

## Statement to Media

Georgia Bone & Joint and Southern Bone & Joint ("GBJ" & "SBJ") recently resolved a civil action with the U.S. Department of Justice brought by a former employee. The settlement with the government admits no liability and waives no rights. The allegations resolved by the settlement involved purchasing a Visco-supplementation product from Canada and for regular quality assurance medical record reviews undertaken by the contracted anesthesiologists at their own expense for their own anesthesiology services at SBJ.

GBJ and SBJ deny that any medical director services were provided to their clinic operations by the contracted anesthesiologists and contend that the quality assurance activities conducted by the anesthesiologists on their own services advance good patient care and are not a kickback of any kind. The contract for anesthesiology services has existed for many years and continues to this day. The investigation did not involve any patient or quality of care concerns.

There is no allegation in the settlement agreement or the Complaint filed by the former employee that free medical director services were provided to induce more surgeries to be performed in the surgery center instead of the surgeon's office and such a notion is completely inaccurate and was not the basis of any settlement with the government. GBJ and SBJ continue the surgical practice in the same manner and location as before the settlement. The government has unlimited resources at their discretion while small corporations have limited resources. Unfortunately, a settlement was a necessity considering the cost of time and money to continue this litigation process of defending our position of innocence.

GBJ and SBJ operate in a complicated regulatory environment and always strive to be in compliance with all state and federal regulations. GBJ and SBJ will continue to provide outstanding patient care and to be a committed resource for the community on orthopedic matters.