

## SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is entered into among the United States of America, acting through the United States Department of Justice and on behalf of the Office of Inspector General (OIG-HHS) of the Department of Health and Human Services (HHS) (collectively, the “United States”); and Paksn, Inc., Prema Thekkek, Kayal, Inc. (d/b/a Bay Point Healthcare Center), Nadhi, Inc. (d/b/a Gateway Care & Rehabilitation Center), Oakrheem, Inc. (d/b/a Hayward Convalescent Hospital), Bayview Care, Inc. (d/b/a Hilltop Care and Rehabilitation Center), Aakash, Inc. (d/b/a Park Central Care & Rehabilitation Center), and Nasaky, Inc. (d/b/a Yuba Skilled Nursing Center) (collectively, “Defendants,” and, together with the United States, the “Parties”), through their authorized representatives.

### RECITALS

- A. Defendants own, operate, and manage private skilled nursing facilities (“SNFs”) in California.
- B. On November 15, 2015, Trilochan Singh (“Relator”) filed a *qui tam* action in the United States District Court for the Central District of California (the “Court”), captioned *United States ex rel. Singh v. Paksn, Inc. et al.*, Case No. 2:15-cv-09064-SB-AGR, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Civil Action”). The United States intervened in part in the Civil Action on March 12, 2021, and filed the United States’ Complaint on June 14, 2021.
- C. The United States contends that Defendants submitted or caused to be submitted claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395lll (“Medicare”).
- D. The United States contends that it has certain civil claims against Defendants on the grounds that they submitted and caused to be submitted claims and statements to the

Medicare program that were false due to Defendants' payment of remuneration to physicians with intent to induce patient referrals during the period from November 15, 2009, through December 31, 2021. That conduct is referred to below as the "Covered Conduct."

E. This Settlement Agreement is neither an admission of liability by Defendants nor a concession by the United States that its claims are not well founded.

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

#### TERMS AND CONDITIONS

1. Pursuant to this Settlement Agreement:

A. Consent Judgment: The parties shall file with the Court the proposed consent judgment (the "Consent Judgment") attached as Exhibit A. Defendants' liabilities under the Consent Judgment are not dischargeable in the event of bankruptcy.

i. Contingencies:

a. The United States will not enforce the consent judgment as to Prema Thekkek's primary residence, currently located at 161 Smith Road, Alamo, CA 94507, except as noted in Paragraph 1(B)(i)(e).

b. The United States will not enforce the consent judgment as to Prema Thekkek's Social Security benefits.

c. The United States will not enforce the consent judgment so as to garnish non-Social Security wages of Prema Thekkek up to \$1,000 per week of "disposable earnings" (as defined in 15 U.S. 1672(b)). Disposable earnings between \$1,000 to \$2,000 per week are subject to garnishment at a maximum marginal rate of 50%. Disposable earnings beyond \$2,000 per week are subject to garnishment at a maximum rate of 25%.

d. The United States will not enforce the consent judgment as to funds that are directly traceable to the assets described in contingencies (a), (b), and (c), except as expressly provided in contingency (c) and, with respect to contingency (a), as noted in Paragraph 1(B)(i)(e).

e. The United States will not enforce the consent judgment as to Prema Thekkek's two vehicles (BMW with Vehicle Identification Number (VIN) WBS6C9C59ED467343 and Mercedes with VIN WDCGG8JB9FG376358) or other cars with a combined value under \$40,000.

f. The United States will not enforce the consent judgment as to: (1) Existing household furnishings, appliances, provisions, apparel, health aides, and other personal effects that are ordinarily and reasonably necessary to Ms. Thekkek and her family's use at her principal place of residence, *see* C.C.P. §§ 704.020, 704.050; (2) Existing jewelry, heirlooms, and works of art with a combined value of up to \$8,750, *see* C.C.P. § 704.030; or (3) Tools or other personal effects for use in trade with a value of up to \$8,725, *see* C.C.P. § 704.060.

g. For each of Paksn, Inc., Aakash, Inc., and Oakrheem, Inc., if that defendant complies with the Scheduled Payment obligations set forth in Paragraph 1(B), then: (1) The consent judgment against that defendant is not enforceable during the term of the ability-to-pay settlement; and (2) The defendant's liability under this agreement (including any remaining balance of the consent judgment) will be released after five years, except as provided in Paragraph 5. The failure of any defendant to comply with its obligations under this agreement will not affect the rights and obligations of any other defendant which has complied with its obligations under this agreement and that is not jointly and severally liable with the non-complying defendant (except that the rights and obligations of Kayal, Inc, Nadhi, Inc.,

Oakrheem, Inc., Bayview Care, Inc., Aakash, Inc., and Nasaky, Inc. shall not be affected in the event Prema Thekkek or Paksn, Inc. fail to comply with its obligations under this agreement).

