

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA and the
STATE OF ILLINOIS, *ex rel.* KATHERINE
VERHULST,

Plaintiffs,

v.

NORRIDGE GARDENS, *et al.*

Defendants.

No. 14 C 2083

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

v.

NORRIDGE GARDENS, *et al.*

Defendants.

Judge Durkin

UNITED STATES OF AMERICA and the STATE
OF ILLINOIS, *ex rel.* KATHERINE VERHULST,

Plaintiff,

v.

REX THERAPEUTICS, LLC, and NORRIDGE
GARDENS,

Defendants.

No. 17 C 6889

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

v.

REX THERAPEUTICS, LLC, and NORRIDGE
GARDENS,

Defendants.

Judge Durkin

CONSENT JUDGMENT

Upon consent of the parties, and the court being fully advised:

IT IS HEREBY ORDERED that:

(1) Judgment is entered in favor of the United States of America against Norridge Gardens in the amount of \$360,000 as provided in the Consent Judgment and Settlement Agreement attached hereto;

(2) Interest at a rate of 0.7% shall accrue and will be compounded annually until paid in full; and

(3) These consolidated cases are dismissed with prejudice as to defendants Norridge Gardens and Rex Therapeutics, LLC, except that the court maintains jurisdiction over the cases to enforce the terms of the Consent Judgment and Settlement Agreement, and Relator is given leave to pursue attorneys' fees and costs against those defendants, upon the conclusion of the entire cases pursuant to 31 U.S.C. § 3730, the settlement agreements reached between the parties, and Local Rule 54.3.

ENTER:



Thomas Durkin, J.
United States District Judge

Dated: August 13, 2021

CONSENT JUDGMENT AND SETTLEMENT AGREEMENT

This Consent Judgment and Settlement Agreement (Agreement) is entered into between the United States of America, by John R. Lausch, Jr., United States Attorney for the Northern District of Illinois, and on behalf of the Office of Inspector General (OIG-HHS) of the Department of Health and Human Services (HHS) (together, “the United States”), Norridge Gardens, Rex Therapeutics, LLC, and Katherine Verhulst (hereafter collectively referred to as “the Parties”), through their authorized representatives.

Recitals

A. Norridge Gardens (Norridge), is a skilled nursing facility that, among other things, provided skilled therapy services to Medicare beneficiaries through a contract with therapy provider Quality Therapy & Consultation, Inc. (QTC), and subsequently provided those services through a contract with Norridge’s affiliated entity Rex Therapeutics, LLC (Rex). Norridge submitted claims for payment to the United States that included payments for those services. Norridge has used the National Provider Identifiers 1679913685 (under previous ownership) and 1740276120 (under current ownership) for submission of claims for payment to federal healthcare programs.

B. On March 25, 2014, Katherine Verhulst (Relator) filed a *qui tam* action under seal in the United States District Court for the Northern District of Illinois, captioned *United States ex rel. Verhulst v. Quality Therapy & Consultation, Inc., et al.*, No. 14 C 2083, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b), and, on July 18, 2016, she filed an amended complaint that added Norridge as a defendant (Civil Action No. 1). The amended complaint alleged that Norridge “conspired with QTC to defraud the government, and knowingly overcharge Medicare and Medicaid by manipulating and inflating data for rehabilitation and

therapy to achieve higher reimbursement rates from Medicare and Medicaid.” The United States intervened in Civil Action No. 1 on September 28, 2017 with respect to certain defendants but stated that it had not made a decision as to Norridge, which had been added as a defendant in the amended complaint. At or about the time of the submission of this executed Agreement to the court in Civil Action No. 1, the United States shall file a notice of intervention as to Norridge.

C. On September 25, 2017, Relator filed another *qui tam* action under seal, pursuant to the False Claims Act, 31 U.S.C. § 3730(b), in the United States District Court for the Northern District of Illinois, captioned *United States ex rel. Verhulst v. Rex Therapeutics, LLC and Norridge Gardens*, No. 17 C 6889 (Civil Action No. 2). The complaint alleged that Defendants knowingly presented or caused to be presented false or fraudulent claims for payment or approval; knowingly made, used, or caused to be made or used false records and statements to get false or fraudulent claims paid or approved; and conspired to commit violations of federal and state laws. At or about the time of the submission of this Agreement to the court, the United States shall file a notice of intervention in Civil Action No. 2 as to Norridge and Rex. Civil Action No. 1 and Civil Action No. 2 are referred to collectively herein as the Civil Actions.

