code to retain any professionals involved in the actual administration of the Chapter 11 Cases.

16. The Debtors and their estates would be well served by the continued retention of the Ordinary Course Professionals, because of their prior relationships with the Debtors and their understanding of the Debtors and their operations. Accordingly, the Debtors submit that the relief requested herein is in the best interest of all creditors and parties in interest and will avoid any disruption of the services provided by the Ordinary Course Professionals.

NOTICE

17. Notice of this Motion will be given to the parties on the Debtors’ Master Service List and all parties that have requested or that are required to receive notice pursuant to Bankruptcy

Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

18. A copy of this Motion is available on (a) the Court's website, at www.txs.uscourts.gov and (b) the website maintained by the Debtors' claims and noticing agent, Kurtzman Carson Consultants, LLC d/b/a Verita Global, at <https://www.veritaglobal.net/ModivCare>.

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WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order granting the relief requested in the Motion and such other and further relief as may be just and proper.

Dated: September 18, 2025
Houston, Texas

Respectfully submitted,

/s/ Timothy A. ("Tad") Davidson II

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*Proposed Attorneys for the Debtors
and Debtors in Possession*

CERTIFICATE OF SERVICE

I certify that on September 18, 2025, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on those parties registered to receive electronic notices.

/s/ Timothy A. ("Tad") Davidson II

Timothy A. ("Tad") Davidson II

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

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In re:	:	Chapter 11
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MODIVCARE INC., <i>et al.</i> ,	:	Case No. 25-90309 (ARP)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
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**ORDER AUTHORIZING DEBTORS TO RETAIN AND COMPENSATE
PROFESSIONALS USED IN THE ORDINARY COURSE OF BUSINESS**
[Relates to Motion at Docket No. ____]

Upon the motion (the “*Motion*”)² of the Debtors for entry of an order (this “*Order*”) authorizing the Debtors to retain and compensate professionals that they use in the ordinary course of business (the “*Ordinary Course Professionals*”), all as more fully set forth in the Motion; and the Court having reviewed the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. § 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary, except as set forth in the Motion with respect to entry of this Order; and upon the record herein; and after due deliberation thereon; and all objections, if

¹ A complete list of each of the Debtors in these chapter 11 cases (the “*Chapter 11 Cases*”) and the last four digits of each Debtor’s taxpayer identification number (if applicable) may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/ModivCare>. Debtor ModivCare Inc.’s principal place of business and the Debtors’ service address in these Chapter 11 Cases is 6900 E. Layton Avenue, Suite 1100 & 1200, Denver, Colorado 80237.

² Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Motion.

any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Debtors are authorized, but not directed, in their sole discretion to employ and compensate the Ordinary Course Professionals, including, but not limited to, those listed on **Exhibit A** attached hereto, in the ordinary course of their business, pursuant to the terms of this Order, in accordance with the following procedures for the retention and compensation of the Ordinary Course Professionals:

- a. Within thirty days of the date on which (i) this Order is entered or (ii) any Ordinary Course Professional begins work for the Debtors, whichever is later, the Debtors shall file a declaration of disinterestedness (the “***Declaration of Disinterestedness***”) on the docket of the Chapter 11 Cases, substantially in the form attached to this Order as **Exhibit B**, by which such Ordinary Course Professional will certify that it does not represent or hold any interest adverse to the Debtors or their estates with respect to the matter on which the professional is to be employed.
- b. The Debtors shall file and serve (with ECF or email service being sufficient) the Declaration of Disinterestedness on the following parties (collectively, the “***Notice Parties***”): (i) the Office of the United States Trustee for the Southern District of Texas; (ii) counsel to any statutory committees appointed in the chapter 11 cases; and (iii) counsel to the First Lien Agent and the Consenting Creditors.
- c. Any party in interest shall have 10 days after filing of the Declaration of Disinterestedness (the “***Objection Deadline***”) to file an objection on the docket of the Chapter 11 Cases to the retention, employment, or compensation of the Ordinary Course Professional. The objecting party shall serve any such objection upon the Debtors’ counsel and the respective Ordinary Course Professional on or before the Objection Deadline. If an objection is asserted by the Objection Deadline and such objection cannot be resolved, the Debtors shall schedule the matter for hearing before the Court.
- d. If no objections are filed and served by the Objection Deadline, the retention, employment, and compensation of the Ordinary Course Professional shall be

deemed approved by the Court without the need for a hearing or further order and the Debtors shall be authorized to pay such Ordinary Course Professional as set forth below.

