

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE ("Settlement Agreement") is entered into this 13th day of March, 2019 ("Effective Date") by and between Shapiro's Shoes and Tammy Hahm (hereinafter referred to as "Shapiro's Shoes"), represented by William P. Isele, Esq. of Archer & Greiner, P.C., and the STATE OF NEW JERSEY, OFFICE OF THE STATE COMPTROLLER, MEDICAID FRAUD DIVISION ("MFD"). Shapiro's Shoes and MFD are hereinafter collectively referred to as the "Parties" and each individually as a "Party."

WHEREAS, MFD investigated Shapiro's Shoes and, based upon a review of relevant information, determined that between November 29, 2006 to June 30, 2011, Shapiro's Shoes submitted claims to and received payments from the Division of Medical Assistance and Health Services (DMAHS) and/or its fiscal agent and/or Managed Care Organizations for durable medical equipment which claims were not supported by sufficient documentation, in violation of N.J.A.C. 10:49-9.8, N.J.A.C. 10:54-9.1, and N.J.S.A. 30:4D-12(d) ("Covered Conduct"); and

WHEREAS, MFD determined that, based on the Covered Conduct, Shapiro's Shoes received overpayments from the Medicaid Program and, accordingly, issued a Notice of Claim and Certificate of Debt; and

WHEREAS, on November 16, 2018, MFD issued an Amended Notice of Claim and Amended Certificate of Debt against Shapiro's Shoes; and

WHEREAS, Shapiro's Shoes is no longer in business and, thus, no longer submitting claims to or receiving payments from the Medicaid program; and

WHEREAS, after MFD issued the Notice of Claim and Certificate of Debt, Shapiro's Shoes submitted additional information and denied any wrongdoing, fraud or guilt in this matter; and

WHEREAS, MFD took into consideration the additional documentation, facts and information Shapiro's Shoes supplied; and

WHEREAS, the parties desire to amicably resolve all disputes between them giving rise to 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) Shapiro's Shoes agrees to pay restitution to the Medicaid program in the sum of Twenty Thousand Dollars (\$20,000), in the following manner:

a. An initial payment of Ten Thousand Dollars (\$10,000) shall be remitted no later than the close of business on the 15th day of March, 2019;

b. Each of the following two (2) months, beginning April 2019, a payment of Five Thousand Dollars (\$5,000) shall be remitted no later than the close of business on the fifteenth day of the month;

(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

Shapiro's Shoes will include "Shapiro's Shoes – OSC-MFD" in the memo line so that any payment is properly credited.

(3) If the payment arrangement as provided for in this Settlement Agreement is more than ten (10) days late, Shapiro's Shoes will be in default of this Settlement Agreement and the

outstanding and unpaid balance plus interest will immediately become due and collected through any means available to MFD as provided by law.

(4) 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).

(5) 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 Shapiro's Shoes 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.

(6) Subject to the express terms of this Settlement Agreement as provided for in paragraphs 1-5 above, by the signatures set forth below, the authorization of which is hereby affirmed, Shapiro's Shoes 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.

(7) Upon verification of payment of the full amount, \$20,000, MFD shall file with the Superior Court of New Jersey within seven (7) business days of such verification a warrant to

satisfy judgment removing the Amended Certificate of Debt against Shapiro's Shoes and Tammy Hahm.

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

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

(10) This Settlement Agreement may be executed in Counterparts.

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

(12) 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 have executed the foregoing Settlement Agreement:

FORM AND CONTENT ACCEPTED AND AGREED TO BY:

DATE: By: _____
Tammy Hahm
Owner, Shapiro's Shoes

DATE: By: _____
William P. Isele, Esq.
Archer & Greiner, P.C.

Amended Certificate of Debt against Shapiro's Shoes and Tammy

Nothing herein shall constitute an admission, concession or finding of liability by

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FORM AND CONTENT ACCEPTED AND AGREED TO BY:

DATE:

3/13/19

By:

Tammy Hahn
Owner, Shapiro's Shoes

DATE:

By:

William P. Isele, Esq.
Archer & Greiner, P.C.

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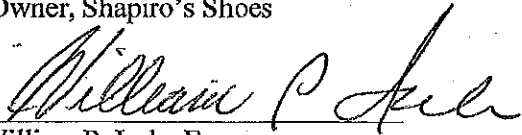
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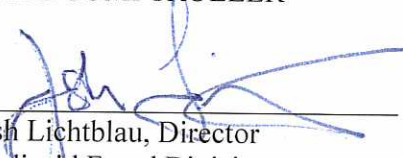
By: _____
Tammy Hahm
Owner, Shapiro's Shoes

DATE:

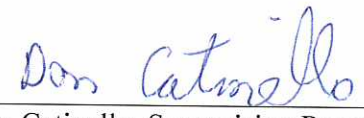
By: 
William P. Isele, Esq.
Archer & Greiner, P.C.

PHILIP JAMES DEGNAN
STATE COMPTROLLER

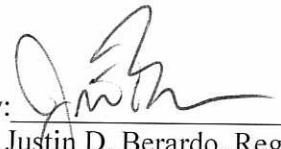
DATE: 4/1/2019

By: 
Josh Lichtblau, Director
Medicaid Fraud Division

DATE: 4/1/19

By: 
Don Catinello, Supervising Regulatory Officer
Medicaid Fraud Division

DATE: 4/1/19

By: 
Justin D. Berardo, Regulatory Officer
Medicaid Fraud Division