B. Scheduled Payments: Aakash, Inc., Paksn, Inc., and Oakrheem, Inc. (the “Scheduled Payment Defendants”) shall each separately make payments to the United States in accordance with the payment schedule attached as Exhibit B (the “Scheduled Payments”), including interest at a rate of 4.125% per annum from September 1, 2023, which payments shall be credited against their respective liabilities as set forth in the Consent Judgment, pursuant to written instructions to be provided by the Civil Division of the United States Department of Justice. The Scheduled Payments and interest thereon, plus any money paid or collected otherwise pursuant to this Settlement Agreement (including in connection with the Consent Judgment), up to the point of \$10,392,364.75 in total payment or recovery, shall constitute restitution.

i. Contingencies:

a. In the event that Paksn, Inc.’s annual revenues exceed \$125,000 during any calendar year from 2023 to 2028, Paksn, Inc. shall pay the United States 15% of the amount in excess of that threshold within 90 calendar days from year-end, December 31.

b. In the event that Aakash, Inc.’s annual revenues exceed \$11,500,000 during any calendar year from 2023 to 2028, Aakash, Inc. shall pay the United States 3% of the amount in excess of that threshold within 90 calendar days from year-end, December 31.

c. In the event that Oakrheem, Inc.’s annual revenues exceed \$9,500,000 during any calendar year from 2023 to 2028, Oakrheem, Inc. shall pay the United States 3% of the amount in excess of that threshold within 90 calendar days from year-end, December 31.

d. For as long as the Consent Judgment remains in effect against her, Prema Thekkek will pay the United States 50% of annual disposable income (as defined in 15 U.S.C. § 1672(b)) between \$52,000 to \$104,000, and 25% of annual disposable income beyond \$104,000. Ms. Thekkek shall be required to notify the United States if her wages are subject to a garnishment order. From the date of such notice, this obligation shall be reduced by the amount of money withheld from Ms. Thekkek's wages by the garnishment order.

e. If any Defendant sells or leverages any real estate that it owns or controls, directly or indirectly, it will promptly pay the United States 100% of proceeds of that transaction not immediately paid to creditors with a recorded interest in the property, the United States Internal Revenue Service, or the California Franchise Tax Board, except as to Prema Thekkek's primary residence. If her primary residence sells, she shall have six months to use those proceeds to purchase a new primary residence of equal or lesser value. Any remaining funds are subject to attachment after six months.

2. As long as a Defendant is in compliance with the terms of this Agreement, the United States covenants not to sue that Defendant for the Covered Conduct. Subject to the exceptions in Paragraph 4 (concerning reserved claims), Paragraph 5 (concerning disclosure of assets), Paragraph 12 (concerning default), and Paragraph 13 (concerning bankruptcy), upon the Court's entry of the Consent Judgment and each Scheduled Payment Defendant's timely payment in full of its initial scheduled payment as set forth in Exhibit B together with all accrued interest, the United States' covenant will mature into a release by the United States of each defendant from any civil or administrative monetary claim the United States has or may have for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud.

3. In consideration of the obligations of Defendants in this Agreement and the Corporate Integrity Agreement (CIA) entered into between OIG-HHS and Prema Thekkek, Aakash Inc., and Paksn, Inc., and upon the United States' receipt of full payment of the Scheduled Payments plus interest due under Paragraph 1, the OIG-HHS shall release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion from Medicare, Medicaid, and other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) against Prema Thekkek, Aakash Inc., and Paksn, Inc. under 42 U.S.C. § 1320a-7a (Civil Monetary Penalties Law) or 42 U.S.C. § 1320a-7(b)(7) (permissive exclusion for fraud, kickbacks, and other prohibited activities) for the Covered Conduct, except as reserved in this paragraph and in Paragraph 4 (concerning reserved claims), below. The OIG-HHS expressly reserves all rights to comply with any statutory obligations to exclude Prema Thekkek, Aakash Inc., and Paksn, Inc. from Medicare, Medicaid, and other Federal health care programs under 42 U.S.C. § 1320a-7(a) (mandatory exclusion) based upon the Covered Conduct. Nothing in this paragraph precludes the OIG-HHS from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph 4, below.

