IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

JERRY W. RAY, on Behalf of Himself and Others Similarly Situated, Plaintiff, v. ADAPTHEALTH CORP., Defendant.	Case No: 1:22-cv-00898-TDS-JGM

PLAINTIFF'S BRIEF IN SUPPORT OF HIS UNOPPOSED MOTION FOR AN INCENTIVE AWARD

Plaintiff Jerry W. Ray, on behalf of himself and others similarly situated, respectfully submits this brief in support of his Unopposed Motion for an Incentive Award.

Introduction

Just over four years ago, Plaintiff filed this case against Defendant AdaptHealth Corp. because it continued billing him for 19 months after he returned the medical equipment he leased from it. After Plaintiff uncovered evidence that the issues he faced with Defendant's billing were widespread, he sought leave to file a class action on behalf of all North Carolina consumers who purchased, leased, or rented medical equipment from Defendant and were sent one or more debt collection bills for charges they did not owe. The Court granted Plaintiff's motion, and over the next two and a half years, the parties engaged in extensive discovery, motions practice, and multiple rounds of mediation. Throughout all this, Plaintiff tirelessly advocated for the classes, and as a result, the parties

reached a settlement by which Defendant will pay more than $14 million to resolve their claims.

The Class Action Settlement Agreement[1] will provide meaningful relief to members of two Settlement Classes. Specifically, the 464 Settlement Class A members, who were billed for dates of service after returning, rejecting, or never receiving equipment from Defendant, will each receive $3,500, and the 142,539 Settlement Class C members, to whom Defendant sent bills falsely indicating it may engage an attorney to collect their purported debts, will each receive $47. These amounts exceed those recovered in many similar class actions, and they were only possible because Plaintiff was engaged at every stage. For example, he kept meticulous records. He regularly met with and discussed the case with Class Counsel. He reviewed and provided feedback on each version of the complaint, each substantive motion, each expert report, numerous draft discovery requests, Defendant's discovery responses, each deposition transcript, and the key documents Defendant produced. And he actively participated in settlement discussions, strategy, and multiple rounds of mediation. Without Plaintiff, the Class Action Settlement Agreement would not have been reached, and the Settlement Classes would not have received any recovery. The Court should therefore grant Plaintiff's motion and approve a $100,000 Incentive Award.

[1] Capitalized terms not otherwise defined herein are defined in the Class Action Settlement Agreement (Doc. 131).

Background

Plaintiff was hospitalized with COVID-19 in January 2021. (Doc. 105 ¶ 27.) When he was discharged, his physician prescribed oxygen. (*Id.* ¶ 29.) Defendant leases and sells medical equipment, including oxygen supplies, to consumers like Plaintiff, and it delivered three oxygen tanks and a compressor to his home on the day he was released from the hospital. (*Id.* ¶¶ 13, 28–30.) Plaintiff used Defendant's equipment for 24 days and then returned it according to Defendant's instructions. (*Id.* ¶¶ 32–36.) Approximately two weeks later, Defendant billed Plaintiff for more than he owed, and he paid. (*Id.* ¶¶ 37–39.)

This notwithstanding, over the next 19 months, Defendant sent Plaintiff at least 48 more bills, demanding that he pay amounts he did not owe. (*Id.* ¶ 40.) While Defendant was billing Plaintiff, he called its 1-800 number and spoke with its representatives three times, explaining that he did not owe Defendant any money, and he sent Defendant at least seven letters disputing his alleged debt. (*Id.* ¶¶ 42, 46, 49, 54, 56, 59, 65, 71, 75, 86.) But despite Plaintiff's efforts, Defendant's bills kept coming. Defendant eventually engaged a collection agency, Simm Associates, Inc., to pursue Plaintiff, which prompted him to hire an attorney to dispute Defendant's billing. (*Id.* ¶¶ 58, 83.) Even so, Defendant continued billing Plaintiff for over five more months. (*Id.* ¶¶ 83, 105.) All in all, Defendant sent Plaintiff at least four types of bills, including its "Seriously Past Due" and "Final Demand" bills, which respectively state that Defendant "will review the account to determine whether to engage a collection agency or attorney to pursue this debt" and "we must now make a decision to forward your account to an attorney or collection agency for resolution." (*Id.* ¶¶ 41–106.)

