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ATTORNEY GENERAL OF NEW JERSEY
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Trenton, New Jersey 08625-0117
Attorney for Plaintiff-Intervenor

By: Anna M. Lascurain
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ALLSTATE INDEMNITY COMPANY,
ALLSTATE INSURANCE COMPANY,
ALLSTATE NEW JERSEY INSURANCE
COMPANY, ALLSTATE NEW JERSEY
PROPERTY AND CASUALTY INSURANCE
COMPANY, ALLSTATE PROPERTY AND
CASUALTY INSURANCE COMPANY,
ENCOMPASS PROPERTY AND CASUALTY
COMPANY OF NEW JERSEY AND
ENCOMPASS INSURANCE COMPANY OF
NEW JERSEY,

Plaintiffs,

v.

JOHN K. BURGER, D.O., WAYNE
MILLER, D.C., TATIANA SHARAHY,
M.D., JAY PARIS, D.C., RICHARD
RYAN, D.C., SCOTT PARIS, M.D.,
MARIA ALVAREZ-PRIETO, M.D.,
YINGGANG ZHENG, M.D., JOHN
BURGER, D.O. P.A., HEALTH ONE
MEDICAL & PHYSICAL
REHABILITATION, L.L.C.,
INNOVATIVE SPINE CARE, L.L.C.
D/B/A PURE ANTI-AGING MEDICAL
CENTER, NEUROHEALTH MEDICAL
SERVICES, P.C., NEUROLOGY AND
PAIN MANAGEMENT CENTER, P.C.,

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: BERGEN COUNTY

DOCKET NO. BER-L-627-13

CIVIL ACTION

**STIPULATION OF SETTLEMENT
(AS TO DEFENDANTS JAY PARIS,
D.C., RICHARD RYAN, D.C.,
SCOTT PARIS, M.D. and
NORTHEAST SPINE AND
WELLNESS, L.L.C. ONLY)**

NEUROLOGY AND PAIN TREATMENT
CENTER, P.C., NEUROWAVE, L.L.C.
A/K/A IMR NEUROTESTING, RICARDO
MENDEZ AND JOHN DOES1-100,

Defendants,

v.

RICHARD J. BADOLATO, COMMISSIONER
OF THE NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE,

Plaintiff-Intervenor,

v.

JOHN K. BURGER, D.O., WAYNE
MILLER, D.C., TATIANA SHARAHY,
M.D., JAY PARIS, D.C., RICHARD
RYAN, D.C., SCOT PARIS, M.D.,
MARIA ALVAREZ-PRIETO, M.D.,
YINGGANG ZHENG, M.D., JOHN
BURGER, D.O. P.A., HEALTH ONE
MEDICAL & PHYSICAL
REHABILITATION, L.L.C.,
INNOVATIVE SPINE CARE, L.L.C.
D/B/A PURE ANTI-AGING MEDICAL
CENTER, NEUROHEALTH MEDICAL
SERVICES, P.C., NEUROLOGY AND
PAIN MANAGEMENT CENTER, P.C.,
NEUROLOGY AND PAIN TREATMENT
CENTER, P.C., NORTHEAST SPINE AND
WELLNESS, L.L.C., NEUROWAVE,
L.L.C. A/K/A IMR NEUROTESTING,
RICARDO MENDEZ AND JOHN DOES1-100

Defendants.

WHEREAS, Richard J. Badolato, Commissioner of the New

Jersey Department of Banking & Insurance ("Plaintiff-Intervenor" or "Commissioner"), and Defendants Jay Paris, D.C., Richard Ryan, D.C., Scott Paris, M.D., and Northeast Spine and Wellness, L.L.C. ("Settling Defendants") have reached an amicable agreement resolving the issues in controversy and consent to the entry of the within Stipulation of Settlement; and

WHEREAS, Settling Defendants have filed an Answer in which they have denied all of the above mentioned allegations of the Complaint; and

WHEREAS pursuant to N.J.S.A. 17:33A-5d, Settling Defendants consent to pay civil penalties to avoid the costs of further litigation; and

