

STATE SETTLEMENT AGREEMENT

I. PARTIES

This Settlement Agreement (the “Agreement”) is entered into between the State of North Carolina (“the State”) and SavaSeniorCare, LLC, SavaSeniorCare Administrative and Consulting, LLC, and SSC Equity Holdings, LLC, successor by merger to SSC Submaster Holdings, LLC (collectively, “Sava”) hereinafter collectively referred to as “the Parties.”

II. PREAMBLE

As a preamble to this Agreement, the Parties agree to the following:

A. SavaSeniorCare, LLC, is a Delaware corporation with its principal place of business in Atlanta, Georgia. SavaSeniorCare Administrative and Consulting, LLC is a subsidiary of SavaSeniorCare, LLC and is headquartered in Atlanta, Georgia. SSC Equity Holdings, LLC, successor by merger to SSC Submaster Holdings, LLC is also a subsidiary of SavaSeniorCare, LLC and is headquartered in Atlanta, Georgia. At all relevant times, Sava provided skilled nursing services and rehabilitation therapy services, including physical, occupational, and speech therapy, to patients at numerous skilled nursing facilities in the United States.

B. On August 26, 2011, Relator Rita Hayward filed a *qui tam* action in the United States District Court for the Middle District of Tennessee captioned *United States ex rel. Hayward v. SavaSeniorCare, Inc., et al.*, Civil Action No. 3:11-0821, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Hayward Action”); on March 17, 2015, Relator Hayward filed a first amended complaint. On December 6, 2011, Relator Trammel Kukoyi filed a *qui tam* action in the United States District Court for the Southern

District of Texas captioned *United States, et al. ex rel. Kukoyi v. SavaSeniorCare, LLC, et al.*, Civil Action No. 11-4216, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Kukoyi Action”) and analogous state statutes; on July 30, 2015, Relator Kukoyi filed a first amended complaint. On October 7, 2015, the Kukoyi Action was transferred to the United States District Court for the Middle District of Tennessee and assigned Civil Action No. 3:15-1102. On November 20, 2013, Relator Terrence Scott filed a *qui tam* action in the United States District Court for the Western District of Texas captioned *United States ex rel. Scott v. SavaSeniorCare, Inc., et al.*, Civil Action No. SA-13-CA-1055-FB, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the “Scott Action”); on February 18, 2014, Relator Scott filed a first amended complaint. On April 8, 2015, the Scott Action was transferred to the United States District Court for the Middle District of Tennessee and assigned Civil Action No. 3:15-0404. On July 20, 2015, the Hayward and Scott Actions were consolidated; on October 21, 2015, the Kukoyi Action was consolidated with the previously-consolidated Hayward and Scott Actions. Among other things, the Tennessee Relators’ *qui tam* complaints alleged that Sava entities violated the False Claims Act by submitting false claims and statements to Medicare, Medicaid, and TRICARE for payment of services pursuant to the skilled nursing facility benefit that were not reasonable or medically necessary. The Hayward Action, Kukoyi Action, and Scott Action are hereafter collectively referred to as the “Tennessee Actions.” The Kukoyi Action is the only one of the foregoing *qui tam* lawsuits that names the state plaintiffs.

On July 21, 2015, the United States filed a notice of partial intervention in the previously-consolidated Hayward Action and Scott Action; on October 19, 2015, the United States filed a notice of partial intervention in the Kukoyi Action. On October 26, 2015, the United States filed

its Consolidated Complaint in Intervention in the Tennessee Actions against Sava seeking treble damages and civil penalties arising from violations of the False Claims Act and damages and other monetary relief under the common law theories of unjust enrichment and payment by mistake for the alleged wrongful conduct of Sava. On October 29, 2015, the States named in the Kukoyi Action filed a Notice of Election to Decline Intervention.

On February 22, 2016, Relator James Thornton filed a *qui tam* action in the United States District Court for the Eastern District of Pennsylvania captioned *United States, et al. ex rel. Doe v. SavaSeniorCare, Inc., et al.*, Civil Action No. 16-CV-0840, pursuant to the *qui tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b) and analogous state statutes (the “Pennsylvania Action”); on March 26, 2021, Relator Thornton and additional Relator Barbara Roberts filed a first amended complaint in the Pennsylvania Action, which is now captioned *United States, et al. ex rel. Thornton, et al. v. SavaSeniorCare, Inc., et al.*, Civil Action No. 16-CV-0840. In the Pennsylvania Action, Relators allege that Sava caused the submission of false claims to Medicare and Medicaid, and other government-funded health care insurance programs, for substandard and understaffed nursing home services. The Pennsylvania Action will be referred to as the “Civil Action.”

Together, the Kukoyi Action and the Pennsylvania Action will be referred to collectively as the “Civil Actions.”

C. Sava has entered into a separate civil settlement agreement (the “Federal Settlement Agreement”) with the “United States of America” (the “United States”) as that term is defined in the Federal Settlement Agreement.

D. The State contends that Sava caused claims for payment to be submitted to the State's Medicaid Program (42 U.S.C. Chapter 7 Subchapter XIX), including "managed care entities" as defined by 42 U.S.C. § 1396u-2.

