

SETTLEMENT AGREEMENT

This Settlement Agreement (also “Agreement”) is entered into among the United States of America, acting through the United States Department of Justice and on behalf of the Office of Inspector General (OIG-HHS) of the Department of Health and Human Services (HHS) (collectively, the “United States”); the State of Florida, acting through Florida Attorney General Pamela Jo Bondi, on behalf of the Florida Medicaid program (collectively, “State of Florida”); Pinellas County Emergency Medical Services Authority (“Pinellas EMSA”); and Stephen Dean (“Relator”) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

A. Pinellas EMSA is a special district and authority established by the State of Florida in 1980 through a special act of the Florida Legislature, F.S. 80-585, for the purpose of providing a county-wide emergency medical services system within Pinellas County, Florida.

B. On or about April 3, 2014, Relator filed a *qui tam* action in the United States District Court for the Eastern District of Texas captioned *United States ex rel. Dean v. Paramedics Plus, L.L.C., et al.*, 4:14-cv-203, (the “Civil Action”) pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) and the Florida False Claims Act, Florida Stat. § 68.083.

C. The United States contends that Pinellas EMSA submitted or caused to be submitted claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395kkk-1 (“Medicare”) and the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 (“Medicaid”). The State of Florida contends that Pinellas EMSA submitted or caused to be submitted claims for payment to the Florida Medicaid Program, Florida Stat. §§ 409.901-409.920.

D. The United States and the State of Florida contend they have certain civil and common law claims against Pinellas EMSA arising out of Pinellas EMSA's award of the exclusive right to provide ambulance services in Pinellas County, Florida to Paramedics Plus, L.L.C. ("Paramedics Plus"). The United States and the State of Florida contend that Pinellas EMSA's decision to award the exclusive ambulance services contract to Paramedics Plus was improperly influenced by Paramedics Plus's offer and payment of remuneration to Pinellas EMSA: specifically, from 2004 through September 30, 2015, the ambulance services contract between Paramedics Plus and Pinellas EMSA included a "profit cap" term under which Paramedics Plus improperly offered and paid to Pinellas EMSA any profit over a specified threshold. Additionally, from January 1, 2014 through September 30, 2015, the United States and the State of Florida contend that Paramedics Plus improperly offered and paid certain corporate overhead costs to Pinellas EMSA as part of the ambulance services contract. The conduct described in this paragraph is hereafter referred to as "the Covered Conduct."

E. This Settlement Agreement is neither an admission of liability by Pinellas EMSA nor a concession by the United States, the State of Florida, or Relator that their claims are not well founded.

F. Pinellas EMSA denies the allegations in Paragraph D above.

G. Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement Agreement and to Relator's reasonable expenses, attorney's fees, and costs.

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Pinellas EMSA shall pay to the United States and the State of Florida Seventy-One Thousand Two Hundred Dollars (\$71,200.00) (“Settlement Amount”) within fifteen (15) days after the Effective Date of this Agreement. Pinellas EMSA shall pay the United States the sum of Sixty-Six Thousand Dollars (\$66,000.00) (“Federal Settlement Amount”) by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney’s Office for the Eastern District of Texas or by certified check payable to the “United States Treasury” mailed to the following address:

Financial Litigation Unit
United States Attorney’s Office
110 N. College Street, Suite 700
Tyler, Texas 75702

Pinellas EMSA shall pay to the State of Florida the sum of Five Thousand Two Hundred Dollars (\$5,200.00) (“Florida Settlement Amount”) pursuant to written instructions to be provided by the State of Florida Office of the Attorney General.

2. Conditioned upon the United States receiving the Federal Settlement Amount from Pinellas EMSA and as soon as feasible after receipt, the United States shall pay Thirteen Thousand Two Hundred Dollars (\$13,200.00) to Relator by electronic funds transfer. Conditioned upon the State of Florida receiving the Florida Settlement Amount from Pinellas EMSA and as soon as feasible after receipt, the State of Florida shall pay One Thousand Forty Dollars (\$1,040.00) to Relator by electronic funds transfer.

