

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into between 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), (the "United States") and Michael Woo-Ming M.D. ("Woo-Ming"), through their authorized representatives. The United States and Woo-Ming are hereafter collectively referred to as "the Parties."

RECITALS

A. Woo-Ming was a co-owner and medical director of Revive Medical of San Diego ("Revive Medical San Diego") with Kevin Michael Brown DC ("Brown"). Woo-Ming was a co-owner and medical director of Revive Medical San Diego from on or about February 8, 2019 through May 31, 2019. Revive Medical San Diego was a California medical corporation with its principal place of business at 7220 Trade St., Ste. 209 San Diego, California 92121. Revive Medical San Diego was enrolled as a Medicare provider.

B. Woo-Ming was a co-owner and medical director of Medical Wellness Group Inc. ("MWG") from January 4, 2017 to June 1, 2019. MWG was a California corporation with its principal place of business at 78900 Avenue 47, Suite 100, La Quinta, California, 92253. MWG was enrolled as a Medicare provider.

C. The United States contends that MWG and Revive Medical San Diego submitted or caused to be submitted false claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395lll ("Medicare"), arising from the submission of false claims to Medicare for surgically implantable neurostimulators using Healthcare Common Procedure Coding System ("HCPCS") Code L8679 and the billing provider numbers of Revive

Medical San Diego and MWG during the period from August 28, 2018 to August 5, 2019. The conduct described in Paragraphs A through C is referred to below as the "Covered Conduct."

D. Woo-Ming denies the allegations and contentions in the Covered Conduct. This Settlement Agreement is neither an admission of liability by Woo-Ming nor a concession by the United States that its claims are not well-founded.

E. 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. Woo-Ming agrees to pay the United States the sum of \$85,000 (the "Settlement Amount"), which is restitution, by electronic funds transfer pursuant to written instructions to be provided by the Office of the United States Attorney for the Eastern District of California. Woo-Ming shall pay the Settlement Amount in the following manner:

- a. Not later than Thirty (30) days after the Effective Date of this Agreement, Woo-Ming will make a payment to the United States in the amount of \$40,000, pursuant to the payment schedule attached at Exhibit A.
- b. By June 1, 2025, Woo-Ming will make a payment to the United States in the amount of \$7,500 plus interest, pursuant to the payment schedule attached at Exhibit A.
- c. Over a period of three (3) years, Woo-Ming will pay the remaining \$37,500 plus interest pursuant to the payment schedule attached at Exhibit A.
- d. The Settlement Amount may be prepaid, in whole or in part, without penalty or premium.

2. Subject to the exceptions in Paragraph 3 (concerning reserved claims) below, and subject to Paragraph 4 (concerning disclosure of assets), Paragraph 12 (concerning default), and Paragraph 13 (concerning bankruptcy) below, and upon the United States' receipt of the full Settlement Amount, the United States releases Woo-Ming 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; and
- f. Any liability of individuals or entities except Woo-Ming.

4. Woo-Ming has 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. Woo-Ming warrants 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 Woo-Ming 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 Woo-Ming'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 Woo-Ming on, or in connection with, the Financial Disclosures, and if such nondisclosure, false statement, or misrepresentation changes the estimated net worth set forth in the Financial Disclosures by \$50,000 or more, the United States may at its option: (a) rescind this Agreement and reinstate its suit or file suit based on the Covered Conduct or (b) collect the full Settlement Amount in accordance with the Agreement plus one hundred percent (100%) of the net value of Woo-Ming's previously undisclosed assets. Woo-Ming agrees not to contest any collection action undertaken by the United States pursuant to this provision and agrees that he will immediately pay the United States the greater of (i) a ten percent (10%) surcharge of the amount collected in the collection action, 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, pursuant to this paragraph, rescinds this Agreement, Woo-Ming waives and agrees not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the United States within 120 calendar days of written notification to Woo-Ming that this Agreement has been rescinded, and (b) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date.

5. Woo-Ming waives and shall not assert any defenses Woo-Ming 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.

6. Woo-Ming fully and finally releases 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 Woo-Ming has 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. Woo-Ming hereby expressly waives all rights he may have by virtue of Section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

7. 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 Woo-Ming 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.

8. Woo-Ming 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. §§ 1395-1395III and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Woo-Ming, his 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) Woo-Ming'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; and
- (5) the payments Woo-Ming 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 by Woo-Ming, and Woo-Ming 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 Woo-Ming or any of his affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment:

Woo-Ming further agrees that within 90 days of the Effective Date of this Agreement he 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 Woo-Ming or any of his 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. Woo-Ming agrees that the United States, at a minimum, shall be entitled to recoup from Woo-Ming 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 Woo-Ming or any of his affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Woo-Ming or any of his 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 Woo-Ming's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

9. Woo-Ming agrees to cooperate fully and truthfully with the investigation of individuals and entities not released in this Agreement by the United States, including by sitting for an interview with OIG-HHS and counsel for the United States if requested. Upon reasonable notice, Woo-Ming shall encourage, and agree not to impair, the cooperation of his directors, officers, and employees, and shall use his best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. Woo-Ming 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 his possession, custody, or control concerning any investigation of the Covered Conduct that they have undertaken, or that has been performed by another on their behalf.

