

# **EXHIBIT “A-1”**

# STONE HILTON

December 29, 2025

Winnie-Stowell Hospital District  
520 Broadway  
Winnie, Texas 77665  
c/o Mr. Edward Murrell

RE: Engagement for Legal Representation Regarding QIPP

Dear President Murrell:

We are grateful for the opportunity to represent you. Thank you for your trust. This letter (“Letter” or “Agreement” or “Engagement”) sets forth the scope and terms of our representation.

1. Parties: This Letter confirms that the Winnie-Stowell Hospital District (“You” or the “Client”) wishes to retain Stone Hilton PLLC (the “Firm” or “We”), to provide You with legal services in connection with the Medicaid Quality Incentive Payment Program (“QIPP”) and related regulatory, legislative, and litigation matters.

2. Scope of Representation: The Scope of this Representation includes the following (collectively, “the Matter”): Represent you in connection with QIPP, including providing you with counsel, legal analysis, consulting services, and representation in connection with any proposed or actual Federal HHS or Texas HHSC guidance or regulatory action, proposed state or federal legislation, and any related litigation; provide government relations services and consulting, in coordination with your existing consulting and lobbying team; if necessary, assist with and conduct all phases of litigation, including any investigation, pleadings, discovery, pretrial motions, settlement discussions, trial, and any post-judgment litigation or appellate proceedings before any U.S. court, up to and including the Supreme Court of the United States; conduct other related services, including legal consulting, public relations consulting, and government relations consulting, as directed by You; and perform miscellaneous research, drafting, and other tasks as they may arise in connection with the Matter that are necessary to the foregoing or as directed by You.

3. Fees: Our fees for this engagement are \$1,450 per hour for partner and senior counsel time; \$1,100 for counsel time; \$900 per hour for associate time; and \$250 per hour for legal assistant time. The Firm may also provide the services of government relations, public relations, and/or media consulting professionals, and the fees for such non-attorney professionals are \$500 per hour. We bill in tenth-hour increments and will send You an invoice for our services on approximately the last day of each month. Payment shall be due to the Firm upon receipt of the invoice.

4. Retainer: At the election of the Firm, You agree to provide a retainer against which fees or expenses incurred in connection with this matter may be drawn. The amount of the retainer shall be solely determined by the Firm and provided to us under a separate retainer agreement containing normal and customary terms that the Parties shall enter into in good faith. Your agreement to provide a sufficient retainer upon request on normal and customary terms is a material obligation of this Agreement. No retainer is being requested as of the date of this Agreement, but the Firm may do so in the future consistent with this paragraph.

5. Adjustment of Fees: The Parties agree that any expansion of the Scope of Representation shall be good cause for the Parties, at their discretion, to enter into a supplementary engagement letter regarding the Matter, which shall define the scope of such additional services, including but not limited to the initiation of litigation or similar matters, to be performed and the Fees to be paid for such additional services. Additionally, to the extent that the Firm raises its rates for similar services provided to other clients in accordance with market demands, the Firm may request from You a concomitant increase in its fees related to this Agreement, except that the Firm shall not make such a request for at least one year from the date of this Letter.

6. Expenses Regarding the Matter: In the course of providing services to You regarding the Matter, we may incur costs and expenses for services that include, but are not limited to, printing, photocopying, delivery services, postage, document binding, computerized legal research, deposition fees, court costs, filing fees, non-expert witness fees, travel, lodging, meals, and overtime for firm secretarial and other staff services. The actual costs and expenses incurred depend on the services that we provide to you. We also may need to seek the assistance of investigators, consultants, and expert witnesses (testifying or non-testifying), and retain e-discovery vendors and litigation support professionals to help collect, review, and exchange relevant documents, including electronically stored information. You agree to pay for these and other related costs and expenses reasonably incurred on Your behalf. You agree that the Firm may in its discretion issue, and You will pay, invoices for partial or complete payment of Matter-related costs and expenses as they are incurred.

7. Advancement of Expenses: At its sole discretion, the Firm may elect to advance all, some, or none of the Expenses Regarding the Matter described above that are incurred in the course of representation. Such an election does not affect Your obligation to pay for such costs or expenses upon the issuance of an invoice in accordance with this Agreement.

8. Other Expenses: The Firm may incur other expenses that contribute to the services provided to You but which are not included within the expenses described in Paragraph 6, to wit: non-attorney staff salaries, marketing costs, additional office space, and general overhead. Such expenses will not be charged to You unless they are incurred directly in connection with the Matter in order to serve a specific need of the Client.

