

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into among the United States of America, acting through the United States Department of Justice, the Office of Inspector General (“OIG-HHS”) of the Department of Health and Human Services (“HHS”), (collectively the “United States”) and Jack Jaffa and his entity Saratoga Care and Rehabilitation Center LLC (“SCRC”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

- A. Jack Jaffa is an individual residing in Lawrence, New York. Jaffa is in the real estate business and invested in properties occupied by nursing homes.
- B. The United States contends that Jaffa submitted or caused to be submitted claims for payment to the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 (“Medicaid”).
- C. The United States contends that Jaffa and SCRC knowingly presented or caused to be presented false and fraudulent claims for payment to the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 (“Medicaid), and that it has certain civil claims under the federal False Claims Act, 31 U.S.C. §§ 3729 et seq., and common law against SCRC and Jack Jaffa individually and as a member and owner of SCRC arising from the Covered Conduct defined below.
- D. The conduct described in paragraphs E-N below is referred to hereinafter as the “Covered Conduct.”
- E. Saratoga Care and Rehabilitation Center, LLC (“SCRC”) is a New Jersey limited liability company created by Jaffa in February 2017. Jaffa owned 100% of SCRC, until at some point in 2018, when Chaim “Muttu” Scheinbaum (“Scheinbaum”) became a minority owner of SCRC.

F. In February 2017, Jaffa sought to become an investor and part owner of a nursing home known as Saratoga Center for Care (“Saratoga Center” or the “Nursing Home”) located at 149 Ballston Ave., Ballston Spa, New York, including the land and buildings that it occupied. This transaction involved the transfer of operations from the current operator to Jaffa acting through SCRC, which had arranged for Joseph Schwartz and his entities (including Skyline Health Care LLC and Skyline Management Group LLC, collectively “Skyline”) to operate the facility. To complete the sale and fully transfer operations to SCRC, Jaffa was required to obtain a license to operate the Nursing Home from the New York State Public Health and Health Planning Council (“PHHPC”). *See* New York Public Health Law § 2801-a(1), (4). In the interim, the parties intended for SCRC, with Skyline, to operate as a “consultant” under the license of the current operator of Saratoga Center until Jaffa and SCRC obtained their own license. However, NYSDOH never granted the license. Nevertheless, SCRC and Skyline took control over the day-to-day operations and management of Saratoga Center. Saratoga Center’s licensed operators agreed to this transfer of control. Because the transfer of authority was never approved by NYSDOH, the sale of the nursing home was never finalized.

G. Only the licensed operators were legally authorized to (1) hire and fire key management employees, (2) maintain books and records, (3) dispose of the Nursing Home’s assets and incur liabilities on its behalf, and (4) adopt and enforce policies regarding the Nursing Home’s operations. 10 NYCRR § 600.9. There was no licensed operator involved in the day-to-day operations of the Nursing Home after February 2017. Initially, Jaffa, through SCRC, entrusted Joseph Schwartz and Skyline to operate the facility. Jaffa, SCRC, Joseph Schwartz, Skyline, and the licensed operators of Saratoga Center endeavored, for some period while the potential sale was pending, to give the appearance that the licensed operators controlled the facility and to conceal the transfer of operations from NYSDOH.

H. From February 2017 to April 2018, however, Jaffa and SCRC, through Joseph Schwartz and Skyline, jointly operated the Nursing Home without an operating license. In or around April 2018, Jaffa learned that the Nursing Home had been financially mismanaged and had accrued significant debt. Around that time, Skyline ceased operating.

I. Jaffa then partnered with Scheinbaum and Scheinbaum's entities (Alliance NJ Care, LLC; and Alliance HC II LLC, collectively "Alliance") to manage the Nursing Home. Jaffa and Scheinbaum, and subsequently Scheinbaum alone, applied for a license to operate the Nursing Home, but their applications were never approved. From approximately April 2018 until the Nursing Home closed in February 2021, Jaffa and SCRC, through Scheinbaum and Alliance, exercised control over the management and operations of the Nursing Home without participation from the Nursing Home's licensed operators. Accordingly, for four years, unlicensed operators ran the day-to-day operations of the Nursing Home.

J. From February 2017 to February 2021, the care provided to certain Nursing Home residents failed to meet federal and state standards of care for nursing homes. Various NYSDOH surveys cited the Nursing Home for failing to: ensure resident safety and attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident; ensure that residents were free of any significant medication errors; prevent residents from unnecessarily falling and injuring themselves; prevent residents from developing avoidable pressure ulcers and then not adequately treating them; regularly toilet and bathe residents.

