

EXCLUSION AGREEMENT

1. This Exclusion Agreement (Agreement) is entered into by and between the Office of Inspector General (OIG) of the United States Department of Health and Human Services, and CSHM, LLC (CSHM) (collectively, “the Parties”). This Agreement addresses CSHM’s exclusion from participation in the Federal health care programs and the arrangement between the Parties regarding the orderly shutdown of CSHM, or, in the alternative, the possible divestiture of CSHM’s assets and operations, as further described below.
2. CSHM is a corporate successor to FORBA Holdings, LLC, which entered into a five-year Corporate Integrity Agreement (CIA) with OIG on January 15, 2010. Pursuant to the terms of Section XI of the CIA, CSHM is a successor in interest to the CIA.
3. Under Section X.E of the CIA, OIG is authorized to exclude CSHM from participation in the Federal health care programs for a material breach of the CIA. OIG issued Notices of Material Breach and Intent to Exclude CSHM on December 6, 2013 and January 7, 2014.
4. On March 7, 2014, OIG issued an Exclusion Letter to CSHM which notified CSHM that it was being excluded from participation in Medicare, Medicaid, and all Federal health care programs as defined in section 1128(B)(f) of the Social Security Act for a minimum period of five years, as a result of CSHM’s failure to cure its material breaches of the CIA. Attachment 1.
5. CSHM has disputed OIG’s determination that it was in material breach of the CIA.
6. In compromise and settlement of the rights of OIG to exclude CSHM based on the March 7, 2014 Exclusion Letter and CSHM’s right to appeal that exclusion, CSHM agrees to be excluded from all Federal health care programs, as defined in section 1128(B)(f) of the Social Security Act, for a period of five years consistent with the terms of this Agreement. The exclusion of CSHM shall become effective on September 30, 2014 (“Exclusion Date”).
7. CSHM waives any further notice of the exclusion and waives any right to appeal, contest, or challenge the exclusion in any federal or state administrative or judicial forum.
8. Such exclusion shall have national effect. Federal health care programs shall not pay anyone for items or services, including administrative and management services, furnished by CSHM in any capacity while CSHM is excluded. This payment prohibition applies to CSHM and all other individuals and entities (including, for example, anyone who contracts with CSHM) who furnish healthcare items and services. The exclusion

applies regardless of who submits the claims or other request for payment. CSHM shall not submit or cause to be submitted to any Federal health care program any claim or request for payment for items or services, including administrative and management services, furnished by CSHM during the exclusion. Violation of the conditions of the exclusion may result in criminal prosecution, the imposition of civil monetary penalties and assessments, and an additional period of exclusion. CSHM further agrees to hold the Federal health care programs, and all Federal beneficiaries and/or sponsors, harmless from any financial responsibility for items or services furnished to such beneficiaries or sponsors after the effective date of the exclusion.

9. Reinstatement to program participation is not automatic. If CSHM wishes to be reinstated, CSHM must submit a written request for reinstatement to OIG in accordance with the provisions of 42 C.F.R. § 1001.3001-.3005. Such request may be made to OIG no earlier than 120 days prior to the expiration of the minimum period of exclusion. Reinstatement becomes effective upon application by CSHM, approval of the application by OIG, and notice of reinstatement by OIG.

10. In order to implement the exclusion of CSHM in a manner that minimizes disruption to beneficiaries of Federal health care programs, and consistent with the terms of this Agreement:

- a. CSHM agrees to shut down its operations in an orderly manner that protects the health and well-being of the patients who receive services at any CSHM-affiliated dental clinic.
- b. In the alternative to the orderly shutdown described above, CSHM agrees to divest all or substantially all of the assets and operations of CSHM (collectively, "CSHM Assets") through bona-fide, arms-length transaction(s) to an entity (or entities) that, prior to the divestiture, is (are) not related to or affiliated with CSHM (purchasing entity(ies) hereafter referred to as the "Buyer");
- c. CSHM agrees that Buyer shall not be directly or indirectly owned or controlled by CSHM;
- d. CSHM agrees to cause the divestiture of CSHM Assets to Buyer no later than the Exclusion Date;
- e. OIG will not implement the exclusion of CSHM prior to the Exclusion Date;
- f. OIG agrees to meet with any prospective Buyer of the CSHM Assets;