Plaintiff filed this case against Defendant, Family Medical Supply, LLC, and Simm Associates, Inc. in October 2022, asserting claims under the North Carolina Debt Collection Act ("NCDCA"), the Fair Debt Collection Practices Act ("FDCPA"), the North Carolina Fair Debt Collection Practices Act ("NCFDCPA"), and the North Carolina Unfair and Deceptive Trade Practices Act ("NCUDTPA"). (*See generally* Doc. 1.) After filing his complaint, Plaintiff settled with Simm and discovered that Defendant's wrongful billing was not a one-off, so he asked the Court for leave to file a class action on behalf of all North Carolina consumers "who purchased, leased, or rented medical equipment … from AdaptHealth" and "were sent one or more debt collection bills or notices" for "charge[s] the individual did not owe," and the Court granted his motion.[2] (Doc. 32-1, p. 27 ¶ 124; Doc. 32.)

After discovery and an early motion for class certification, Plaintiff sought leave to amend his class action complaint to address concerns Defendant raised in its opposition to class certification, as well as to address Defendant's sworn admission that it does not litigate against patients to collect their purported debts. (*See generally* Docs. 69, 81, 83, 90.) The Court granted Plaintiff's motion, (May 15, 2025, Text Order), and he then filed the operative Amended Class Action Complaint, which alleges claims on behalf of the following proposed classes:

[2] Plaintiff withdrew from this case his separate FDCPA, NCFDCPA, and UDTPA claims, as well as all his claims against Family Medical Supply, when he filed the class action complaint. (*See generally* Doc. 50.) Plaintiff later separately settled his individual claims against Defendant under these other federal and North Carolina statutes in April 2026. (*See* Joint Notice Concerning Agreement Made in Connection with Proposed Class Settlement; Ray Decl. ¶ 40.)

- Class A ("Billed After Date of Service Class") consists of North Carolina consumers who were billed for dates of service after returning, rejecting, or never receiving equipment from Defendant.

- Class B ("Late Fee Class") consists of proposed Class A members whom Defendant threatened with or assessed late fees based on these non-existent debts.

- Class C ("Legal Action Class") consists of North Carolina consumers to whom Defendant sent its standardized "Seriously Past Due" or "Final Demand" bills, which falsely threaten that Defendant may engage an attorney to pursue the consumers' purported debts.

(Doc. 105 ¶¶ 132–34.)

Plaintiff continued pursuing written discovery from Defendant after filing the Amended Class Action Complaint, and he also disclosed reports and other supporting materials for four expert witnesses. (Doc. 124, p. 4.) While expert discovery was ongoing, the parties participated in two mediations, which ultimately facilitated a tentative settlement. (*Id.*) After extensive negotiations, the parties signed a Class Action Settlement Agreement in April 2026, under which Defendant agreed to pay $14,311,500 to resolve the putative classes' claims. (*Id.*)

The lion's share of this money will be used to fund two Settlement Funds, out of which the members of two Settlement Classes, Settlement Classes A and C, will be compensated for the issues they experienced with Defendant's billing.[3] (*Id.* at 4–5.) The 464 members of Settlement Class A, who purchased, leased, or rented medical equipment, supplies, and/or other products from Defendant and were subsequently billed for a date of

[3] There is no Settlement Class B because each member of Plaintiff's proposed Class B is also a member of Settlement Class A and will already receive substantial relief as such. (*See* Doc. 124, p. 4 n.2.)

service between April 3, 2019, and April 3, 2025, despite having returned, rejected, or never receiving the equipment, will each receive $3,500. (*Id.* at 5–6.) And the 142,539 Settlement Class C members, who purchased, leased, or rented equipment from Defendant and were subsequently sent "Seriously Past Due" or "Final Demand" bills associated with dates of service between April 3, 2019, and March 31, 2026, will each receive $47. (*Id.*)

The Class Action Settlement Agreement also creates a $100,000 Incentive Fund, out of which Plaintiff may request an Incentive Award up to that amount for serving as the class representative, and it further provides that Plaintiff and Defendant will accept the amount the Court decides to approve. (Doc. 131, pp. 10 § 1.1.30, 21 § 6.1.) Plaintiff now moves for approval of a $100,000 Incentive Award, which he respectfully submits is warranted because he has tirelessly advocated on behalf of the classes' interests, obtained substantial relief for each class member, and dedicated a great deal of time and effort to litigating this case over the last four years.

