

## SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (“Settlement Agreement”) is entered into this 21st day of October, 2019 (“Effective Date”) by and between Accu Reference Medical Lab, LLC (hereinafter “Accu Reference Lab”), represented by John Rivas, Esq. of Rivas Goldstein, LLP and the State of New Jersey, Office of the State Comptroller, Medicaid Fraud Division (“MFD”). Accu Reference Lab and MFD are hereinafter collectively referred to as the "Parties" and each individually as a “Party.”

WHEREAS, MFD found that between January 1, 2015 and November 30, 2018, Accu Reference Lab billed and was reimbursed by the Division of Medical Assistance and Health Services (DMAHS) and/or its fiscal agent and/or the Managed Care Organizations (MCO) for claims for specimen validity testing billed separately from claims submitted for presumptive and definitive drug tests for the same beneficiary on the same date of service in violation of American Medical Association’s (AMA) Current Procedural Terminology (CPT) guidelines, Centers for Medicare & Medicaid Services National Correct Coding Initiative Policy Manual for Medicaid Services (Medicaid NCCI), Chapter 10, Section E and Medicaid MCO policies (this scope and period is hereafter referred to as (“Covered Conduct”)); and

WHEREAS, MFD determined that, based on the Covered Conduct, Accu Reference Lab received an overpayment in the amount of \$142,235.98 from the Medicaid program; and

WHEREAS, MFD issued a Notice of Claim, Notice of Withhold and Certificate of Debt in this matter and money has been withheld pursuant to the Notice of Withhold by DMAHS within the Department of Human Services and/or its fiscal agent and/or one or more MCO (these funds are hereinafter referred to as “Withheld Fund”); and

WHEREAS, the parties desire to amicably resolve all disputes regarding the Covered Conduct and have reached a mutually acceptable resolution of the controversies that exist between them;

NOW THEREFORE, in consideration of the mutual promises contained herein, as well as for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to settle their dispute on the following terms:

(1) Accu Reference Lab agrees to pay the total sum of One Hundred Forty-Two Thousand, Two Hundred Thirty-Five Dollars and Ninety-Eight Cents (\$142,235.98) (“Total Payment Amount”) to MFD as follows: Accu Reference Lab agrees to release \$142,235.98 of Withheld Funds to MFD and MFD agrees that the \$142,235.98 will be applied in full satisfaction of the Total Payment Amount. Accu Reference Lab waives and relinquishes all rights or claims to \$142,235.98 of the Withheld Funds.

(2) Within five (5) days of execution of this Settlement Agreement, MFD shall notify DMAHS and each MCO immediately to take the necessary steps to terminate withholding of otherwise payable funds. The parties understand that the Withheld Funds cannot be determined until MFD has completed an accounting of such funds. MFD shall make all reasonable efforts to provide to Accu Reference Lab an accounting of Withheld Funds no later than sixty (60) days after the effective date of this Settlement Agreement.

(3) MFD agrees to remit payment to Accu Reference Lab for the amount of Withheld Funds minus the Total Payment Amount within 30 days of an accounting of the Withheld Funds by MFD. In the event that DMAHS and/or the MCOs collectively have withheld less than the Total Payment Amount (\$142,235.98), Accu Reference Lab agrees to

repay such shortage (i.e. the difference between the Total Payment Amount (\$142,235.98) and the Withheld Funds) to MFD within thirty (30) days of receipt of the accounting of Withheld Funds.

(4) Nothing in this Settlement Agreement precludes Accu Reference Lab from disputing the amount of the Withheld Funds by any means permitted by law.

(5) Payment shall be by certified check, bank check, or attorney trust check made payable to “Treasurer, State of New Jersey,” and shall be mailed or delivered as follows:

Attention: Processing Bureau  
Treasurer, State of New Jersey  
Division of Revenue  
200 Woolverton Street, Building 20  
Lockbox 656  
Trenton, New Jersey 08646

“Accu Reference Medical Lab, LLC – OSC/MFD- [REDACTED] and OSC/MFD- [REDACTED]” must be included in the memo line so that payment is properly credited.

(6) Within seven (7) business days of receipt of the Total Payment Amount from Accu Reference Lab, MFD shall file a Warrant to Discharge with the Clerk of the Superior Court of New Jersey indicating that the Certificate of Debt filed against Accu Reference Lab is satisfied and should be removed from the Court’s docketed list of judgments.