E. The State contends that it has certain civil and administrative causes of action against Sava for engaging in the following conduct:

(a) The State contends that from January 1, 2008 through December 31, 2018, (i) some of the nursing services provided by Sava were grossly and materially substandard and/or worthless, in part because Sava failed to provide care to certain residents that meets federal standards of care and federal statutory and regulatory requirements, including failing to have sufficient staffing in certain facilities to meet certain residents' needs; and (ii) in certain skilled nursing facilities, Sava failed to follow appropriate pressure ulcer protocols and appropriate falls protocols, and failed to appropriately administer medications to some of the residents to avoid medication errors (the "Quality of Care Covered Conduct").

(b) The State contends that from October 1, 2008 through September 30, 2012, Sava engaged in a scheme to maximize the number of days it billed at the "Ultra High" or "Rehabilitation Ultra" ("RU") level, which improperly caused some therapists to provide, and certain dual eligible beneficiaries receiving both Medicare Part A and Medicaid to receive, rehabilitation therapy that was not reasonable and necessary, skilled, and/or covered by the Medicare Part A and Medicaid coinsurance benefits (the "Coinsurance Covered Conduct").

The conduct described in this Paragraph E is hereafter referred to collectively as the "Covered Conduct." The State contends that by engaging in this conduct, Sava knowingly submitted or caused the submission of false and/or fraudulent claims to the State's Medicaid

Program, in violation of the False Claims Act, 31 U.S.C. § 3729 *et seq.*, and relevant state statutes.

F. This Agreement is neither an admission of facts or liability by Sava nor a concession by the State that its allegations are not well founded. Sava denies the State's allegations in Paragraph E.

G. The Parties mutually desire to reach a full and final settlement as set forth below.

III. TERMS AND CONDITIONS

NOW, THEREFORE, in reliance on the representations contained herein and in consideration of the mutual promises, covenants and obligations set forth in this Agreement, and for good and valuable consideration as stated herein, the Parties agree as follows:

1. Sava agreed in the Federal Settlement Agreement to pay to the United States \$10,335,196.00 plus accrued interest (the "Federal Upfront Payment"). Sava paid the Federal Upfront Payment on May 26, 2021 pursuant to the terms of the Federal Settlement Agreement.

2. The Federal Settlement Agreement provided for a total Medicaid recovery for the Covered Conduct in the amount of \$1,745,810.00 consisting of \$872,905.00 for the states and \$872,905.00 for the United States (the latter amount being included in the Upfront Settlement Payment that has already been paid by Sava). Paragraph 1(a)(ii). of the Federal Settlement Agreement provided in pertinent part that: "Pursuant to the State Medicaid Settlement Agreements, Sava shall make payments to the Medicaid Coinsurance Participating States and the Medicaid Quality of Care Participating States, collectively, of amounts totaling Eight Hundred Seventy Two Thousand, Nine Hundred Five Dollars (\$872,905.00) (the 'State Upfront Payments')." The state Medicaid recovery of \$872,905.00 is divided between the Covered Conduct described in Paragraphs E (a) and E (b) above as follows: the sum of \$523,743.00 is

being paid to resolve the Quality of Care Covered Conduct described above in Paragraph E (a), and the sum of \$349,162.00 plus accrued interest is being paid to resolve the Coinsurance Covered Conduct described above in Paragraph E (b).

Each Medicaid Participating State's respective portion of the State Upfront Payments shall constitute a debt immediately due and owing to that Medicaid Participating State on the "effective date" of that Medicaid Participating State's Settlement Agreement, as defined in Paragraph 21 of this Agreement. The debt shall forever be discharged by payments to each Medicaid Participating State under the following terms and conditions:

(a) Sava shall pay to the Medicaid Participating States the sum of \$872,905.00 plus accrued interest on that amount of 1.125% per annum commencing on February 8, 2021 and continuing to and including the day payment is made under this Agreement (the "Medicaid State Settlement Amount"), subject to the non-participating state deduction provision of sub-paragraph (c) below (the "Medicaid Participating State Settlement Amount"), no later than five (5) business days after the expiration of the 60-day opt-in period for Medicaid Participating States described in sub-paragraph (b) below. The Medicaid Participating State Settlement Amount shall be paid and immediately deposited by electronic funds transfer to the New York State Attorney General's National Global Settlement Account pursuant to written instructions from the state negotiating team (the "State Team"), which written instructions shall be delivered to counsel for Sava. This electronic funds transfer shall constitute tender and negotiation of the State Amount as defined in Paragraph III. 2(c) below.

(b) Sava shall execute a State Settlement Agreement with any State that executes such an Agreement in the form to which Sava and the State Team have agreed, or in a form otherwise agreed to by Sava and an individual State. The State shall constitute a Medicaid

Participating State provided this Agreement is fully executed by the State and delivered to Sava's attorneys within 60 days of receiving this Agreement. Sava's offer to resolve this matter with the State shall become null and void absent written agreement between counsel for Sava and the State Team to extend the 60-day period.

(c) The total portion of the amount paid by Sava in settlement for the Covered Conduct described in Paragraph E for the State is \$191,206.41, consisting of a portion paid to the State under this Agreement and another portion paid to the United States as part of the Federal Settlement Agreement.

