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FILED
Superior Court of California
County of Los Angeles
09/20/2024
David W. Slayton, Executive Officer / Clerk of Court
By: L. M'Greené Deputy

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF LOS ANGELES

12 **PEOPLE OF THE STATE OF**
13 **CALIFORNIA, ex rel. ANDREW NGUYEN,**

14 Plaintiff,

15 v.

16 **U.S. HEALTHWORKS, INC.,**

17 Defendant.
18

Case No. BC 698811

[PROPOSED]
CONSENT JUDGMENT [CCP § 578]

Dept: 12
Judge: Hon. Carolyn B. Kuhl
Trial Date: None set
Action Filed: March 22, 2018

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21 THE PEOPLE OF THE STATE OF CALIFORNIA (“People” or “Plaintiff”), appearing
22 through their attorneys, ROB BONTA, Attorney General of the State of California, by Deputy
23 Attorney General Maria Ellinikos. Qui Tam Plaintiff Andrew Nguyen, appearing through his
24 attorneys GREENE LLP. Defendant U.S. HEALTHWORKS, INC. (“USHW” or “Defendant”),
25 appearing through JONES DAY; and MALIA M. COHEN, in her official capacity as the
26 California State Controller, Intervening Plaintiff, appearing through her attorneys Loeb & Loeb
27 LLP (“Controller”). The People, the Controller, Mr. Nguyen and USHW shall hereafter be
28 referred to collectively as “the Parties.”

1 The Parties have stipulated and consented to the entry of this Judgment without the taking
2 of proof and without trial or adjudication of any fact or law herein, without this Judgment
3 constituting evidence of or an admission by USHW regarding any issue of law or fact alleged in
4 the Complaint on file, and without USHW admitting any liability, and with all parties having
5 waived their right to appeal.

6 The Court, having considered the matter and good cause appearing, **HEREBY ORDERS**
7 **THAT:**

8 **I. PARTIES AND JURISDICTION**

- 9 1. This Court has jurisdiction over the subject matter of this lawsuit and over the Parties.
10 2. Venue is proper in this county.

11 **II. DEFINITIONS**

12 3. As used in this Judgment, the following words or terms shall have the following
13 meanings:

14 (a) “Complaint” refers to the complaint Andrew Nguyen filed on March 22, 2018
15 in Los Angeles County Superior Court, captioned *State of California, ex rel. Andrew Nguyen v.*
16 *U.S. Healthworks, Inc.*, Case No. BC 698811, that alleged that USHW failed to comply with its
17 obligations under the UPL by holding unclaimed property USHW was required to report and
18 remit to the State of California, that USHW’s failures to do so constitute violations of the
19 California False Claims Act (“CFCA”) and, therefore, USHW is alleged to be liable for treble
20 damages, penalties, expenses, costs and attorneys’ fees.

21 (b) “Complaint-in-Intervention” refers to the complaint-in-intervention, captioned
22 *People of the State of California, ex rel. Andrew Nguyen v. U.S. Healthworks, Inc.*, filed on
23 March 21, 2022 by the People in this action, alleging that USHW engaged in the following
24 conduct in violation of the CFCA: (a) USHW knowingly failed to file reports with the Controller
25 any time before October 2018, thereby knowingly concealing and knowingly and improperly
26 avoiding USHW’s obligations to deliver unclaimed property and to pay interest to the State; (b)
27 each year prior to 2018, USHW knowingly failed to deliver to the Controller all of the unclaimed
28

1 property in its possession, custody or control as required under the UPL; and (c) USHW's
2 conduct harmed the State by depriving it of the interest owed under the UPL.

3 (c) "Controller First Amended Complaint-in-Intervention" refers to the first
4 amended complaint-in-intervention, filed in the litigation on August 27, 2024, by the Controller.

5 (d) "Covered Conduct" refers to the alleged conduct set forth in the Complaint,
6 the Complaint-in-Intervention, and the Controller First Amended Complaint-in-Intervention.

7 **III. MONETARY RELIEF**

8 4. Pursuant to Government Code section 12652, subdivision (g), USHW shall pay the
9 Office of the Attorney General, via wire transfer, the sum of five million two hundred twenty-one
10 thousand thirty-eight dollars and seventy-four cents (\$5,221,038.74).

11 5. USHW shall pay the sum of one million thirty-one thousand seven hundred two
12 dollars and twenty-seven cents (\$1,031,702.27) to Andrew Nguyen, as qui tam share pursuant to
13 Government Code section 12652, subdivision (g)(2) (the "Qui Tam Share"). USHW agrees not
14 to seek to apply any setoffs to the Relator's share before it is disbursed. Payment to Mr. Nguyen
15 shall be subject to the United States of America's Notice of Federal Criminal Judgment Lien (the
16 "FCJ" Lien") for Restitution, filed in the Action, on February 26, 2024 pursuant to California
17 Code of Civil Procedure Section 708.410 and Title 18, United States Code, Section 3613,
18 however, USHW and Mr. Nguyen acknowledge (1) that an escrow for taxes Mr. Nguyen will owe
19 on account of USHW's payment of the Qui Tam Share will be created that will not be subject to
20 the FCJ Lien (with all funds remaining in the escrow, after said taxes have been paid, to be paid
21 in restitution); and (2) that the 40% contingency fee owed by Mr. Nguyen to his law firm, Greene
22 LLP, will also not be subject to the FCJ Lien.

