

## **SETTLEMENT AGREEMENT**

### **I. PARTIES**

This Settlement Agreement ("Agreement") is entered into among the State of Connecticut, acting through the Attorney General of the State of Connecticut (the "State of Connecticut"); David Wu, D.D.S. ("Wu"); Arbor Dental Association, LLC ("Arbor"); and Alpha Dental Group, P.C. ("Alpha"), (all of the above are hereinafter collectively referred to as "the Parties"), through their authorized representatives.

### **II. RECITALS**

A. Wu is a dentist licensed in Connecticut. Wu resides in Cheshire, Connecticut. Arbor and Alpha (collectively, the "Wu Defendants") are entities in which Wu is and/or was an officer, director, or owner, and over which Wu exercised management authority and control related to the practice of dentistry in Connecticut.

B. The State of Connecticut contends that Wu and the Wu Defendants submitted or caused to be submitted claims for payment to the Connecticut Medical Assistance Program ("CMAP"), which includes the Connecticut Medicaid Program ("Connecticut Medicaid"), 42 U.S.C. §§ 1396-1396w-5.

C. The State of Connecticut contends that it brought certain civil claims against Wu and the Wu Defendants in the civil matter of *State of Connecticut v. Gary Anusavice, et al.*, HHD-CV12-6032889-S, pending in the Connecticut Superior Court ("Civil Matter"). The allegations in the Civil Matter involve, among other things, Wu and the Wu Defendants submitting or causing to be submitted false or fraudulent provider enrollment applications to Connecticut Medicaid which failed to disclose the disciplinary, administrative, civil, and/or criminal history of Gary Anusavice ("Anusavice"), as well as Anusavice's active participation,

management, control, and/or ownership interest in the dental practices run by Wu and the Wu Defendants, and pursuant to those false or fraudulent provider enrollment applications, submitting or causing to be submitted claims to Connecticut Medicaid and receiving payments from Connecticut Medicaid for dental services. The foregoing conduct is referred to below as the "Covered Conduct". Wu asserts that, at all times material to the Covered Conduct, he understood Gary Anusavice by the name "Gary Francis", a name which would not have disclosed any disciplinary, administrative, civil and/or criminal history.

D. Wu has cooperated with the United States Attorney's Office for the District of Connecticut, as well as the Connecticut Department of Labor, in matters and investigations related to the Civil Matter.

E. This Settlement Agreement is neither an admission of liability by Wu or the Wu Defendants, nor a concession by the State of Connecticut that its claims are not well founded. Wu specifically denies allegations against him and further denies he or Wu Defendants engaged in any wrongful or unlawful conduct.

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 Settlement Agreement, the Parties agree and covenant as follows:

### **III. TERMS AND CONDITIONS**

1. Wu and the Wu Defendants agree that:

A. Wu and the Wu Defendants shall pay to the State of Connecticut the sum of One Hundred Thousand Dollars (\$100,000.00) ("Settlement Amount") by electronic funds transfer pursuant to written instructions to be provided by the State of Connecticut, no later than the Effective Date of this Agreement.

- B. Wu and the Wu Defendants hereby give up and release all right, title, and interest to any and all payments in the amount of \$179,286.00 that have been suspended and retained by Connecticut Medicaid (the "Suspended Payments"). Wu and the Wu Defendants further agree to execute any documents necessary to effectuate the release of their rights to the Suspended Payments.
- C. Contemporaneous with executing this Agreement, Wu shall execute the document, attached hereto as **Exhibit A**, which consents to the Connecticut Commissioner of Social Services excluding and suspending Wu from participating in the Connecticut Medical Assistance Program, administered by the Connecticut Department of Social Services, for a period of one (1) year.

2. Subject to the exceptions in Paragraph 4 (concerning excluded claims) below, and conditioned upon Wu and the Wu Defendants' full payment of the Settlement Amount, the State of Connecticut releases Wu and the Wu Defendants from any civil claims the State of Connecticut has, or could have asserted, for the Covered Conduct under: (a) Section 4-274, *et seq.*, of the Connecticut General Statutes (Connecticut False Claims Act); (b) Section 42-110a, *et seq.*, of the Connecticut General Statutes (Connecticut Unfair Trade Practices Act); and (c) any other civil statute or common law. In addition, conditioned upon Wu and the Wu Defendants' full payment of the Settlement Amount and execution of this Agreement, the State of Connecticut shall file a Withdrawal (form JD-CV-41) in the Civil Matter, as to Wu and the Wu Defendants.