4. Notwithstanding the releases given in Paragraph 2 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States are specifically reserved and are not released:

- a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);
- b. Any criminal liability;
- c. Except as explicitly stated in this Agreement, any administrative liability or enforcement right, including mandatory or permissive exclusion from Federal health care programs;

- d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;
- e. Any liability based upon obligations created by this Agreement;
- f. Any liability of individuals other than Prema Thekkek as expressly released in this Agreement;
- g. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;
- h. Any liability for failure to deliver goods or services due;
- i. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

5. Defendants have provided sworn financial disclosures and supporting documents (together “Financial Disclosures”) to the United States and the United States has relied on the accuracy and completeness of those Financial Disclosures in reaching this Agreement.

Defendants warrant that the Financial Disclosures are complete, accurate, and current as of the Effective Date of this Agreement. If the United States learns of asset(s) in which a defendant had an interest of any kind as of the Effective Date of this Agreement (including, but not limited to, promises by insurers or other third parties to satisfy that defendant’s obligations under this Agreement) that were not disclosed in the Financial Disclosures, or if the United States learns of any false statement or misrepresentation by a defendant on, or in connection with, the Financial Disclosures, and if such nondisclosure, false statement, or misrepresentation changes the estimated net worth of that defendant set forth in the Financial Disclosures by five percent of that defendant’s liability under the Consent Judgment or more, the United States may enforce the Consent Judgment against the defendant at issue and/or any defendant who shares joint and

several liability with that defendant under the Consent Judgment (except that Kayal, Inc, Nadhi, Inc., Oakrheem, Inc., Bayview Care, Inc., Aakash, Inc., and Nasaky, Inc. shall not be subject to such enforcement in the event of a violation by Prema Thekkek or Paksn, Inc.). In the event of any such inaccuracies with respect to any Scheduled Payment Defendant or its Financial Disclosures, the United States may enforce the Consent Judgment against such defendant up to the full amount of its liability as stated therein, even if such defendant has completed its scheduled payments and has otherwise been released from its liability under the Consent Judgment. In the event of any such inaccuracies with respect to Prema Thekkek or her Financial Disclosures, the United States may enforce the Consent Judgment against her up to the full amount of her liability as stated therein, without regard to Paragraphs 1(A)(i)(a)-(f), which would be null and void.

6. Defendants waive and shall not assert any defenses they may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

7. Defendants fully and finally release the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Defendants have asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Covered Conduct or the United States' investigation or prosecution thereof.

8. The amount of any payment under this Agreement shall not be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare



contractor (e.g., Medicare Administrative Contractor, fiscal intermediary, carrier, or any state payer) related to the Covered Conduct; and Defendants agree not to resubmit to any Medicare contractor or any state payer any previously denied claims related to the Covered Conduct, agree not to appeal any such denials of claims, and agree to withdraw any such pending appeals.

9. Defendants agree to the following:

a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395lll and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Defendants, their present or former officers, directors, employees, shareholders, and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil and any criminal investigation(s) of the matters covered by this Agreement;
- (3) Defendants' investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);
- (4) the negotiation and performance of this Agreement;
- (5) any payments Defendants make to the United States pursuant to this Agreement and any payments that Defendants may make to Relator, including costs and attorneys' fees; and
- (6) the negotiation of, and obligations undertaken pursuant to the CIA to:
  - (i) retain an independent review organization to perform annual reviews as

described in Section III of the CIA; and (ii) prepare and submit reports to the OIG-HHS.

are unallowable costs for government contracting purposes and under the Medicare Program, Medicaid Program, TRICARE Program, and Federal Employees Health Benefits Program (FEHBP) (hereinafter referred to as Unallowable Costs). However, nothing in Paragraph 9(a)(6) that may apply to the obligations undertaken pursuant to the CIA affects the status of costs that are not allowable based on any other authority applicable to Defendants.

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for in non-reimbursable cost centers by Defendants, and Defendants shall not charge such Unallowable Costs directly or indirectly to any contracts with the United States or any State Medicaid program, or seek payment for such Unallowable Costs through any cost report, cost statement, information statement, or payment request submitted by Defendants or any of their subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Defendants further agree that within 90 days of the Effective Date of this Agreement they shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, and Medicaid and FEHBP fiscal agents, any Unallowable Costs (as defined in this paragraph) included in payments previously sought from the United States, or any State Medicaid program, including, but not limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by Defendants or any of their subsidiaries or affiliates, and shall request, and agree, that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the Unallowable Costs. Defendants agree that the United States, at a minimum,

shall be entitled to recoup from Defendants any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted cost reports, information reports, cost statements, or requests for payment.

