

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into with the State of Connecticut, acting through the Attorney General of the State of Connecticut (the "State of Connecticut"), and Elijah Caldwell, A Prospering Vision, LLC, and Home of Hope, Inc. (hereafter collectively referred to as "the Parties"), through their authorized representatives.

RECITALS

- A. Defendant Elijah Caldwell ("Caldwell") is a licensed clinical social worker ("LCSW") from Waterbury, CT. Caldwell was enrolled as a provider in the Connecticut Medical Assistance Program ("CMAP"), which includes the State's Medicaid program, until April 23, 2017, whereupon the State of Connecticut Department of Social Services ("DSS") terminated his CMAP Provider Agreement.
- B. Defendant A Prospering Vision, LLC ("APV") is a Connecticut limited liability corporation located in Waterbury, CT. APV's CMAP Provider Agreement was terminated by DSS effective April 23, 2017.
- C. Defendant Home of Hope, Inc. ("HOH") is a Connecticut corporation also located in Waterbury, CT. HOH's CMAP Provider Agreement was terminated by DSS effective April 23, 2017.
- D. The State of Connecticut contends that, for the time period from April 1, 2013, to December 31, 2016, Caldwell, APV and HOH, knowingly submitted or caused to be submitted claims for reimbursement to the DSS for behavioral health services that were: (a) never provided to Connecticut Medicaid recipients; (b) rendered by unlicensed individuals who were not enrolled as behavioral health providers in the CMAP; and, (c) were up-coded to the higher reimbursement CPT Code 90837 corresponding with providing individual psychotherapy for 53-60 minutes, when, in fact, medication

management services corresponding with a lower paying reimbursement CPT Code 99213 were actually provided.

This conduct is referred to below as the "Covered Conduct."

- E. This Agreement is neither an admission of liability by Caldwell, APV or HOH, nor a concession by the State of Connecticut that its claims are not well founded.
- F. 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 Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

- 1. The damages owed, jointly and severally by Caldwell, APV and HOH to the State of Connecticut are two hundred thousand dollars (\$200,000) ("Settlement Amount").
- 2. Caldwell, APV and HOH agree to pay the Settlement Amount in full within seven (7) days of the Effective Date of this Agreement as follows:
 - a. Pursuant to 42 C.F.R. § 455.23 (a), the State of Connecticut Department of Social Services ("DSS") suspended One Hundred Forty Four Thousand Four Hundred Four Dollars and Forty One Cents (\$144,404.41) in Connecticut Medicaid payments ("Suspended Amount"). The Suspended Amount will be deducted from the Settlement Amount on the Effective Date of this Agreement. Caldwell, APV and HOH agree that the calculation of the Suspended Amount is accurate and that no further monies are due and owing to Caldwell, APV and HOH from the State of Connecticut. Caldwell, APV and HOH agree that the State of Connecticut shall retain the Suspended Amount forevermore. Caldwell, APV and HOH expressly relinquish any and all rights of any kind that it may have with respect to the Suspended Amount,

including, but not limited to, any and all claims or rights to have an overpayment determined, any and all rights to payment of the Suspended Amount, and any and all rights to appeal, whether formally or informally and whether administratively or judicially, the right of the State of Connecticut to retain the Suspended Amount, and any other rights Caldwell, APV and HOH may have to challenge the Suspended Amount in any respect. Caldwell, APV and HOH further agree to execute any documents necessary to effectuate the release of Caldwell's, APV's and HOH's right, title, and interest in the Suspended Amount to be deducted from the Initial Settlement Amount.

- b. The remaining Fifty Five Thousand Five Hundred Ninety Five Dollars and Fifty Nine Cents (\$55,595.59) of the Settlement Amount ("Remaining Settlement Amount") is due within seven (7) days of the Effective Date of this Agreement and shall be made by a bank teller check (*e.g.*, Cashier's check) payable to "Treasurer of the State of Connecticut" and delivered to: Assistant Attorney General Michael E. Cole, Antitrust & Government Program Fraud Department, State of Connecticut Plaintiff, P.O. Box 120, 55 Elm Street, Hartford, CT 06141-0120, or such other address as the State of Connecticut provides notice of to the Caldwell, APV and HOH or, alternatively, and at the State's sole discretion, by electronic funds transfer pursuant to written instructions to be provided by the State of Connecticut.
3. Within seven (7) days of receiving the Remaining Settlement Amount from Caldwell, APV and HOH in accordance with the manner set forth in Paragraph 2 above, the State of Connecticut, acting through the Connecticut Attorney General, shall withdraw its Complaint against Caldwell, APV and HOH filed in the Superior Court of the State of

Connecticut for the Judicial District of Hartford at Hartford (HHD-CV17-6082980-S).