- e. The Debtors reserve the right to modify the Ordinary Course Professional Schedule as necessary to add or remove Ordinary Course Professionals, from time to time, in their sole discretion. In the event that an Ordinary Course Professional is added to the Ordinary Course Professional Schedule, the Debtors will file a notice on the docket of the Chapter 11 Cases listing the additional Ordinary Course Professionals that the Debtors intend to employ (each, an “**Ordinary Course Professional Notice**”). Additionally, the Debtors will file a Declaration of Disinterestedness on the docket of the Chapter 11 Cases for each additional Ordinary Course Professional, and the same objection procedures described above shall apply.
- f. Subject to the objection procedures described above, and upon receipt of reasonably detailed invoices indicating the nature of the services rendered and calculated in accordance with such Ordinary Course Professional’s standard billing practices (without prejudice to the Debtors’ right to dispute any such invoices), the Debtors are authorized to pay compensation and reimburse expenses to each of the Ordinary Course Professionals retained pursuant to the Order in the customary manner and in the full amount billed by each such Ordinary Course Professional up to the monthly amount set forth for such Ordinary Course Professional on Exhibit A on average over the preceding three-month period on a rolling basis (the “**Ordinary Course Professional Cap**”).
- g. The Debtors may increase the Ordinary Course Professional Cap for any Ordinary Course Professional with the consent (email being sufficient) of the Notice Parties. Absent consent, the Debtors may file a motion seeking Court authority to increase the Ordinary Course Professional Cap for any Ordinary Course Professional.
- h. To the extent an Ordinary Course Professional seeks compensation in excess of the Ordinary Course Professional Cap (the “**Excess Fees**”), the Ordinary Course Professional shall file on the docket of the Chapter 11 Cases a Notice of Fees in Excess of the Ordinary Course Professional Cap (the “**Notice of Excess Fees**”) which shall include an invoice setting forth, in reasonable detail, the nature of the services rendered and disbursements actually incurred, including all time entries and fees incurred by the Ordinary Course Professional for the relevant month. Interested parties shall then have 14 days to file an objection on the docket of the Chapter 11 Cases to the Notice of Excess Fees. If after 14 days no objection is filed, the Excess Fees shall be deemed approved, and the Ordinary Course Professional may be paid 100% of its fees and 100% of its expenses without the need to file a fee application. For the avoidance of doubt, the Debtors are authorized to pay compensation and reimburse expenses of an Ordinary Course Professional up to the Ordinary Course Professional Cap,

notwithstanding the objection period set forth above for any Excess Fees. To the extent an Ordinary Course Professional seeks compensation in excess of the Ordinary Course Professional Cap on more than two occasions, the Debtors shall file an application to employ such Ordinary Course Professional pursuant to sections 327 and 328 of the Bankruptcy Code, as applicable, and such Ordinary Course Professional's subsequent compensation shall be governed by the Court's order, if any, approving such Ordinary Course Professional's employment.

- i. The foregoing proposed ordinary course retention and compensation procedures shall not apply to those professionals for whom the Debtors filed (or will file) separate applications for approval of employment, such as the Debtors' proposed bankruptcy counsel and/or financial restructuring advisors nor will they apply to professionals that are being paid by non-Debtor third parties.

2. To the extent that any agreement between the Debtors and an Ordinary Course Professional provides for the indemnification by the Debtors of such Ordinary Course Professional in connection with the services that are the subject of the Motion (each such agreement, an "***OCP Agreement***"), such indemnification provisions are approved, subject to the following modifications, applicable during the pendency of the Chapter 11 Cases:

- a. The Ordinary Course Professional shall not be entitled to indemnification, contribution, or reimbursement pursuant to the OCP Agreement for services other than the services provided under the OCP Agreement, unless such services and the indemnification, contribution, or reimbursement are approved by this Court.
- b. Notwithstanding anything to the contrary in the OCP Agreement, the Debtors shall have no obligation to indemnify the Ordinary Course Professional, or provide contribution or reimbursement to the Ordinary Course Professional, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from the Ordinary Course Professional's gross negligence, willful misconduct, bad faith, breach of fiduciary duty (if any), or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of the Ordinary Course Professional's contractual obligations if this Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; (iii) of any type for which this Court determines that indemnification, contribution, or reimbursement would not be permissible; or (iv) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or

expense for which the Ordinary Course Professional should not receive indemnity, contribution, or reimbursement under the terms of the OCP Agreement as modified by this Court.

