

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE ("Settlement Agreement") is entered into this 27th day of July, 2016 ("Effective Date") by and between SECOND INNING I ADULT DAY CARE ("SECOND INNING"), represented by William P. Isele, Esq., of Archer & Greiner P.C.; and STATE OF NEW JERSEY, OFFICE OF THE STATE COMPTROLLER, MEDICAID FRAUD DIVISION ("MFD"). Second Inning and MFD are hereinafter collectively referred to as the "Parties" and each individually as a "Party."

WHEREAS, MFD investigated SECOND INNING and has asserted that between March 7, 2009 and September 8, 2012, SECOND INNING failed to have proper staff on site while providing care to recipients, as required by regulation, in violation of N.J.A.C. 10:49-5.5(a)17, N.J.A.C. 10:49-9.8, N.J.A.C. 8:43F-3.1 and N.J.A.C. 8:43F-7.1, and during the month of November 2009 submitted and was paid for claims not supported by clinical documentation, as required by regulation, in violation of N.J.S.A. 30:4D-12, N.J.A.C. 10:49-9.8.

WHEREAS, on February 10, 2015, MFD issued a Notice of Claim, Notice of Withhold and Notice of Filing of Certificate of Debt to SECOND INNING seeking a recovery for payments on claims, for the time period and conduct referenced in the preceding paragraph, under the Medicaid program in the amount of \$773,071.70 (hereinafter referred to as the "Recovery"); and

WHEREAS, on February 10, 2015, MFD filed a Certificate of Debt [REDACTED] against SECOND INNING; and

WHEREAS, SECOND INNING has asserted that all services for which SECOND INNING submitted claims to be paid by Medicaid program funds were properly supported by documentation; and

WHEREAS, the parties desire to amicably resolve all disputes between them giving rise to the Recovery and have reached a mutually acceptable resolution of the controversies that exist between them;

NOW THEREFORE, in consideration of the mutual promises contained herein, as well as for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to settle their dispute on the following terms:

(1) SECOND INNING agrees to pay to MFD the sum of Two Hundred Thirty Thousand Dollars (\$230,000.00), in the following manner: \$30,000.00 shall be paid in a lump sum payment to be remitted no later than the close of business on the last day of August, 2016. Each following month, for a period of ten months, a payment of \$10,000.00 is to be remitted no later than the close of business on the last day of the month. Finally, the

remaining balance of \$100,000.00 shall be paid in a lump sum payment to be remitted no later than the close of business on the last day of July, 2017.

Payment shall be by certified check, bank check, or attorney trust check made payable to "Treasurer, State of New Jersey," and shall be mailed or delivered as follows:

Attention: Processing Bureau
Treasurer, State of New Jersey
Division of Revenue
200 Woolverton Street, Building 20
Lockbox 656
Trenton, New Jersey 08646

SECOND INNING will include "SECOND INNING I ADULT MEDICAL DAYCARE CENTER" in the memo line so that it is properly credited.

(2) Upon satisfaction of the terms contained in paragraph number 1 above, the MFD shall file a Warrant to Discharge within 60 days with the Clerk of the Superior Court of New Jersey indicating that the Certificate of Debt which was filed against SECOND INNING ■ ■ ■ is marked as satisfied and removed from the Court's docketed list of judgments.

(3) The parties agree that this Settlement Agreement is intended to be a final resolution of all issues arising out

of the claims at issue in this matter, as set forth in MFD's February 10, 2015 Notice of Claim, referenced above, and is intended by each party to release the other party and its representatives from liability arising out of the claims at issue in this matter, unless MFD is mandated to act by federal or State law; or mandated by order or judgment of a court or administrative agency (other than MFD).

(4) Nothing in this Settlement Agreement waives the rights of any other State or federal agency, including, among others, the New Jersey Division of Criminal Justice, from continuing with a pending or beginning a future civil or criminal investigation or other action for alleged conduct concerning SECOND INNING or from taking any action for such conduct. Nothing in this Settlement Agreement waives the rights of MFD to conduct an audit or investigation of prior or future years for the improper submission of any claims or conduct not specifically covered by this agreement, and to take any action civilly or criminally for such conduct. Nothing in this Settlement Agreement waives any defenses that SECOND INNING, its officers, directors, successors or assigns may raise with respect to claims of any nature that may be raised by MFD or any other state or federal agency.

(5) Subject to the express terms of this Settlement Agreement as provided for in paragraphs 1-4 above, by the signatures set forth below, the authorization of which is hereby affirmed, SECOND INNING and MFD agree to the following Release: in consideration of the provision hereof including this release, each party agrees to release the other party and its representatives from liability, obligations and damages arising out of the recovery set forth in MFD's February 10, 2015 Notice of Claim, referenced above.

(6) Nothing herein shall constitute an admission, concession or finding of wrongdoing or liability by any party.

(7) This Settlement Agreement shall be construed, enforced and governed by the laws of the State of New Jersey.

(8) This Settlement Agreement may be executed in Counterparts.

(9) This Settlement Agreement is effective upon the last date it is executed by the parties hereto.

(10) This Settlement Agreement sets forth the entire agreement between and among the parties hereto with respect to the claims described herein and supersedes any other written or oral understandings. This Settlement Agreement does not reflect

any other terms or conditions or agreements between or among the parties with respect to any other matter.

IN WITNESS WHEREOF, and intending to be legally bound, the parties hereto have executed the foregoing Settlement Agreement:

FORM AND CONTENT ACCEPTED AND AGREED TO BY:

DATE: 8/1/16.

By: 
Sandeep Patel,
Owner
Second Inning I Adult Daycare

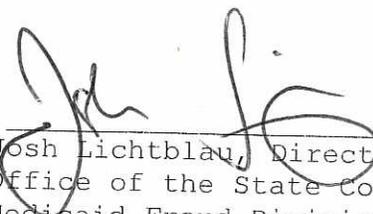
DATE: 8/1/16

By: 
Jagat Mehta,
Owner
Second Inning I Adult Daycare

DATE: 8/15/16

By: 
Don Catinello,
Supervising Regulatory Officer
Office of the State Comptroller
Medicaid Fraud Division

DATE: 8/15/16

By: 
Josh Lichtblau, Director
Office of the State Comptroller
Medicaid Fraud Division