23 6. USHW also shall pay to Mr. Nguyen's civil counsel, the law firm of Greene, LLP,
24 based in Boston, Massachusetts, the sum of \$107,791 for statutory fees and costs related to the
25 Complaint, and Mr. Nguyen and his civil counsel agree that this amount shall constitute the
26 entirety of the statutory fees and costs owed to them, separate and apart from any contingency fee
27 that Greene, LLP may be entitled to seek.

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1 7. The payments required in paragraphs 4, 5 and 6 above shall be paid within thirty (30)
2 days of the entry of the Judgment. Payment instructions shall be provided to USHW by the
3 Attorney General and Mr. Nguyen’s counsel no later than seven (7) days after notice of entry of
4 the Judgment.

5 **IV. INJUNCTIVE RELIEF**

6 8. Within 10 days of the court’s entry of Judgment based on the parties’ stipulated
7 consent judgment, USHW shall transmit to the State Controller’s Office (“SCO”) unclaimed
8 property totaling one million, five hundred and four thousand six-hundred thirty-nine dollars
9 (\$1,504,639) and file a report listing each item of unclaimed property comprising this total, each
10 of which is identified in Attachment A.

11 **IV. GENERAL PROVISIONS**

12 9. Effective upon payment of the full amounts due under Paragraphs 4, 5 and 6 of this
13 Judgment, Plaintiff and the Controller release and discharge Defendant and its past and present
14 employees, representatives, officers, directors, subsidiaries, operating companies, joint ventures,
15 contractors, predecessors, assigns and successors, from any and all civil and administrative
16 claims, causes of action, costs and attorney’s fees, Plaintiff and the Controller asserted in the
17 Complaint-in-Intervention or the Controller Complaint-in-Intervention, or that either Plaintiff or
18 the Controller could have asserted based on the Covered Conduct.

19 10. Effective upon payment of the full amounts due under Paragraphs 4, 5 and 6 of this
20 Judgment, Mr. Nguyen releases and discharges Defendant and its past and present employees,
21 representatives, officers, directors, subsidiaries, operating companies, joint ventures, contractors,
22 predecessors, assigns and successors, from any and all civil and administrative claims, causes of
23 action, costs and attorney’s fees, Mr. Nguyen asserted in the Complaint or could have asserted
24 based on the Covered Conduct.

25 11. Effective upon the Court’s entry of this Consent Judgment, USHW releases and
26 discharges Mr. Nguyen from any and all civil claims, causes of action, costs and attorney’s fees
27 that USHW could assert against Mr. Nguyen related to the matters alleged in his Complaint.
28 USHW and Mr. Nguyen agree that this release does not affect or diminish in any way Mr.

1 Nguyen's obligations, pursuant to the criminal judgment entered against him, to pay restitution to
2 USHW.

3 12. USHW does not admit to any violations of law and does not admit any wrongdoing
4 that was or could have been alleged by Plaintiff, the Controller or Mr. Nguyen before the date of
5 the Judgment under any law. No part of this Judgment, including its statements and
6 commitments, shall constitute evidence of any liability, fault, or wrongdoing by USHW.

7 13. This Judgment shall not be construed or used as a waiver or limitation of any defense
8 otherwise available to USHW in any other action or in any lawsuit of any kind, or of its right to
9 defend itself from, or make any arguments in, any other private individual, regulatory,
10 governmental, or putative or certified class claims, proposed or actual representative claims or
11 suits relating to the subject matter or terms of this Judgment. This Judgment is made without trial
12 or adjudication of any issue of fact or law or finding of liability of any kind. Nothing in this
13 Judgment should be construed to create, waive, or limit any individual consumer's substantive
14 claim or cause of action.

15 14. The Court shall retain jurisdiction of this Judgment and the Parties hereto for the
16 purpose of enforcing, modifying and/or terminating this Judgment and for the purpose of granting
17 such additional relief as may be necessary and appropriate.

18 15. Any notices required to be sent to the People, the Controller, Mr. Nguyen or USHW
19 under this Judgment shall be sent by email and certified mail to the following:

20 a. For the People of the State of California:
21 Deputy Attorney General Maria Ellinikos
22 False Claims Unit
23 Office of the Attorney General
24 455 Golden Gate Ave., Suite 11000
25 San Francisco, CA 94102

26 b. For USHW:
27 General Counsel
28 U.S. HealthWorks, Inc.
4714 Gettysburg Road
Mechanicsburg, PA 17005

and

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Jeff Rabkin
Jones Day
555 California Street, 26th Floor
San Francisco, CA 94104

- c. For Andrew Nguyen:
Ryan Morrison
Greene, LLP
One Liberty Square, Suite 1200
Boston, MA 02109

- d. For the Controller:
Marc Cohen And Alicia Clough
Loeb & Loeb LLP
10100 Santa Monica Blvd, Suite 2200
Los Angeles, CA 90067

- e. Any additional or different notice recipients that the Parties may agree to in writing.

16. The Clerk is ordered to enter this Judgment forthwith.

Dated: 09/20/2024



Carolyn B. Kuhl

Carolyn B. Kuhl / Judge

JUDGE OF THE SUPERIOR COURT

DECLARATION OF SERVICE BY EMAIL

Case Name: **Nguyen v. U.S.Healthworks**

Case No.: **BC 698811**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter.

On September 12, 2024, I served the attached **[PROPOSED] CONSENT JUDGMENT [CCP § 578]** by transmitting a true copy via electronic mail, addressed as follows:

SEE ATTACHED SERVICE LIST

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on September 12, 2024, at San Francisco, California.

J. Mirarchi

Declarant

/s/ J. Mirarchi

Signature

SERVICE LIST

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