D. In connection with the Civil Actions, the United States contends that Norridge submitted, caused to be submitted, or conspired to submit or cause the submission of claims to the Medicare Program, Title XVIII of the Social Security Act.

E. Accordingly, the United States contends that it has certain civil claims, as specified in Paragraph 3 of the Terms and Conditions below, against Norridge for causing the submission of false claims to Medicare, by engaging in the following conduct (hereinafter the Covered Conduct) from January 1, 2008 through August 29, 2016:

1. Providing services, through QTC and Rex, that were not medically necessary and did not meet the requirements of Medicare Part A to Medicare beneficiaries in order to increase Medicare payments for those services, including in the following ways:

a. Setting, striving to meet, and pressuring others to meet quotas for the proportion of Medicare Part A beneficiaries utilizing the highest-possible reimbursement level (or RUG), regardless of the particular patients' actual needs.

b. Claiming payment for therapy services without a physician order for those services.

c. Scheduling and claiming the provision of therapy, even after the patients' therapist had recommended discharge.

d. Scheduling and claiming the provision of skilled therapy, although the patient was not appropriate for skilled therapy, either at the level provided, for the discipline provided, or entirely.

e. Scheduling and claiming the provision of therapy, even though skilled therapy services were not provided for that period.

f. Reporting time spent on initial evaluation as therapy time rather than evaluation time.

g. Reporting that skilled therapy had been provided when in fact the patients were not participating in therapy or unable to undergo or benefit from skilled therapy.

h. Increasing the length of patients' receipt of skilled therapy services, in order to increase utilization of the 100-day maximum for Part A skilled therapy services, regardless of patients' actual needs.

i. Conspiring to overbill Medicare, and/or conspiring to submit claims to the Medicare Program that the United States alleges were false due to the conduct described in paragraphs E.1.a-h above.

F. This Agreement is neither an admission of liability by Norridge or Rex nor a concession by the United States that its claims are not well founded.

G. Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Agreement and to Relator's reasonable expenses, attorneys' 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 Agreement, the Parties agree and covenant as follows:

Terms and Conditions

1. Norridge shall pay the United States \$360,000 (three hundred sixty thousand dollars) (Judgment Amount). The Judgment Amount constitutes restitution to the United States. As an initial partial payment of the Judgment Amount, Norridge shall pay to the United States \$36,000, no later than 15 days after the Effective Date of this Agreement by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney's Office for the Northern District of Illinois. The remaining payments of the Judgment Amount, including interest, shall be made quarterly, pursuant to the schedule attached and incorporated hereto as Exhibit A.

2. Conditioned upon the United States receiving payments on the Judgment Amount, the United States agrees that it shall pay to Relator by electronic funds transfer 20 percent of each such payment received under the Consent Judgment and Settlement Agreement as soon as feasible after receipt of the payment.

3. Subject to the exceptions in Paragraph 5 (concerning excluded claims) below, and conditioned upon full payment of the Judgment Amount, and subject to Paragraph 20, below (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), the United States releases Norridge and Rex 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; any statutory provision for which the Civil Division of the Department of Justice has actual and present authority to assert and compromise, pursuant to 28 C.F.R. Part O, Subpart I, Section 0.45(D); or the common law theories of payment by mistake, unjust enrichment, and fraud.

4. Subject to the exceptions in Paragraph 5 below, and attorney's fees, expenses, and costs for Relator as set forth in 31 U.S.C. §3730(d), and conditioned upon full payment of the Judgment Amount, and subject to Paragraph 20, below (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of this Agreement or any payment made under this Agreement), Relator, for herself and for her heirs, successors, attorneys, agents, and assigns, releases Norridge and Rex from any civil monetary claim the Relator has on behalf of the United States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733, and from any claims that Relator has asserted, could have asserted, or may assert in the future against Norridge or Rex, related to the Covered Conduct and investigation and prosecution thereof.

