

**REDACTED - FOR PUBLIC FILING**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	X
UNITED STATES OF AMERICA, <i>ex rel.</i> DAVID	:
HEISLER; and THE STATE OF NEW YORK <i>ex rel.</i>	:
DAVID HEISLER,	:
Plaintiffs,	:
-against-	:
CENTERLIGHT HEALTHCARE and	:
CENTERLIGHT HEALTH SYSTEM,	:
Defendants.	:
	: 13 Civ. 8502 (Kaplan, J.)
-----	X
THE STATE OF NEW YORK,	:
Plaintiff-Intervenor,	:
-against-	:
CENTERLIGHT HEALTHCARE and	:
CENTERLIGHT HEALTH SYSTEM,	:
Defendants.	:
-----	X

**STIPULATION AND ORDER OF SETTLEMENT**

This Stipulation and Order of Settlement (the “Stipulation”) is entered into by and among the State of New York, acting through the New York State Office of the Attorney General, Medicaid Fraud Control Unit (“MFCU”) (collectively, the “State”), CenterLight Healthcare, Inc. and CenterLight Health System, Inc. (collectively, “CenterLight”), and David Heisler (“Relator”) (collectively, the “Parties”), through their authorized representatives.

WHEREAS, CenterLight Health System, Inc. (“CenterLight Health System”) is a New York not-for-profit corporation, organized to support the provision of health care services

principally in New York State and to provide financial and administrative assistance to its affiliated organizations, including CenterLight Healthcare, Inc. (“CenterLight Healthcare”);

WHEREAS, CenterLight Healthcare is a New York not-for-profit corporation that administers managed health care plans available to residents of the New York City metropolitan area; and, in particular, CenterLight Healthcare administered a Managed Long Term Care Plan (the “CenterLight MLTCP”) pursuant to a Managed Long Term Care Partial Capitation Model Contract (the “MLTCP Contract”) with the New York State Department of Health under which it arranged for health and community-based long-term care services for beneficiaries of the State’s Medical Assistance Program (Medicaid) who enrolled in the plan, and reimbursed providers for such services;

WHEREAS, CenterLight Healthcare sold the CenterLight MLTCP on or about January 31, 2017;

WHEREAS, CenterLight Healthcare submitted or caused to be submitted to the State’s Medicaid Program claims for payment of a monthly capitation amount with respect to each member enrolled in the CenterLight MLTCP (“Capitation Payment”) during the period relevant to the State’s investigation;

WHEREAS, on November 27, 2013, Relator filed a *qui tam* action in the United States District Court for the Southern District of New York, captioned *United States and the State of New York, ex rel. David Heisler v. CenterLight Healthcare and CenterLight Health System*, Civil Action No. 13 Civ. 8502 (Kaplan, J.), pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b), and the State False Claims Act, State Finance Law § 190 (the “Relator’s Action”);

WHEREAS, on January 20, 2016, the United States, through the Office of the United States Attorney for the Southern District of New York (the “United States”), and the State, through the Medicaid Fraud Control Unit of the Office of the Attorney General, filed Notices of Partial Intervention in the Relator’s Action against CenterLight and filed Stipulations and Orders of Settlement (the “2016 Stipulations”) to resolve allegations relating to the use of social adult day care centers to enroll members in the CenterLight MLTCP, which conduct is specifically described in the 2016 Stipulations;

WHEREAS, the 2016 Stipulations specifically preserved for investigation certain allegations, which MFCU and the United States continued to investigate;

WHEREAS, contemporaneously with the filing of this Stipulation (the “State Settlement”), the State is filing a Second Notice of Partial Intervention in Relator’s Action against CenterLight and a Complaint-In-Intervention (the “State Complaint”);

WHEREAS, the State Complaint alleges that CenterLight Healthcare engaged in the following conduct (which conduct is referred to in this Stipulation as the “Covered Conduct”): from April 1, 2012 to September 30, 2015 (the “Covered Period”), CenterLight Healthcare: (a) submitted or caused to be submitted false claims for Capitation Payments for 186 CenterLight MLTCP members who resided in adult homes and who, for at least some portion of their enrollment in the CenterLight MLTCP, did not receive community-based long-term care services as required by the MLTCP Contract and therefore were not eligible for the CenterLight MLTCP (“the 186 Adult Home MLTCP Members,” identified in Exhibit A to this Stipulation)<sup>1</sup>; and (b)