Any payments due after the adjustments have been made shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by Defendants or any of their subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Defendants or any of their subsidiaries or affiliates' cost reports, cost statements, or information reports.

d. Nothing in this Agreement shall constitute a waiver of the rights of the United States to audit, examine, or re-examine Defendants' books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

10. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity, except to the extent provided for in Paragraph 11 (waiver for beneficiaries paragraph), below.

11. Defendants agree that they waive and shall not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third party payors based upon the claims defined as Covered Conduct.

12. The Scheduled Payments, together with the Consent Judgment, represent the amount the United States is willing to accept in compromise of its civil claims arising from the Covered Conduct due solely to Defendants' financial condition as reflected in the Financial Disclosures referenced in Paragraph 5.

a. In the event that any Scheduled Payment Defendant fails to make a Scheduled Payment as provided in Paragraph 1 above and Exhibit B below, that Defendant shall be in Default of its payment obligations (“Default”). The United States will provide a written Notice of Default, and that Defendant shall have an opportunity to cure such Default within seven (7) calendar days from the date of receipt of the Notice of Default by making the payment due under the payment schedule and paying any additional interest accruing under the Settlement Agreement up to the date of payment. Notice of Default will be delivered to a Defendant, or to such other representative as a Defendant shall designate in advance in writing. If the Defendant in Default fails to cure the Default within seven (7) calendar days of receiving the Notice of Default and in the absence of an agreement with the United States to a modified payment schedule (“Uncured Default”), the remaining unpaid balance of that Defendant’s Scheduled Payments shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12% per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

b. In the event of Uncured Default, Defendants agree that the United States, at its sole discretion, may (i) enforce the Consent Judgment as to the Defendant with an Uncured Default; (ii) take any action to enforce this Agreement in a new action; (iii) offset the remaining unpaid balance from any amounts due and owing to Defendant with an Uncured Default and/or parent or subsidiary companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. The United States shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, Defendants agree immediately to pay the United States the greater of (i) a ten-percent (10%)

surcharge of the amount collected, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. Defendants agree not to contest any offset, recoupment, and /or collection action undertaken by the United States pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States or that the Defendant has no Uncured Default.

c. In the event any Scheduled Payment Defendant has an Uncured Default, OIG-HHS may exclude that Defendant from participating in all Federal health care programs until it makes the Scheduled Payment, with interest, as set forth above (Exclusion for Default). OIG-HHS will provide written notice of any such exclusion to Defendant. Defendant waives any further notice of the exclusion under 42 U.S.C. § 1320a-7(b)(7), and agrees not to contest such exclusion either administratively or in any state or federal court. Reinstatement to program participation is not automatic. If at the end of the period of exclusion, that Defendant wishes to apply for reinstatement, it must submit a written request for reinstatement to OIG-HHS in accordance with the provisions of 42 C.F.R. §§ 1001.3001-.3005. A Defendant will not be reinstated unless and until OIG-HHS approves such request for reinstatement. The option for Exclusion for Default is in addition to, and not in lieu of, the options identified in this Agreement or otherwise available.

13. In exchange for valuable consideration provided in this Agreement, Defendants acknowledge the following:

a. In evaluating whether to execute this Agreement, the Parties intend that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to Defendants, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange.

c. The mutual promises, covenants, and obligations set forth herein are intended by the Parties to, and do in fact, constitute a reasonably equivalent exchange of value.

d. The Parties do not intend to hinder, delay, or defraud any entity to which Defendants were or became indebted to on or after the date of any transfer contemplated in this Agreement, within the meaning of 11 U.S.C. § 548(a)(1).

e. If any Defendant's payments or obligations under this Agreement are avoided for any reason (including but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code) or if, before the Scheduled Payments for a Scheduled Payment Defendant are paid in full, a Scheduled Payment Defendant or a third party commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief of Defendant's debts, or to adjudicate Defendant as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Defendant or for all or any substantial part of Defendant's assets:

(i) the United States may enforce the Consent Judgment against that Scheduled Payment Defendant;

(ii) the United States has an undisputed, noncontingent, and liquidated allowed claim against that Defendant in the amount listed in the Consent Judgment, less any payments received pursuant to Paragraph 1 of this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United States by Defendant, a receiver, trustee, custodian, or other similar official for Defendant; and

(iii) if any payments are avoided and recovered by a receiver, trustee, creditor, custodian, or similar official, the United States shall not be responsible for the return of any amounts already paid by the United States to the Relator.