For the Quality of Care Covered Conduct described in Paragraph E, the total portion of the amount paid by Sava in settlement for the State is \$177,877.46, consisting of a portion paid to the State under this Agreement and another portion paid to the United States as part of the Federal Settlement Agreement. The portion to be paid to the State under this Agreement is the sum of \$81,093.19 plus applicable interest (the "Quality of Care Covered Conduct State Amount"), of which \$81,093.19 is restitution.

For the Coinsurance Covered Conduct described in Paragraph E, the total portion of the amount paid by Sava in settlement for the State is \$13,328.95, consisting of a portion paid to the State under this Agreement and another portion paid to the United States as part of the Federal Settlement Agreement. The portion to be paid to the State under this Agreement is the sum of \$5,869.16 plus applicable interest, (the "Coinsurance Covered Conduct State Amount"), of which \$5,869.16 is restitution. The "Coinsurance Covered Conduct State Amount" and the "Quality of Care Covered Conduct State Amount" shall be collectively referred to as the "State Amount."

If the State does not execute this Agreement within 60 days of receiving this Agreement, the State Amount shall be deducted from the Medicaid State Settlement Amount and shall not be paid by Sava absent written agreement between counsel for Sava and the State Team to extend the time period for executing this Agreement.

3. Contingent upon receipt of the State Amount, the State agrees to dismiss with prejudice any state law claims which the State has the authority to dismiss currently pending against Sava in State or Federal Courts for the Covered Conduct including any supplemental state law claims asserted in the Civil Actions. Contingent upon receipt of the State Amount, the State, if served with the Civil Actions and otherwise liable to pay a relator's share, agrees to pay the Relators the amount of \$16,218.64 plus applicable interest for the Quality of Care Covered Conduct, and the amount of \$1,614.02 plus applicable interest to the Relator for the Coinsurance Covered Conduct. This amount is to be paid through the State Team and has been addressed via side letters with the Relators in the Civil Actions.

4. Subject to the exceptions in Paragraph 5 below, in consideration of the obligations of Sava set forth in this Agreement, and conditioned upon tender and negotiation of the State Amount, the State agrees to release Sava, its predecessors and current and former parents, divisions, subsidiaries, affiliates, successors, transferees, heirs, and assigns (collectively, the "Defendant Released Entities"), from any civil or administrative monetary cause of action that the State has for any claims submitted or caused to be submitted to the State's Medicaid Program as a result of the Covered Conduct.

5. Notwithstanding the releases given in Paragraph 4 of this Agreement, or any other term of this Agreement, the following claims of the State are specifically reserved and are not released:

- (a) any criminal, civil, or administrative liability arising under state revenue codes;
- (b) any criminal liability;
- (c) any civil or administrative liability that any person or entity, including the Sava Released Entities, has or may have to the State or to individual consumers or state program payors 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: (i) claims involving unlawful or illegal conduct based on State or federal antitrust violations; and (ii) claims involving unfair and/or deceptive acts and practices and/or violations of consumer protection laws;
- (d) any liability to the State for any conduct other than the Covered Conduct;
- (e) any liability based upon obligations created by this Agreement;
- (f) except as explicitly stated in this Agreement, any administrative liability, including mandatory exclusions from the State's Medicaid Program;
- (g) any liability for property damage or for other consequential damages arising from the Covered Conduct; or
- (h) any liability of individuals.

6. In furtherance of this settlement, Sava agrees to the following contingency payments based upon the terms below:

- (a) Revenue Contingency Sava agreed in the Federal Settlement Agreement to pay to the United States and the Medicaid Participating States contingency payments conditioned upon the occurrence of certain events as detailed below (the "Contingency Payments") Specifically, Sava agreed in the Federal Settlement Agreement that if Sava's annual Adjusted Net Revenue (as defined in sub-paragraph (a) ii. below) of the facilities listed on Exhibit A to this Agreement (the

“Retained Facilities”) exceeds Sava’s Adjusted Threshold (as defined in sub-paragraph (a) iii. below), in each fiscal year 2021, 2022, 2023, 2024, 2025, or 2026, Sava shall pay the United States and the Medicaid Participating States a total amount equal to Five Percent (5%) of Sava’s Adjusted Net Revenue above the Adjusted Threshold (“Excess Revenue Payment”). The total maximum amount potentially to be paid to the United States and the Medicaid Participating States under this Revenue Contingency for all years in the aggregate is capped at Seven Million Dollars (\$7,000,000.00). Sava shall pay any Excess Revenue Payment to the United States and the Medicaid Participating States in accordance with sub-paragraph (c) below within 30 calendar days after the completion of Sava’s annual audited financial statements. On the same date Sava pays any Excess Revenue Payment, Sava shall submit to the United States its annual audited financial statements, its calculation of the Excess Revenue Payment and all documents and information reasonably necessary to determine the accuracy of the Adjusted Net Revenue and Adjusted Threshold calculations. The calculations and supporting documents and information shall be certified by Sava’s Chief Executive Officer or Chief Financial Officer.

i. Annual Net Revenue is defined as billable revenues for services provided by the Retained Facilities in each fiscal year. With respect to those Retained Facilities that participate in Upper Payment Limit Reimbursement Programs and are both leased and managed by subsidiaries of Sava, Annual Net Revenue will be derived from consolidating the revenue in each fiscal year from nursing home operations of the manager and operator of the Retained Facility.