3. Notwithstanding the releases given in Paragraph 2 of this Agreement, or any other term of this Agreement, the State of Connecticut specifically reserves and does not release any potential claim concerning the following:

- 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 liability;
- c. Any liability to the State of Connecticut (or their agencies) for any conduct other than the Covered Conduct;
- d. Any liability based upon obligations created by this Agreement;
- e. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;
- f. Any liability for failure to deliver goods or services due; and
- g. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

4. Wu and the Wu Defendants fully and finally release the State of Connecticut, its agencies, employees, servants, and agents from any claims in their official and individual capacities (including attorney's fees, costs, and expenses of every kind and however denominated) that Wu and the Wu Defendants have asserted, could have asserted, or may assert in the future against the State of Connecticut, its agencies, employees, servants, and agents, related to the Covered Conduct and the State of Connecticut's investigation and prosecution thereof.

5. 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.

6. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

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

8. 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 Superior Court for the Judicial District of Hartford, Connecticut. 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.

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

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

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

12. Nothing in this Agreement shall be construed to create a waiver of the State of Connecticut's sovereign immunity.


13. All Parties consent to the State of Connecticut's disclosure of this Agreement, and information about this Agreement, to the public.

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


**THE STATE OF CONNECTICUT**

GEORGE JEPSEN  
ATTORNEY GENERAL

DATED: 5/5/2015


BY:   
ROBERT TEITELMAN  
Assistant Attorney General  
State of Connecticut

DATED: 5/5/2015

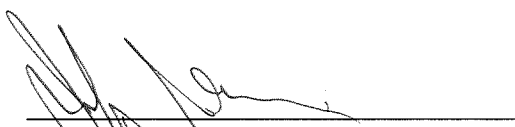
BY:   
JOSHUA L. JACKSON  
Assistant Attorney General  
State of Connecticut

**DAVID WU, D.D.S.**

DATED: 4/29/15

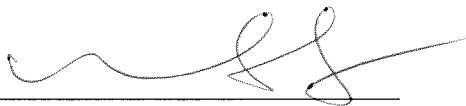
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DAVID WU, D.D.S.

DATED: 4/29/15

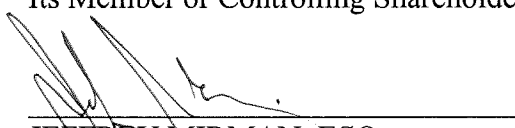
BY:   
JEFFREY MIRMAN, ESQ.  
Hinckley Allen  
Counsel for Wu

**THE WU DEFENDANTS<sup>1</sup>**

DATED: 4/29/15

BY:   
DAVID WU, D.D.S.  
Its Member or Controlling Shareholder

DATED: 4/29/15

BY:   
JEFFREY MIRMAN, ESQ.  
Hinckley Allen  
Counsel for the Wu Defendants

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<sup>1</sup> Arbor Dental Association, LLC; and Alpha Dental Group, P.C.  
*Settlement Agreement Between  
The State of Connecticut and  
Wu and the Wu Defendants*



# **EXHIBIT A**

**STATE OF CONNECTICUT**  
**DEPARTMENT OF SOCIAL SERVICES**

**RE: David Wu, D.D.S.**

**SUSPENSION AGREEMENT**

This Suspension Agreement ("Agreement") is entered into among the State of Connecticut Department of Social Services and David Wu, D.D.S. (collectively, "the Parties") through their authorized representatives.