Indeed, as Plaintiff details in his declaration, despite now being 80 years old, he has spent approximately 295 hours keeping meticulous records; meeting with and discussing the case with Class Counsel; reviewing and providing feedback on each version of the complaint, each substantive motion, each expert report, numerous draft discovery requests, Defendant's discovery responses, each deposition transcript, and the key documents Defendant produced; and actively participating in settlement discussions and multiple rounds of mediation. (*See* Ray Decl. ¶¶ 4, 22–35.) Plaintiff's efforts have come at considerable personal cost, as they almost certainly delayed his personal recovery and have caused him "countless sleepless nights and many hours of worrying, stress, and anxiety."

(*Id.* ¶¶ 27, 38.) Plaintiff did not have to endure these hardships because, "[s]everal times throughout the Litigation, [he] had opportunities to settle all of [his] claims against [Defendant] and abandon [his] request for class-wide relief." (*Id.* ¶ 37.) But Plaintiff refused to do so, "because [he] was strongly convicted that people like [his] own parents and others [he] know[s] who do not have access to lawyers … should not experience the billing issues [he] experienced without a remedy." (*Id.*) Defendant does not oppose approval of the $100,000 Incentive Award. (Doc. 131, p. 21 § 6.1.)

Argument

Courts have discretion to award class representatives a monetary payment for acting as the class representative, which is usually called an "incentive" or "service" award. *See Berry v. Schulman*, 807 F.3d 600, 613 (4th Cir. 2015). Incentive awards are "fairly typical." *Id.* (quoting *Rodriguez v. W. Publ'g Corp.*, 563 F.3d 948, 958 (9th Cir. 2009)). Courts approve them "to compensate class representatives for work done on behalf of the class," "to make up for financial or reputational risk undertaken in bringing the action," and "to recognize their willingness to act as a private attorney general." *Id.* (quoting *Rodriguez*, 563 F.3d at 958–59); *see also Savani v. URS Pro. Sols. LLC*, 121 F. Supp. 3d 564, 577 (D.S.C. 2015) ("Serving as a class representative is a burdensome task and … without class representatives, the entire class would receive nothing." (citation omitted)).

When deciding "whether an incentive payment is warranted," courts generally consider (1) "the actions the plaintiff has taken to protect the interests of the class," (2) "the degree to which the class has benefitted from those actions," and (3) "the amount of time and effort the plaintiff expended in pursuing the litigation." *Decohen v. Abbasi, LLC*, 299

F.R.D. 469, 483 (D. Md. 2014) (quoting *Cook v. Niedert*, 142 F.3d 1004, 1016 (7th Cir. 1998)); *accord Weckesser v. Knight Enters. S.E., LLC*, 402 F. Supp. 3d 302, 307 (D.S.C. 2019); *Kirkpatrick v. Cardinal Innovations Healthcare Sols.*, 352 F. Supp. 3d 499, 507–08 (M.D.N.C. 2018). Each factor supports approving Plaintiff's requested Incentive Award.