---

<sup>1</sup> The names and any other identifying information of the 186 Adult Home MLTCP Members identified in Exhibit A are redacted in the version of the Stipulation that is filed on the Civil Docket to preserve the confidentiality of their identities pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

knowingly avoided reimbursing Medicaid for Capitation Payments that CenterLight Healthcare received for many of the 186 Adult Home MLTCP Members after CenterLight Healthcare became aware that such members should have been dis-enrolled at an earlier date and that CenterLight Healthcare was not entitled to those payments;

WHEREAS, the United States is filing its Second Notice of Partial Intervention in Relator's Action against CenterLight, and contemporaneously herewith has entered into a stipulation with CenterLight to resolve the United States' claims relating to the Covered Conduct ("United States Settlement");

WHEREAS, in the course of its investigation, the State further determined that CenterLight Healthcare received certain overpayments from Medicaid, to which CenterLight Healthcare was not entitled under the MLTCP Contract (the "Overpayments", received on behalf of members identified in Exhibit B to this Stipulation)<sup>2</sup>;

WHEREAS, as particularized below, the amount to be paid to settle the claims of the United States and the State related to the Covered Conduct and the Overpayments is Ten Million Three Hundred Sixty-Four Thousand Three Hundred and One Dollars and forty-eight cents (\$10,364,301.48) plus interest which shall be compounded annually at a rate of 2.375% accruing from February 26, 2018 to the date of payment;

WHEREAS, Relator's share of the State Settlement pursuant to N.Y. State Fin. Law § 190(6) will be subject to a separate agreement between Relator and the State;

---

<sup>2</sup> The names and any other identifying information of the members identified in Exhibit B are redacted in the version of the Stipulation that is filed on the Civil Docket to preserve the confidentiality of their identities pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

NOW THEREFORE, in consideration of the mutual promises, undertakings and obligations set forth herein, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. The State hereby represents that it has the authority to enter into this Stipulation and effectuate a final settlement of the State's claims relating to the Covered Conduct and the Overpayments on behalf of itself and all counties of the State participating in Medicaid payments to CenterLight. It is understood that CenterLight is entering into this Stipulation in reliance upon the foregoing representations of the State.

2. The Parties consent to this Court's exercise of subject matter jurisdiction over this action and personal jurisdiction over each of them with respect to this action.

3. CenterLight admits, acknowledges, and accepts responsibility for the following conduct:

a. To be eligible for enrollment into a managed long-term care plan, a Medicaid beneficiary must, among other things, be assessed as needing community-based long-term care services for more than 120 days from the effective date of enrollment. Pursuant to the MLTCP Contract, community-based long-term care services include, but are not limited to, nursing services in the home, therapies in the home, home health aide services, personal care services in the home, and adult day health care.

b. CenterLight Healthcare contracted with licensed home care services agencies ("LHCSAs") to provide skilled nursing and home health aide services to CenterLight MLTCP members who resided in adult homes, including the 186 Adult Home MLTCP Members.

c. The 186 Adult Home MLTCP Members did not receive the required community-based long-term care services during certain months that they were enrolled in the CenterLight MLTCP. With respect to a number of these individuals, there is no record showing that they received the required community-based long-term care services for most of the months that they were enrolled in the CenterLight MLTCP.

d. CenterLight Healthcare failed to timely dis-enroll the 186 Adult Home MLTCP Members even though they were no longer eligible for the CenterLight MLTCP and, as a result, CenterLight Healthcare received Capitation Payments to which it was not entitled.

e. CenterLight Healthcare knew at the time it ultimately dis-enrolled a number of the 186 Adult Home MLTCP Members that they should have been dis-enrolled earlier, but failed to repay Medicaid for the Capitation Payments that CenterLight Healthcare had improperly received for those members.

f. CenterLight Healthcare failed to adequately oversee and monitor the care provided by the LHCSAs to the 186 Adult Home MLTCP Members to ensure that these members received the services required by the MLTCP Contract.