**RECITALS**

- A. Pursuant to Conn. Gen. Stat. § 17b-2 (8), the State of Connecticut Department of Social Services ("Department") is the single state agency responsible for administering the Medicaid Program, which is part of the Connecticut Medical Assistance Program ("CMAP").
- B. David Wu, D.D.S. ("Wu") is or was an officer, director, and/or owner of the following entities: Arbor Dental Association, LLC; and Alpha Dental Group, P.C. (collectively, the "Wu Entities"). David Wu exercised management authority and control over the Wu Entities, related to the practice of dentistry in Connecticut. Hereinafter, David Wu and the Wu Entities will be collectively referred to as the "Respondents".
- C. The Respondents were Defendants in the state civil matter of *State of Connecticut v. Gary Anusavice, et al.*, HHD-CV12-6032889-S, pending in the Connecticut Superior Court ("Civil Matter"). The allegations in the Civil Matter involve, among other things, David Wu and the Wu Entities having had defrauded the Medicaid program and the Department. In the Civil Matter, the Respondents are alleged to have committed violations of the Connecticut False Claims Act (Conn. Gen. Stat. § 17b-301, *et. seq.*), as amended by 2014 Conn. Public Acts # 14-217, §§1-18, 257, as well as violations of the Connecticut Unfair Trade Practices Act (Conn. Gen. Stat. § 42-110a, *et seq.*). The Respondents deny that they defrauded the Medicaid Program and the

Department, and further deny that they have committed violations of the Connecticut False Claims Act or the Connecticut Unfair Trade Practices Act.

- D. 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 Wu execute this Agreement, and this Agreement is attached to the Settlement Agreement as **Exhibit A**.
- E. Pursuant to Conn. Gen. Stat. § 17b-99 and Regs., Conn. State Agencies §§ 17-83k-1 through 17-83k-9, the Department 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 Department for the conduct alleged in the Civil Matter.
- F. This Agreement is neither an admission of liability by the Respondents, nor a concession by the Department that its administrative claims are not well founded.
- G. In consideration of the provisions in the Settlement Agreement, as well as the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

- 1. Pursuant to Connecticut General Statutes § 17b-99 and Regulations of Connecticut State Agencies §§ 17-83k-1 through 17-83k-7, inclusive, and the Consent Order, below, David Wu knowingly and voluntarily agrees to be excluded and suspended from providing any goods or services or otherwise participating in the CMAP, the Medicaid Program, and/or any and all other programs administered by the Department for a period of one (1) year (hereinafter, the "Suspension"). The Suspension shall become effective upon execution of this Agreement.
- 2. Wu understands 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. Wu acknowledges that pursuant to this Suspension, the Department shall not reimburse any enrolled provider for goods or services, including administrative and management services, furnished, ordered, or prescribed by Wu in any capacity. The prohibition against payment for administrative and management services extends to all services directly related, or indirectly related, to patient care, but that are a necessary component of providing goods and services to program 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 Wu and all other individuals and entities (including, for example, anyone who employs or contracts with Wu). The Suspension applies regardless of who submits the claim or other request for payment.
4. Wu shall not submit or cause to be submitted to any program administered by the Department any claim or request for payment for goods or services, including administrative and management services, furnished, ordered, or prescribed by Wu or otherwise during the Suspension.
5. Wu understands 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, monetary penalties and assessments.
6. Wu agrees to hold any and all programs administered by the Department, 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 Wu during the period of the Suspension.

7. Wu agrees to not operate, have or acquire any ownership interest in, share in the profits of, receive any payments from, or loan any money to, any person or entity that applies for reimbursement for goods or services from any program administered by the Department during the Suspension. Wu shall not apply directly or indirectly for reimbursement for goods or services from any program administered by the Department during the Suspension. Wu shall not be employed by any person or entity that obtains reimbursement from any program administered by the Department for services performed by Wu during the Suspension, nor shall Wu receive compensation as an agent or contractor from any such entity or person for services performed by Wu during the Suspension.
8. Wu waives and shall not assert any defenses to this Suspension.
9. Wu waives any further notice of this Suspension and agrees not to contest the Suspension, under Connecticut General Statutes § 17b-99 and Regulations of Connecticut State Agencies §§ 17-83k-1 through 17-83k-7, inclusive, either administratively or in any state or federal court.
10. Any notice necessary under the Consent Order shall be in writing and delivered by facsimile or certified mail return receipt requested. Such notice shall be effective upon receipt. Notice shall be addressed to the Department as follows:

John F. McCormick, Director  
Office of Quality Assurance  
Department of Social Services  
25 Sigourney Street  
Hartford, CT 06106