9. Third-Party Payor: The Firm acknowledges that the Client may choose to satisfy the obligations under parts of this Agreement by directing payment to the Firm through another of



Your agents or through a Third-Party Payor, and that such payments shall correspondingly satisfy Your payment obligation under this Agreement. If you elect to use a Third-Party Payor to assist in financing this matter, whenever possible, You or Your agents will provide for direct payments of expenses described in paragraph 6 at the time that they are incurred by the Firm.

10. Work Outside Scope of Agreement: If You request or require additional work outside the scope of this Agreement, the Parties will enter into a separate agreement for that additional work. After this Engagement concludes for the Matter as defined herein, the Firm has no further obligation to advise you. As such, if there are any later legal developments that may impact Your future rights and liabilities, including changes in applicable laws or regulations, You will have to engage the Firm separately to advise on such developments. The Parties agree that the Firm, at its election, may require a separate engagement letter for any specific matter, which may include materially different terms and rates, as agreed by the Parties.

11. Termination: You may terminate the Firm's representation at any time. If You do so, any accrued expenses, including attorneys' fees, shall become due immediately on termination of the representation. The Firm may terminate its representation by giving You reasonable notice in accordance with applicable rules of professional responsibility. If the Firm does so, any accrued expenses, including attorneys' fees, shall become due 30 days following termination of the representation. Any termination under this paragraph must be made in writing, either via certified mail (which shall be effective upon actual receipt) or via email exchanged between the signatories to this Letter or their authorized representatives (which shall be effective upon transmission).

12. Representation Disclosures:

The Firm informs You of the following:

- A. Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise our clients to the contents of the Texas Lawyer's Creed, a copy of which is attached. In addition, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled Attorney Complaint Information is available in our office in Austin and is likewise available upon request. A client that has any questions about the State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1-800-932-1900 toll free.
- B. The State Bar of Texas requires the Attorneys to provide client(s) with the following information: "The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. Although not every complaint against or dispute with a lawyer involves professional misconduct, the State Bar's Office of General Counsel will provide You with information about how to file a complaint."
- C. The Firm subscribes to "The Texas Lawyer's Creed—A Mandate for Professionalism," promulgated by The Supreme Court of Texas. The Firm



intends to abide by this, and whenever the Firm is employed, the Firm's clients, by employing the Firm, consent to its application. A copy is attached hereto.

- D. Texas Attorneys are required in some circumstances to place client funds in an interest-bearing account, the interest from which must be paid directly by the financial institution to the Texas Equal Access to Justice Foundation. The Foundation is to distribute the interest to non-profit organizations that provide civic legal assistance to low-income residents of this state. Any retainer or other funds the Firm holds for its clients during this representation will probably be subject to this requirement.

13. Favorable Outcome Not Warranted: The Firm makes no warranties or representations concerning the outcome of any legal action. The Firm does not guarantee that it will obtain reimbursement of any costs, disbursements, fees, or expenses resulting from the investigation, correspondence, or litigation of the above-referenced claims.

14. Jurisdiction and Governing Law: This Agreement shall be construed in accordance with the laws of the State of Texas without regard to choice-of-law principles. Venue for any dispute under this Agreement is proper, if jurisdiction may be had there, in federal court in the Western District of Texas; if federal jurisdiction is not available, venue is otherwise proper in Travis County state court. The parties agree that, at the Firm's election, any dispute under this Agreement may be submitted to confidential and binding arbitration to take place in Texas, before an arbitrator of the Firm's choosing and under the then-effective rules of any arbitration association (such as AAA or JAMS) selected by the Firm, and that the costs of any arbitration are recoverable by the Firm in such an action. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

15. Tax Implications—No Tax Advice and No Financial or Investment Advice: Tax implications may arise from this Agreement, including but not limited to the taxation of any monetary or other recovery or settlement, including any award or payment of attorneys' fees. We do not provide tax advice. You agree and acknowledge that tax advice is not within the scope of our or the Firm's engagement and no discussion or communications we may have should be considered tax advice. You agree and understand that you should seek the counsel of an accountant or tax attorney to advise on all tax issues. Similarly, financial or investment issues may arise with respect to certain matters, and you agree and understand that we do not and will not provide financial or investment advice to you. You should seek the advice and guidance of a qualified investment firm or financial advisor regarding such matters. Our communications to you are not intended to be used, and shall not be used, by you or anybody, for the purpose of (i) avoiding penalties that may be imposed on the recipient under United States federal tax laws, or (ii) promoting, marketing, or recommending to another party any tax-related matters.