4. Subject to Paragraph 5 (concerning excluded claims) below, and in consideration of the obligations of Caldwell, APV and HOH set forth in this Agreement, the State of Connecticut hereby releases waives, and discharges Caldwell, APV and HOH from any civil claims the State of Connecticut has, or could have asserted for the Covered Conduct under the Connecticut False Claims Act, Connecticut General Statutes §§ 4-274 – 4-289, and the common law theories of payment by mistake, unjust enrichment, and fraud.
5. This Agreement has no bearing on any criminal liability or federal liability that Caldwell, APV and HOH may have. Notwithstanding any term of this Agreement, the State of Connecticut does not release Caldwell, APV and HOH from any of the following liabilities:
 - a. Any liability arising under the laws and regulations that are administered and enforced by the State of Connecticut Department of Revenue Services;
 - b. Any criminal, civil or administrative liability arising under statutes and regulations enforced by the State of Connecticut Department of Public Health;
 - c. Any civil or administrative liability that Caldwell, APV or HOH have or may have to the State of Connecticut or to individual consumers under any statute, regulation or rule not expressly covered by the release in Paragraph 4 above, including, but not limited to, any and all of the following claims (1) state antitrust violations; and (2) claims involving unfair and/or deceptive acts and practices and/or violations of consumer protection laws.
 - d. Any liability based upon obligations created by this Agreement; and,
 - e. Any civil or administrative liability for personal injury or for other consequential damages arising from the Covered Conduct.

6. Caldwell, APV and HOH waive and shall not assert any defenses they 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 State of Connecticut concerning the characterization of the Settlement Amount for the purposes of the laws and regulations administered and enforced by the Connecticut Department of Revenue Services.
7. Caldwell, APV and HOH fully and finally release the State of Connecticut, and their respective agencies, officers, agents, employees, and servants, from any and all claims, causes of action, and/or liability of any sort (including attorney's fees, costs, and expenses of every kind and however denominated) that they have asserted, could have asserted, or may assert in the future against the State of Connecticut, their respective agencies, officers, agents, employees, and servants related to the Covered Conduct, and the State of Connecticut's investigation and civil prosecution thereof.
8. Contemporaneous with executing this Agreement, Caldwell, APV and HOH shall execute the DSS Suspension Agreement, attached hereto as **Exhibit A** ("DSS Agreement"), which consents to the Connecticut Commissioner of Social Services suspending Caldwell, APV and HOH from participating in the CMAP for a period of ten (10) years.
9. **Notices:** Any notification, demand, or communication from one party to another party relative to this Agreement shall be in writing and delivered by certified mail, return receipt requested. Such notice shall be effective upon receipt. Notice shall be addressed to the State of Connecticut as follows:

**Michael E. Cole, Assistant Attorney General
Antitrust & Government Program Fraud Department
Office of the Attorney General
P.O. Box 120
55 Elm Street
Hartford, CT 06141-0120**

Notice shall be addressed to Caldwell, APV and HOH as follows:

**Jennifer L. Zito, Esq.
The Law Offices of Jennifer L. Zito, Esq.
204 E. Main Street
Meriden CT 06540**

10. 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 11 (waiver for beneficiaries paragraph), below.
11. Caldwell, APV and HOH agree that they waive 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.
12. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.
13. 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.
14. This Agreement is governed by the laws of the State of Connecticut. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the Connecticut Superior Court for the Judicial District of Hartford. 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.

15. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.
16. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.
17. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.
18. This Agreement is binding on Caldwell's, APV's and HOH's successors, transferees, heirs, and assigns.
19. All parties consent to the State of Connecticut's disclosure of this Agreement, and information about this Agreement, to the public.
20. 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 BLOCKS ON FOLLOWING PAGES]

THE STATE OF CONNECTICUT

GEORGE JEPSEN
ATTORNEY GENERAL

DATED: 6/12/18

BY:

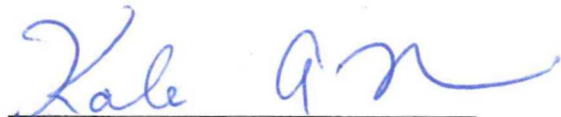

MICHAEL E. COLE *Port Sun Route*

Deputy

Assistant Attorney General
Chief, Antitrust & Government Program Fraud Department

DATED: 6/12/18


BY:




KARLA A. TUREKIAN
Assistant Attorney General
Antitrust & Government Program Fraud Department

