

## 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 of the Department of Health and Human Services (“HHS”) (collectively, the “United States”), and TrustCare Health, LLC (“TrustCare”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

### RECITALS

A. TrustCare Health, LLC is a healthcare system in Mississippi. It registered with the state as a limited liability company in 2011 and offers, among other things, urgent care, primary care, and telehealth services to patients, including beneficiaries of federal health care programs.

B. The United States contends that TrustCare 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”).

C. The United States contends that it has certain civil claims against TrustCare arising from the overbilling of radiopharmaceuticals used in cardiac stress tests during the period from 2017 through 2019. In Medicare Jurisdictions H and L (which covers Arkansas, Colorado, Delaware, District of Columbia, Louisiana, Maryland, Mississippi, New Jersey, New Mexico, Oklahoma, Pennsylvania, and Texas), healthcare providers are required to bill Medicare for diagnostic radiopharmaceuticals, including sestamibi and tetrofosmin, based on their acquisition cost. The United States contends that from 2017 through 2019, TrustCare submitted or caused to be submitted claims to Medicare that sought reimbursement for radiopharmaceuticals above its actual acquisition cost resulting in excess payments by Medicare. That conduct is referred to below as the “Covered Conduct.”

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. TrustCare shall pay to the United States Two Hundred Seventy-Nine Thousand Seven Hundred Four Dollars and Forty-Eight Cents (\$279,704.48) (the “Settlement Amount”), of which One Hundred Thirty-Nine Thousand Eight Hundred Fifty-Two Dollars and Twenty-Four Cents (\$139,852.24) is restitution, plus applicable accrued interest. Fifty-Four Thousand Thirty-Eight Dollars and Eight Cents (\$54,038.08) of the Settlement Amount has already been paid by TrustCare to the United States in connection with TrustCare’s self-reporting of Medicare overpayments for radiopharmaceuticals, and the Settlement Amount shall be offset by that amount. Interest will accrue only on the Two Hundred Twenty-Five Thousand Six Hundred Sixty-Six Dollars and Forty Cents (\$225,666.40) remaining to be paid (“Outstanding Settlement Amount”) as set forth below. TrustCare shall pay the Settlement Amount in accordance with the following payment schedule:

a. No later than 14 days after the Effective Date of this Agreement, TrustCare shall make a payment of One Hundred Twelve Thousand Eight Hundred Thirty-Three Dollars and Twenty Cents (\$112,833.20) plus interest accruing on the Settlement Amount at a rate of 1.5% per annum from July 19, 2022, until the date of payment.

b. No later than ninety days after the Effective Date of this Agreement, TrustCare shall make a payment of One Hundred Twelve Thousand Eight Hundred Thirty-Three Dollars and Twenty Cents (\$112,833.20) plus interest accrued on the unpaid balance at a rate of 1.5% per annum.

c. The Settlement Amount may be prepaid, in whole or in part, without any penalty.

d. Payment to the United States shall be made by electronic funds transfer pursuant to written instructions to be provided by the Civil Division of the United States Department of Justice.

2. Subject to the exceptions in Paragraph 7 (concerning reserved claims), Paragraph 8 (concerning default), and Paragraph 9 (concerning bankruptcy) below, and upon the United States' receipt of the Outstanding Settlement Amount, plus interest due under Paragraph 1, the United States releases TrustCare, together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them, from any civil or administrative monetary claim the United States has 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. Notwithstanding the release 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;
- 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; and
- i. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

4. TrustCare waives and shall not assert any defenses TrustCare 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.

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

6. The Settlement Amount 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 TrustCare agrees not to resubmit to any Medicare contractor or any state payer any previously denied claims related to the Covered Conduct, agrees not to appeal any such denials of claims, and agrees to withdraw any such pending appeals.

7. TrustCare agrees 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 TrustCare, its 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 investigation(s) of the matters covered by this Agreement;
- (3) TrustCare's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);
- (4) the negotiation and performance of this Agreement;
- (5) the payment TrustCare makes to the United States pursuant to this Agreement,

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).