5. Notwithstanding the releases given in paragraphs 3 and 4 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;
- f. Any liability of individuals;
- g. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

6. Relator and her 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(s) described in Paragraph 2, Relator and her 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 Actions or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Actions.

7. With the exception of attorney's fees, costs, and expenses as set forth in 31 U.S.C. §3730(d), Relator, for herself, and for her heirs, successors, attorneys, agents, and assigns, releases Norridge and Rex from any liability to Relator arising from the filing of the Civil Actions.

8. The Settlement Amount represents the amount the United States is willing to accept in compromise of its civil claims arising from the Covered Conduct due solely to Norridge's and Rex's financial condition as reflected in the Financial Disclosures referenced in Paragraph 9.

a. In the event that Norridge fails to pay any amount as provided in Paragraph 1 within 10 business days of the date on which such payment is due, Norridge shall be in default of its payment obligations (Default). The United States will provide a written Notice of Default, and Norridge shall have an opportunity to cure such Default within seven (7) calendar days from the date of receipt of the Notice of Default by making the payment due under the payment schedule and paying any additional interest accruing under the Settlement Agreement up to the date of payment. Notice of Default will be delivered to Norridge's undersigned counsel, or to such other representative as Norridge shall designate in advance in writing. If Norridge fails to cure the Default within seven (7) calendar days of receiving the Notice of Default and in the absence of an agreement with the United States to a modified payment schedule ("Uncured Default"), the remaining unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12% per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

b. In the event of Uncured Default, Norridge agrees that the United States, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement and pursue the Civil Action or bring any civil and/or administrative claim, action, or proceeding against Norridge for the claims that would otherwise be covered by the releases provided in Paragraph 3 above, with any recovery reduced by the amount of any payments previously made by Norridge to the United States under this Agreement; (ii) take any action to enforce this Agreement in a new action or by reinstating the Civil Action; (iii) offset the remaining unpaid balance from any amounts due and owing to Norridge and/or affiliated companies by any department, agency, or agent of the United States at the time of Default or subsequently; and/or (iv) exercise any other right granted by law,

or under the terms of this Agreement, or recognizable at common law or in equity. The United States shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, Norridge agrees immediately to pay the United States the greater of (i) a ten-percent (10%) surcharge of the amount collected, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States opts to rescind this Agreement pursuant to this paragraph, Norridge waives and agrees not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the United States against Norridge within 120 days of written notification that this Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on March 25, 2014. Norridge agrees not to contest any offset, recoupment, and/or collection action undertaken by the United States pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States.

c. In the event of Uncured Default, OIG-HHS may exclude Norridge from participating in all Federal health care programs until Norridge pays the Settlement Amount, with interest, as set forth above (Exclusion for Default). OIG-HHS will provide written notice of any such exclusion to Norridge. Norridge waives any further notice of the exclusion under 42 U.S.C. § 1320a-7(b)(7), and agrees not to contest such exclusion either administratively or in any state or federal court. Reinstatement to program participation is not automatic. If at the end of the period of exclusion, Norridge wishes to apply for reinstatement, it must submit a written request for reinstatement to OIG-HHS in accordance with the provisions of 42 C.F.R. §§ 1001.3001-.3005. Norridge will not be reinstated unless and until OIG-HHS approves such request for reinstatement.

The option for Exclusion for Default is in addition to, and not in lieu of, the options identified in this Agreement or otherwise available.

9. Norridge has provided sworn financial disclosure statements (Financial Disclosures) to the United States regarding itself and Rex, and the United States has relied on the accuracy and completeness of those Financial Disclosures in reaching this Agreement. Norridge warrants that the Financial Disclosures are complete, accurate, and current. If the United States learns of assets in which Norridge and/or Rex had an interest at the time of this Agreement that were not disclosed in the Financial Disclosures, or if the United States learns of any misrepresentation by Norridge on, or in connection with, the Financial Disclosures, and if such nondisclosure or misrepresentation changes the estimated net worth set forth in the Financial Disclosures by \$18,000 or more, the United States may at its option: (a) rescind this Agreement and reinstate its suit based on the Covered Conduct, or (b) let the Agreement stand and collect the full Judgment Amount plus one hundred percent (100%) of the value of the net worth of Norridge previously undisclosed. Norridge agrees not to contest any collection action undertaken by the United States pursuant to this provision, and immediately to pay the United States all reasonable costs incurred in such an action, including attorney's fees and expenses.

