

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is entered into among the State of Indiana (“State of Indiana”), acting through the Office of the Indiana Attorney General’s Medicaid Fraud Control Unit, and the following hospitals: Parkview Hospital, Inc. (d/b/a Parkview Regional Medical Center), Huntington Memorial Hospital, Inc. (d/b/a Parkview Huntington Hospital), Community Hospital of Noble County, Inc. (d/b/a Parkview Noble Hospital), and Whitley Memorial Hospital, Inc. (d/b/a Parkview Whitley Hospital), (each a “Hospital”), acting through each Hospital’s authorized representatives and representatives of each Hospital’s affiliate, Parkview Health System, Inc. (“Parkview”). The State of Indiana, the Hospitals, and Parkview will collectively be referred to as “the Parties” in this Agreement.

### **RECITALS**

- A. Parkview is an Indiana non-profit corporation with its principal place of business in Fort Wayne, Indiana.
- B. Each of the Hospitals is an Indiana non-profit corporation with its principal place of business in Indiana.
- C. For purposes of this Agreement, hereafter, all references to “Parkview” will include Parkview and each of the Hospitals.
- D. Parkview is a participating provider in the Indiana Medicaid Program that provides comprehensive medical treatment and care to Indiana Medicaid recipients. As used in this Agreement, the “Indiana Medicaid,” “Indiana Health Coverage Programs,” or “Medicaid” refers to the State of Indiana’s Medical

- Assistance Program established pursuant to Title XIX of the Social Security Act, including managed care entities as defined by 42 U.S.C. § 1396u-2.
- E. Parkview operates Anticoagulation Therapy Units (“ATUs”) at several Parkview locations for patients who are receiving long-term care using Warfarin or other medications used to prevent blood clotting. As relevant to this Agreement, Parkview operates ATUs at the each of the Hospitals (collectively “Parkview ATUs”).
- F. Parkview, through its employees and agents, submitted or caused to be submitted claims for payment to Indiana Medicaid for services provided by its practitioners at Parkview ATUs.
- G. The State of Indiana alleges that between January 1, 2017, and March 1, 2021, Parkview submitted claims to Indiana Medicaid for the treatment of Medicaid managed care beneficiaries occurring at Parkview ATUs. Parkview billed those claims under revenue code 760, described in the Indiana Health Coverage Programs Provider Code Tables as “Specialty Services – General.” The State of Indiana alleges that such claims should have been submitted under revenue code 510, described as “Clinic – General.” This difference in revenue code selection resulted in substantially higher reimbursement to Parkview for each claim submitted for each such Medicaid managed care beneficiary. The State alleges that these submissions constitute the knowing submission of false claims to the Indiana Medicaid Program, in violation of Indiana Code § 5-11-5.7-1 *et seq.*, and the common law. The conduct in this paragraph shall be referred to as the “Covered Conduct.”

- H. Parkview expressly denies the claims submitted in the Covered Conduct were false claims, and expressly denies that it engaged in any wrongdoing or fault in connection with the Covered Conduct. Nothing in this Agreement, any obligation herein, or the fact of this settlement shall constitute, be construed to be, or be understood as an admission that Parkview violated or breached any law, regulation, obligation or contract, or engaged in any wrongdoing.
- I. To avoid the delay, expense, and uncertainty associated with litigation, the Parties mutually desire to reach a full and final settlement of all civil and administrative monetary causes of actions arising from the Covered Conduct. This Settlement Agreement is made in compromise of disputed claims and is neither an admission of liability by Parkview nor a concession by the State of Indiana that the allegations related to the Covered Conduct are not well founded.
- J. The “Effective Date” of this Agreement shall be the date of signature of the last signatory to this Agreement.

#### **TERMS AND CONDITIONS**

1. Parkview shall pay to the State of Indiana the sum of \$2,883,471.80 (“Settlement Amount”). The Settlement Amount shall be composed of \$1,310,669.00 in restitution and \$1,572,802.80 in additional recoveries. The Settlement Amount shall constitute a debt immediately due and owing to the State of Indiana on the Effective Date of this Agreement.
2. The debt shall be forever discharged by payment of the Settlement Amount to the State of Indiana under the following terms and conditions:

- a. Parkview will pay the Settlement Amount to the State of Indiana in a single, lump-sum payment of \$2,883,471.80 due within 30 days of the Effective Date of this Agreement.
  - b. Payment shall be made by wire transfer or electronic funds transfer to the State of Indiana pursuant to written instructions to be provided by the State's counsel.
3. In consideration of this Agreement and payment of the Settlement Amount as set forth herein, and subject to the exceptions from release set forth below, the State of Indiana releases and discharges Parkview and its affiliated hospitals and their respective predecessors, successors, transferees, heirs, and assigns from any monetary civil or administrative cause of action that the State has for any claims submitted or caused to be submitted to the Indiana Medicaid program for the Covered Conduct.
4. The Settlement Amount will not be decreased as a result of the denial of any claims for payment now being withheld from payment by the Indiana Medicaid Program for the Covered Conduct. Parkview agrees not to resubmit to Medicaid or any other state program payer any previously denied claims, which denials were based on the Covered Conduct, and agrees not to appeal or cause the appeal of any such denials or claims.
5. Parkview fully and finally releases the State of Indiana, its agencies, employees, servants, and agents from any claims (including attorneys' fees, costs, and expenses of any kind) which Parkview may have asserted, could have asserted, or may assert in the future against the State of Indiana, its agencies, employees,

servants, and agents related to the Covered Conduct and the State of Indiana's investigation related to the Covered Conduct.

