

Settlement Communications Media Statement

Halifax Hospital has finalized a settlement agreement on the lawsuit initially filed by a whistleblower, Elin Baklid-Kunz, and joined in part by the U.S. Department of Justice. Halifax Hospital has agreed to pay the United States \$85 million within ten days and operate under a five-year Corporate Integrity Agreement . The agreement includes oversight of all physician contracts and assurance that our compliance programs meet all of the government's laws, rules and regulations.

Previously, the judge determined the hospital violated the Federal Stark Law in relation to its medical oncologists' contracts. The settlement does not include any admission of fraud, and the judge has determined that there were no violations of the federal anti-kickback statute by the hospital, medical oncologists or neurosurgeons.

We believe we have a fiduciary responsibility to avoid the risks associated with trial and the potential of a lengthy appeals process.

We will continue our mission of providing exceptional patient care and providing health and wellness services to our community as the only safety net hospital in the area.

It is vital our community understands that all the patient services involved in this case were medically necessary and billed at the appropriate rate. This case was narrowly focused on the contracts used to pay mission-critical cancer specialists and neurosurgeons to provide life-saving care to patients.

Halifax Hospital provides highly specialized care to everyone in our community – services that are often not available elsewhere but enhance the health and well-being of all.