K. Additionally, in September 2017, NYSDOH issued a survey report that found there were serious deficiencies (medication errors and ineffective administration) at the Nursing Home that placed the residents in immediate jeopardy of harm.

L. In March 2019, the Nursing Home was placed on the Center for Medicare Services' Special Focus Facilities ("SFF") list. This is a list of facilities that have a history of

serious quality deficiencies and failed to substantially comply with the required standard of care to which residents are entitled. The list is limited to the worst nursing homes in the United States.

M. Between 2017 and 2021, while Jaffa and SCRC, through Joseph Schwartz, Scheinbaum, Skyline, and Alliance exercised control over the management and operations of the Nursing Home, vendor bills often went unpaid. Vendors refused to deliver goods and/or services, including making necessary repairs, and the physical condition of the Nursing Home declined. The Nursing Home failed to ensure that residents had access at all times to hot water, the fire alarm system was properly maintained, the kitchen was clean and its staff was able to serve hot food, there was a supply of linens to bathe and care for residents, garbage was collected, there was effective pest control, and that water leaks were timely repaired.

N. The Government contends that Jaffa submitted or caused the submission of false claims by overseeing the provision of worthless services to residents of the Nursing Home from February 2017 to its closure in February 2021.

O. Jack Jaffa admits, acknowledges, and accepts responsibility for his role in the Covered Conduct set forth in paragraphs E through M. Jaffa reserves the right to contest the use of these admissions by anyone other than the parties to this Agreement.

P. This Settlement Agreement is neither an admission of liability by Jaffa 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. Jack Jaffa shall pay to the United States and the State of New York, \$833,000 (“Total Settlement Amount”). Of the Total Settlement Amount, Jack Jaffa shall pay \$333,200 to the United States (“Federal Settlement Amount”) of which \$166,600 is restitution, plus simple interest at a rate of 3% per annum from the Effective Date of this Agreement until and including the day that final payment is made under this Agreement, per the terms set forth in Paragraphs 1(a)-(b) below.

- a. \$200,000 shall be paid within 30 days of the Effective Date of this Agreement plus simple interest at a rate of 3% per annum running from the Effective Date of this Agreement until the date of payment; --
- b. \$7,400 monthly payments in eighteen installments. The first monthly installment shall be due 60 days from the Effective date of this Agreement, and every thirty (30) days thereafter by the 1st day of each month. Each installment shall include simple interest at a rate of 3% per annum running on the \$7,400 from the Effective Date of this Agreement until the date of payment of the installment.

Payment shall be by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney’s Office for the Northern District of New York.

2. Subject to the exceptions in Paragraph 3 (concerning reserved claims) below, and subject to Paragraph 4 (concerning default), and Paragraph 5 (concerning bankruptcy) and conditioned upon the United States’ receipt of the full Federal Settlement Amount (including interest), the United States releases Jack Jaffa and SCRC 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 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 or entities other than Jack Jaffa and his individual liability for SCRC; and
 - g. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.
4. **Default**
- a. In the event that Jaffa fails to pay the Federal Settlement Amount as provided in the payment schedule set forth in Paragraph 1 above, Jaffa shall be in Default of his payment obligations (“Default”). The United States will provide a written Notice of Default, and Jaffa 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 Thomas Barnard, Esq., or to such other representative as Jaffa shall designate in advance in writing. If Jaffa fails to cure the Default within ten (10) 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 Federal Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of twelve percent (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, Jaffa agrees that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement and may bring any civil and/or administrative claim, action, or proceeding against Jaffa 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 Jaffa to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action; (iii) file an action for specific performance of this Agreement and/or file the Consent Judgment which is attached to this Agreement as Exhibit A; (iv) offset the remaining unpaid balance from any amounts due and owing to Jaffa and/or affiliated companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (v) 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, Jaffa agrees 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, Jaffa 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 Jaffa 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 on July 15, 2021. Jaffa 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.