ii. Adjusted Net Revenue is defined as Annual Net Revenue for the Retained Facilities for each fiscal year, net of: (i) reserves for third party payors, (ii) contractual adjustments, (iii) charity care adjustments, (iv) all funds received from a third-party payor

that must be dedicated to expenditures specified by the payor; and (v) for any Retained Facilities divested after the Effective Date of this Agreement (“Divested Facilities”), the Annual Net Revenue for those facilities for the fiscal year immediately preceding the time of divestiture.

iii. Adjusted Threshold is defined as the Starting Threshold, as defined in this sub-paragraph less the Annual Net Revenue for any Divested Facilities for the fiscal year immediately preceding the time of divestiture. For 2021, the Starting Threshold shall be One Billion Three Hundred Million Dollars (\$1,300,000,000.00). For fiscal years 2022, 2023, 2024, 2025, and 2026, the Starting Threshold shall be the Adjusted Threshold calculated at the end of the prior fiscal year.

(b) All Contingency Payments made to the United States constitute the “Federal Contingency Payments.” All Contingency Payments made to the Medicaid Participating States constitute the “State Contingency Payments.” Sava shall pay the Federal Contingency Payments and State Contingency Payments in accordance with the percentages listed in Exhibit B to this Agreement. The State Contingency Payments shall be proportionally allocated to the Medicaid Participating States utilizing the same percentages applied to each state in the recovery of the State Amount as described above in Paragraph III. 2(c).

7. In consideration of the obligations of Sava set forth in this Agreement, and the Corporate Integrity Agreement (the “CIA”) that Sava has entered into with the Office of the Inspector General of the United States Department of Health and Human Services in connection with this matter, and conditioned on receipt by the State of the State Amount, the State agrees to release and refrain from instituting, recommending, directing, or maintaining any administrative action seeking exclusion from the State’s Medicaid Program against Sava for the Covered

Conduct, except as reserved in Paragraph 5 above. Nothing in this Agreement precludes the State from taking action against Sava in the event that Sava is excluded by the federal government, or for conduct and practices other than the Covered Conduct.

8. Sava waives and shall not assert any defenses it may have to criminal prosecution or administrative action for the Covered Conduct, which defenses may be based in whole or in part on a contention, under the Double Jeopardy Clause of the Fifth Amendment of the U.S. Constitution or the Excessive Fines Clause of the Eighth Amendment of the U.S. Constitution, that this Agreement bars a remedy sought in such criminal prosecution or administrative action.

9. In consideration of the obligations of the State set forth in this Agreement, the Sava Released Entities waive and discharge the State and any of its agencies, departments, and personnel including, but not limited to, officials, employees, and agents, whether current or former in their official and individual capacities from any causes of action (including attorneys' fees, costs, and expenses of every kind and however denominated) which the Sava Released Entities have against the State and any of its agencies, departments, and personnel as previously referenced arising from the State's investigation and prosecution of the Covered Conduct.

10. The amount that Sava must pay to the State pursuant to Paragraph III.2. above will not be decreased as a result of the denial of any claims for payment now being withheld from payment by the State's Medicaid Program, or any other state program payor, for the Covered Conduct; and Sava agrees not to resubmit to the State's Medicaid Program or any other state program payor, any previously denied claims, which denials were based on the Covered Conduct, and agrees to withdraw the appeal of, or not to appeal or cause the appeal of, any such denials of claims.

11. Sava shall not seek payment for any claims for reimbursement to the State's Medicaid Program covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third-party payors.

12. Sava expressly warrants that it has reviewed its financial condition and that it is currently solvent, meaning that management reasonably believes that it will be provided sufficient working capital from outside sources to continue operations.

13. The Parties each represent that this Agreement is freely and voluntarily entered into without any degree of duress or compulsion whatsoever.

14. Sava agrees to cooperate fully and truthfully with any State investigation of individuals or entities not released in this Agreement. Upon reasonable notice of such an investigation, Sava 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 and of Sava. Upon request, Sava agrees to furnish to the State complete and unredacted copies of all non-privileged documents including, but not limited to, 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, as well as complete and unredacted copies of any other non-privileged documents in its possession, custody, or control relating to the Covered Conduct.

15. Except as expressly provided to the contrary in this Agreement, 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.

16. Except as otherwise stated in this Agreement, this Agreement is intended to be for the benefit of the Parties only, and the Parties do not release any liability as to any other person or entity.

17. Nothing in this Agreement constitutes an agreement by the State concerning the characterization of the amounts paid hereunder for purposes of the State's revenue code.

18. In addition to all other payments and responsibilities under this Agreement, Sava agrees to pay the State Team's reasonable expenses and fees, including travel costs, consultant expenses, and administrative fees. Sava will pay this amount by separate check made payable to the National Association of Medicaid Fraud Control Units, after the Medicaid Participating States execute their respective Agreements, or as otherwise agreed by the Parties.

19. This Agreement is governed by the laws of the State, except disputes arising under the CIA shall be resolved exclusively under the dispute resolution provisions of the CIA, and venue for addressing and resolving any and all disputes relating to this Agreement shall be the state courts of appropriate jurisdiction of the State.

20. The undersigned Sava signatories represent and warrant that they are authorized as a result of appropriate corporate action to execute this Agreement. 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 through their respective agencies and departments.