4. CenterLight shall pay to the State Six Million Dollars (\$6,000,000.00) plus interest which shall be compounded annually at a rate of 2.375% accruing from February 26, 2018 to the date of payment (the "Covered Conduct Settlement Amount"), for the State share of the loss to the Medicaid program due to the Covered Conduct. CenterLight shall pay the Covered Conduct Settlement Amount to the State within thirty (30) calendar days of the Effective Date as defined in Paragraph 33 below.

5. CenterLight shall pay to the State Three Hundred Sixty-Four Thousand Three Hundred and One Dollars and forty-eight cents (\$364,301.48) plus interest which shall be compounded annually at a rate of 2.375% accruing from February 26, 2018 to the date of payment (the “Overpayment Settlement Amount”), for the Overpayments. CenterLight agrees to pay to the State the Overpayment Settlement Amount within thirty (30) calendar days of the date that the sale of the Center for Nursing and Rehabilitation, a not-for-profit skilled nursing facility of which CenterLight Health System is the sole corporate member (the “CNR Transaction”), closes. If the CNR Transaction does not close within five (5) months of the Effective Date, CenterLight consents to the State’s levy of a one-time withhold of Medicaid payments equal to the Overpayment Settlement Amount, pursuant to 18 N.Y.C.R.R. §§ 504.8(d) and 518.7, in satisfaction of CenterLight’s obligations under this Paragraph.

6. The total amount CenterLight shall pay to the State is Six Million Three-Hundred Sixty-Four Thousand Three-Hundred and One Dollars and forty-eight cents (\$6,364,301.48), plus interest as described above. (Together, the Covered Conduct Settlement Amount and the Overpayment Settlement Amount are referred to as the “Total State Settlement Amount”). Of the Total State Settlement Amount, \$3,364,301.48 constitutes restitution to the State.

7. CenterLight shall pay to the United States Four Million Dollars (\$4,000,000.00) (the “U.S. Settlement Amount”) plus interest which shall be compounded annually at a rate of 2.375% accruing from February 26, 2018 to the date of payment, for the federal share of the loss to the Medicaid program due to the Covered Conduct.

8. Subject to the provisions of Paragraph 9 (concerning excluded claims) below, and conditioned upon CenterLight’s full payment of the Total State Settlement Amount, the State releases CenterLight and all of its predecessors, successors, members, assigns, and corporations

under CenterLight's control (collectively the "CenterLight Releasees"), from any civil monetary cause of action that the State has for the Covered Conduct and the Overpayments under the New York State False Claims Act, N.Y. State Fin. Law §§ 188 *et seq.*, Social Services Law § 145-b, Executive Law § 63(12), Executive Law § 63-c, or the common law theories of payment by mistake, money had and received, breach of contract, unjust enrichment, and fraud.

9. Notwithstanding the releases given in Paragraph 8 of this Stipulation, or any other term of this Stipulation, the State specifically does not release any person or entity from any of the following liabilities:

- a. Any civil, criminal, or administrative liability arising under state revenue codes;
- b. Any criminal liability;
- c. Any administrative liability, including mandatory or permissive exclusion from the State's Medicaid Program;
- d. Any civil or administrative liability that any person or entity, including any of the CenterLight Releasees, has or may have to the State or to individual consumers or state program payors under any statute, regulation, or rule not expressly covered by the release in Paragraph 8 above, including, but not limited to, any and all claims involving unfair and/or deceptive acts and practices and/or violations of consumer protection or antitrust laws;
- e. Any liability to the State (or its agencies) for any conduct other than the Covered Conduct or the Overpayments;
- f. Any liability which may be asserted by or on behalf of any payor or insurer paid by the State's Medicaid program on a capitated basis, other than liability of CenterLight to the State for the Covered Conduct or the Overpayments;

- g. Any liability for personal injury, patient abuse, or neglect arising from the Covered Conduct or the Overpayments;
- h. Any liability based upon obligations created by this Stipulation; and
- i. Any liability of individuals.

10. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Stipulation and agree and confirm that this Stipulation is fair, adequate, and reasonable under all the circumstances pursuant to N.Y. State Fin. Law § 190(5)(b)(ii). Conditioned upon full payment of the Total State Settlement Amount and the U.S. Settlement Amount, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, fully and finally and irrevocably releases CenterLight and all of its predecessors, successors, and members, together with their current and former officers, directors, trustees, servants, employees, assigns, and corporations under CenterLight's control from any and all rights, claims, expenses, debts, liabilities, demands, obligations, costs, damages, injuries, actions, and causes of action of every nature, whether known or unknown, suspected or unsuspected, in law or in equity Relator has asserted, could have asserted, or may assert in the future on behalf of the State arising out of the Covered Conduct, Overpayments, or allegations in the Relator's Action, including, without limitation, claims under State Fin. Law § 189 *et seq.* However, nothing in this Stipulation shall preclude Relator from seeking to recover his expenses or attorney's fees and costs from CenterLight pursuant to State Fin. Law § 190(6)(a) and 31 U.S.C. § 3730(d). Relator and his counsel represent and warrant that they have not assigned, subrogated, or transferred any claims or any interest in any claims falling within the scope of this paragraph.

11. CenterLight waives and shall not assert any defenses CenterLight may have to any criminal prosecution or administrative action relating to the Covered Conduct or the Overpayments

that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Stipulation bars a remedy sought in such criminal prosecution or administrative action. Nothing in this paragraph or any other provision of this Stipulation constitutes an agreement by the State concerning the characterization of the Total State Settlement Amount for purposes of the New York State Tax Law.

12. CenterLight and all of its predecessors, successors, and members, together with their current and former officers, directors, trustees, servants, employees, and assigns, fully and finally release the State, its agencies, officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that CenterLight has asserted, could have asserted, or may assert in the future against the State, its agencies, officers, agents, employees, and servants, related to the Covered Conduct or the Overpayments, and the State's investigation and prosecution thereof.

13. CenterLight agrees to cooperate fully and truthfully with the State's investigation of individuals and entities not released in this Stipulation. Upon reasonable notice, CenterLight shall encourage, and agree not to impair, the cooperation of its directors, officers, and employees in such State investigation, and shall use its best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. CenterLight further agrees to furnish to the State, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Covered Conduct that it has undertaken, or that has been performed by another on its behalf.

14. In consideration of the obligations of Relator as set forth in this Stipulation, CenterLight and all of its predecessors, successors, and members, together with its respective current and former officers, directors, trustees, servants, employees, agents, affiliates, and assigns, hereby fully, finally, and irrevocably release Relator and his heirs, executors, administrators, estates, successors, attorneys, agents, and assigns, from any and all rights, claims, expenses, debts, liabilities, demands, obligations, costs, damages, injuries, actions, and causes of action of every nature, whether known or unknown, suspected or unsuspected, in law or in equity, that they had, have, or may have, against Relator arising out of the Relator's Action, and Relator's investigation and prosecution thereof.

15. The Total State Settlement Amount shall not be decreased as a result of the denial of claims for payment now being withheld from payment by any State payor related to the individuals identified in Exhibits A and B to this Stipulation; and CenterLight agrees not to submit any further claim or to resubmit to any State payor any previously denied claims, or cause any further claim or adjustment to be submitted or resubmitted, related to the individuals identified in Exhibits A and B to this Stipulation, and agrees not to appeal any such denials of claims.

16. If within 91 days of the Effective Date of this Stipulation or any payment made under this Stipulation, CenterLight commences any case, action, or other proceeding under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors or a third party commences any case, action, or other proceeding under any law related to bankruptcy, insolvency, reorganization, or relief of debtors (a) seeking an order for relief of CenterLight's debts, or seeking to adjudicate CenterLight as bankrupt or insolvent; or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for CenterLight or for all or part of CenterLight's assets, CenterLight agrees as follows:

- a. CenterLight's obligations under this Stipulation may not be avoided pursuant to 11 U.S.C. § 547, and CenterLight shall not argue or otherwise take the position in any such case, action, or proceeding that (i) CenterLight's obligations under this Stipulation may be avoided under 11 U.S.C. § 547; (ii) CenterLight was insolvent at the time this Stipulation was entered into; or (iii) the mutual promises, covenants, and obligations set forth in this Stipulation do not constitute a contemporaneous exchange for new value given to CenterLight.
- b. If any of CenterLight's obligations under this Stipulation are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, the State, at its option, may rescind the release in this Stipulation and bring any civil and/or administrative claim, action, or proceeding against CenterLight for the claims that would otherwise be covered by the release in Paragraph 8 above. CenterLight agrees that (i) any such claim, action, or proceeding brought by the State would not be subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) as a result of the case, action, or proceeding described in the first sentence of this Paragraph, and CenterLight shall not argue or otherwise contend that the State's claim, action, or proceeding is subject to an automatic stay; (ii) CenterLight shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any claim, action, or proceeding that is brought by the State within 60 calendar days of written notification to CenterLight that the release has been rescinded pursuant to this Paragraph, except to the extent such defenses were available on the date the

Relator's Action was filed; and (iii) the State has a valid claim against CenterLight in the amount of the Total State Settlement Amount and the State may pursue its claim in the case, action, or proceeding described in the first sentence of this Paragraph, as well as in any other case, action, or proceeding.