14. Upon the Court's entry of the Consent Judgment and the United States' receipt of the initial Scheduled Payment Amount described in Paragraph 1, above, the Parties shall promptly sign and file in the Civil Action a Joint Stipulation of Dismissal of the Civil Action pursuant to Rule 41(a)(1) and the terms of this Settlement Agreement. The dismissal shall be with prejudice to the United States as to the Covered Conduct but otherwise without prejudice as to the United States.

15. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

16. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

17. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the Central District of California. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

18. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties. Forbearance by the United States from pursuing any remedy or relief available to it under this Agreement shall not constitute a waiver of rights under this Agreement.

19. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

20. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

21. This Agreement is binding on Defendants' successors, transferees, heirs, and assigns.

22. All Parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

23. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.



**THE UNITED STATES OF AMERICA**

DATED: 11/8/23

BY: 

MATTHEW J. OSTER, Trial Attorney  
LINDSEY A. ROBERTS, Trial Attorney  
JESSICA M. SARKIS, Trial Attorney  
ROHITH V. SRINIVAS, Senior Trial Counsel  
Civil Division  
Department of Justice

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

KAREN PAIK  
Assistant United States Attorney  
Central District of California

DATED: \_\_\_\_\_

BY: \_\_\_\_\_

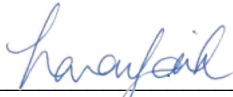
LISA M. RE  
Assistant Inspector General for Legal Affairs  
Office of Counsel to the Inspector General  
Office of Inspector General  
United States Department of Health and Human Services

**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
MATTHEW J. OSTER, Trial Attorney  
LINDSEY A. ROBERTS, Trial Attorney  
JESSICA M. SARKIS, Trial Attorney  
ROHITH V. SRINIVAS, Senior Trial Counsel  
Civil Division  
Department of Justice

DATED: 11/7/23

BY:   
KAREN PAIK  
Assistant United States Attorney  
Central District of California

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
LISA M. RE  
Assistant Inspector General for Legal Affairs  
Office of Counsel to the Inspector General  
Office of Inspector General  
United States Department of Health and Human Services

**THE UNITED STATES OF AMERICA**

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
MATTHEW J. OSTER, Trial Attorney  
LINDSEY A. ROBERTS, Trial Attorney  
JESSICA M. SARKIS, Trial Attorney  
ROHITH V. SRINIVAS, Senior Trial Counsel  
Civil Division  
Department of Justice

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
KAREN PAIK  
Assistant United States Attorney  
Central District of California

DATED: \_\_\_\_\_

BY: **LISA RE** Digitally signed by LISA RE  
Date: 2023.11.09 11:49:54  
-05'00' \_\_\_\_\_  
LISA M. RE  
Assistant Inspector General for Legal Affairs  
Office of Counsel to the Inspector General  
Office of Inspector General  
United States Department of Health and Human Services

**DEFENDANTS**

DATED: 11/7/2023

BY:

*Prima P. Thekk*

PREMA THEKKEK

Secretary and Chief Financial Officer of Paksn, Inc., Kayal, Inc. (d/b/a Bay Point Healthcare Center), Nadhi, Inc. (d/b/a Gateway Care & Rehabilitation Center), Bayview Care, Inc. (d/b/a Hilltop Care and Rehabilitation Center), Aakash, Inc. (d/b/a Park Central Care & Rehabilitation Center), and Nasaky, Inc. (d/b/a Yuba Skilled Nursing Center)

DATED: 11/8/2023

BY:

*Regina Raj*

REGINA RAJ

CEO of Oakrheem, Inc. (d/b/a Hayward Convalescent Hospital)

DATED: 11/7/2023

BY:

*Naomi Chung*

NAOMI CHUNG

BRENDAN HICKEY

Counsel for Paksn, Inc., Prema Thekkek, Kayal, Inc. (d/b/a Bay Point Healthcare Center), Nadhi, Inc. (d/b/a Gateway Care & Rehabilitation Center), Oakrheem, Inc. (d/b/a Hayward Convalescent Hospital), Bayview Care, Inc. (d/b/a Hilltop Care and Rehabilitation Center), Aakash, Inc. (d/b/a Park Central Care & Rehabilitation Center), and Nasaky, Inc. (d/b/a Yuba Skilled Nursing Center)

**EXHIBIT A**

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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA *ex*  
*rel.* TRILOCHAN SINGH,

Plaintiff,

vs.