21. The Effective Date of this Agreement shall be the date of signature of the last signatory to this Agreement. The facsimile, email or other electronically delivered signatures of the parties shall be deemed to constitute acceptable binding signatures for purposes of this Agreement, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

22. This Agreement shall be binding on all successors, transferees, heirs, and assigns of the Parties.

23. This Agreement constitutes the complete agreement between the Parties with respect to this matter and shall not be amended except by written consent of the Parties.

24. 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.

25. 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 any of the Parties for that reason.

STATE OF NORTH CAROLINA

By: F. Edward Kirby, Jr. Dated: 2/11/2022

F. Edward Kirby, Jr.

Name

Director

Title

NCDOJ Medicaid Investigations Division

Organization

By:  Dated: 02/14/22 | 5:48 AM PST

Dave Richard

Name

Deputy Secretary, NC Medicaid

Title

NC Department of Health & Human Services, Division of Health Benefits

Organization

SAVASENIORCARE, LLC

By:  281D101A45EE46E... Dated: 5/9/2022

Stefano M. Miele
Name

Executive Vice President
Title

SavaSeniorCare, LLC
Organization

By:  352F6FC449BF417 Dated: 5/4/2022

Glenn P. Hendrix
Counsel to SavaSeniorCare, LLC

(May need multiple blocks)