16. Conflict Waiver: Because of the nature of the Firm's broad legal practice, it is possible that our Attorneys may now or in the future represent parties in matters in which their interests are adverse to Your interests. You hereby agree that we may continue to represent or may



in the future represent new or existing clients in any matter that is not substantially related to our work for You, even if the interests of such clients in those matters may be adverse to You (directly or indirectly). If the Firm undertakes a conflicting representation, there is a risk that we may not be able to exercise professional judgment fully in Your interest. We believe that such risk is minimal and that we will be able to continue to represent You competently and diligently. In the event that an actual conflict arises, we may need to withdraw as counsel, which may result in increased expenses and delay. This risk, too, is minimal, as we will not undertake any representation that is directly adverse to Your interests in this engagement. To minimize risks further, no attorneys working on this engagement will work on any conflicting matter and an ethical wall will be created to separate the conflicting matter from this engagement. In addition, sensitive, proprietary, or other confidential information of a non-public nature concerning You that we acquire as a result of our representation of you will not be transmitted to lawyers who may work on such matters.

17. No Solicitation or Encouragement: You fully understand that You may select any attorney of your choice, and that by signing this agreement, you have willingly and freely chosen Stone Hilton PLLC to represent You, without solicitation, undue influence, barratry, bribery, or inappropriate encouragement. You affirm that this Agreement is fair and was not made through undue influence or pressure.

18. Client Documents: During the Engagement, we will maintain all non-transitory documents relevant to this representation. At the conclusion of this Engagement, we will retain Your original documents for a period of 2 years unless you request that they be returned to You. If You have not requested possession of the file or any of its contents at the end of 2 years, the file will be destroyed in accordance with our record retention program. This period may be lengthened or reduced by mutual written consent of the Parties, subject to any ongoing external litigation holds or legal document requests pending with the Firm.

19. Communication: It is important for the Firm and Clients to maintain open communication with each other throughout this Engagement. We will regularly keep You informed of the status of the matter and will promptly notify you of any major case developments. We will consult with You whenever appropriate. You agree to communicate with the Firm and provide the Firm with complete and accurate information as needed to further this case.

20. Media and Publicity: You agree that the Firm may identify You publicly as a client—for example, in marketing materials or in the media—with a brief description of the nature of our representation. In doing so, we will not disclose any other confidential information of Yours.

21. Additional Matters: If we are engaged to represent You in other matters per your instructing us to do so, the terms of this Agreement shall apply to any such matters unless and until we enter into an express written agreement reflecting an alternate arrangement.

22. Entire Agreement: This Agreement constitutes the sole and entire Agreement between You and the Firm with respect to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both



written and oral, with respect to the subject matter. Any modifications to this Agreement shall be agreed to by all Parties in writing.

23. Severability/Interpretation: The fact that a particular provision of this Agreement is held under any applicable law to be void or unenforceable in no way affects the validity of other provisions, and this Agreement will continue to be binding on both Parties. Any provision that is held to be void or unenforceable will be interpreted by the Parties or the courts to be replaced with language that is as close as possible to the intent of the original provision so as to effectuate the purpose of this Agreement. Any ambiguous or conflicting terms shall be interpreted and construed in such a manner as to accomplish the purpose of this Agreement.

24. Counterparts: This Agreement may be executed in multiple counterparts via wet ink or electronic signature and shall be effective as of the date of this Letter upon execution by both parties. Each signatory to this Agreement represents and warrants that they have full authority to enter into this agreement on behalf of the party for whom they execute this Agreement.

Please review this Letter carefully and contact the Firm if you have any questions or concerns. If you agree to the terms of this letter, please sign and return it to the Firm's attention. You may retain the enclosed copy for your files.

Again, thank you for the opportunity to serve you.

FOR Stone Hilton PLLC:

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Christopher D. Hilton

Dated: \_\_\_\_\_

FOR Winnie-Stowell Hospital District:

\_\_\_\_\_  
Mr. Edward Murrell,  
President, Board of Directors

Dated: \_\_\_\_\_



# **EXHIBIT “A-2”**

# STONE HILTON

December 29, 2025

Winnie-Stowell Hospital District  
520 Broadway  
Winnie, Texas 77665  
c/o Mr. Edward Murrell

RE: Retainer for Engagement for Legal Representation Regarding QIPP

Dear President Murrell:

We are grateful for the opportunity to represent your interests. Consistent with our engagement agreement of December 29, 2025 (“Engagement Agreement”), this letter sets out the terms of the refundable retainer the Winnie-Stowell Hospital District (“You” or the “Client”) shall provide to Stone Hilton PLLC in connection with this matter. This letter expressly supplements, and is incorporated into, the Engagement Agreement.