- c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in the Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing the Chapter 11 Cases, the Ordinary Course Professional believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the OCP Agreement (as modified by this Order), including the advancement of defense costs, the Ordinary Course Professional must file an application therefor in this Court, and the Debtors may not pay any such amounts to the Ordinary Course Professional before the entry of an order by this Court approving the payment. All parties in interest shall retain the right to object to any demand by the Ordinary Course Professional for indemnification, contribution, or reimbursement. In the event that the Ordinary Course Professional seeks reimbursement from the Debtors for attorneys' fees and expenses in connection with the payment of an indemnity claim pursuant to the OCP Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in the Ordinary Course Professional's own applications, both interim and final, but determined by this Court after notice and a hearing.

3. The rights of the Debtors to request authority from this Court to increase the Ordinary Course Professional Cap prospectively are hereby reserved.

4. Nothing in this Order shall preclude an Ordinary Course Professional from subsequently seeking retention as an estate professional under section 327 or section 328 of the Bankruptcy Code.

5. Notwithstanding anything herein to the contrary, nothing in this Order shall prevent the U.S. Trustee from seeking a determination from this Court (a) requiring an Ordinary Course Professional to file a separate retention application under section 327(a) or section 327(e) of the Bankruptcy Code or (b) altering the amount of the Ordinary Course Professional Cap.

6. This Order shall not apply to any professional retained pursuant to a separate order of this Court.

7. The terms and conditions of this Order are immediately effective and enforceable upon its entry.

8. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order.

9. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Signed: _____, 2025
Houston, Texas

UNITED STATES BANKRUPTCY JUDGE

Exhibit A**Debtors' Ordinary Course Professionals**

Professional	OCP Type	Services Provided	Ordinary Course Professional Cap
KPMG LLP	Accounting	Accounting services	\$350,000.00
PwC US Tax LLP	Accounting	Accounting services	\$100,000.00
Gibson, Dunn & Crutcher LLP	Legal	Legal services	\$200,000.00
Polsinelli PC	Legal	Legal services	\$200,000.00
Littler Mendelson PC	Legal	Legal services	\$200,000.00
Nixon Peabody LLP	Legal	Legal services	\$340,000.00
Bradley Arant Boult Cummings LLP	Legal	Legal services	\$200,000.00
Willoughby Humphrey & D'Antoni PA	Legal	Legal services	\$200,000.00
Stevens & Lee P.C.	Legal	Legal services	\$200,000.00
Manatt, Phelps & Phillips, LLP	Legal	Legal services	\$50,000.00
Maine Street Solutions	Consulting	Contract and consulting services	\$5,000.00
Verrill & Dana LLP	Legal	Legal services	\$100,000.00
Willcox Savage Consulting LLC	Consulting & Legal	Contract and consulting services & Legal Services	\$150,000.00
Capital Impact Group LLC	Consulting	Contract and consulting services	\$6,000.00

Professional	OCP Type	Services Provided	Ordinary Course Professional Cap
M J Simon & Company LLC	Consulting	Contract and consulting services	\$30,000.00
FTI Consulting, Inc. (FlexStaff)	Temp Labor	Accounts receivable support	\$135,000.00
Kelley Consulting	Consulting	Contract and consulting services	\$7,500.00
Mercury Public Affairs, LLC	Consulting	Contract and consulting services	\$9,000.00
Gaffney Bennett and Associates, Inc.	Consulting	Contract and consulting services	\$5,000.00
SAUL EWING ARNSTEIN & LEHR LLP	Legal	Legal services	\$200,000.00
KRAMON & GRAHAM PA	Legal	Legal services	\$50,000.00
BONDURANT MIXSON & ELMORE LLP	Legal	Legal services	\$100,000.00
Honigman LLP	Legal	Legal services	\$100,000.00
BALCH & BINGHAM LLP	Legal	Legal services	\$50,000.00
Derryberry & Naifeh	Legal	Legal services	\$150,000.00
BOWLES RICE LLP	Legal	Legal services	\$100,000.00
JAMES MILLER & ASSOCIATES	Consulting	Contract and consulting services	\$7,000.00
NIELSEN MERKSAMER PARRINELLO GROSS LEONI	Legal	Legal services	\$7,000.00
BYRD GOMES LLC	Legal	Legal services	\$3,000.00
Baker & Hostetler LLP	Consulting	Contract and consulting services	\$20,000.00