- c. CenterLight acknowledges that the agreements in this Paragraph are provided in exchange for valuable consideration provided in this Stipulation.

17. CenterLight agrees to the following:

- a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395kkk and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of CenterLight or its present or former officers, directors, trustees, employees, shareholders, and agents in connection with:

- i. the matters covered by this Stipulation;
- ii. the State's audit(s) and civil and any criminal investigation(s) of the matters covered by this Stipulation;
- iii. CenterLight's investigation, defense, and corrective actions undertaken in response to the State's audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Stipulation (including attorney's fees);
- iv. the negotiation and performance of this Stipulation; and
- v. the payments CenterLight makes relating to this Stipulation including costs and attorney's fees,

are unallowable costs for government contracting purposes and under the Medicaid Program (hereinafter referred to as “Unallowable Costs”).

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for in non-reimbursable cost centers by CenterLight, and CenterLight shall not charge such Unallowable Costs directly or indirectly to any contracts with the United States or any State Medicaid program, or seek payment for such Unallowable Costs through any Consolidated Fiscal Report (“CFR”), cost report, cost statement, information statement, or payment request submitted by CenterLight or any of its member corporations or affiliates to the Medicaid Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: CenterLight further agrees that within 90 days of the Effective Date of this Stipulation it shall identify to applicable Medicaid fiscal agents, any Unallowable Costs (as defined in Paragraph 17(a)) included in payments previously sought from any State Medicaid program, including, but not limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by CenterLight or any of its member corporations or affiliates, and shall request, and agree, that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the Unallowable Costs. CenterLight agrees that the State, at a minimum, shall be entitled to recoup from CenterLight any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted cost reports, information reports, cost statements, appeals, or requests for payment. Any payments due after the adjustments have been made shall be paid to the State. The State reserves its rights to disagree with any calculations submitted by CenterLight or any of its member corporations or affiliates on the effect of inclusion of Unallowable Costs (as

defined in this Paragraph) on CenterLight's or any of its member corporation's or affiliates' CFRs, cost reports, cost statements, or information reports, appeals, or other payment requests.

d. Nothing in this Stipulation shall constitute a waiver of the rights of the State to audit, examine, or re-examine the books and records of CenterLight to determine that no Unallowable Costs have been claimed in accordance with the provisions of this Paragraph.

18. Except as expressly provided to the contrary in this Stipulation, this Stipulation is intended for the benefit of the Parties only. The Parties do not release any claims against any other person or entity, except to the extent provided for in Paragraph 19 (waiver for beneficiaries paragraph), below.

19. CenterLight agrees that it waives and shall not seek payment for any of the health care billings covered by this Stipulation from any individual health care beneficiaries or their parents, sponsors, legally responsible individuals, or third party payors based upon the claims defined as Covered Conduct or Overpayments.

20. Except as provided in Paragraph 10, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Stipulation.

21. Each Party and signatory to this Stipulation represents that it freely and voluntarily enters into this Stipulation without any degree of duress or compulsion.

22. CenterLight agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in this Stipulation or creating the impression that this Stipulation is without factual basis. Nothing in this Paragraph affects CenterLight's: (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other proceedings to which the Attorney General is not a party.

23. Upon receipt of the payments described in Paragraphs 4 through 7 above, the State and the Relator shall file pursuant to Rule 41(a)(1) a joint Notice of Dismissal that will dismiss the State Complaint and the Relator's Complaint. As to the State, the dismissal shall be with prejudice only as to the claims released in Paragraph 8 above, and shall be without prejudice as to the claims reserved in Paragraph 9 and all other claims and conduct. As to the Relator, the dismissal shall be with prejudice as to all claims in the Relator's Complaint, except for the Relator's claims for expenses, costs, and attorneys' fees pursuant to 31 U.S.C. § 3730(d) and N.Y. State Fin. Law § 190(6)(a).