I. Plaintiff has been actively involved in litigating this case on the classes' behalf at every stage.

Plaintiff brought Defendant's billing problems to Class Counsel's attention at the outset. (Ray Decl. ¶ 23); *see Decohen*, 299 F.R.D. at 483 (approving the requested incentive payment where the class representative "brought the case to the attention of counsel"); *Singleton v. Domino's Pizza, LLC*, 976 F. Supp. 2d 665, 691 (D. Md. 2013); *Kirven v. Cent. States Health & Life Co. of Omaha*, No. 3:11-2149-MBS, 2015 WL 1314086, at *14 (D.S.C. Mar. 23, 2015). And when he came to Class Counsel, he came armed with the extensive records he compiled during the 19 months in which Defendant was billing him, including copies of each of its form bills, which ultimately proved pivotal to settling the case. (Ray Decl. ¶ 24); *see Boyd v. Coventry Health Care Inc.*, 299 F.R.D. 451, 469 (D. Md. 2014) (approving the requested incentive award where the class representative "provid[ed] class counsel extensive information and materials"); *Bailey v. Mercury Fin., LLC*, No. DKC 23-0827, 2025 WL 3211015, at *11 (D. Md. Nov. 18, 2025).

After filing, Plaintiff continued advocating the classes' interests in several key ways. He monitored the status of the case and engaged in numerous calls and in-person meetings with Class Counsel to discuss the same. (Ray Decl. ¶ 35); *see Ciarciello v. Bioventus Inc.*, 760 F. Supp. 3d 377, 403 (M.D.N.C. 2024) (approving the requested incentive award where

the class representative was "in regular contact with Lead Counsel"). He reviewed and provided feedback on each version of the complaint, each substantive motion, each expert report, numerous draft discovery requests, Defendant's discovery responses, each deposition, and the key documents Defendant produced. (Ray Decl. ¶¶ 25–26, 30, 33); *see Ciarciello*, 760 F. Supp. 3d at 403 (approving the requested incentive award where the class representative "reviewed major motions and pleadings" and participated in discovery); *Singleton*, 976 F. Supp. 2d at 691 (approving the requested incentive award where the class representatives "spent a considerable amount of time … reviewing pleadings and correspondence" (cleaned up)); *Shealy v. Dixon Hughes, PLLC*, No. 2:10-cv-714-DCN, 2011 WL 13323837, at *6–7 (D.S.C. Oct. 24, 2011) (approving the requested incentive award where the class representatives actively participated in discovery). And he actively engaged in settlement discussions, strategy, and multiple rounds of mediation. (Ray Decl. ¶¶ 31–32, 35); *see Ciarciello*, 760 F. Supp. 3d at 403 (approving the requested incentive award where the class representative "prepared for and participated in … the full day mediation session"); *In re Interior Molded Doors Indirect Purchaser Antitrust Litig.*, No. 3:18-cv-00850-JAG, 2021 WL 5195089, at *4 (E.D. Va. July 27, 2021) (recognizing a class representative's participation in "litigation strategy" and "settlement negotiations" supports an incentive award); *Decohen*, 299 F.R.D. at 483 (approving the requested incentive award where the class representative consulted with class counsel regularly during mediation).

"District courts in this Circuit have approved service awards of up to $125,000 for plaintiff class representatives for providing information to class counsel, receiving and approving pleadings, assisting in discovery, and participating in settlement discussions,"

and Plaintiff engaged in all these activities here. *In re Interior Molded Doors*, 2021 WL 5195089, at *4; *see also Seaman v. Duke Univ.*, No. 1:15-CV-462, 2019 WL 4674758, at *7 (M.D.N.C. Sept. 25, 2019) (concluding the requested $125,000 incentive award was "fair and reasonable" where the class representative "devoted many hours of her time advancing this litigation by participating in litigation strategy, discovery, settlement negotiations, and mediation"). The first factor therefore favors approving Plaintiff's requested Incentive Award.

II. The Settlement Classes are receiving significant relief due to Plaintiff's efforts.

Defendant agreed to pay $14,311,500 to resolve the classes' claims. This amount exceeds the totals recovered in many similar class actions. *See, e.g.*, *Williams v. PHH Mortg. Corp.*, No. 3:25-CV-00144-KDB-WCM, 2026 WL 1782163, at *2, *4 (W.D.N.C. June 22, 2026) (approving $1,700,000 settlement in class action alleging the defendant "sent notice of default letters" containing "false threats" to consumers under, *inter alia*, the NCDCA); *Koepplinger v. Seterus, Inc.*, No. 1:17-CV-995, Dkt. No. 123, at 2, 7 (M.D.N.C. Apr. 16, 2021) (approving $7,000,000 settlement of a class action alleging the defendant used "form letters …, which threatened to accelerate loans and foreclose on the plaintiffs' homes if they did not make a full and complete payment … within a specified date certain …, contradicting [Defendant]'s actual policy" under, *inter alia*, the NCDCA).