3. Within thirty (30) days of the Effective Date of this Agreement, Pinellas EMSA shall pay to counsel for Relator, pursuant to written instructions to be provided by Relator, Twenty-One Thousand and Four Hundred Dollars (\$21,400.00) in accordance with 31 U.S.C. § 3730(d)

and with Florida Stat. § 68.085 for Relator's expenses, attorney's fees, and costs arising from the filing of the Civil Action.

4. Pinellas EMSA agrees to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, Pinellas EMSA shall encourage, and agrees not to impair, the cooperation of any directors, officers, and employees, 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. Pinellas EMSA further agrees to furnish to the United States, 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.

5. Subject to the exceptions in Paragraph 8 (concerning excluded claims) below, and conditioned upon Pinellas EMSA's full payment of the Settlement Amount, the United States releases Pinellas EMSA from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729–3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud.

6. Subject to the exceptions in Paragraph 9 below (concerning excluded State claims), in consideration of the obligations of Pinellas EMSA set forth in this Agreement, and conditioned upon receipt of the Florida Settlement Amount, the State of Florida hereby releases Pinellas EMSA from any civil or administrative monetary cause of action that the State of Florida has or may have as a result of the Covered Conduct related to or arising out of Medicaid reimbursements.

7. Conditioned upon Pinellas EMSA's full payment of both the Settlement Amount and Relator's expenses, attorney's fees, and costs as set forth in Paragraph 3 above, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases Pinellas EMSA and its commissioners, officers, agents, and employees from any claims (including claims for attorney's fees, costs, and expenses of every kind and however denominated) or causes of action that Relator has for himself or on behalf of the United States and the State of Florida arising from or relating in any way to the Covered Conduct, the Civil Action, and Relator's investigation and prosecution thereof under the False Claims Act, 31 U.S.C. §§ 3729–3733, the federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7b, the Florida False Claims Act, Fla. Stat. § 68.081 et seq., and/or Florida Anti-Kickback Statute, Fla. Stat. § 409.920 and arising from or under 31 U.S.C. § 3730(d) or Florida Stat. § 68.085 for expenses or attorney's fees and costs.

8. Notwithstanding the releases given in Paragraphs 5, 6, and 7 of this Agreement, or any other term of this Agreement, the following claims of the United States are specifically reserved and are not released:

- a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);
- b. Any criminal liability;
- c. Except as explicitly stated in this Agreement, any administrative liability, including mandatory or permissive exclusion from Federal health care programs;
- d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;
- e. Any liability based upon obligations created by this Agreement; and
- f. Any liability of individuals.

9. Notwithstanding any term of this Agreement, the State of Florida specifically does not release Pinellas EMSA from any of the following liabilities:

- a. Any criminal, civil, or administrative liability arising under the State of Florida's revenue codes;
- b. Any criminal liability;
- c. Any civil or administrative liability that any person or entity, including Pinellas EMSA, has or may have to the State of Florida or to individual consumers or state program payors under any statute, regulation or rule, including but not limited to, any and all of the following claims: (i) State or federal antitrust violations; (ii) Claims involving unfair and/or deceptive acts and practices and/or violations of consumer protection laws;
- d. Any liability to the State of Florida for any conduct other than the Covered Conduct;
- e. Any liability to any other payors or insurers, including those that are paid by the Florida Medicaid program on a capitated basis;
- f. Any liability based upon obligations created by this Agreement;
- g. Except as explicitly stated in this Agreement, any administrative liability, including mandatory exclusion from the Florida Medicaid program;
- h. Any liability for express or implied warranty claims or other claims for defective or deficient products and services provided by Pinellas EMSA, including quality of goods and services provided by Pinellas EMSA;
- i. Any liability for personal injury or property damage or for such other consequential damages arising from the Covered Conduct; or

j. Any liability for failure to deliver goods or services due.

10. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). Conditioned upon Relator's receipt of the payment described in Paragraph 2, Relator and his heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, its agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action.

11. Pinellas EMSA waives and shall not assert any defenses Pinellas EMSA may have to any criminal prosecution or administrative action relating to the Covered Conduct 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 Agreement bars a remedy sought in such criminal prosecution or administrative action. Nothing in this paragraph or any other provision of this Agreement constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue laws, Title 26 of the United States Code.

12. Pinellas EMSA fully and finally releases the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Pinellas EMSA has asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Covered Conduct and the United States' investigation and prosecution thereof.

13. Pinellas EMSA hereby fully and finally releases, waives, and discharges the State of Florida, its agencies, political subdivisions, employees, servants, and agents from any causes of action (including for attorney's fees, costs, and expenses of every kind and however denominated) that Pinellas EMSA has or may have against the State of Florida, its agencies, political subdivisions, employees, servants, and agents arising from the State of Florida's investigation and prosecution of the Covered Conduct.

14. Pinellas EMSA fully and finally releases Relator from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Pinellas EMSA has asserted, could have asserted, or may assert in the future against Relator, related to the Covered Conduct, the Civil Action, and Relator's investigation and prosecution thereof.

15. The Settlement Amount shall not be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare contractor (e.g., Medicare Administrative Contractor, fiscal intermediary, carrier) or any state payer, related to the Covered Conduct; and Pinellas EMSA agrees not to resubmit to any Medicare contractor or any state payer any previously denied claims related to the Covered Conduct, agrees not to appeal any such denials of claims, and agrees to withdraw any such pending appeals.

16. The State Settlement Amount will not be decreased as a result of the denial of claims for payment now being withheld from payment by the Florida Medicaid program, or any other state payor, for the Covered Conduct; and Pinellas EMSA agrees not to resubmit to the Florida Medicaid program or any other state payor, any previously denied claims, which denials were based on the Covered Conduct, and agrees not to appeal any such denials of claims.

17. Pinellas EMSA 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-1 and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Pinellas EMSA, its present or former officers, directors, employees, shareholders, and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil investigation(s) of the matters covered by this Agreement;
- (3) Pinellas EMSA's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil investigation(s) in connection with the matters covered by this Agreement (including attorney's fees);
- (4) the negotiation and performance of this Agreement; and
- (5) the payment Pinellas EMSA makes to the United States pursuant to this Agreement and any payments that Pinellas EMSA may make to Relator, including costs and attorney's fees.

are unallowable costs for government contracting purposes and under the Medicare Program, Medicaid Program, TRICARE Program, and Federal Employees Health Benefits Program (FEHBP) (hereinafter referred to as Unallowable Costs).

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Pinellas EMSA, and Pinellas EMSA 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 cost report, cost statement, information statement, or payment request submitted by Pinellas EMSA or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment:

Pinellas EMSA further agrees that within 90 days of the Effective Date of this Agreement it shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, and Medicaid and FEHBP fiscal agents, any Unallowable Costs (as defined in this paragraph) included in payments previously sought from the United States, or 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 Pinellas EMSA or any of its subsidiaries 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. Pinellas EMSA agrees that the United States, at a minimum, shall be entitled to recoup from Pinellas EMSA 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, or requests for payment.

Any payments due after the adjustments have been made shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by Pinellas EMSA or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Pinellas EMSA' or any of its subsidiaries' or affiliates' cost reports, cost statements, or information reports.

d. Nothing in this Agreement shall constitute a waiver of the rights of the United States to audit, examine, or re-examine Pinellas EMSA's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

18. This Agreement is intended to be 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. Pinellas EMSA agrees that it waives and shall not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third party payors based upon the claims defined as Covered Conduct.