ELIJAH CALDWELL

DATED: 6.8.18


BY: 
ELIJAH CALDWELL

DATED: 6.8.18

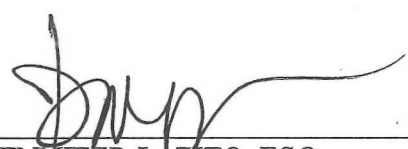
BY: 
JENNIFER L. ZITO, ESQ.
Counsel for Elijah Caldwell

A PROSPERING VISION, LLC

DATED: 6.8.18


BY: 
ELIJAH CALDWELL
Owner and CEO

DATED: 6.8.18


BY: 
JENNIFER L. ZITO, ESQ.
Counsel for A Prospering Vision, LLC

HOME OF HOPE, INC.

DATED: 6/12/18

BY: 
ELIJAH CALDWELL
President

DATED: 8/12/18

BY: 
JENNIFER L. ZATO, ESQ.
Counsel for Home of Hope, Inc.

STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES

RE: **Elijah Caldwell, LCSW, A Prospering Vision, LLC, and Home of Hope, Inc.**

SUSPENSION AGREEMENT

Elijah Caldwell, A Prospering Vision, LLC, Home of Hope, Inc., and the State of Connecticut Department of Social Services (collectively, "the Parties"), enter into this Suspension Agreement ("Agreement") and hereby mutually agree to settle all claims, liabilities, and obligations arising from the matters described below without further controversy, trial, or adjudication.

RECITALS

- A. The State of Connecticut Department of Social Services ("DSS") is the single state agency responsible for administering the Connecticut Medical Assistance Program ("CMAP"), which includes the Medicaid Program, pursuant to Conn. Gen. Stat. § 17b-2 (8).
- B. Elijah Caldwell ("Caldwell") is a licensed clinical social worker ("LCSW") from Waterbury, CT. Caldwell's CMAP Provider Agreement was terminated by DSS effective April 23, 2017. As a CMAP provider, Caldwell was subject to all CMAP requirements established by applicable state and federal rules, regulations, standards, and laws.
- C. A Prospering Vision, LLC ("APV") is a Connecticut limited liability corporation located in Waterbury, CT. APV's CMAP Provider Agreement was terminated by DSS effective April 23, 2017. As a CMAP provider, APV was subject to all CMAP requirements established by applicable state and federal rules, regulations, standards, and laws.

- D. Home of Hope, Inc. ("HOH") is a Connecticut corporation also located in Waterbury, CT. HOH's CMAP Provider Agreement was terminated by DSS effective April 23, 2017. As a CMAP provider, HOH was subject to all CMAP requirements established by applicable state and federal rules, regulations, standards, and laws.
- E. Caldwell is the chief executive officer and sole owner of APV. Caldwell exercised all management authority and control over the operation of the APV including exercising all management authority and control over the submission of claims for reimbursement on behalf of APV for behavioral health services allegedly rendered to CMAP recipients.
- F. Caldwell is also the president of HOH. Caldwell exercised all management authority and control over the operation of the HOH including exercising all management authority and control over the submission of claims for reimbursement on behalf of HOH for behavioral health services allegedly rendered to CMAP recipients.
- G. Hereinafter, Caldwell, APV and HOH will be referred to collectively as the "Respondents."
- H. The Respondents are Defendants in the state civil matter of *State of Connecticut v. Elijah Caldwell Et Al* (HHD-CV17-6082980) pending in the Connecticut Superior Court ("Civil Matter"). The Civil Matter involves allegations that the Respondents knowingly submitted, or caused to be submitted, false claims for behavioral health services to the CMAP in violation of the Connecticut False Claims Act (Conn. Gen. Stat. § 4-275, *et seq.*). The Respondents neither admit nor deny the allegations in the Civil Matter.
- I. In the Civil Matter, the Respondents have knowingly and voluntarily agreed to enter into a Settlement Agreement with the State of Connecticut. An express condition of the Settlement Agreement is that the Respondents execute this Agreement, and this Agreement will be attached to the Settlement Agreement as **Exhibit A**.

- J. Pursuant to Conn. Gen. Stat. § 17b-99 and Regs. Conn. State Agencies §§ 17-83k-1 through 17-83k-7, the DSS may bring an administrative Notice of Regulatory Violations and Proposed Sanctions against the Respondents to suspend the Respondents from providing goods or services under the CMAP or any other program administered by the DSS for the conduct alleged in the Civil Matter.
- K. This Agreement is neither an admission of liability by the Respondents, nor a concession by the DSS that its administrative claims are not well-founded.
- L. This Agreement is being entered into to avoid the delay, uncertainty, and expense of an administrative action.