Exhibit A
Sava Retained Facilities

FACILITY NAME	SUBSIDIARY CORPORATION/LICENSEE	STREET ADDRESS	CITY	STATE	ZIP	MEDICARE
Bride Brook Health and Rehabilitation Center	SSC Niantic Operating Company LLC	23 Liberty Way	Niantic	CT	06357	07-5375
Pendleton Health and Rehabilitation Center	SSC Mystic Operating Company LLC	44 Maritime Drive	Mystic	CT	06355	07-5341
Anderson Mill Health and Rehabilitation Center	SSC Austell Operating Company LLC	2130 Anderson Mill Road	Austell	GA	30001	11-5145
Augusta Villas (PCH)	Lee Street Operating Company LLC	2237 Lee Street	Augusta	GA	30904	NA
Augusta Villas II (PCH)	Johns Road Operating Company LLC	2237 Lee Street	Augusta	GA	30904	NA
Azalea Health and Rehabilitation Center	Anthony Road Operating Company LLC	1600 Anthony Road	Augusta	GA	30907	11-5044
Bentley Square (PCH)	Lavista Operating Company LLC	3884 Lavista Road	Tucker	GA	30084	NA
Brian Center Health & Rehabilitation/Canton	SSC Canton Operating Company LLC	150 Hospital Circle, N.W.	Canton	GA	30114	11-5508
Briarwood Health and Rehabilitation Center	Briarwood Operating Company LLC	3888 Lavista Road	Tucker	GA	30084	11-5322
Dunwoody Health and Rehabilitation Center	Dunwoody Operating Company LLC	5470 Meridian Mark Road, Bldge E	Atlanta	GA	30342	11-5270
Glenwood Health and Rehabilitation Center	Glenwood Operating Company LLC	4115 Glenwood Road	Decatur	GA	30032	11-5025
North Decatur Health and Rehabilitation Center	North Decatur Operating Company LLC	2787 North Decatur Road	Decatur	GA	30033	11-5012
Northeast Atlanta Health and Rehabilitation Center	SSC Atlanta Operating Company LLC	1500 South Johnson Ferry Road	Atlanta	GA	30319	11-5504
Rome Health and Rehabilitation Center	Rome Operating Company LLC	1345 Redmond Road	Rome	GA	30165	11-5363
Rose City Health and Rehabilitation Center	Thomasville Operating Company LLC	930 South Broad Street	Thomasville	GA	31792	11-5501
Roseland Health and Rehabilitation Center	Marietta Operating Company LLC	613 Roseland Street	Marietta	GA	30064	11-5660
Tifton Health and Rehabilitation Center	Tifton Operating Company LLC	1451 Newton Drive	Tifton	GA	31794	11-5412
Windermere Health and Rehabilitation Center	Windermere Operating Company LLC	3618 J Dewey Gray Circle	Augusta	GA	30909	11-5291
Arcola Health and Rehabilitation Center	SSC Silver Spring Operating Company LLC	901 Arcola Avenue	Silver Spring	MD	20902 - 21-5014	
Bel Air Health and Rehabilitation Center	SSC Bel Air Operating Company LLC	410 East MacPhail Road	Bel Air	MD	21014	21-5312
Bethesda Health and Rehabilitation Center	SSC Bethesda Operating Company LLC	5721 Grosvenor Lane	Bethesda	MD	20814	21-5187
Forest Hill Health and Rehabilitation Center	SSC Forest Hill Operating Company LLC	109 Forest Valley Drive	Forest Hill	MD	21050	21-5194
Frederick Health and Rehabilitation Center	North Place Operating Company LLC	30 North Place	Frederick	MD	21701	21-5184
Glen Burnie Health and Rehabilitation Center	SSC Glen Burnie Operating Company LLC	7355 Furnace Branch Road East	Glen Burnie	MD	21060	21-5266
Heritage Harbour Health and Rehabilitation Center	SSC Annapolis Operating Company LLC	2700 South Haven Road	Annapolis	MD	21401	21-5325
North Anundel Health and Rehabilitation Center	SSC Glen Burnie North Arundel Operating Company LLC	313 Hospital Drive	Glen Burnie	MD	21061	21-5316
Overlea Health and Rehabilitation Center	SSC Baltimore Operating Company LLC	6116 Belair Road	Baltimore	MD	21206	21-5209
Pataxent River Health and Rehabilitation Center	SSC Laurel Operating Company LLC	14200 Laurel Park Drive	Laurel	MD	20707	21-5141
Summit Park Health and Rehabilitation Center	SSC Catonsville Operating Company LLC	1502 Frederick Rd.	Catonsville	MD	21228	21-5326
BC Health & Rehabilitation/Goldsboro	SSC Goldsboro Operating Company LLC	1700 Wayne Memorial	Goldsboro	NC	27530	34-5343
BC Health & Rehabilitation/Hendersonville	SSC Hendersonville Operating Company LLC	1870 Pisgah Road	Hendersonville	NC	28739	34-5312
BC Health & Rehabilitation/Hickory East	SSC Hickory East Operating Company LLC	3031 Tate Boulevard., S.E.	Hickory	NC	28602	34-5252
BC Health & Rehabilitation/Spruce Pine	SSC Spruce Pine Operating Company LLC	218 Laurel Creek Court	Spruce Pine	NC	28777	34-5270
BC Health & Rehabilitation/Wallace	SSC Wallace Operating Company LLC	647 SE Railroad Street	Wallace	NC	28466	34-5323
BC Health & Rehabilitation/Weaverville	SSC Weaverville Operating Company LLC	78 Weaver Boulevard	Weaverville	NC	28787	34-5221
BC Health & Rehabilitation/Wilson	SSC Wilson Operating Company LLC	2501 Downing Street	Wilson	NC	27893	34-5332
BC Health & Rehabilitation/Windsor	SSC Windsor Brian Operating Company LLC	1306 South King Street	Windsor	NC	27983	34-5339
BC Health & Rehabilitation/Yanceyville	SSC Yanceyville Operating Company LLC	1086 Main Street, North	Yanceyville	NC	27379	34-5265
BC Health & Retirement/Cabarrus	SSC Concord Operating Company LLC	250 Bishop Lane	Concord	NC	28025	34-5362
BC Health & Retirement/Clayton	SSC Clayton Operating Company LLC	204 Dairy Road	Clayton	NC	27520	34-5317
BC Health & Retirement/Lincolnton	SSC Lincolnton Operating Company LLC	515 South Generals Boulevard	Lincolnton	NC	28092	34-5250
BC Health and Rehabilitation/Hickory Viewmont	SSC Hickory 13th Operating Company LLC	220 13th Avenue Place, N.W.	Hickory	NC	28601	34-5080
BC Health and Rehabilitation/Eden	SSC Eden Operating Company LLC	226 North Oakland Avenue	Eden	NC	27288	34-5241
BC Health and Rehabilitation/Gastonia	SSC Gastonia Operating Company LLC	969 Cox Road	Gastonia	NC	28054	34-5169
BC Health and Rehabilitation/Hertford	SSC Hertford Operating Company LLC	1300 Don Juan Road	Hertford	NC	27944	34-5262
BC Southpoint	SSC Durham Operating Company LLC	6000 Fayetteville Road	Durham	NC	27713	34-5408
Blue Ridge Health and Rehabilitation Center	Hebron Operating Company LLC	1510 Hebron Street	Hendersonville	NC	28739	34-5223
Edgcombe Health and Rehabilitation Center	Farboro Operating Company LLC	1000 Western Boulevard	Farboro	NC	27886	34-5195
Haywood Nursing and Rehabilitation Center (name chg)	SSC Waynesville Operating Company LLC	516 Wall Street	Waynesville	NC	28786	34-5411
Kenansville Health and Rehabilitation Center	SSC Kenansville Operating Company LLC	209 Beasley Street	Kenansville	NC	28349	34-5150
Lumberton Health and Rehabilitation Center	Lumberton Operating Company LLC	1555 Willis Avenue	Lumberton	NC	28358	34-5234
MacGregor Downs Health and Rehabilitation Center	Greenville Operating Company LLC	2910 MacGregor Downs Road	Greenville	NC	27834	34-5168
Maple Leaf Health Care	SSC Statesville Maple Leaf Operating Company LLC	1101 Maple Care Lane	Statesville	NC	28625	34-5340A
Surry Community Health and Rehabilitation Center	Mt. Airy Operating Company LLC	542 Allred Mill Road	Mt. Airy	NC	27030	34-5191
Pleasant Valley Nursing Center	Pleasant Valley Operating Company LLC	8 Peabody Road	Derry	NH	03038	30-5039
Lake Mead Health and Rehabilitation Center	Henderson Operating Company LLC	1180 E. Lake Mead	Hendersonville	NV	89015	29-5037