20. To the extent such documents are not yet filed, upon receipt of the Settlement Payment described in Paragraph 1, above, the United States and the State of Florida shall promptly sign and file a Joint Stipulation of Partial Dismissal in the Civil Action pursuant to Rule 41(a)(1). In the Joint Stipulation of Partial Dismissal, the United States and the State of Florida will dismiss with prejudice only the allegations against Pinellas EMSA described above as the Covered Conduct. Relator will dismiss with prejudice all claims against Pinellas EMSA alleged in the Civil Action.

21. Except as expressly provided herein, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

22. Each party and signatory to this Agreement represents that it freely and voluntarily enters in to this Agreement without any degree of duress or compulsion.

23. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the Eastern District of Texas. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

24. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

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

26. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

27. This Agreement is binding on Pinellas EMSA's successors, transferees, heirs, and assigns.

28. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

29. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

30. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

[Signature Pages Follow]

AGREED:

3/15/2017
Date

UNITED STATES OF AMERICA



BRIT FEATHERSTON
ACTING U.S. ATTORNEY
EASTERN DISTRICT OF TEXAS

By: JOSHUA M. RUSS
Assistant U.S. Attorney

Date

LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human
Services

STATE OF FLORIDA

Date

PATRICIA A. CONNERS
Chief Deputy Attorney General
Office of the Attorney General
Medicaid Fraud Control Unit

RELATOR

Date

STEPHEN DEAN

Date

PATRICK J. O'CONNELL
Counsel for Relator

AGREED:

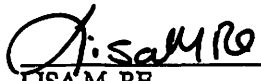
UNITED STATES OF AMERICA

Date

BRIT FEATHERSTON
ACTING U.S. ATTORNEY
EASTERN DISTRICT OF TEXAS

By: JOSHUA M. RUSS
Assistant U.S. Attorney

03/10/17
Date



LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human
Services

STATE OF FLORIDA

Date

PATRICIA A. CONNERS
Chief Deputy Attorney General
Office of the Attorney General
Medicaid Fraud Control Unit

RELATOR

02/21/2017
Date



STEPHEN DEAN

2/21/2017
Date



PATRICK J. O'CONNELL
Counsel for Relator

AGREED;

UNITED STATES OF AMERICA

Date

BRIT FEATHERSTON
ACTING U.S. ATTORNEY
EASTERN DISTRICT OF TEXAS

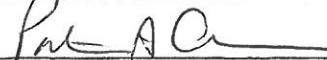
By: JOSHUA M. RUSS
Assistant U.S. Attorney

Date

LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human
Services

Date 3/14/17

STATE OF FLORIDA


PATRICIA A. CONNERS
Chief Deputy Attorney General
Office of the Attorney General
Medicaid Fraud Control Unit

Date 02/21/2017

RELATOR


STEPHEN DEAN

Date 2/21/2017


PATRICK J. O'CONNELL
Counsel for Relator

AGREED:

UNITED STATES OF AMERICA

Date

BRIT FEATHERSTON
ACTING U.S. ATTORNEY
EASTERN DISTRICT OF TEXAS

By: JOSHUA M. RUSS
Assistant U.S. Attorney

Date

LISA M. RE
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human
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STATE OF FLORIDA

Date

PATRICIA A. CONNERS
Chief Deputy Attorney General
Office of the Attorney General
Medicaid Fraud Control Unit


RELATOR

02/21/2017
Date



STEPHEN DEAN

2/21/2017
Date



PATRICK J. O'CONNELL
Counsel for Relator

AGREED:

PINELLAS EMSA

3/7/17
Date

Kenneth T. Welch
PINELLAS COUNTY EMERGENCY
MEDICAL SERVICES AUTHORITY

By: Kenneth T. Welch

Title: VICE-CHAIR

3/7/17
Date

A. Brian Albritton
A. BRIAN ALBRITTON
Counsel for Pinellas EMSA
Phelps Dunbar LLP

ATTEST: KEN BURKE, CLERK

By: Ken Burke 3/7/17
Deputy Clerk