1. Retainer: You shall transmit to the Firm \$50,000.00 (the “Retainer”) by check or wire transfer in connection with this agreement. The Firm has determined, and the parties agree, that any Client funds held in trust by the Firm cannot reasonably be expected to earn interest in excess of the cost of maintaining a separate account because such funds are reasonably anticipated to be held for a relatively short period of time. Accordingly, the Firm shall deposit the Retainer in a separate, non-interest-bearing IOLTA<sup>1</sup> account.

2. Invoicing: The Firm shall send monthly invoices per the Engagement Agreement. The parties contemplate that those invoiced amounts shall reflect fully earned fees and reimbursements for cost advances under the terms of the engagement. Accordingly, the Parties intend for all services to be paid out of the Retainer.

3. Disputes: If You dispute any of the legal charges on an invoice for any reason, You will notify the firm within 14 days of receipt of the invoice that reflects the disputed charge. After 14 days, if you have not notified the Firm of any potential disputes, the Firm shall draw from the Retainer the full amount of the invoice. If You dispute only a portion of the invoice, the Firm shall draw from the Retainer the undisputed amount of the invoice, and the disputed amount shall remain in the IOLTA account until the parties resolve the dispute. In the event that a dispute regarding an invoice does not make itself apparent until after the disputed amounts have already been drawn

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<sup>1</sup> IOLTA stands for “Interest on Lawyers’ Trust Accounts” and refers to the accounts established for the benefit of the Texas Equal Access to Justice Program under Article XI of the Texas State Bar Rules.

from the Retainer, the Firm shall promptly deposit into the IOLTA account the disputed amount upon notification until the dispute is resolved. The parties contemplate that such disputes, if any, shall be resolved amicably and informally.

4. Replenishment of Retainer: If any invoice reduces the remaining amount of the Retainer below \$10,000.00, You agree to transmit to Stone Hilton additional amounts to replenish the Retainer to the full amount specified in paragraph 1 within 14 days of notification by the Firm. If an invoice exceeds the remaining amount of the Retainer, the Firm may draw from the Retainer in accordance with the terms of this Agreement until it is exhausted, and then draw any remaining unpaid amounts from the Retainer following replenishment.

5. Refundable Retainer Agreement: The Retainer collected pursuant to this agreement is refundable. At the conclusion of this Matter or the termination of the representation, the Firm shall promptly return any unearned portion of the Retainer per Your instructions.

6. Duration: The parties contemplate that the Retainer agreement will last for the duration of the Matter or until the representation agreement is terminated, whichever comes first. It shall terminate upon refund of any unearned balance of the Retainer and payment of any outstanding invoices from the Firm, if any, or upon termination of the representation agreement should no amounts be owed.

7. Jurisdiction and Governing Law: This Retainer agreement shall be construed in accordance with the laws of the State of Texas without regard to Texas choice-of-law principles. Venue for any dispute under this agreement is proper, if jurisdiction may be had there, in federal court in the Western District of Texas; if federal jurisdiction is not available, venue is otherwise proper in Travis County state court. This agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

8. Severability/Interpretation: The fact that a particular provision of this agreement is held under any applicable law to be void or unenforceable in no way affects the validity of other provisions, and this agreement will continue to be binding on the parties. Any provision that is held to be void or unenforceable will be interpreted by the parties or the courts to be replaced with language that is as close as possible to the intent of the original provision so as to effectuate the purpose of this agreement. Any ambiguous or conflicting terms shall be interpreted and construed in such a manner as to accomplish the purpose of this agreement.

9. Third-Party Payor: The Firm acknowledges that you may choose to satisfy your obligation hereunder by directing payment to the Firm through another of your agents or through a Third-Party Payor, and that such payments shall satisfy your obligation under this Agreement. For any portion of any retainer paid to Stone Hilton PLLC by a third-party payor, the unused portions will be refunded to the payor.

10. Counterparts: This Agreement may be executed in multiple counterparts via wet ink or electronic signature and shall be effective upon execution by both parties.



Please review this Retainer agreement carefully and contact the Firm if you have any questions or concerns. If you agree to the terms of this agreement, please sign and return it to the Firm's attention. You may retain a copy for your files.

Again, thank you for the opportunity to serve you.

FOR Stone Hilton PLLC:

\_\_\_\_\_  
Christopher D. Hilton

Dated: \_\_\_\_\_

FOR Winnie-Stowell Hospital District:

\_\_\_\_\_  
Mr. Edward Murrell  
President, Board of Directors

Dated: \_\_\_\_\_