5. In exchange for valuable consideration provided in this Agreement, Jaffa acknowledges the following:
- a. Jaffa has reviewed his own respective financial situation and warrants that with respect to himself, that he 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 Federal Settlement Amount (plus interest).
 - 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 Jaffa, 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 Jaffa 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 Jaffa's 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 Federal Settlement Amount is paid in full, Jaffa 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 Jaffa's debts, or to adjudicate Jaffa as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Jaffa or for all or any substantial part of Jaffa's assets:
 - (i) the United States may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against Jaffa for the claims that would otherwise be covered by the releases provided in Paragraph 2 above;
 - (ii) the United States has an undisputed, noncontingent, and liquidated allowed claim against Jaffa in the amount of \$112,177,902, less any payments received pursuant to this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United

States by Jaffa, a receiver, trustee, custodian, or other similar official for Jaffa, and

- f. Jaffa agrees that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 5.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. Jaffa 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). Jaffa 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 Jaffa that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available on July 15, 2021.
6. **Exclusion**
- a. In compromise and settlement of the rights of OIG-HHS to exclude Jack Jaffa and SCRC pursuant to 42 U.S.C. §§ 1320a-7(b)(7) and 1320a-7(b)(6)(B), based upon the Covered Conduct, Jack Jaffa and SCRC agree to be excluded under this statutory provision from Medicare, Medicaid, and all other Federal health care programs, as defined in 42 U.S.C. § 1320a-7b(f), for a period of twenty (20) years. The exclusion shall be effective upon the Effective Date of this Agreement.
- b. Such exclusion shall have national effect. Federal health care programs shall not pay anyone for items or services, including administrative and management

services, furnished, ordered, or prescribed by Jack Jaffa and SCRC in any capacity while Jack Jaffa and SCRC are excluded. This payment prohibition applies to Jack Jaffa, SCRC, and all other individuals and entities (including, for example, anyone who employs or contracts with Jack Jaffa, and any hospital or other provider where Jack Jaffa or SCRC provide services). The exclusion applies regardless of who submits the claim or other request for payment.

Violation of the conditions of the exclusion may result in criminal prosecution, the imposition of civil monetary penalties and assessments, and an additional period of exclusion. Jack Jaffa and SCRC further agree to hold the Federal health care programs, and all federal beneficiaries and/or sponsors, harmless from any financial responsibility for items or services furnished, ordered, or prescribed to such beneficiaries or sponsors after the effective date of the exclusion. Jack Jaffa and SCRC waive any further notice of the exclusion and agrees not to contest such exclusion either administratively or in any state or federal court.

- c. Reinstatement to program participation is not automatic. If Jack Jaffa or SCRC wish to be reinstated, the requesting party must submit a written request for reinstatement to the OIG in accordance with the provisions of 42 C.F.R.

§§ 1001.3001-.3005. Such request may be made to the OIG no earlier than 90 days prior to the expiration of the 20-year period of exclusion. Reinstatement becomes effective upon application by Jack Jaffa or SCRC, approval of the application by the OIG, and notice of reinstatement by the OIG. Obtaining another license, moving to another state, or obtaining a provider number from a Medicare contractor, a state agency, or a Federal health care program does not reinstate Jack Jaffa or SCRC's eligibility to participate in these programs.

7. Jack Jaffa and SCRC waive and shall not assert any defenses Jack Jaffa or SCRC 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.

8. Jack Jaffa and SCRC fully and finally release 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 Jack Jaffa and SCRC have 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.

9. The Federal 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 Jack Jaffa and SCRC agree 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.

10. Jack Jaffa and SCRC 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 Jack Jaffa, SCRC, its present or former officers, directors, employees, shareholders, and agents in connection with:

- 1) the matters covered by this Agreement;
- 2) the United States' audits and civil or criminal investigations of the matters covered by this Agreement;
- 3) Jack Jaffa's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil or criminal investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);
- 4) the negotiation and performance of this Agreement; and
- 5) the payment Jack Jaffa and SCRC make 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 by Jaffa and SCRC, and Jaffa and SCRC 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 Jaffa and SCRC or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.
- c. Treatment of Unallowable Costs Previously Submitted for Payment: Jaffa and SCRC 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 Jaffa and SCRC 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. Jaffa and SCRC agrees that the United States, at a minimum, shall be entitled to recoup from Jaffa and SCRC 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 Jaffa and SCRC or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Jaffa and SCRC 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 Jaffa or SCRC's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

11. Jack Jaffa agrees to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Jaffa further agrees to furnish to the United States, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Covered Conduct that it has undertaken, or that has been performed by another on its behalf. Jack Jaffa will make himself available to testify in any deposition or court proceeding relating to the Covered Conduct in which the United States or its agencies is a party, including in-person testimony, even if his appearance cannot be compelled under the rules applicable to the proceeding. Jack Jaffa will also make himself available to the United States, its attorneys, and its investigators for informal interviews.