24. Any failure by the State to insist upon the strict performance of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and the State, notwithstanding that failure, shall have the right thereafter to insist upon strict performance of any and all of the provisions of this Stipulation.

25. This Stipulation is governed by the laws of the State of New York.

26. For purposes of construing this Stipulation, this Stipulation shall be deemed to have been drafted by all Parties to this Stipulation and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

27. This Stipulation constitutes the complete agreement between the Parties with respect to the subject matter hereof. This Stipulation may not be amended except by written consent of the Parties. This Stipulation does not modify or supersede any prior written agreement between the Parties.

28. The undersigned represent and warrant that they are fully authorized to execute this Stipulation on behalf of the persons and entities indicated below.

29. This Stipulation may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Stipulation. Signatures delivered by electronic mail as “.pdf” attachments to emails shall constitute acceptable, binding signatures for purposes of this Stipulation.

30. This Stipulation is binding on CenterLight’s successors, transferees, heirs, executors, administrators, estates, and assigns.

31. This Stipulation is binding on Relator’s successors, transferees, heirs, executors, administrators, estates, and assigns.

32. Any notices pursuant to this Stipulation shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery, express courier or email followed by postage prepaid first class mail, and addressed as follows:

TO THE STATE:

Chief, Civil Enforcement Division  
Medicaid Fraud Control Unit  
New York State Office of the Attorney General  
120 Broadway, 13<sup>th</sup> Floor  
New York, NY 10271  
Telephone: (212) 417-5300

**After April 26, 2018**

Chief, Civil Enforcement Division  
Medicaid Fraud Control Unit  
New York State Office of the Attorney General  
28 Liberty Plaza  
New York, NY 10005  
Telephone: (212) 417-5300

TO CENTERLIGHT:

Stephen A. Warnke, Esq.  
Ropes & Gray LLP  
1211 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 841-0681  
Email: [Stephen.Warnke@ropesgray.com](mailto:Stephen.Warnke@ropesgray.com)

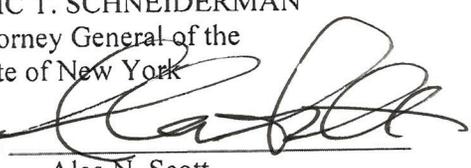
TO RELATOR:

Kathy S. Marks, Esq.  
Yankwitt LLP  
140 Grand Street, Suite 705  
White Plains, NY 10601  
Telephone: (914) 686-1500  
Email: [Kathy@Yankwitt.com](mailto:Kathy@Yankwitt.com)

33. The Effective Date of this Stipulation is the date upon which it is entered by the Court.

**THE STATE OF NEW YORK**

ERIC T. SCHNEIDERMAN  
Attorney General of the  
State of New York

By:   
Alee N. Scott  
Special Assistant Attorney General  
Medicaid Fraud Control Unit  
120 Broadway, 13<sup>th</sup> Floor  
New York, NY 10271  
(212) 417-5322  
[Alee.scott@ag.ny.gov](mailto:Alee.scott@ag.ny.gov)

Dated: New York, New York  
March 26, 2018

CENTERLIGHT HEALTHCARE, INC.

By: B-C D-A-W  
Benjamin C. Duster, IV  
President and CEO  
1733 Eastchester Road, 2nd Floor  
Bronx, NY 10461

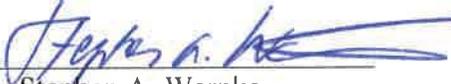
Dated: Bronx, New York  
March 23, 2018

CENTERLIGHT HEALTH SYSTEM, INC.