10. In the event that the United States, pursuant to Paragraph 9 (concerning disclosure of assets), above, opts to rescind this Agreement, Norridge agrees not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that (a) are filed by the United States within 120 calendar days of written notification to Norridge that this Agreement has been rescinded, and (b) relate to the Covered Conduct, except to the extent these defenses were available on March 25, 2014.

11. Norridge and Rex waive and shall not assert any defenses it 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.

12. Norridge and Rex fully and finally release 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 Norridge or Rex have 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. Norridge and Rex fully and finally release the Relator from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Norridge or Rex have asserted, could have asserted, or may assert in the future against the Relator, related to the Civil Actions and the Relator's investigation, prosecution thereof, and the Relator's employment with Quality Therapy & Consultation, Inc. and/or Rex.

14. The Judgment 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 Norridge and Rex agree 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.

15. Norridge and Rex agree 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 Norridge or Rex, either of their 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 and criminal investigation(s) of the matters covered by this Agreement;

(3) Norridge's and/or Rex's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and criminal 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 Norridge makes to the United States pursuant to this Agreement and any payments that Norridge may make to Relator, including costs and attorney's fees.

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Norridge and Rex, and Norridge and Rex 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 Norridge or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Norridge 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 Norridge 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. Norridge agrees that the United States, at a minimum, shall be entitled to recoup from Norridge 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 Norridge or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this Paragraph) on Norridge 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 Norridge's and Rex's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this Paragraph.

16. Norridge and Rex agree to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, Norridge and Rex shall encourage, and agrees not to impair, the cooperation of its 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. Norridge and Rex further agree 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.

17. 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 18 (waiver for beneficiaries paragraph), below.

18. Norridge and Rex 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.

19. Norridge warrants that it has reviewed its financial situation and currently is solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I), and shall remain solvent following payment to the United States of the Judgment Amount. Further, Norridge warrants that, in evaluating whether to execute this Agreement, it (a) has intended that the mutual promises, covenants, and obligations set forth constitute a contemporaneous exchange for new value given to Norridge, within the meaning of 11 U.S.C. § 547(c)(1), and (b) concludes that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange. Further, Norridge warrants that the mutual promises, covenants, and obligations set forth herein are intended to and do, in fact, represent a reasonably equivalent exchange of value that is not

intended to hinder, delay, or defraud any entity to which Norridge was or became indebted to on or after the date of this transfer, within the meaning of 11 U.S.C. § 548(a)(1).

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

a. Norridge's obligations under this Agreement may not be avoided pursuant to 11 U.S.C. § 547, and Norridge shall not argue or otherwise take the position in any such case, proceeding, or action that: (i) Norridge's obligations under this Agreement may be avoided under 11 U.S.C. § 547; (ii) Norridge was insolvent at the time this Agreement was entered into, or became insolvent as a result of the payment made to the United States; or (iii) the mutual promises, covenants, and obligations set forth in this Agreement do not constitute a contemporaneous exchange for new value given to Norridge.

b. If Norridge's obligations under this Agreement are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, the United States, at its sole option, may rescind the releases in this Agreement and bring any civil and/or administrative claim, action, or proceeding against Norridge for the claims that would otherwise be covered by the releases provided in Paragraphs 3 and 4 above. Norridge agrees that (i) any such claims, actions, or proceedings brought by the United States are not subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) as a result of the action, case, or proceedings described in the first clause of this Paragraph, and Norridge shall not argue or

otherwise contend that the United States' claims, actions, or proceedings are subject to an automatic stay; (ii) Norridge shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claims, actions, or proceeding that are brought by the United States within 120 calendar days of written notification to Norridge that the releases have been rescinded pursuant to this Paragraph, except to the extent such defenses were available on March 25, 2014; and (iii) the United States has a viable claim against Norridge in the amount of \$5,242,989, and the United States may pursue its claim in the case, action, or proceeding referenced in the first clause of this Paragraph, as well as in any other case, action, or proceeding.

c. Norridge acknowledges that its agreements in this Paragraph are provided in exchange for valuable consideration provided in this Agreement.