NOW THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

TERMS AND CONDITIONS

- 1. Pursuant to Conn. Gen. Stat. § 17b-99 and Regs. of Conn. State Agencies §§ 17-83k-1 through 17-83k-7, inclusive, and the Consent Order, below, the Respondents knowingly and voluntarily agree to be excluded and suspended from providing any goods or services or otherwise participating in the CMAP, which includes the Connecticut Medicaid Program, and/or any and all other programs administered by the DSS for a period of ten (10) years (hereinafter, the "Suspension"). The Suspension shall become effective upon execution of this Agreement.
- 2. The Respondents understand this Suspension may result in an exclusion that shall have national effect and apply to Medicare, Medicaid, and all other federal health care programs providing health care benefits, whether directly through insurance or otherwise, that is funded directly, in whole or part, by the United States Government, and any State health care program including, but not limited to, Medicaid, the Maternal and Child

Health Services Block Grant program, and Block Grants to States for Social Services.

3. The Respondents acknowledge that pursuant to this Suspension, the DSS shall not reimburse any enrolled CMAP provider for goods or services, including administrative and management services, furnished, ordered, or prescribed by the Respondents in any capacity. The prohibition against payment by DSS for administrative and management services extends to all services directly related, or indirectly related to patient care that are a necessary component of providing goods and services to CMAP beneficiaries, including, but not limited to, services related to treatment plan reviews, data entry, claims processing, preparation for providing goods or services, transportation, delivery, or providing equipment, goods, or services used to provide goods and services to program beneficiaries. This payment prohibition applies to the Respondents and all other individuals and entities, including, for example, anyone who employs or contracts with the Respondents. The payment prohibition applies regardless of who submits the claim or other request for payment.
4. The Respondents shall not submit or cause to be submitted to any program administered by the DSS any claim or request for payment for goods or services, including administrative and management services, furnished, ordered, or prescribed by the Respondents during the Suspension.
5. The Respondents agree to not operate, have or acquire any ownership interest in, share in the profits of, or loan any money to any person or entity that applies for reimbursement for goods or services from any program administered by the DSS during the Suspension. The Respondents shall not apply directly or indirectly for reimbursement for goods or services from any program administered by the DSS during the Suspension.

6. The Respondents waive and shall not assert any defenses to this Suspension.
7. The Respondents waive any further notice of this Suspension and agree not to contest the Suspension, under Conn. Gen. Stat. § 17b-99 and Regs. Conn. State Agencies §§ 17-83k-1 through 17-83k-7, inclusive, either administratively or in any state or federal court.
8. The Respondents understand that violation of the conditions of this Suspension may result in, among other things, criminal prosecution, civil prosecution, and the imposition of civil penalties including, but not limited to, civil monetary penalties and assessments.
9. The Respondents agree to hold any and all programs administered by the DSS, and all recipients and/or beneficiaries, harmless from any financial responsibility for goods or services furnished, ordered, or prescribed to such beneficiaries or sponsors by the Respondents during the period of the Suspension.
10. The Respondents are expected to fully and timely comply with all of their obligations under this Agreement. A "Default" of this Agreement means any material violation of the Respondents' obligations under this Agreement that occurs after the effective date of this Agreement.
11. In the event of a Default as defined in paragraph 10 above, the DSS may suspend the Respondents indefinitely from providing goods or services or otherwise participating in the CMAP, and/or any and all other programs administered by the DSS. The Respondents agree that a Default of this Agreement is an independent basis for an indefinite suspension from providing goods or services or otherwise participating in the CMAP, and/or any and all other programs administered by the DSS.
12. Any notice necessary under this Agreement shall be in writing and delivered by facsimile or certified mail return receipt requested. Such notice shall be effective upon receipt. The

Respondents agree that their counsel identified in this paragraph, or other counsel identified, shall accept service of a Notice of Default and Suspension on their behalf.

Notice shall be addressed to the DSS as follows:

**John F. McCormick, Director
Office of Quality Assurance
Department of Social Services
55 Farmington Avenue
Hartford, CT 06105-3730
Tel: (860) 808-5920
Fax: (860) 808-5900**

and

**Michael E. Cole, Assistant Attorney General
Antitrust & Government Program Fraud Department
Office of the Attorney General
P.O. Box 120
55 Elm Street
Hartford, CT 06141-0120
Tel: (860) 808-5040
Fax: (860) 808-5391**

Notice shall be addressed to either Respondent as follows:

**Jennifer Zito, Esq.
Law Offices of Jennifer L. Zito
204 Main Street
Meriden, CT
Tel: (203) 238-0808
Fax: (203) 630-1133**

The Parties may designate a different address or addressee for notice or submissions by serving the other party with written notice of the new address or addressee.