Exhibit A

Sava Retained Facilities

Broomall Rehabilitation and Nursing Center	Broomall Operating Company LP	50 North Malin Road	Broomall	PA	19008	39-5078
North Hills Health and Rehabilitation Center	SSC Wexford Operating Company LP	194 Swinderman Rd	Wexford	PA	15090	39-5903
West Hills Health and Rehabilitation Center	SSC Coraopolis Operating Company LP	951 Broadhead Road	Coraopolis	PA	15108	39-5620
Seneca Health and Rehabilitation Center	SSC Seneca Operating Company LLC	140 Tokenea Road	Seneca	SC	29678	42-5139
Sumter East Health and Rehabilitation Center	SSC Sumter East Operating Company LLC	880 Carolina Avenue (P.O. Box	Sumter	SC	29151	42-5107
Newport Health and Rehabilitation Center	SSC Newport Operating Company LLC	135 Generation Drive	Newport	TN	37821	44-5504
Norris Health and Rehabilitation Center	SSC Andersonville Operating Company LLC	3382 Andersonville Highway	Andersonville	TN	37705	044-5303
Alpine Terrace	Uvalde County Hospital Authority (02/28/15)	746 Alpine Drive	Kerrville	TX	78028	67-5506
Alpine Terrace Retirement & Convalescent Center PC Unit	SSC Kerrville Alpine Terrace Operating Company LLC	746 Alpine Drive	Kerrville	TX	78028	67-5506
Arlington Heights Health and Rehabilitation Center (eff CHOW	SSC Fort Worth Nursing & Rehabilitation Center Operating	4825 Wellesley Stree	Ft. Worth	TX	76017	45-5819
1/2/27/16)	SSC Bangs Operating Company LLC	1105 Fitzgerald	Bangs	TX	76823	67-5377
Bastrop Nursing Center	OakBend Medical Center eff 3/31/17	400 Old Austin Highway	Bastrop	TX	78602	67-5356
Bay Villa Healthcare Center	OakBend Medical Center eff 3/31/17	1800 13th Street	Bay City	TX	77414	45-5582
Brazosview Healthcare Center	OakBend Medical Center	2127 Preston	Richmond	TX	77469	67-5420
Deer Creek of Wimberley	Uvalde County Hospital Authority (02/28/15)	Route 2, Box 6	Wimberley	TX	78676	45-5917
Downtown Health and Rehabilitation Center	Fannin County Hospital Authority (03/31/17)	424 South Adams	Fort Worth	TX	76104	45-5651
Faith Memorial Nursing Home	SSC Pasadena Operating Company LLC	811 Gainer Road	Pasadena	TX	77502	67-5321
Golden Years Nursing and Rehabilitation Center	Seminole Hospital District	318 Chambers	Marlin	TX	76661	67-5406
Greenview Manor	Seminole Hospital District	401 Owen Lane	Waco	TX	76710	45-5638
Hilltop Village Nursing and Rehabilitation Center	Uvalde County Hospital Authority (02/28/15)	1400 Hilltop Road	Kerrville	TX	78028	45-5628
Interlochen Health and Rehabilitation Center	Fannin County Hospital Authority (03/31/17)	2645 W. Randol Mill Road	Arlington	TX	76012	45-5835
Kountze Nursing Center	OakBend Medical Center eff 3/31/17	P.O. Box 940 (FM 1293)	Kountze	TX	77625	45-5594
La Paloma Nursing Center	Uvalde County Hospital Authority (02/28/15)	FM Road 1329 & Sur Avenue	San Diego	TX	78384	67-5170
Lakeshore Village Healthcare Center	Seminole Hospital District	2320 Lakeshore Drive	Waco	TX	76708	67-5438
Las Palmas Healthcare Center	SSC McAllen Las Palmas Operating Company LLC	1301 East Quebec	McAllen	TX	78503	67-5415
Levelland Nursing & Rehabilitation Center	Seminole Hospital District	210 West Avenue	Levelland	TX	79336	67-5329
Longmeadow Healthcare Center	Fannin County Hospital Authority (03/31/17)	120 Meadowview Drive	Justin	TX	76247	67-5185
Matador Health and Rehabilitation Center	Childress County Hospital District (4/1/18)	805 Harrison Avenue/P.O. Box 70	Matador	TX	79244	67-6389
Memorial City Health and Rehabilitation Ctr	OakBend Medical Center (4/1/18)	1341 Blalock	Houston	TX	77055	67-6258
Memorial Medical Nursing Center	Uvalde County Hospital Authority (03/31/17)	307 W. Cypress	San Antonio	TX	78212	45-5597
Mt. Pleasant Assisted Living (ALF)	Mount Pleasant ALF Operating Company LLC	2009-2011-2013 N. Edwards	Mt. Pleasant	TX	75455	N/A
North Park Health and Rehabilitation Center	Fannin County Hospital Authority (03/31/17)	1720 N. McDonald	McKinney	TX	75071	67-5196
Northwest Health and Rehabilitation Center	SSC Houston Northwest Operating Company LLC	17600 Cali Drive	Houston	TX	77090	45-5714
Orchard Park Post Acute Nursing and Rehabilitation Pk/a Retama	SSC Weslaco Operating Company LLC	721 Airport Dr.	Weslaco	TX	78596	67-5363
Pampa Nursing Center	Seminole Hospital District	1321 W. Kentucky (P.O. Box 582)	Pampa	TX	79065	67-5327
Park Highlands Nursing & Rehabilitation Center	Fannin County Hospital Authority (03/31/17)	711 Lucas Street	Athens	TX	75751	67-5460
Peach Tree Place	Raber Corporation	4006 Vista Road	Pasadena	TX	77504	67-5365
Pine Arbor	Seminole Hospital District	315 Anderson Street	Weatherford	TX	76086	67-6148
Pleasant Springs Healthcare Center	OakBend Medical Center eff 3/31/17	705 Highway 418 West	Silsbee	TX	77656	67-5391
Retama Manor Health and Rehabilitation Center/Rio Grande City	Fannin County Hospital Authority (03/31/17)	2003 North Edwards	Mt. Pleasant	TX	75455	45-5532
Retama Manor Nursing Center (eff CHOW 9/1/2019)	SSC Rio Grande City Operating Company LLC	400 S. Pete Diaz Jr. Ave.	Rio Grande City	TX	78582	67-5421
Retama Manor Nursing Center/Alice	SSC Nueces Retama LLC (9/1/19)	2322 Morgan Avenue	Corpus Christi	TX	78405	45-5575
Retama Manor Nursing Center/Edinburg	Uvalde County Hospital Authority (02/28/15)	606 Coyote Trail	Alice	TX	78332	67-5309
Retama Manor Nursing Center/Harlingen	SSC Edinburg Operating Company LLC	1505 Closter	Edinburg	TX	78539	67-5414
Retama Manor Nursing Center/Jourdanton	Starr County Hospital District (4/1/18)	820 Camelot Drive	Harlingen	TX	78550	45-5822
Retama Manor Nursing Center/Laredo - West	Dimmit Regional Hospital District (06/01/15)	1504 Hwy 97 E Pk/a 1504 Oak	Jourdanton	TX	78026	45-5549
Retama Manor Nursing Center/McAllen	Uvalde County Hospital Authority (02/28/15)	1200 Lane	Laredo	TX	78040	45-5528
Retama Manor Nursing Center/Pleasanton North	Starr County Hospital District (4/1/18)	900 South 12th Street	McAllen	TX	78501	45-5662
Retama Manor Nursing Center/Pleasanton South	Dimmit Regional Hospital District	404 Goodwin St.	Pleasanton	TX	78064	67-5502
Retama Manor Nursing Center/Pleasanton South Alzheimer's	SSC Pleasanton South Operating Company LLC	905 W. Oaklawn Ave.	Pleasanton	TX	78064	67-5428
Retama Manor Nursing Center/Raymondville	Starr County Hospital District (4/1/18)	1700 S. Expressway 77	Raymondville	TX	78580	67-5475
Retama Manor Nursing Center/San Antonio - North	Uvalde County Hospital Authority (02/28/15)	501 Ogden	San Antonio	TX	78212	45-5817
Retama Manor Nursing Center/San Antonio West	SSC San Antonio West Operating Company LLC	636 Cupples Rd.	San Antonio	TX	78237	67-5002
Retama Manor/Laredo - South	Uvalde County Hospital Authority (02/28/15)	1100 Galveston	Laredo	TX	78040	67-5396
Silver Creek Manor	Uvalde County Hospital Authority (03/31/17)	9014 Timber Path	San Antonio	TX	78250	45-5652
Sweeny House	SSC Sweeny Operating Company LLC	109 McKinney (P.O. Box 187)	Sweeny	TX	77480	67-5344
Texoma Healthcare Center	Fannin County Hospital Authority (03/31/17)	1000 McKinney 82 East	Sherman	TX	75090	45-5573