PAKSN, INC., et al.,

Defendants.

No. CV 15-09064 SB (AGR<sub>x</sub>)

**[PROPOSED] CONSENT JUDGMENT**

Trial Date: Stayed

Honorable Stanley Blumenfeld, Jr.

District Judge

Courtroom 6C

1 **[PROPOSED] CONSENT JUDGMENT**

2 Upon the consent of Plaintiff United States of America and Defendants Paksn,  
3 Inc., Prema Thekkek, Kayal, Inc. (d/b/a Bay Point Healthcare Center), Nadhi, Inc.  
4 (d/b/a Gateway Care & Rehabilitation Center), Oakrheem, Inc. (d/b/a Hayward  
5 Convalescent Hospital), Bayview Care, Inc. (d/b/a Hilltop Care and Rehabilitation  
6 Center), Thekkek Health Services, Inc. (d/b/a Martinez Convalescent Hospital),  
7 Aakash, Inc. (d/b/a Park Central Care & Rehabilitation Center), and Nasaky, Inc. (d/b/a  
8 Yuba Skilled Nursing Center), it is hereby:

9 ORDERED, ADJUDGED, and DECREED that Plaintiff United States of  
10 America is awarded judgment against Defendants in the following amounts:

- 11 • Kayal, Inc. (d/b/a Bay Point Healthcare Center), jointly and severally with  
12 Paksn, Inc. and Prema Thekkek as to this amount only: \$3,208,840.64
- 13 • Nadhi, Inc. (d/b/a Gateway Care & Rehabilitation Center), jointly and severally  
14 with Paksn, Inc. and Prema Thekkek as to this amount only: \$14,004,281.34
- 15 • Oakrheem, Inc. (d/b/a Hayward Convalescent Hospital), jointly and severally  
16 with Paksn, Inc. and Prema Thekkek as to this amount only: \$2,293,443.96
- 17 • Bayview Care, Inc. (d/b/a Hilltop Care and Rehabilitation Center), jointly and  
18 severally with Paksn, Inc. and Prema Thekkek as to this amount only:  
19 \$563,841.73
- 20 • Aakash, Inc. (d/b/a Park Central Care & Rehabilitation Center), jointly and  
21 severally with Paksn, Inc. and Prema Thekkek as to this amount only:  
22 \$24,156,186.79
- 23 • Nasaky, Inc. (d/b/a Yuba Skilled Nursing Center), jointly and severally with  
24 Paksn, Inc. and Prema Thekkek as to this amount only: \$1,418,732.79

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Respectfully submitted,

Dated: \_\_\_\_\_, 2023

BRIAN M. BOYNTON  
Principal Deputy Assistant Attorney General

E. MARTIN ESTRADA  
United States Attorney

/s/ Matthew J. Oster  
JAMIE ANN YAVELBERG  
DAVID WISEMAN  
MATTHEW J. OSTER  
LINDSEY A. ROBERTS  
JESSICA M. SARKIS  
ROHITH V. SRINIVAS  
Attorneys, Civil Division  
U.S. Department of Justice  
175 N Street, N.E.  
Washington, D.C. 20002  
(202) 307-6244  
Matthew.J.Oster@usdoj.gov

DAVID M. HARRIS, AUSA  
Chief, Civil Division  
ROSS M. CUFF, AUSA  
Chief, Civil Fraud Section  
KAREN PAIK  
Assistant United States Attorney

*Attorneys for the United States of America*

Dated: \_\_\_\_\_, 2023

NAOMI CHUNG  
BRENDAN HICKEY  
Hickey & Chung LLP

/s/ Naomi Chung

*Attorneys for Defendants Prema Thekkek, Paksn, Inc., Kayal, Inc., Nadhi, Inc., Oakrheem, Inc., Bayview Care, Inc., Thekkek Health Services, Inc., Aakash, Inc., and Nasaky, Inc.*

**IT IS SO ORDERED.**

Dated: \_\_\_\_\_, 2023

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Stanley Blumenfeld, Jr.  
United States District Judge