13. The Respondents admit all jurisdiction of the DSS to enter into this Agreement. The Respondents understand this Agreement shall have no force or effect, nor shall it become a part of the official record, unless or until it is accepted in writing by the DSS. The effective date of this Agreement is the date the DSS signs the Agreement. Upon written

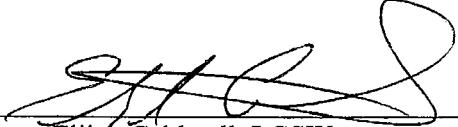
acceptance by the DSS, the Agreement shall become final without further notice to the Respondents. The Agreement shall be governed by the laws of the State of Connecticut. The Parties agree that exclusive jurisdiction and venue for any dispute arising under the Agreement shall be the Superior Court for the Hartford Judicial District. All applicable statutes of limitation, to the extent any such statute even applies to a claim by the DSS, shall be tolled from the date of the acceptance and approval of this Agreement. Except as explicitly stated, this Agreement shall not create or extinguish any of the Parties' rights or obligations. Nothing in this Agreement shall be construed to create a waiver of the State of Connecticut's sovereign immunity. This Agreement shall neither create nor affect any rights of persons who are not parties to this Agreement.

14. This Agreement shall have no precedential effect whatsoever adverse to the Parties, and is based upon the unique circumstances surrounding this case. If any provision of this Agreement shall be determined to be void, invalid, unenforceable or illegal for any reason, it shall be ineffective only to the extent of such prohibition and the validity and enforceability of all the remaining provisions shall not be affected thereby. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.
15. The Respondents warrant they have full power and authority to enter into this Agreement. The Parties consent to the disclosure of this Agreement to the public. The Respondents have read this Agreement, discussed it with their counsel, understand it, and agree to be bound by it. The Respondents are knowingly and voluntarily signing this Agreement. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement. Facsimiles of signatures shall

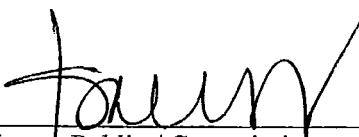
constitute acceptable, binding signatures for purposes of this Agreement. This Agreement is binding on the Parties' successors, transferees, heirs, and assigns.

ELIJAH CALDWELL, LCSW

Date: 6.8.18

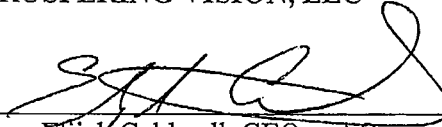

By: Elijah Caldwell, LCSW

Acknowledged before me on June 8, 2018



Notary Public / Commissioner of the Superior Court
Jennifer L. Zito
My Commission Expires On _____

A PROSPERING VISION, LLC

Date: 6.8.18


By: Elijah Caldwell, CEO and Owner

Acknowledged before me on June 8, 2018



Notary Public / Commissioner of the Superior Court
My Commission Expires On _____

HOME OF HOPE, INC.

Date: 6/12/18

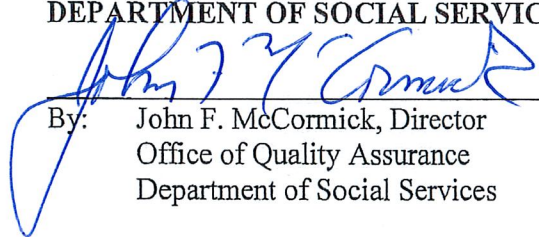

By: Elijah Caldwell, President

Acknowledged before me on June 12, 2018


Notary Public / Commissioner of the Superior Court
Jennifer L. Zito
My Commission Expires On _____

STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES

Date: 6/13/18

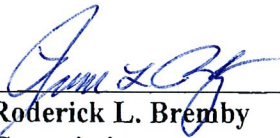

By: John F. McCormick, Director
Office of Quality Assurance
Department of Social Services

CONSENT ORDER

The provisions of the Suspension Agreement between Elijah Caldwell, A Prospering Vision and Home of Hope, Inc. and the State of Connecticut Department of Social Services, set forth in paragraphs A through L, and paragraphs 1 through 16, above, are hereby incorporated by reference and accepted as an order of the State of Connecticut Department of Social Services.

Accepted and approved and Consent Order entered by the Commissioner on the

15th day of June, 2018.



Roderick L. Bremby
Commissioner
Department of Social Services