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. Woo-Ming agrees that he 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. The Settlement Amount represents the amount the United States is willing to accept in compromise of its civil claims arising from the Covered Conduct due solely to Woo-Ming's financial condition as reflected in the Financial Disclosures referenced in Paragraph 4.

a. If Woo-Ming fails to pay the Settlement Amount as provided in the payment schedule set forth in Paragraph 1 and Exhibit A, Woo-Ming shall be in Default of Woo-Ming's payment obligations ("Default"). The United States will provide a written Notice of Default, and Woo-Ming 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 Woo-Ming, or to such other representative as Woo-Ming shall designate in advance in writing. If Woo-Ming 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, Woo-Ming agrees that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement and bring any civil and/or administrative claim, action, or proceeding against Woo-Ming 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 Woo-Ming to the United States under this Agreement; (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 Woo-Ming 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, Woo-Ming 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, Woo-Ming 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 Woo-Ming 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 the Effective Date. Woo-Ming 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.

c. In the event of Uncured Default, the OIG-HHS may exclude Woo-Ming from participating in all Federal health care programs until Woo-Ming pays the Settlement Amount as set forth above (Exclusion for Default). The OIG-HHS will provide written notice of any such exclusion to Woo-Ming. Woo-Ming 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, Woo-Ming wishes to apply for reinstatement, he must submit a written request for reinstatement to the OIG-HHS in accordance with the provisions of 42 C.F.R. §§ 1001.3001-.3005. Woo-Ming will not be reinstated unless and until the 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, Woo-Ming acknowledges the following:

a. Woo-Ming has reviewed his financial situation and warrants 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 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 Woo-Ming, within the meaning of 11 U.S.C. § 547(c), 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 Woo-Ming 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 Woo-Ming'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 Settlement Amount is paid in full, Woo-Ming 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 Woo-Ming's debts, or to adjudicate Woo-Ming as bankrupt or insolvent; or seeking appointment of a receiver, trustee, custodian, or other similar official for Woo-Ming or for all or any substantial part of Woo-Ming'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 Woo-Ming for the claims that would otherwise be covered by the release provided in Paragraph 2 above;

(ii) the United States has an undisputed, noncontingent, and liquidated allowed claim against Woo-Ming in the amount of at least \$9,853,229.49, less any payments received pursuant to Paragraph 1 and Exhibit A of this Agreement, provided, however, that such payments are not otherwise avoided and recovered from the United States by Woo-Ming, a receiver, trustee, custodian, or other similar official for Woo-Ming.

f. Woo-Ming agrees that any civil and/or administrative claim, action, or proceeding brought by the United States under Paragraph 13.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. Woo-Ming 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). Woo-Ming 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 Woo-Ming that the releases have been rescinded pursuant to this paragraph, except to the extent such defenses were available on the Effective Date.

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 Eastern 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.

17. 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.

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 Woo-Ming'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.

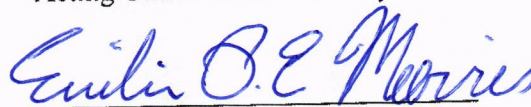
22. This Agreement is effective on the date of signature of the last signatory to the Agreement ("Effective Date"). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

MICHELE BECKWITH
Acting United States Attorney

DATED: 3/5/25

BY:



EMILIA P. E. MORRIS
Assistant United States Attorney
Eastern District of California

DATED: 2/19/2025

BY:

LISA RE

Digitally signed by LISA

RE

Date: 2025.02.19

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for Susan E. Gillin

SUSAN E. GILLIN

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

MICHAEL WOO-MING M.D.

DATED: 2/28/25

BY: 
MICHAEL WOO-MING M.D.

APPROVED AS TO FORM:

MUSICK PEELER & GARRETT LLP

DATED: 3/3/25

BY: 
WILLIAM W. CARTER

Counsel for Michael Woo-Ming M.D.

EXHIBIT A
PAYMENTS OVER TIME

Payment #	Date	Payment	Interest	Principal	Balance
Beginning Balance					\$85,000.00
1	30 Days from Effective Date	\$40,000.00	\$0.00	\$40,000.00	\$45,000.00
2	6/1/2025	\$8,540.63	\$1,040.63	\$7,500.00	\$37,500.00
3	12/1/2025	\$8,367.19	\$867.19	\$7,500.00	\$30,000.00
4	6/1/2026	\$8,193.75	\$693.75	\$7,500.00	\$22,500.00
5	12/1/2026	\$8,020.31	\$520.31	\$7,500.00	\$15,000.00
6	6/1/2027	\$7,846.88	\$346.88	\$7,500.00	\$7,500.00
7	12/1/2027	\$7,673.44	\$173.44	\$7,500.00	\$0.00
Total		\$88,642.19	\$3,642.19	\$85,000.00	

*Interest: 4.625%