**EXHIBIT B**

**Aakash, Inc.  
Payment Schedule**

<b>Payment Date</b>	<b>Payment</b>	<b>4.125% Interest</b>	<b>Principal</b>	<b>Balance</b>
<b>Settlement Amount</b>				<b>\$150,000.00</b>
11/13/2023	\$51,237.50	\$1,237.50	\$50,000.00	\$100,000.00
5/13/2024	\$12,062.50	\$2,062.50	\$10,000.00	\$90,000.00
11/13/2024	\$11,856.25	\$1,856.25	\$10,000.00	\$80,000.00
5/13/2025	\$11,650.00	\$1,650.00	\$10,000.00	\$70,000.00
11/13/2025	\$11,443.75	\$1,443.75	\$10,000.00	\$60,000.00
5/13/2026	\$11,237.50	\$1,237.50	\$10,000.00	\$50,000.00
11/13/2026	\$11,031.25	\$1,031.25	\$10,000.00	\$40,000.00
5/13/2027	\$10,825.00	\$825.00	\$10,000.00	\$30,000.00
11/13/2027	\$10,618.75	\$618.75	\$10,000.00	\$20,000.00
5/13/2028	\$10,412.50	\$412.50	\$10,000.00	\$10,000.00
11/13/2028	\$10,206.25	\$206.25	\$10,000.00	\$0.00
<b>Total</b>	<b>\$162,581.25</b>	<b>\$12,581.25</b>	<b>\$150,000.00</b>	

**Paksn, Inc.**  
**Payment Schedule**

<b>Payment Date</b>	<b>Payment</b>	<b>4.125% Interest</b>	<b>Principal</b>	<b>Balance</b>
<b>Settlement Amount</b>				<b>\$85,000.00</b>
11/13/2023	\$10,701.25	\$701.25	\$10,000.00	\$75,000.00
5/13/2024	\$9,046.88	\$1,546.88	\$7,500.00	\$67,500.00
11/13/2024	\$8,892.19	\$1,392.19	\$7,500.00	\$60,000.00
5/13/2025	\$8,737.50	\$1,237.50	\$7,500.00	\$52,500.00
11/13/2025	\$8,582.81	\$1,082.81	\$7,500.00	\$45,000.00
5/13/2026	\$8,428.13	\$928.13	\$7,500.00	\$37,500.00
11/13/2026	\$8,273.44	\$773.44	\$7,500.00	\$30,000.00
5/13/2027	\$8,118.75	\$618.75	\$7,500.00	\$22,500.00
11/13/2027	\$7,964.06	\$464.06	\$7,500.00	\$15,000.00
5/13/2028	\$7,809.38	\$309.38	\$7,500.00	\$7,500.00
11/13/2028	\$7,654.69	\$154.69	\$7,500.00	\$0.00
<b>Total</b>	<b>\$94,209.08</b>	<b>\$9,209.08</b>	<b>\$85,000.00</b>	

**Oakrheem, Inc.**  
**Payment Schedule**

<b>Payment Date</b>	<b>Payment</b>	<b>4.125% Interest</b>	<b>Principal</b>	<b>Balance</b>
<b>Settlement Amount</b>				<b>\$150,000.00</b>
11/13/2023	\$51,237.50	\$1,237.50	\$50,000.00	\$100,000.00
5/13/2024	\$12,062.50	\$2,062.50	\$10,000.00	\$90,000.00
11/13/2024	\$11,856.25	\$1,856.25	\$10,000.00	\$80,000.00
5/13/2025	\$11,650.00	\$1,650.00	\$10,000.00	\$70,000.00
11/13/2025	\$11,443.75	\$1,443.75	\$10,000.00	\$60,000.00
5/13/2026	\$11,237.50	\$1,237.50	\$10,000.00	\$50,000.00
11/13/2026	\$11,031.25	\$1,031.25	\$10,000.00	\$40,000.00
5/13/2027	\$10,825.00	\$825.00	\$10,000.00	\$30,000.00
11/13/2027	\$10,618.75	\$618.75	\$10,000.00	\$20,000.00
5/13/2028	\$10,412.50	\$412.50	\$10,000.00	\$10,000.00
11/13/2028	\$10,206.25	\$206.25	\$10,000.00	\$0.00
<b>Total</b>	<b>\$162,581.25</b>	<b>\$12,581.25</b>	<b>\$150,000.00</b>	