This money will provide substantial compensation for the members of the Settlement Classes. All 464 members of Settlement Class A—those who were billed for dates of service after returning, rejecting, or never receiving equipment from Defendant—will receive $3,500. And all 142,539 members of Settlement Class C—those to whom

Defendant sent "Seriously Past Due" or "Final Demand" bills falsely suggesting it would engage an attorney to pursue their supposed debt—will receive $47. This is significant monetary relief for the members of the Settlement Classes, many of whom are senior citizens and/or suffer from chronic medical conditions, and it exceeds the amounts individual class members received through many similar class actions. *See, e.g.*, *Williams*, 2026 WL 1782163, at *2, *4 (approving a settlement in an FDCPA and NCDCA class action under which the FDCPA class members would receive $4.34 and the NCDCA class members would receive $45.46); *Dickens ex rel. Est. of Dickens v. GC Servs. Ltd. P'ship*, No. 8:16-cv-803-T-30TGW, 2019 WL 2280456, at *1–2 (M.D. Fla. May 28, 2019) (approving a settlement in an FDCPA class action under which each class member would receive $10.00); *Good v. Nationwide Credit, Inc.*, 314 F.R.D. 141, 148, 150 (E.D. Pa. 2016) (approving a settlement in an FDCPA class action under which class members would receive $13.25); *Little-King v. Hayt Hayt & Landau*, No. 11-5621 (MAH), 2013 WL 4874349, at *1–3 (D.N.J. Sept. 10, 2013) (approving a settlement in an FDCPA class action under which class members would receive approximately $7.87); *Ayzelman v. Statewide Credit Servs. Corp.*, 242 F.R.D. 23, 25, 28 (E.D.N.Y. 2007) (approving a settlement in an FDCPA class action under which class members would receive $15.09).

"[A] named plaintiff is an essential ingredient of any class action," so courts have recognized a class representative's mere willingness to serve as the named plaintiff as a factor supporting an incentive award. *Boyd*, 299 F.R.D. at 468 (quoting *Cook*, 142 F.3d at 1016). But here, Plaintiff did more than passively lend his name to the case. Rather, he actively participated in each step of the litigation, and the members of Settlement Classes

A and C will now receive $3,500 and $47, respectively, thanks to his efforts. *See, e.g.*, *Savani*, 121 F. Supp. 3d at 577 (concluding "a substantial incentive award is appropriate in this … case given the benefits accruing to the entire class in part resulting from [the named plaintiff]'s efforts" and noting that "serving as a class representative is a burdensome task," without which "the entire class would receive nothing" (cleaned up)). The second factor thus supports approving Plaintiff's requested Incentive Award.

III. Plaintiff has invested considerable time and effort in this case.

Over the last four years, Plaintiff, who is now 80 years old, estimates that he has dedicated approximately 295 hours to this case. (Ray Decl. ¶¶ 4, 36.) At a high level, Plaintiff spent most of this time keeping meticulous records about the case and discussing them with Class Counsel; reviewing and providing Class Counsel with feedback on each version of the complaint, each substantive motion, and each expert report; and participating in discovery, settlement strategy, and multiple rounds of mediation. (*Id.* ¶¶ 24–35.)