Notice shall be addressed to Wu as follows:

Jeffrey Mirman, Esq.  
Hinckley Allen  
20 Church Street  
Hartford, CT 06103
11. Wu admits all jurisdiction of the Commissioner to issue the Consent Order. David Wu understands the Consent Order 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 Commissioner. Upon written

acceptance by the Commissioner, the Consent Order shall become final without further notice to Wu and shall relieve the Commissioner from all responsibility to render a final decision regarding the suspension under Connecticut General Statutes § 17b-99 and Regulations of Connecticut State Agencies §§ 17-83k-1 through 17-83k-7, inclusive. The Consent Order shall have the same force and effect of law as an Order entered into as a final decision after a full hearing with Findings of Fact and Conclusions of Law. The Consent Order shall be enforceable by the Department in the same manner in which a final decision by the Commissioner is enforceable. The Consent Order shall be governed by the laws of the State of Connecticut. Wu agrees that exclusive jurisdiction and venue for any dispute arising under the Consent Order shall be the Superior Court for the Judicial District of Hartford, Connecticut.

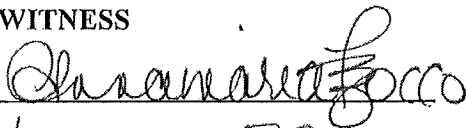
12. Wu fully and finally releases the Department, the State of Connecticut, and their respective agencies, officers, agents, employees, attorneys, and servants, from any legal claims (including attorney's fees, costs, and expenses of every kind and however denominated) that Wu has asserted, could have asserted, or may assert in the future against the Department, the State of Connecticut, and their respective agencies, officers, agents, employees, attorneys, and servants, concerning the conduct alleged in the Civil Matter and the investigation and prosecution thereof.
13. Except as explicitly stated, this Agreement shall not create or extinguish any of the Parties' rights or obligations. This Agreement and Consent Order has no bearing on any criminal, civil, or federal administrative liability the Respondents may have. This Agreement shall have no precedential effect whatsoever adverse to the Parties, and is based upon the unique circumstances surrounding this case. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties. By their signature below each signatory warrants that they have full power and

authority to enter into this Agreement on behalf of the Parties for which they sign, and that the signatory has been properly authorized and empowered to enter into this Agreement. The Parties consent to the disclosure of this Agreement to the public.


14. Should any part of this Agreement be rendered or declared invalid by a court of the State of Connecticut, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.

15. Wu has read this Agreement, understands it, and agrees to be bound by it. Wu is knowingly and voluntarily signing this Agreement, and consenting to being excluded and suspended from providing goods or services or otherwise participating in the CMAP, the Connecticut Medicaid Program, and/or any and all other programs administered by the Department for a period of one (1) year, effective upon execution of this Agreement.

WITNESS

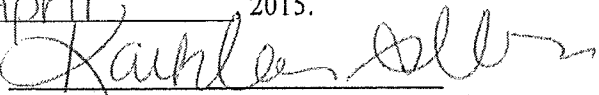
  
Annamaria F. Zocco  
PRINT NAME

David Wu, D.D.S.

  
David Wu  
PRINT NAME

Acknowledged before me on this 29<sup>th</sup> day of April, 2015.

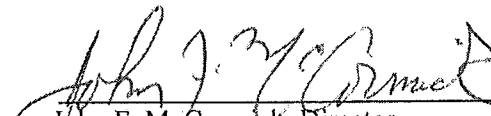


  
Commissioner of the Superior Court/  
Notary Public  
My commission expires on: 10/31/18

STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES

Date

5/5/15

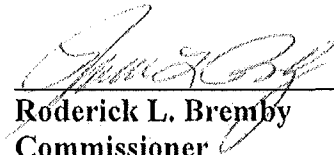
  
John F. McCormick, Director  
Office of Quality Assurance  
Department of Social Services

## CONSENT ORDER

The provisions of the Suspension Agreement between David Wu, D.D.S., and the State of Connecticut Department of Social Services, set forth in paragraphs A through G, and paragraphs 1 through 15, 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

11 day of May, 2015.

  
\_\_\_\_\_  
**Roderick L. Bremby**  
**Commissioner**  
**Department of Social Services**