Professional	OCP Type	Services Provided	Ordinary Course Professional Cap
FAEGRE DRINKER BIDDLE & REATH LLP	Consulting	Contract and consulting services	\$6,875.00
CAPITAL CITY CONSULTING, LLC	Consulting	Contract and consulting services	\$8,000.00
JL MORGAN COMPANY INC	Consulting	Contract and consulting services	\$8,000.00
ANDERSON RICHARD CONSULTING LLC	Consulting	Contract and consulting services	\$5,000.00
PERRY, WHITE, ROSS & JACOBSON LLC	Consulting	Contract and consulting services	\$6,000.00
McCall Hamilton Advocacy, LLC	Consulting	Contract and consulting services	\$4,000.00
CENTERPOINT360 LLC	Consulting	Contract and consulting services	\$25,000.00
1868 PUBLIC AFFAIRS LLC	Consulting	Contract and consulting services	\$7,500.00
HINMAN STRAUB ADVISORS LLC	Consulting	Contract and consulting services	\$7,500.00
SMITH ANDERSON BLOUNT DORSETT MITCHELL	Consulting	Contract and consulting services	\$6,500.00
AMBER INTEGRATED LLC	Consulting	Contract and consulting services	\$5,000.00
RIDGE POLICY GROUP	Consulting	Contract and consulting services	\$5,300.00
SOUTHERN STRATEGY GROUP, CHARLESTON AND COLUMBIA, SOUTH CAROLINA	Consulting	Contract and consulting services	\$5,000.00
WEST VIRGINIA LOBBYIST GROUP	Consulting	Contract and consulting services	\$7,500.00

Professional	OCP Type	Services Provided	Ordinary Course Professional Cap
CASTLEBERRY LAW FIRM	Legal	Legal services	\$100,000.00
GORDON REES SCULLY MANSUKHANI LLP	Legal	Legal services	\$75,000.00
Total			\$3,556,675.00

Exhibit B

Declaration of Disinterestedness

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

	X	
	:	
In re:	:	Chapter 11
	:	
MODIVCARE INC., <i>et al.</i> ,	:	Case No. 25-90309 (ARP)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
	X	

**DECLARATION OF DISINTERESTEDNESS OF [ENTITY] PURSUANT
TO ORDER AUTHORIZING THE RETENTION AND COMPENSATION OF
CERTAIN PROFESSIONALS USED IN THE ORDINARY COURSE OF BUSINESS**

I, [INSERT NAME], declare under penalty of perjury:

1. I am [INSERT TITLE] of [INSERT FIRM NAME], located at [INSERT FIRM ADDRESS] (the “***Firm***”). The Firm’s practice consists of: [INSERT BUSINESS DESCRIPTION].

2. Neither I, the Firm, nor any other owner or associate of the Firm, insofar as I have been able to ascertain, has any connection with the above-captioned debtors (collectively, the “***Debtors***”), their creditors, or any other parties in interest, or their attorneys, except as set forth in this declaration (this “***Declaration***”).

3. The Firm worked with the Debtors in the following capacities: [INSERT BUSINESS RELATIONSHIP WITH OR SERVICES PROVIDED TO THE DEBTORS].

¹ A complete list of each of the Debtors in these chapter 11 cases (the “***Chapter 11 Cases***”) and the last four digits of each Debtor’s taxpayer identification number (if applicable) may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/ModivCare>. Debtor ModivCare Inc.’s principal place of business and the Debtors’ service address in these Chapter 11 Cases is 6900 E. Layton Avenue, Suite 1100 & 1200, Denver, Colorado 80237.

4. The Debtors have requested that the Firm represent and advise the Debtors with respect to the above matters and such other matters as may be ordinarily rendered by the Firm, and the Firm has agreed to do so.

5. The Debtors owe the Firm \$[] for prepetition services, the payment of which is subject to limitations contained in the United States Bankruptcy Code, 11 U.S.C. §§ 101–1532.

6. I understand that the amount owed by any of the Debtors to the Firm for prepetition services will be treated as a general unsecured claim.

7. Except as set forth herein, no promises have been received by the Firm, or any owner or associate thereof, as to compensation in connection with the Debtors' chapter 11 cases, other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, the U.S. Trustee Guidelines, and all orders of the Bankruptcy Court.

8. The Firm and its owners may have in the past represented, currently represent, and may in the future represent, entities that are affiliates of, or related to, the Debtors or other parties in interest in the Debtors' chapter 11 cases or in matters unrelated to the Debtors' chapter 11 cases. However, the Firm does not, and will not, represent any such entity in connection with the Debtors' chapter 11 cases and does not have any relationship with any such entity, its attorneys, or accountants that would be materially adverse to the Debtors or their estates.

9. Neither I nor any principal, partner, director, officer, etc. of, or professional employed by, the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principal and regular employees of the Firm.

10. Neither I nor any principal, partner, director, officer, of or professional employed by, the Firm, insofar as I have been able to ascertain, holds, or represents any interest adverse to the Debtors or their estates with respect to the matter(s) upon which this Firm is to be employed.

11. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Declaration.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: _____,

[DECLARANT]