For instance, Plaintiff participated in dozens of calls, attended at least 10 in-person meetings, and exchanged over 100 emails with Class Counsel. (*Id.* ¶ 35.) He reviewed around 3,000 pages of filings and related documents, including each version of the parties' pleadings, each substantive motion and the related briefing, and all the parties' settlement-related filings, and he provided Class Counsel with detailed feedback on the same. (*Id.* ¶¶ 25–26, 30, 32–34.) He reviewed approximately 360 pages of deposition transcripts and 60 pages of expert reports. (*Id.*) And he participated in two hard-fought mediations, lasting 12 hours in total. (*Id.* ¶ 31.) These efforts came at significant expense to Plaintiff, as they almost certainly delayed his personal recovery and caused him "countless sleepless nights

and many hours of worrying, stress, and anxiety." (*Id.* ¶¶ 27, 38.) Because Plaintiff spent nearly 300 hours litigating this case—at considerable personal expense—the third factor favors approving his requested Incentive Award. *See, e.g.*, *Feinberg v. T. Rowe Price Grp.*, 610 F. Supp. 3d 758, 774 (D. Md. 2022) (approving the requested incentive awards because "the Class Representatives spent considerable time representing the Class" (cleaned up)); *Savani v. URS Pro. Sols. LLC*, No. 1:06-cv-02805-JMC, 2014 WL 172503, at *10 (D.S.C. Jan. 15, 2014) (approving the requested incentive award where "[t]he record demonstrate[d] significant time and effort expended by [the named plaintiff] in representing the Class").

IV. The considerations that make an incentive award inappropriate are not at play.

The Fourth Circuit has cautioned that incentive awards should be carefully scrutinized if "a settlement gives preferential treatment to the named plaintiff[] while only perfunctory relief to unnamed class members," the incentive award is agreed to "at the onset of litigation" or is "conditioned on class representative support for a settlement," and there is evidence that the named plaintiff "compromise[d] the interest of the class for personal gain." *Berry*, 807 F.3d at 613 (cleaned up). None of these concerns are applicable here. The Settlement Classes are receiving substantial relief, the requested Incentive Award was neither negotiated at the outset of the litigation nor conditioned on Plaintiff supporting the Class Action Settlement Agreement, and there is no evidence that Plaintiff compromised the classes' interests for his own gain. Quite the contrary, the Settlement Classes are receiving meaningful relief due to Plaintiff's diligent efforts on their behalf, as detailed above, and Plaintiff repeatedly passed up "opportunities to settle all of [his] claims

against [Defendant] and abandon [his] request for class-wide relief … because [he] was strongly convicted that people … who do not have access to lawyers … should not experience the billing issues [he] experienced without a remedy." (Ray Decl. ¶ 37.)

Conclusion

Despite being 80 years old, over the last four years, Plaintiff has worked tirelessly to further the classes' interests. He has dedicated approximately 295 hours to, *inter alia*, keeping meticulous records, meeting with and discussing the case with Class Counsel, reviewing and providing feedback on every key filing and discovery material, and actively participating in settlement discussions, strategy, and multiple rounds of mediation. As a result of his efforts, which came at considerable personal expense, the members of Settlement Classes A and C will now receive $3,500 and $47, respectively, which they would not have otherwise recovered. The Court should therefore grant Plaintiff's Unopposed Motion for an Incentive Award.

Respectfully submitted, this 12th day of November 2026.

KILPATRICK TOWNSEND & STOCKTON LLP

/s/ Chad D. Hansen
Richard J. Keshian (N.C. Bar No. 10681)
Chad D. Hansen (N.C. Bar No. 32713)
1001 West Fourth Street
Winston-Salem, NC 27101
Telephone: (336) 607-7300
Facsimile: (336) 607-7500
rkeshian@ktslaw.com
chadhansen@ktslaw.com

Counsel for Plaintiff Jerry W. Ray and the Settlement Classes

CERTIFICATE OF WORD COUNT

The undersigned hereby certifies that this Brief complies with Local Rule 7.3(d)(1). It was created using Microsoft Word and contains fewer than 6,250 words exclusive of the caption, signature block, certificate of word count, and certificate of service according to Word's word count.

This 12th day of November 2026.

/s/ Chad D. Hansen
Chad D. Hansen

Counsel for Plaintiff Jerry W. Ray and the Settlement Classes

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date I electronically filed the foregoing brief using CM/ECF, which will notify all counsel of record.

This 12th day of November 2026.

/s/ Chad D. Hansen
Chad D. Hansen

Counsel for Plaintiff Jerry W. Ray and the Settlement Classes