(7) If the payment provided for in this Settlement Agreement is more than ten (10) days late, Accu Reference Lab will be in default of this Settlement Agreement and the outstanding and unpaid balance plus interest (the “Default Amount”), accruing from the date of default will immediately become due and collected through any means available to MFD as provided by law, and Accu Reference Lab agrees to release the Withheld Funds to MFD up to the Default Amount.

(8) Accu Reference Lab agrees to act in full compliance with all applicable state and federal rules and regulations, including but not limited to submitting only claims that accurately and completely reflect the services provided. To that end, Accu Reference Lab agrees that it will only submit claims for goods/services provided for which it possesses sufficient documentation to support such claims and will implement policies to ensure that the underlying issues that caused or contributed to the Covered Conduct will be appropriately addressed and thereby not repeated.

(9) The parties agree that this Settlement Agreement is intended to be a final resolution of all issues arising out of the Covered Conduct and is intended by each party to release the other party and its representatives from liability arising out of the Covered Conduct unless MFD is mandated to act by federal or state law; or mandated by order or judgment of a court or administrative agency (other than MFD).

(10) Nothing in this Settlement Agreement waives the rights of any other state or federal agency, including, among others, the New Jersey Division of Criminal Justice, from continuing with a pending or beginning a future civil, administrative or criminal investigation or other action for alleged conduct concerning Accu Reference Lab or from taking any action for such conduct. Nothing in this Settlement Agreement waives the rights of MFD to conduct an audit or investigation of prior or future years for the improper submission of any claims or conduct not specifically covered by this Settlement Agreement, and to take any action civilly or criminally for such conduct.

(11) Subject to the express terms of this Settlement Agreement, by the signatures set forth below, the authorization of which is hereby affirmed, Accu Reference Lab and MFD agree to the following Release: in consideration of the provision hereof including this release, each party agrees to release the other party and its employees, representatives, officers and directors from liability, obligations and damages arising out of the Covered Conduct.

(12) The terms of this Settlement Agreement may be modified only by subsequent written agreement signed by all Parties.

(13) Nothing herein shall constitute an admission, concession or finding of wrongdoing by any party.

(14) This Settlement Agreement shall be construed, enforced and governed by the laws of the State of New Jersey.

(15) This Settlement Agreement may be executed in counterparts.

(16) This Settlement Agreement is effective upon the Effective Date reflected on the first page of the Settlement Agreement.

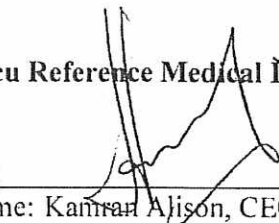
(17) This Settlement Agreement sets forth the entire agreement between and among the parties hereto with respect to the claims described herein and supersedes any other written or oral understanding. This Settlement Agreement does not reflect any other terms or conditions or agreements between or among the parties with respect to any other matter.

IN WITNESS WHEREOF, and intending to be legally bound, the parties hereto,  
on the following page, have executed the foregoing Settlement Agreement:

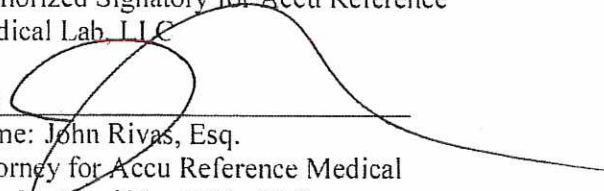
FORM AND CONTENT ACCEPTED AND AGREED TO BY:

**Accu Reference Medical Lab, LLC**

DATE: 10.18.2019

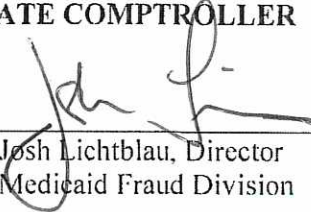
By:   
Name: Kamran Alison, CEO  
Authorized Signatory for Accu Reference  
Medical Lab, LLC

DATE:

By:   
Name: John Rivas, Esq.  
Attorney for Accu Reference Medical  
Lab, LLC and NeoDNA, LLC  
Accepted As To Form Only

**PHILIP JAMES DEGNAN  
STATE COMPTROLLER**

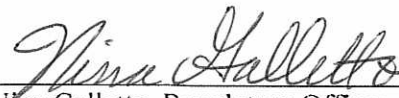
DATE: 10/21/2019

By:   
Josh Lichtblau, Director  
Medicaid Fraud Division

DATE: 10/18/19

By:   
Don Catinello, Supervising Regulatory Officer  
Medicaid Fraud Division

DATE: 10/18/19

By:   
Nina Galletto, Regulatory Officer  
Medicaid Fraud Division