6. Parkview waives and will not assert any defenses to any criminal prosecution or administrative action relating to the Covered Conduct if such defense is based in whole or in part on a contention that, under the Double Jeopardy Clause of the Fifth and Fourteenth Amendments to the United States Constitution or Article 1, Section 14 of the Indiana Constitution, or the Excessive Fines Clause of the Eighth and Fourteenth Amendments to the United States Constitution or Article 1, Section 16 of the Indiana Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action. Parkview agrees that this Agreement is not punitive in purpose or effect.
7. If Parkview fails to deliver payment according to Paragraph 2 of this Agreement, the State of Indiana reserves all rights to seek appropriate relief in the enforcement of this Agreement.
8. Notwithstanding any term of this Agreement, the State of Indiana specifically does not release any person or entity from any of these liabilities:
  - a. Any criminal liability;
  - b. Any criminal, civil, or administrative liability arising under state revenue codes including, but not limited to, those contained in Title 6 of the Indiana Code;
  - c. Except as explicitly stated in this Agreement, any administrative liability, including mandatory exclusions from the Indiana Medicaid Program;

- d. Any liability to the State of Indiana or any agencies thereof for any conduct other than the Covered Conduct;
9. Nothing in this agreement is binding upon any of the following:
    - a. The United States or any department thereof;
    - b. Any boards or commissions of the Indiana Professional Licensing Agency or any other licensing body of the State of Indiana;
    - c. Any prosecuting attorney or other official authorized to prosecute crimes under Indiana law.
  10. Except as otherwise provided in this Agreement, this Agreement is intended to be only for the benefit of the Parties, and the Parties do not release any liability as to any other person or entity.
  11. Nothing in any provision of this Agreement constitutes any agreement by the State of Indiana concerning the characterization of the Settlement Amount for purposes of the State's revenue code.
  12. The Parties each represent that this Agreement is freely and voluntarily entered into without any degree of duress or compulsion whatsoever.
  13. Each Party to this agreement shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.
  14. This Agreement is governed by the laws of the State of Indiana, and venue for addressing and resolving any disputes relating to this Agreement shall be the state courts of appropriate jurisdiction in Indiana. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by the Parties to

this Agreement and shall not, therefore, be construed against either party for that reason.

15. The undersigned State signatories represent that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement on behalf of the State of Indiana acting through their respective agencies and departments.
16. This Agreement shall be binding on all successors, transferees, heirs, and assigns of the Parties.
17. All parties consent to the State of Indiana's disclosure of this Agreement, at the State's sole discretion, to the public, and as required by the Indiana Access to Public Records Act.
18. The Parties agree any public statements made or issued in relation to this Agreement and/or the Covered Conduct shall only include statements that are consistent with the Recitals and terms of this Agreement.
19. The signatures of the Parties delivered by facsimile, email, or other electronic transmission shall constitute acceptable binding signatures for purposes of this Agreement, and facsimile or electronic copies of this Agreement shall be deemed to constitute duplicate originals.
20. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one and the same Agreement.
21. This Agreement constitutes the complete agreement between the Parties with respect to this matter and shall not be amended except by a writing signed by all Parties.

**THE STATE OF INDIANA**

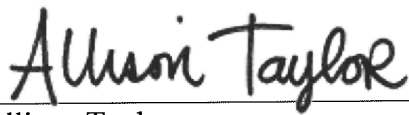
DATED: \_\_\_\_\_

BY: \_\_\_\_\_

Matthew Whitmire  
Director, Medicaid Fraud Control Unit  
State of Indiana  
Office of the Attorney General  
Medicaid Fraud Control Unit

DATED: July 1, 2022

BY: \_\_\_\_\_

  
Allison Taylor  
Executive Director of Medicaid  
State of Indiana  
Family and Social Services Administration  
Office of Medicaid Planning and Policy



**Parkview Health System, Inc.**



DATED: June 1, 2022

BY:  
Michael J. Packnett  
Chief Executive Officer  
Parkview Health System, Inc., on behalf of  
Parkview Hospital, Inc.  
Huntington Memorial Hospital, Inc.  
Community Hospital of Noble County, Inc.  
Whitley Memorial Hospital, Inc., and  
Parkview Health System, Inc.

DATED: June 1, 2022

BY: Laura D. Seng  
Laura D. Seng  
Counsel for Parkview Health System, Inc.  
Barnes and Thornburg, LLP