

SETTLEMENT AGREEMENT

This Settlement Agreement (“this Agreement”) is entered into on this 11th day of June, 2026 (the “Effective Date”), between the State of Nebraska, acting through the Medicaid Fraud and Patient Abuse Unit of the Nebraska Department of Justice (the “State”), and Nala Care LLC, also called Nala Home Care, and its primary owner and operator, Terry Webb (collectively referred to as, “Nala”). The State and Nala may each be referred to in this Agreement as a “Party”, or collectively as the “Parties”. This Agreement, once executed, constitutes the final settlement of the Parties to this Agreement concerning the Covered Conduct of Nala, as described herein.

RECITALS

- A. Nala Care LLC, also called Nala Home Care, is a limited liability company registered with the Nebraska Secretary of State since January 17, 2023, whose designated office address and principal place of business are in Omaha, Nebraska.
- B. Terry Webb is the primary owner and operator of Nala Care LLC.
- C. Nala was, at all relevant times, a home and community-based service provider for the Nebraska Department of Health and Human Services (“DHHS”), providing services to participants in the State’s Aged and Disabled Waiver program.
- D. Nala contracted with DHHS to provide services to Nebraska Medicaid recipients under the Nebraska Medical Assistance Program (“Medicaid”) beginning on June 9, 2023. Nala maintained its contractual status at all relevant times. On April 7, 2026, Nala informed DHHS that it was no longer operating, effective as of April 7, 2026.
- E. Nala worked with caregivers who were employees of Nala. The caregivers provided the services to the Medicaid recipients.
- F. Nala submitted claims for the caregivers’ Medicaid services using Nala’s unique Medicaid

provider number.

- G. Nala received payment for the caregivers' services from Nebraska Medicaid, to which the bills were submitted.
- H. The State has made allegations, as specified below, against Nala for engaging in the following conduct, hereinafter referred to as the "Covered Conduct":

Nala knowingly submitted claims to Medicaid for services provided between November 2, 2024, and January 30, 2026 by two caregivers who were not eligible Medicaid providers because those caregivers were excluded from the Medicaid program, prior to being employed by Nala and throughout the relevant period. As such, those services were non-reimbursable. For those claims, Nala was paid \$55,496.50 by Nebraska Medicaid. More specifically:

1. Nala knowingly submitted claims for services provided by caregiver Candace Burr between November 2, 2024, and January 30, 2026, when she had been excluded as a provider in the Medicaid program since September 27, 2017, and those services were therefore non-reimbursable. Medicaid paid Nala \$39,462.42 for those services.
2. Nala also knowingly submitted claims for services provided by caregiver Cytaya Tate Rucker between June 26, 2025, and December 31, 2025, when she had been excluded as a provider in the Medicaid program since January 6, 2025, and those services were therefore non-reimbursable. Medicaid paid Nala \$16,034.08 for those services.

- H. Nala, without admitting liability, is willing to enter into this Agreement to fully settle and resolve its dispute with the State with regard to the Covered Conduct.

- I. Nala is represented by an attorney.
- J. To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above allegations, the Parties to this Agreement have reached a full and final settlement pursuant to the terms and conditions set forth below:

TERMS AND CONDITIONS

- 1. For the resolution of all issues pertaining to the Covered Conduct, Nala agrees to pay to the State the total sum of One Hundred Fifty Thousand Dollars (\$150,000.00) (the "Settlement Amount"), of which Fifty-Five Thousand Four Hundred Ninety-Six and 50/100 Dollars (\$55,496.50) is restitution owed for the Covered Conduct under the Nebraska False Medicaid Claims Act, Neb. Rev. Stat. § 68-934, *et. seq.*
- 2. Nala is currently subject to a DHHS payment suspension, a separate administrative process. The Settlement Amount will be paid to the State by setting off a payment or payments DHHS would have made to Nala once the payment suspension was lifted. Instead, pursuant to this Agreement, once the payment suspension is lifted DHHS will keep One Hundred Fifty Thousand Dollars (\$150,000.00) of that money as payment of the Settlement Amount.
- 3. Nala acknowledges that the Settlement Amount paid to DHHS through the currently held funds is for recently submitted claims that have not been reviewed by DHHS yet to determine whether they are payable. By signing this Agreement, the State is not and does not certify or promise that those claims are payable. Nala acknowledges and agrees that, at some point in the future, DHHS or another agency may contact them and inform them

that certain claims are not payable under statute, or Medicaid or State of Nebraska rules or regulations. Nala further acknowledges that those non-payable claims may include claims whose payments are currently subject to payment suspension and for which payments are being used as payment of the Settlement Amount under this Agreement. As such, DHHS or another agency may seek repayment from Nala of the money that Nala is using to pay this Settlement Amount. While Nala may in the future challenge the agency's finding that the claims are not payable, Nala agrees that, regardless of the outcome, Nala will not attempt to recoup any part of the Settlement Amount so that those claims can be repaid, and Nala will also not attempt to direct DHHS, or other agency seeking repayment, to the State for repayment of those funds.