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for in nonreimbursable cost centers by TrustCare, and TrustCare 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 TrustCare or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: TrustCare further agrees that within 90 days of the Effective Date of this Agreement it 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 TrustCare or any of its 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. TrustCare agrees that the United States, at a minimum, shall be entitled to recoup from TrustCare 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 TrustCare or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this

paragraph) on TrustCare or any of its 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 TrustCare's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

8. a. In the event that TrustCare fails to pay the Settlement Amount as provided in the payment schedule set forth in Paragraph 1 above, TrustCare shall be in Default of TrustCare's payment obligations ("Default"). The United States will provide a written Notice of Default (which it may transmit via email), and TrustCare 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 TrustCare through counsel, Clay Gunn, at 1020 Highland Colony Parkway, Suite 1400, Ridgeland, MS 39157, Clay.Gunn@butlersnow.com, or to such other representative as TrustCare shall designate in advance in writing. If TrustCare 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 the Settlement Amount 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, TrustCare agrees that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement and pursue the Civil Action or bring any civil and/or administrative claim, action, or proceeding against TrustCare for the claims that would otherwise be covered by the releases provided in

Paragraph 2 above, with any recovery reduced by the amount of any payments previously made by TrustCare to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action or by reinstating the Civil Action; (iii) offset the remaining unpaid balance from any amounts due and owing to TrustCare and/or affiliated 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, TrustCare agrees 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. In the event that the United States opts to rescind this Agreement pursuant to this paragraph, TrustCare waives and agrees not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the United States against TrustCare within 120 days of written notification that this Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available before January 1, 2017. TrustCare agrees 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.

9. In exchange for valuable consideration provided in this Agreement, TrustCare and Relator acknowledge the following:

a. TrustCare has reviewed its financial situation and warrants that it is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I) and shall remain solvent following payment to the United States of the Settlement Amount.

b. 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 TrustCare, 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 TrustCare was 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 of TrustCare'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 Settlement Amount is paid in full, TrustCare 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 TrustCare's debts, or to adjudicate TrustCare as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for TrustCare or for all or any substantial part of TrustCare's assets:

(1) the United States may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against TrustCare for the claims that would otherwise be covered by the releases provided in Paragraph 2 above; and

(2) the United States has an undisputed, noncontingent, and liquidated allowed claim against TrustCare in the amount of Two Hundred Seventy-Nine Thousand Seven Hundred Four Dollars and Forty-Eight Cents (\$279,704.48), 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 a receiver, trustee, creditor, custodian, or similar official.

f. TrustCare agrees that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 9.e is not subject to an “automatic stay” pursuant to 11 U.S.C. § 362(a) because it would be an exercise of the United States’ police and regulatory power. TrustCare shall not argue or otherwise contend that the United States’ claim, action, or proceeding is subject to an automatic stay and, to the extent necessary, consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). TrustCare waives and shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the United States within 120 days of written notification to TrustCare that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available before January 1, 2017.

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

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

14. 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 District of Columbia. 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.

15. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

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

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

18. This Agreement is binding on TrustCare's successors, transferees, heirs, and assigns.

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

20. 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: \_\_\_\_\_

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

**LYLE GRUBY** Digitally signed by LYLE GRUBY  
Date: 2022.08.11 13:52:50  
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\_\_\_\_\_  
Lyle Gruby  
Trial Attorney  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

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

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

\_\_\_\_\_  
John Truong  
Assistant United States Attorney  
United States Attorney's Office for the District of  
Columbia

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

TRUSTCARE HEALTH, LLC

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

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

\_\_\_\_\_  
TrustCare Health, LLC

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

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

\_\_\_\_\_  
Clay Gunn  
Counsel for TrustCare Health, LLC

THE UNITED STATES OF AMERICA

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

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

Lyle Gruby  
Trial Attorney  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

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

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

John Truong  
Assistant United States Attorney  
United States Attorney's Office for the District of  
Columbia

DATED: 8/5/2022

BY: Lisa M. Re / RMP

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

TRUSTCARE HEALTH, LLC

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

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

TrustCare Health, LLC

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

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

Clay Gunn  
Counsel for TrustCare Health, LLC

THE UNITED STATES OF AMERICA

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

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

Lyle Gruby  
Trial Attorney  
Commercial Litigation Branch  
Civil Division  
United States Department of Justice

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

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

John Truong  
Assistant United States Attorney  
United States Attorney's Office for the District of  
Columbia

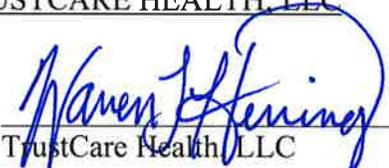
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LISA M. RE  
Assistant Inspector General for Legal Affairs  
Office of Counsel to the Inspector General  
Office of Inspector General  
United States Department of Health and Human Services

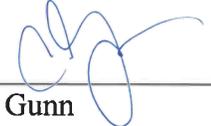
TRUSTCARE HEALTH, LLC

DATED: 07/24/22

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

TrustCare Health, LLC

DATED: 7/24/22

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

Clay Gunn  
Counsel for TrustCare Health, LLC