Exhibit A

Sava Retained Facilities

The Park in Plano	Plano Operating Company LLC	3208 Thunderbird Lane	Plano	TX	75075	67-5113
Westchase Health and Rehabilitation Center	OakBend Medical Center (06/01/15)	8820 Town Park Drive	Houston	TX	77036	45-5800
Winchester Lodge Healthcare Center	OakBend Medical Center eff 3/31/17	1112 Smith Drive	Alvin	TX	77511	67-6264
Grande Prairie Health and Rehabilitation Center	SSC Pleasant Prairie Operating Company LLC	10330 Prairie Ridge Blvd.	Pleasant Prairie	WI	53158	52-5659
Southpointe Healthcare Center	SSC Greenfield Operating Company LLC	4500 W. Loomis Road	Milwaukee	WI	53220	52-5604
Virginia Highlands Health and Rehabilitation Center	SSC Germantown Operating Company LLC	W173N10915 Bernies Way	Germantown	WI	55022	52-5653
Glasgow Health and Rehabilitation Center	Glasgow Operating Company LLC	1209 Melrose Avenue & US #60	Glasgow	WV	25086	51-5118
Huntington Health and Rehabilitation Center	Seventeenth Street Associates LLC	1720 17th Street	Huntington	WV	25701	51-5007
Morgantown Health and Rehabilitation Center	Morgantown Operating Company LLC	1379 Van Voorhis Road	Morgantown	WV	26505	51-5049
Riverside Health and Rehabilitation Center	St. Albans Operating Company LLC	6500 MacCorkle Avenue SW	St. Albans	WV	25177	51-5035

Exhibit B

Contingency Percentage for Quality of Care and Coinsurance Covered Conduct

Sava shall pay to the Medicaid Participating States an amount totaling 7.0225% of the recovered amount of the first Five Million Four Hundred Thousand Dollars (\$5,400,000) of any Contingency Payments (until the Federal Contingency Payments total Three Hundred Seventy Seven Thousand Ninety Five Dollars (\$377,095.00)), and 7.7882% of the recovered amount of any Contingency Payments above Five Million Four Hundred Thousand Dollars (\$5,400,000).