

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (“Settlement Agreement”) is entered into this 23 day of Feb. 2024 (“Effective Date”) by and between Springfield Pediatrics, P.A., and its owner, Rolando Lozano, M.D. (hereinafter collectively “Springfield Pediatrics”), represented by Peter Sepulveda, Esq. of Mandelbaum Barrett P.C., and the State of New Jersey, Office of the State Comptroller, Medicaid Fraud Division (“MFD”). Springfield Pediatrics 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, 2015 through April 27, 2020, Springfield Pediatrics was reimbursed by the Department of Human Services, Division of Medical Assistance and Health Services (DMAHS) and/or its fiscal agent and/or the Managed Care Organizations (MCO) for Current Procedural Terminology (CPT) codes 92583, 92587 and 95930 which failed to have necessary supporting documentation, in violation of N.J.A.C. 10:49-9.8(b) and N.J.S.A. 30:4D-12(d) (“Covered Conduct”); and

WHEREAS, MFD issued a Notice of Claim, Certificate of Debt, and Notice of Withhold in this matter and money has been withheld from Springfield Pediatrics by DMAHS and/or its fiscal agent and/or one or more MCO (these funds hereinafter referred to as “Withheld Funds”); and

WHEREAS, Springfield Pediatrics disputes MFD’s findings referenced above; and

WHEREAS, the parties desire to amicably resolve the dispute regarding the alleged overpayment and have reached a mutually acceptable resolution of the controversies that exist between them; and

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) Springfield Pediatrics agrees to pay MFD the total sum of One Hundred Ninety-

Eight Thousand Eight Hundred One Dollars and Seven Cents (\$198,801.07) (“Total Payment Amount”), which shall be made according to the following:

- i. At the time of execution of this Settlement Agreement, Springfield Pediatrics agrees to release \$198,801.07 of Withheld Funds to MFD and MFD agrees to apply those funds to the Total Payment Amount. Springfield Pediatrics waives and relinquishes all rights or claims to \$198,801.07 of the Withheld Funds;
- ii. In the event that the Withheld Funds are greater than the Total Payment Amount, MFD agrees to return any Withheld Funds in excess of those applied in sub paragraph (i) above as part of the settlement of this matter.
- iii. Within five (5) days of the 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. Any excess Withheld Funds as described in sub paragraph (ii) above will be returned to Springfield Pediatrics within thirty (30) days after the accounting of the Withheld Funds is completed by MFD.
- iv. In the event that the Withheld Funds are less than the Total Payment Amount, Springfield Pediatrics agrees to repay such shortage (i.e., the difference between the Total Payment Amount (\$198,801.07) and the Withheld Funds) to MFD within thirty (30) days of receipt of the accounting of the Withheld Funds (“the Shortage Payment”).

(2) For any payments that may be necessary under the terms of this settlement agreement, payment to MFD shall be by certified check, bank check, or attorney trust checkmade 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

“Springfield Pediatrics – [REDACTED]” must be included in the memo line so that payment is properly credited.

(3) As soon as practicable after receipt of the Total Payment Amount, 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 Springfield Pediatrics is satisfied and should be removed from the Court’s docketed list of judgments.

(4) In the event that Springfield Pediatrics must make a Shortage Payment, and if such payment is more than ten (10) dayslate, Springfield Pediatrics will be in default of this Settlement Agreement, and the total remaining unpaid balance plus interest accruing from the date of default will immediately become due (“the Default Amount”). Should Springfield Pediatrics not cure the default within ten (10) business days of receiving notice of default, the Default Amount immediately will be collected through any means available to MFD as provided by law.

(5) Springfield Pediatrics agrees to act in full compliance with all applicable state and federal laws and regulations, including but not limited to submitting only claims that accurately and completely reflect the services provided. To that end, Springfield Pediatrics agrees to only submit claims for services provided for which Springfield Pediatrics 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.

(6) The parties agree that this Settlement Agreement is intended to be a final resolution of all issues arising out of the Covered Conduct, referenced above, including MFD's investigation, and is intended by each party to release the other party and its representatives from liability arising out of the Covered Conduct, including MFD's investigation, 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).

(7) Nothing in this Settlement Agreement waives the rights of any other state or federal agency, including, among others, the New Jersey Office of Attorney General, from continuing with a pending or beginning a future civil or criminal investigation or other action for alleged conduct concerning Springfield Pediatrics or from taking any action for such conduct. Nothing in this Settlement Agreement waives the rights of MFD to conduct an audit or investigation for the improper submission of any claims or conduct not specifically covered by this Settlement Agreement, and to take any action for such conduct, subject to and as limited by applicable law.

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

(9) Subject to the express terms of this Settlement Agreement as provided for in paragraphs 1-8 above, by the signatures set forth below, the authorization of which is hereby affirmed, Springfield Pediatrics 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 and MFD's investigation.

(10) Nothing herein shall constitute an admission, concession, waiver or finding of

wrongdoing or liability by any party.

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

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

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

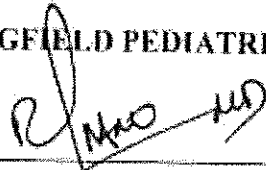
(14) This Settlement Agreement sets forth the entire agreement between and among the parties hereto with respect to the claims described herein and supersedes any other written or oral understanding. This Settlement Agreement does not reflect any other terms or conditions or agreements between or among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

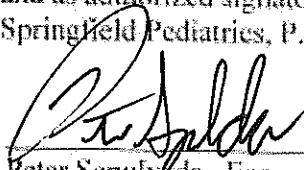
SPRINGFIELD PEDIATRICS, P.A.

DATE:



Rolando Loyano, M.D., Individually
and as authorized signatory for
Springfield Pediatrics, P.A.

DATE:



Peter Sepulveda, Esq.
Mandelbaum Barrett P.C.

**KEVIN D. WALSH
ACTING STATE COMPTROLLER**

DATE:

By: _____
Josh Lichtblau, Director
Medicaid Fraud Division

DATE:

By: _____
Justin Berardo, Assistant Division Director
Medicaid Fraud Division

DATE:

By: _____
Theodore Martens
Supervisor, Regulatory and Exclusions Unit
Medicaid Fraud Division

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Rolando Lozano, M.D., Individually
and as authorized signatory for
Springfield Pediatrics, P.A.

DATE:

Peter Sepulveda., Esq.
Mandelbaum Barrett P.C.

**KEVIN D. WALSH
ACTING STATE COMPTROLLER**

DATE: 2/23/2024

By: Josh Lichtblau
Josh Lichtblau, Director
Medicaid Fraud Division

DATE: 2/23/2024

By: Justin Berardo
Justin Berardo, Assistant Division Director
Medicaid Fraud Division

DATE: 2/23/2024

By: Theodore Martens
Theodore Martens
Supervisor, Regulatory and Exclusions Unit
Medicaid Fraud Division