By: B-C D-A-W  
Benjamin C. Duster, IV  
President and CEO  
1733 Eastchester Road, 2nd Floor  
Bronx, NY 10461

Dated: Bronx, New York  
March 23, 2018

ROPES & GRAY LLP  
*Counsel for CenterLight Healthcare, Inc.  
and CenterLight Health System, Inc.*

By:   
Stephen A. Warnke  
1211 Avenue of the Americas  
New York, New York 10036-8704  
(212) 841-0681  
[Stephen.Warnke@ropesgray.com](mailto:Stephen.Warnke@ropesgray.com)

Dated: New York, New York  
March 23, 2018

DAVID HEISLER

By: \_\_\_\_\_  
Relator

Dated: New York, New York  
March \_\_\_\_, 2018

YANKWITT LLP  
*Counsel for Relator*

By: \_\_\_\_\_  
Kathy S. Marks  
140 Grand Street, Suite 705  
White Plains, NY 10601  
(914) 686-1500  
[Kathy@yankwitt.com](mailto:Kathy@yankwitt.com)

Dated: New York, New York  
March \_\_\_\_, 2018

LAW OFFICE OF ANDREA  
PAPARELLA, PLLC

*Counsel for Relator*

By: \_\_\_\_\_  
Andrea Paparella  
150 W. 28th Street, Suite 1603  
New York, New York 10001  
(212) 675-2523  
[ap@andreapaparella.com](mailto:ap@andreapaparella.com)

Dated: New York, New York  
March \_\_\_\_, 2018

SO ORDERED:

\_\_\_\_\_, 2018

\_\_\_\_\_  
Honorable Lewis A. Kaplan  
United States District Judge

ROPES & GRAY LLP  
Counsel for CenterLight Healthcare, Inc.  
and CenterLight Health System, Inc.

By: \_\_\_\_\_  
Stephen A. Warnke  
1211 Avenue of the Americas  
New York, New York 10036-8704  
(212) 841-0681  
Stephen.Warnke@ropesgray.com

Dated: New York, New York  
March \_\_, 2018

DAVID HEISLER

By: \_\_\_\_\_  
Relator

Dated: <sup>Philadelphia, PA</sup> ~~New York, New York~~ <sub>AK</sub>  
March 22, 2018

YANKWITT LLP

Counsel for Relator

By: \_\_\_\_\_  
Kathy S. Marks  
140 Grand Street, Suite 705  
White Plains, NY 10601  
(914) 686-1500  
Kathy@yankwitt.com

Dated: <sup>White Plains</sup> ~~New York~~, New York <sub>SM</sub>  
March 26, 2018

LAW OFFICE OF ANDREA  
PAPARELLA, PLLC

Counsel for Relator

By: \_\_\_\_\_  
Andrea Paparella  
150 W. 28th Street, Suite 1603  
New York, New York 10001  
(212) 675-2523  
ap@andreapaparella.com

Dated: New York, New York  
March 26, 2018

SO ORDERED:

\_\_\_\_\_, 2018

\_\_\_\_\_  
Honorable Lewis A. Kaplan  
United States District Judge

# **EXHIBIT A**

	<u>MEMBER ID</u>	<u>LAST NAME</u>	<u>FIRST NAME</u>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			

33	
34	
35	
36	
37	
38	
39	
40	
41	
42	
43	
44	
45	
46	
47	
48	
49	
50	
51	
52	
53	
54	
55	
56	
57	
58	
59	
60	
61	
62	
63	
64	
65	

66	
67	
68	
69	
70	
71	
72	
73	
74	
75	
76	
77	
78	
79	
80	
81	
82	
83	
84	
85	
86	
87	
88	
89	
90	
91	
92	
93	
94	
95	
96	
97	
98	

REDACTED

99	
100	
101	
102	
103	
104	
105	
106	
107	
108	
109	
110	
111	
112	
113	
114	
115	
116	
117	
118	
119	
120	
121	
122	
123	
124	
125	
126	
127	
128	
129	
130	
131	

132	
133	
134	
135	
136	
137	
138	
139	
140	
141	
142	
143	
144	
145	
146	
147	
148	
149	
150	
151	
152	
153	
154	
155	
156	
157	
158	
159	
160	
161	
162	
163	
164	

165	
166	
167	
168	
169	
170	
171	
172	
173	
174	
175	
176	
177	
178	
179	
180	
181	
182	
183	
184	
185	
186	

# **EXHIBIT B**

REDACTED

	<u>MEMBER ID</u>	<u>LAST NAME</u>	<u>FIRST NAME</u>
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

REDACTED

41	
42	
43	
44	
45	
46	
47	
48	
49	
50	
51	
52	
53	
54	
55	
56	
57	
58	
59	
60	
61	
62	
63	
64	