12. 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.

13. Jack Jaffa and SCRC 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.

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

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

16. 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 Northern District of New York. 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.

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

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

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

20. This Agreement is binding on Jack Jaffa and SCRC's successors, transferees, heirs, and assigns.

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

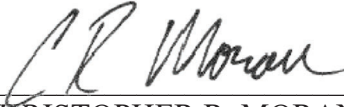
22. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

****** SIGNATURES APPEAR ON FOLLOWING PAGE ******

FOR THE UNITED STATES OF AMERICA


CARLA B. FREEDMAN
United States Attorney
Northern District of New York

DATED: February 27, 2023



CHRISTOPHER R. MORAN
Assistant United States Attorney

DATED: 2/17/2023



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

**FOR JACK JAFFA, SARATOGA CARE AND
REHABILITATION CENTER LLC**

DATED: _____

Jack Jaffa, individually and on behalf of Saratoga Care
and Rehabilitation Center LLC

DATED: _____

THOMAS H. BARNARD
Baker, Donelson, Bearman, Caldwell & Berkowitz, PC
Counsel for Jack Jaffa & Saratoga Care and
Rehabilitation Center

FOR THE UNITED STATES OF AMERICA

CARLA B. FREEDMAN
United States Attorney
Northern District of New York

DATED: _____

CHRISTOPHER R. MORAN
Assistant United States Attorney

DATED: _____

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

**FOR JACK JAFFA, SARATOGA CARE AND
REHABILITATION CENTER LLC**

DATED: 2-27/23

Jack Jaffa, individually and on behalf of Saratoga Care
and Rehabilitation Center LLC

DATED: 2-27-23

THOMAS H. BARNARD
Baker, Donelson, Bearman, Caldwell & Berkowitz, PC
Counsel for Jack Jaffa & Saratoga Care and
Rehabilitation Center

**EXHIBIT A
TO SETTLEMENT AGREEMENT**

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

Plaintiff,

v.

JACK JAFFA

Defendant.

CONSENT JUDGMENT

This matter is before the Court upon the consent of the United States of America and Defendant Jack Jaffa, who shall hereinafter be collectively referred to as “the Parties.”

1. The parties previously entered into a Settlement Agreement to resolve the United States’ allegations that Jack Jaffa violated the False Claims Act, and was liable for damages under 31 U.S.C. § 3730, *et seq.* The Settlement Agreement has been filed with the Court, and is incorporated with this Judgment.
2. The Settlement Agreement provided that Jack Jaffa would pay the United States \$333,200 pursuant to a stipulated payment schedule, which included interest. The United States avers that Jack Jaffa is in Default of his obligations under the Settlement Agreement, and is indebted to the United States in the amount of [**\$332,200 plus interest per annum from the effective date of the Settlement Agreement to the date of Default less any amounts already paid pursuant to the Settlement Agreement**].
3. The United States has asked the Court to enter judgment against Jack Jaffa in the amount of [**\$332,200 plus 3% interest per annum from the effective date of the Settlement Agreement to the date of Default less any amounts already paid pursuant to the Settlement Agreement**].

EXECUTION VERSION

4. Jack Jaffa is in Default of the Settlement Agreement as defined in Paragraph 4 of the Settlement Agreement because he failed to timely meet his payment obligations. Jack Jaffa was given a notice of default, and the 10-day period to cure default has expired.
5. Pursuant to the Settlement Agreement, in the event of Default that was not timely cured, Jack Jaffa consented to entry of this Consent Judgment against him, except that he reserved the opportunity to be heard on the issue of actual payment. Such a Default has now occurred, and Jack Jaffa has been given such opportunity to be heard.

WHEREFORE, IT IS HEREBY ORDERED, that judgment be entered in favor of the United States and against Jack Jaffa in the amount of [**\$332,200 less any amounts already paid pursuant to the Settlement Agreement**], plus twelve percent (12%) per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance) and continuing to and including the day that Jack Jaffa makes final payment.

IT IS SO ORDERED.

DATED: _____

United States District Court Judge
Northern District of New York