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FOR IMMEDIATE RELEASE

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**ROBERT C. BRISTOL AND REGENCY HEALTH SERVICES
AGREE TO PAY \$232,000 UNDER THE FALSE CLAIMS ACT**

BALTIMORE, MD.--United States Attorney Thomas M. DiBiagio announced today that Robert C. Bristol, age 56, of Glen Mills, Pennsylvania, and Regency Health Services, Inc., a company owned and operated by Robert C. Bristol, have agreed to pay the United States \$232,000 to resolve allegations under the False Claims Act that they submitted false claims to the government, specifically the Centers for Medicare and Medicaid Services (CMS).

The settlement resolves the government's allegations that in 1997 and 1998, Bristol filed false cost reports on behalf of Regency Nursing and Rehabilitation Center, a skilled nursing facility located at 7420 Marlboro Pike, Forestville, Maryland. Specifically, Bristol submitted Medicare Cost Reports to the fiscal intermediary who administers the Medicare program on behalf of CMS, and Medicaid Cost Reports to the Department of Health and Mental Hygiene for the State of Maryland which the government alleges included claims for reimbursement for: 1) the full time salaries of Robert C. Bristol and Mary Myers Bristol, his wife, when Robert C. Bristol worked only part time at Regency, and Mary Myers Bristol did not work at Regency at all; 2) the salaries and expenses of Bristol Management, Inc., a company owned and operated by Robert C. Bristol; 3) personal travel,

meals, and entertainment expenses; 4) premiums for whole life insurance policies in the name of Robert C. Bristol, which he then borrowed against for personal uses; and 5) in 1997, the rental of a condominium owned by Robert C. Bristol and Mary Myers Bristol, and used by them personally. The government alleged that none of these costs were related to the operation of, or patient care at, Regency Nursing and Rehabilitation Center.

In addition to the monetary settlement, Robert C. Bristol and Regency Health Services, Inc. have agreed to accept a five year exclusion from participation in Medicare, Medicaid, and all other federal health care programs. This agreement with the Office of the Inspector General, Department of Health and Human Services, is national in scope and precludes Bristol and Regency, and anyone who employees them, from obtaining payment for their services from any federal programs.

Regency Nursing and Rehabilitation Center was purchased in 2002 by Millenium Holdings VI, LLC, which is not implicated by this settlement.

The investigation was handled by Assistant U.S. Attorney Roann Nichols, Auditor Mary G. Hammond, and Senior Counsel Andrew Penn and Special Agent Kenneth Marty of the Office of the Inspector General for the Department of Health and Human Services.