- g. CSHM agrees to comply with the Independent Monitor requirements of Section III.E of the CIA through the Exclusion Date;
- h. CSHM agrees to comply with the Review Procedures requirements of Section III.D of the CIA through the Exclusion Date;
- i. CSHM agrees to provide all state dental boards and state Medicaid agencies with reports, notifications, and information regarding the divestiture of CSHM and, as applicable, the impact of that divestiture on Federal health care program beneficiaries; and
- j. CSHM agrees to inform Federal health care program beneficiaries at least 30 days prior to closing any CSHM-affiliated dental clinic where the beneficiary received dental items or services or as soon as practicable after determining to close any CSHM-affiliated dental clinic when such closure will occur more than 30 days from the date of that closure decision.

11. Beginning in May 2014 and concluding on the Exclusion Date, CSHM agrees to provide OIG with reports, which are due on the first business day of each month, in order to update OIG on the status of, and steps taken to effectuate, the divestiture of CSHM Assets. Information in such status reports shall include the identification of prospective Buyers, the status of the negotiation of the divestiture of the CSHM Assets, the status of any regulatory approvals, the status of due diligence reviews, the status of patient care delivery, and any other material information that may affect the divestiture. CSHM shall provide to OIG any and all documents and records in its control relating to the divestiture of CSHM Assets upon OIG's request. As appropriate, CSHM may designate documents furnished to OIG under this Agreement as confidential and business proprietary.

12. Until CSHM has completed the divestiture of CSHM Assets, CSHM shall operate CSHM in a manner consistent with this Agreement. CSHM shall not transfer any of the CSHM Assets to any related entity, or to any subsidiary or affiliate of CSHM.

13. All notices and reports required by this Agreement shall be submitted to the following:

OIG: Administrative and Civil Remedies Branch
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services
Cohen Building, Room 5527
330 Independence Avenue, SW
Washington, DC 20201
Attention: Felicia E. Heimer, Senior Counsel

CSHM: Reginald Gibson, Esq.
General Counsel
CSHM, LLC
618 Church Street
Suite 520
Nashville, TN 37219

Unless otherwise specified, all notices and reports required by this Agreement may be made by certified mail, overnight mail, hand delivery or other means, provided that there is proof that such notification was received. For purposes of this requirement, internal facsimile confirmation sheets do not constitute proof of receipt.

14. This Agreement shall be binding on the successors, assigns, and transferees of CSHM, but shall not be binding upon any Buyer as defined in this Agreement.

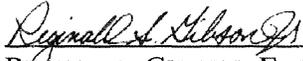
15. This Agreement shall become final and binding on the date of signature of the last signatory to the Agreement (Effective Date).

16. All Parties consent to OIG's disclosure of this Agreement, and information about this Agreement, to the public.

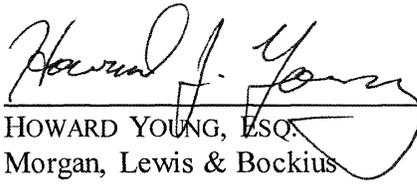
17. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same agreement.

18. The undersigned CSHM signatories represent and warrant that they are authorized to execute this Agreement on behalf of CSHM. The undersigned OIG signatory represents that he is signing this Agreement in his official capacity and that he is authorized to execute this Agreement.

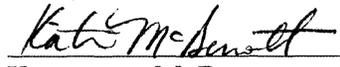
ON BEHALF OF CSHM, LLC


REGINALD GIBSON, ESQ,
CSHM General Counsel

4/1/2014
DATE


HOWARD YOUNG, ESQ.
Morgan, Lewis & Bockius
Counsel for CSHM, LLC

4/1/14
DATE


KATHLEEN MCDERMOTT, ESQ.
Morgan, Lewis & Bockius
Counsel for CSHM, LLC

4-1-2014
DATE

**ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Robert K. DeConti

ROBERT DECONTI
Assistant Inspector General for Legal Affairs
Office of Inspector General
U.S. Department of Health and Human Services

4/1/14

DATE