IT IS HEREBY STIPULATED AND AGREED that the Settling Defendants are alleged to have made made material false or misleading statements on insurance claims to Allstate Indemnity Company ("Allstate") when they made claims for insurance benefits for medical treatment and services which were never rendered, and/or were unnecessary, in violation of the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 et seq. ("Fraud Act"), as alleged in the above-captioned matter. Specifically, the Complaint alleged that that the Settling Defendants submitted claims and bills for medical treatment and services Defendant Burger rendered that were not medically necessary and/or performed without regard

to standard American Association Neuromuscular and Electrodiagnostic Medicine practices; and

IT IS FURTHER STIPULATED AND AGREED that, pursuant to N.J.S.A. 17:33A-5, Settling Defendants neither admit nor deny the charges as alleged above, but consent to the payment of civil penalties, insurance surcharges, and attorneys' fees with notification being made to the appropriate licensing authority in accordance with N.J.S.A. 17:33A-10c;

IT IS FURTHER STIPULATED AND AGREED that any future violation of the Fraud Act by Settling Defendants will be considered a subsequent violation; and

WHEREAS IT IS STIPULATED AND AGREED that Settling Defendants, shall pay a total sum of \$57,750.00 Dollars to the New Jersey Department of Banking and Insurance, which shall be paid in accordance with the following terms:

1. Settling Defendant J. Paris, D.C. shall pay the total amount of \$7,875.00, consisting of civil penalties of \$7,500.00 and pursuant to N.J.S.A 17:33A-5b, and an insurance surcharge of \$375.00, pursuant to 17:33A-5.1;

2. Settling Defendant S. Paris, M.D. shall pay the total amount of \$5,250.00, consisting of civil penalties of \$5,000.00 pursuant to N.J.S.A 17:33A-5b, and an insurance surcharge of \$250.00, pursuant to 17:33A-5.1;
3. Settling Defendant R. Ryan, D.C. shall pay the total amount of \$7,875.00, consisting of civil penalties of \$7,500.00 pursuant to N.J.S.A 17:33A-5b, and an insurance surcharge of \$375.00, pursuant to 17:33A-5.1;
4. Settling Defendant Northeast Spine and Wellness, LLC shall pay the total amount of \$36,750.00, consisting of civil penalties of \$35,000.00 pursuant to N.J.S.A 17:33A-5b, and an insurance surcharge of \$1,750.00, pursuant to 17:33A-5.1;
5. Upon execution of this Stipulation of Settlement, each Settling Defendant shall remit to the attorney for the Commissioner of the New Jersey Department of Banking & Insurance a payment made payable to "Commissioner, New Jersey Department of Banking & Insurance" in a certified check, money order, or attorney trust account check in the following amounts:

-Defendant J. Paris: \$7,875.00;

-Defendant S. Paris: \$5,250.00;
-Defendant Richard Ryan: \$7,875.00; and
-Defendant Northeast Spine
and Wellness, LLC: \$36,750.00

6. The payment shall be sent to:
Anna M. Lascurain, DAG
State of New Jersey
Department of Banking and Insurance
20 Market Street, P.O. Box 117
Trenton, New Jersey 08625-0117

IT IS FURTHER HEREBY STIPULATED AND AGREED that the penalties of this Stipulation of Settlement are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and protection of the public health, safety and welfare, and are not intended to constitute debts, which may be limited or discharged in a bankruptcy proceeding.

CONSENTED AS TO FORM, CONTENT AND ENTRY:

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiff-Intervenor

By: 

Anna M. Laseurain, DAG
Attorney for Plaintiff-Intervenor

By: 

Paul D. Werner, Esq.
Buttaci Leardi and Werner LLC
Attorney for Settling Defendants

By: 

Richard Ryan, D.C.

By: 

Jay Paris, D.C.

By: 

Scot Paris, M.D.

By: 

Scot Paris, M.D.
On Behalf of Northeast Spine and Wellness, L.L.C.