4. The obligations set forth herein shall be independent of any other present or future obligation of Nala to the State.
5. Nala stipulates that full payment of the Settlement Amount to the State constitutes a future compromise of the original demand by the State related to the Covered Conduct.
6. The Parties agree that the statute of limitations under the Nebraska False Medicaid Claims Act, Neb. Rev. Stat. 68-934, *et. seq.*, for the Covered Conduct is tolled until one month after the full payment of One Hundred Fifty Thousand Dollars (\$150,000.00) has been made.
7. Except for the release as to the Covered Conduct set forth in Section 15 of this Agreement, no exercise, delay in exercising, or omission to exercise any of the rights, powers and remedies of the State shall be deemed a waiver thereof; every such remaining right, power and remedy may be exercised repeatedly.
8. The Parties specifically agree that should Nala fail or neglect to pay the Settlement Amount

in full according to the terms of this Agreement, the State may, without advance notice to Nala: consider this Agreement in default; exercise all of its rights under the Nebraska False Medicaid Claims Act and all other legal and equitable theories of recovery; and seek to enforce any resulting judgment in full, along with all of its post judgment remedies allowed by law.

9. In consideration of the complete resolution and settlement of all the issues pertaining to the Covered Conduct, Nala hereby absolutely and unconditionally guarantees to the State the payment of the Settlement Amount, and not merely the collection of the obligations set forth above.
10. Nala acknowledges and agrees that this Agreement is only for the purpose of resolving all allegations and claims related to the Covered Conduct stated above, and does not resolve, affect, or preclude any other action or proceeding that may be brought against Nala for any conduct other than the Covered Conduct.
11. Nala expressly warrants that it has reviewed its financial condition and that it is currently solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(B)(ii)(I). For purposes of this Agreement, the meaning of the term “solvent” is that a fair valuation of its property (exclusive of exempt property) exceeds the sum of its debts.
12. Further, in evaluating whether to execute this Agreement, Nala has intended that the promises, covenants and obligations set forth herein constitute a contemporaneous exchange for new value given to the State within the meaning of 11 U.S.C. § 547(c)(1), and have concluded that these mutual promises, covenants and obligations do, in fact, constitute such a contemporaneous exchange.
13. In the event Nala commences, within ninety-one (91) days of the Effective Date of this

Agreement or any payment made hereunder, any case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking to have any order for relief of Nala's debts or seeking to adjudicate it as bankrupt or insolvent, Nala agrees as follows, to the extent consistent with applicable law:

Nala's obligations under this Agreement may not be avoided pursuant to 11 U.S.C. §§ 547 or 548 and Nala shall not argue or otherwise take the position in any such case, proceeding or action that: (1) Nala's obligations under this Agreement may be avoided under 11 U.S.C. §§ 547 or 548; (ii) Nala was insolvent at the time this Agreement was entered into, or became insolvent as a result of the payment of the Settlement Amount made to the State hereunder; or (iii) the mutual promises, covenants, and obligations set forth in this Agreement do not constitute a contemporaneous exchange for new value given to Nala.

14. Notwithstanding any term of this Agreement to the contrary, specifically reserved and excluded from the scope and terms of this Agreement as to any entity or person are the following:
 - a. Any civil, criminal, or administrative liability to the government of the United States.
 - b. Any criminal action under Nebraska law brought by any governmental entity, having concurrent jurisdiction with the Nebraska Attorney General, to prosecute the Covered Conduct under the laws of the State of Nebraska. As of the Effective Date, no such action is known by the Nebraska Attorney General's office, and the Nebraska Attorney General's office represents and warrants that they will make no efforts to refer this matter to any such entity.
 - c. Any administrative remedy, except as explicitly stated in this Agreement.
 - d. Any liability to the State or its agencies for any conduct other than the Covered Conduct.
15. Nala fully and finally releases the State and its agencies, employees, and agents from any claims (including attorney's fees, costs and expenses of any kind) which Nala asserted or could have asserted, or may assert in the future against the State related to the Covered Conduct and the State's investigation and prosecution thereof.

16. This Agreement is intended only for the benefit of the Parties hereto. The Parties do not release any claims that either of them may have against any other person or entity, unless specifically set forth herein.
17. Each Party hereto shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.
18. Nala represents that this Agreement is freely and voluntarily entered into without any degree of duress or compulsion whatsoever.
19. This Agreement is governed by the laws of the State of Nebraska, and the Parties agree that exclusive jurisdiction and venue for any dispute arising between them relating to this Agreement shall be in the District Court in Lancaster County, Nebraska.
20. The State's signatory represents that she is signing this Agreement in her official capacity and that she is authorized to sign this document.
21. The Parties agree this settlement is fair, adequate and reasonable under all the circumstances and is in the public interest.
22. This Agreement is binding upon Nala's successors, transferees, heirs and assigns.
23. This Agreement constitutes the entire agreement of the Parties and it may not be amended without the express written consent of the Parties.
24. The Parties may execute this Agreement in counterparts, each of which shall constitute an original [which may include an original signature on a facsimile of the original Agreement] and all of which shall constitute one and the same Agreement.

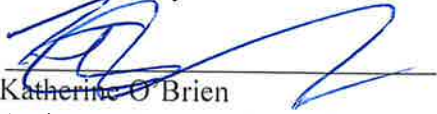
[REMAINDER INTENTIONALLY LEFT BLANK; SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth below.

Dated: 06/11/2026

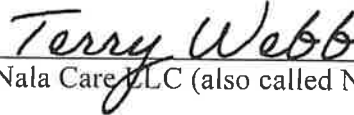
STATE OF NEBRASKA,
Plaintiff,

MICHAEL T. HILGERS
Nebraska Attorney General

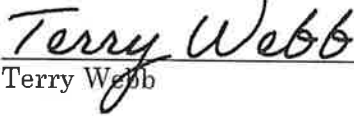
By: 

Katherine O'Brien
Assistant Attorney General

Dated: 06/11/2026


Nala Care LLC (also called Nala Home Care)

Dated: 06/11/2026


Terry Webb