21. Upon full execution of this Agreement, under the terms of Paragraph 31, the Parties agree that the United States shall promptly submit this Consent Judgment and Settlement Agreement to the court for entry in both Civil Actions.

22. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement, with the exception of attorney's fees and costs for Relator as set forth in 31 U.S.C. §3730(d).

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

24. 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 Northern District of Illinois. 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.

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

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

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

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

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

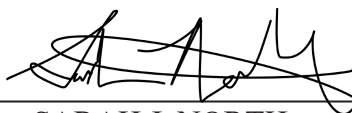
30. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

31. 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.

THE UNITED STATES OF AMERICA


JOHN R. LAUSCH, Jr.
United States Attorney

Dated: August 9, 2021

By:  _____

SARAH J. NORTH
Assistant United States Attorney
219 South Dearborn Street
Chicago, Illinois 60604
(312) 353-1413
sarah.north@usdoj.gov


Dated: _____

By: **GREGORY**
DEMSKE  Digitally signed by GREGORY
DEMSKE
Date: 2021.08.02 16:05:21 -04'00'

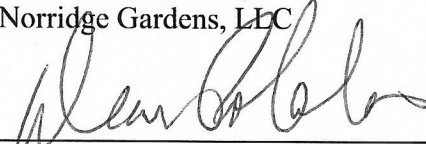
LISA M. RE
Assistant Inspector General for Legal
Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Dep't of Health and Human Services

NORRIDGE GARDENS, LLC

Dated: 8/2/21


By: 
Barak Bayer, Manager
NorrIDGE Gardens, LLC

Dated: 8/9/21


By: 
Dean Polales
53 W. Jackson Avenue, Suite 1420
Chicago, Illinois 60604
Counsel for Norridge Gardens, LLC

REX THERAPEUTICS, LLC

Dated: 8/2/21


By: 
Barak Bayer, Manager
Rex Therapeutics, LLC

Dated: 8/9/21

By: 
Dean Polales
53 W. Jackson Avenue, Suite 1420
Chicago, Illinois 60604
Counsel for Rex Therapeutics, LLC

KATHERINE VERHULST, RELATOR

Dated: 7/29/21

By: 
KATHERINE VERHULST, Relator
(ugron)

Dated: 7/29/21

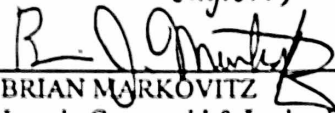
By: 
BRIAN MARKOVITZ
Joseph, Greenwald & Laake, P.A.
6404 Ivy Lane, Suite 400
Greenbelt, Maryland 20770
Counsel for Relator Katherine Verhulst

EXHIBIT A

Date	Payment	Rate	Balance	Days	Interest	Applied to Principal
8/16/2021			\$360,000.00			
8/16/2021	\$36,000.00	0.0007	\$324,000.00	0	\$0.00	\$ 36,000.00
11/14/2021	\$29,484.60	0.0007	\$294,570.08	88	\$54.68	\$ 29,429.92
2/12/2022	\$29,484.60	0.0007	\$265,135.19	88	\$49.71	\$ 29,434.89
5/13/2022	\$29,484.60	0.0007	\$235,696.87	91	\$46.27	\$ 29,438.33
8/11/2022	\$29,484.60	0.0007	\$206,252.04	88	\$39.78	\$ 29,444.82
11/9/2022	\$29,484.60	0.0007	\$176,802.25	88	\$34.81	\$ 29,449.79
2/7/2023	\$29,484.60	0.0007	\$147,347.49	88	\$29.84	\$ 29,454.76
5/8/2023	\$29,484.60	0.0007	\$117,888.61	91	\$25.72	\$ 29,458.88
8/6/2023	\$29,484.60	0.0007	\$88,423.90	88	\$19.90	\$ 29,464.70
11/4/2023	\$29,484.60	0.0007	\$58,954.22	88	\$14.92	\$ 29,469.68
2/2/2024	\$29,484.60	0.0007	\$29,479.57	88	\$9.95	\$ 29,474.65
5/2/2024	\$29,484.66	0.0007	\$0.00	90	\$5.09	\$ 29,479.57
Total Paid	\$360,330.66				\$330.66	