

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (“Settlement Agreement”) is entered into this 11th day of August, 2020 (“Effective Date”) by and between Cutrite TA Woodbridge Medical and Surgical Supply, and Cutrite TA Woodbridge Medical and Surgical Supply C/O Charik Sethi, as the owner, (hereinafter collectively referred to as “Cutrite”), represented by Mohamed Nabulsi, Esq. and Ronen B. Yair, Esq. of the law firm of Mandelbaum Salsburg, P.C., and the STATE OF NEW JERSEY, OFFICE OF THE STATE COMPTROLLER, MEDICAID FRAUD DIVISION (“MFD”). Cutrite and MFD are hereinafter collectively referred to as the "Parties" and each individually as a “Party.”

WHEREAS, MFD conducted an investigation and found that between January 1, 2014 and December 31, 2018, Cutrite billed Medicaid Fee-For-Service (FFS) and the Medicaid Managed Care Organizations (MCO) for claims in which the clinical documentation did not support the services billed as required by N.J.S.A. 30:4D-12 and N.J.A.C. 10:49-9.8 (the “Covered Conduct”); and

WHEREAS, MFD determined that, based on the Covered Conduct, Cutrite received an overpayment from the Medicaid program; and

WHEREAS, Cutrite has denied and continues to deny any wrongdoing or liability in this matter and nothing herein shall be construed as an admission of liability or wrongdoing on the part of Cutrite or anyone on its behalf; and

WHEREAS, MFD issued a Notice of Claim, Notice of Withhold and Certificate of Debt against Cutrite; and

WHEREAS, Cutrite provided MFD with additional documentation; and

WHEREAS, MFD took into consideration the additional documentation and issued an Amended Notice of Claim, Notice of Withhold, and Amended Certificate of Debt; and

WHEREAS, Cutrite challenged the support underlying MFD's findings and provided MFD with additional documentation, facts and information; and

WHEREAS, MFD took into consideration Cutrite's additional challenges, as well as the documentation, facts and information that Cutrite supplied; and

WHEREAS, a portion of funds that otherwise would have been payable to Cutrite have been held as part of the withhold (Withheld Funds); and

WHEREAS, the parties desire to amicably resolve the dispute 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) Cutrite agrees to pay the Medicaid program the total amount of \$120,000, (the "Total Payment Amount") through six (6) successive monthly payments made according to the following schedule:

- a. September 1, 2020: \$20,000
- b. October 1, 2020: \$20,000
- c. November 1, 2020: \$20,000
- d. December 1, 2020: \$20,000
- e. January 1, 2021: \$20,000
- f. February 1, 2021: \$20,000

(2) 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

“Cutrite TA Woodbridge Medical and Surgical Supply–[REDACTED]” must be included in the memo line so that payment is properly credited.

(3) Within five (5) days of execution of this Settlement Agreement, MFD shall notify DMAHS and each MCO to take the necessary steps as soon as practicable to terminate the withholding of otherwise payable funds. “Withheld Funds” refers to the monies withheld by DMAHS or the MCOs of otherwise payable claims to Cutrite during the period of withholding. 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 Cutrite an accounting of Withheld Funds no later than ninety (90) days after the effective date of this Settlement Agreement. Given the current challenges brought about by COVID 19, the accounting may take longer than ninety (90) days, but will be provided as soon as practicable.

(4) The Withheld Funds shall be released to Cutrite upon satisfaction of the Total Payment Amount.

(5) Nothing in this Settlement Agreement precludes Cutrite from disputing the amount of the Withheld Funds by any means permitted by law.

(6) Concurrent with the Parties’ execution of this Settlement Agreement, MFD will submit a revised Certificate of Debt against Cutrite in the amount of \$120,000 to the Superior

Court of New Jersey for filing as a judgment in this matter. Within seven business days of receipt of the final payment from Cutrite, 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 Cutrite is satisfied and should be removed from the Court's docketed list of judgments. Due to the current COVID 19 challenges, including court closings, the steps outlined in this paragraph may take more time than usual to complete.

(7) If the payment arrangement as provided for in this Settlement Agreement is more than ten (10) days late, Cutrite will be in default of this Settlement Agreement and the total outstanding and unpaid balance, plus interest, will immediately become due and collected through any means available to MFD as provided by law. Should Cutrite fail to cure the default within five (5) days of receiving notice of the default, the default amount will be immediately collected through any means available to MFD, as provided by law.

(8) Cutrite 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 and medications dispensed by Cutrite. To that end, Cutrite agrees that it will only submit claims for services provided and medications dispensed for which it possesses sufficient documentation to support such claims and that it 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 Cutrite or from taking any action for such conduct. Nothing in this Settlement Agreement waives the rights of MFD to conduct an audit or investigation relating to any matter outside the Covered Conduct, and to take any action civilly or criminally for such conduct.

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

(12) Subject to the express terms of this Settlement Agreement as provided for in paragraphs 1-11 above, by the signatures set forth below, the authorization of which is hereby affirmed, Cutrite 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 representatives from liability, obligations and damages arising out of the Covered Conduct.

(13) Nothing herein shall constitute an admission, concession or finding of liability 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.

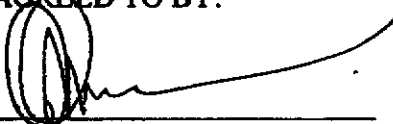
(16) This Settlement Agreement is effective upon the last date it is executed by the parties hereto.

(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 understandings. 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:

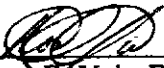
DATE: 08/02/20

By: 
Charik Sethi
Cutrite TA Woodbridge Medical & Surgical Supply

DATE: 08/10/2020

By: 
Mohamed Nabulsi, Esq.
Mandelbaum Salsburg, P.C.
Attorney for Cutrite TA Woodbridge Medical & Surgical Supply

DATE: 8/10/20

By: 
Ronen B. Yair, Esq.
Mandelbaum Salsburg, P.C.
Attorney for Cutrite TA Woodbridge Medical & Surgical Supply

KEVIN D. WALSH
ACTING STATE COMPTROLLER

DATE: _____

By: _____
Josh Lichtblau, Director
Medicaid Fraud Division

DATE: _____

By: _____
Don Catinello, Supervising Regulatory Officer
Medicaid Fraud Division

DATE: _____

By: _____
Jennifer L. Cavin, Regulatory Officer
Medicaid Fraud Division

FORM AND CONTENT ACCEPTED AND AGREED TO BY:

DATE: _____

By: _____

Charik Sethi
Cutrite TA Woodbridge Medical & Surgical Supply

DATE: _____

By: _____

Mohamed Nabulsi, Esq.
Mandelbaum Salsburg, P.C.
Attorney for Cutrite TA Woodbridge Medical &
Surgical Supply

DATE: _____

By: _____

Ronen B. Yair, Esq.
Mandelbaum Salsburg, P.C.
Attorney for Cutrite TA Woodbridge Medical &
Surgical Supply

KEVIN D. WALSH
ACTING STATE COMPTROLLER

DATE: 8/11/20_____

By: s/ Josh Lichtblau_____

Josh Lichtblau, Director
Medicaid Fraud Division

DATE: 8/11/20_____

By: s/ Don Catinello_____

Don Catinello, Supervising Regulatory Officer
Medicaid Fraud Division

DATE: 8/11/20_____

By: s/ Jennifer Cavin_____

Jennifer L. Cavin, Regulatory Officer
Medicaid Fraud Division