

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs



By: Robert N. Holup (253632017)
Deputy Attorney General
(973) 648-7819

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, ESSEX COUNTY
DOCKET NO.: ESX-C-234-19

GURBIR S. GREWAL, Attorney General of the
State of New Jersey, and PAUL R. RODRÍGUEZ,
Acting Director of the New Jersey Division of
Consumer Affairs,

Plaintiffs,

v.

ADVANTA MEDICAID LLC d/b/a ADVANTA
MEDICAID SPECIALISTS; NISSIM "SAM"
ARYEH and CHAIM E. FELLER, individually
and as owners, officers, directors, founders,
members, managers, representatives and/or agents
of ADVANTA MEDICAID LLC d/b/a
ADVANTA MEDICAID SPECIALISTS; JANE
AND JOHN DOES 1-20, individually and as
owners, officers, directors, founders, members,
managers, employees, servants, agents,
representatives and/or independent contractors of
ADVANTA MEDICAID LLC d/b/a ADVANTA
MEDICAID SPECIALISTS; and XYZ
CORPORATIONS 1-20,

Defendants.

Civil Action

**FINAL JUDGMENT BY DEFAULT
AND ORDER AGAINST
ADVANTA MEDICAID**

THIS MATTER was opened to the Court on the application of plaintiffs Gurbir S. Grewal, Attorney General of the State of New Jersey ("Attorney General"), and Paul R. Rodríguez, Acting Director of the New Jersey Division of Consumer Affairs ("Director") (collectively, "Plaintiffs"),

by way of a Complaint filed on December 10, 2019, alleging that Advanta Medicaid LLC d/b/a Advanta Medicaid Specialists (“Advanta Medicaid”) and its two members/managers, Nissim “Sam” Aryeh and Chaim E. Feller, engaged in conduct in violation of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -224 (“CFA”), and the Regulations Governing General Advertising Practices, N.J.A.C. 13:45A-9.1 to -9.8 (“Advertising Regulations”).

Advanta Medicaid has failed to file an Answer or otherwise respond to the Complaint. On March 13, 2020, the Court entered default against Advanta Medicaid, pursuant to R. 4:43-1. Advanta Medicaid has not moved to vacate the default entered against it.

THIS COURT NOW FINDS THAT:

- A. The Court has jurisdiction over the subject matter of this action and over Advanta Medicaid.
- B. All requirements under R. 4:43-1 and R. 4:43-2(b) has been satisfied.
- C. Based upon the evidence submitted by Plaintiffs, including the Certification of Investigator Michelle R. Davis, with accompanying exhibits, and the Certification of Deputy Attorney General Robert N. Holup, with accompanying exhibits, Advanta Medicaid has engaged in conduct which comprises one hundred thirty-one (131) violations of the CFA and/or the Advertising Regulations with the following breakdown: (i) CFA - Unconscionable Commercial Practices (N.J.S.A. 56:8-2) – one hundred twenty-five (125) violations; (ii) CFA - False Promises and/or Misrepresentations (N.J.S.A. 56:8-2) – five (5) violations; and (iii) the Advertising Regulations (N.J.A.C. 13:45A-9.2(a)(9)) – one (1) violation.

THEREFORE, IT IS on this 18th day of September, 2020:

- 1. **ORDERED** that the acts and omissions of Advanta Medicaid constitute multiple instances of unlawful practices in violation of the CFA and/or the Advertising Regulations.

2. **IT IS FURTHER ORDERED** that Advanta Medicaid is permanently enjoined from engaging in, continuing to engage in, or doing any acts or practices in violation of the CFA and/or the Advertising Regulations, as authorized by the CFA, N.J.S.A. 56:8-8.

3. **IT IS FURTHER ORDERED** that Advanta Medicaid is permanently enjoined from advertising, offering for sale, selling and/or performing any business within the State of New Jersey (“New Jersey”), as authorized by the CFA, N.J.S.A. 56:8-8.

4. **IT IS FURTHER ORDERED** that the Certificate of Formation in New Jersey of Advanta Medicaid is permanently cancelled, as authorized by the CFA, N.J.S.A. 56:8-8.

5. **IT IS FURTHER ORDERED** that, pursuant to the CFA, N.J.S.A. 56:8-8, Advanta Medicaid shall pay to Plaintiffs consumer restitution in the total amount of \$281,450.00. The funds paid by Advanta Medicaid pursuant to this section of the Final Judgment by Default and Order shall be used for equitable relief including, but not limited to, consumer redress and any attendant expenses for the administration of any redress fund. If Plaintiffs determine, in their sole discretion, that redress to consumers is wholly or partially impracticable, any funds not so used shall be retained by the Division in lieu of redress. Advanta Medicaid shall have no right to contest the manner of distribution chosen by Plaintiffs. Plaintiffs in their sole discretion may use a designated agent to administer consumer redress.

6. **IT IS FURTHER ORDERED** that, pursuant to the CFA, N.J.S.A. 56:8-13, Advanta Medicaid shall pay the maximum statutory civil penalties for each and every violation of the CFA and the Advertising Regulations in the amount of \$1,310,000.00.

7. **IT IS FURTHER ORDERED** that, pursuant to the CFA, N.J.S.A. 56:8-19, Advanta Medicaid shall reimburse Plaintiffs for all attorneys’ fees incurred in the prosecution of this action, in the total amount of \$66,236.00.

8. **IT IS FURTHER ORDERED** that, pursuant to the CFA, N.J.S.A. 56:8-11, Advanta Medicaid shall reimburse Plaintiffs for their investigative costs, in the total amount of \$10,380.23.

9. **IT IS FURTHER ORDERED** that Advanta Medicaid shall pay to the Division the aggregate amount of \$1,668,066.23 within ten (10) days of the date of this Final Judgment by Default and Order.

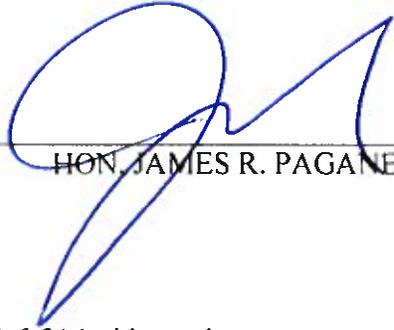
10. **IT IS FURTHER ORDERED** that nothing contained in this Final Judgment by Default and Order, including the Court's determinations herein, shall bind or affect the rights of any persons not a party hereto, or preclude actions against any unnamed parties.

11. **IT IS FURTHER ORDERED** that nothing contained in this Final Judgment by Default and Order shall bind or affect any position which any party may take in future or unrelated actions.

12. **IT IS FURTHER ORDERED** that this Final Judgment by Default and Order may be enforced only by Plaintiffs or Advanta Medicaid or their successors hereto.

13. **IT IS FURTHER ORDERED** that this Court retains jurisdiction for the purpose of enabling Plaintiffs or Advanta Medicaid to apply to this Court for any such further orders and directions as may be necessary and appropriate for the enforcement of, or compliance with, this Final Judgment by Default and Order.

14. **IT IS FURTHER ORDERED** that service of this Final Judgment by Default and Order shall be deemed effective if mailed via first-class mail to Nissim "Sam" Aryeh and Chaim E. Feller or through their respective attorneys, if applicable, within seven (7) days of the date herein.



HON. JAMES R. PAGANELLI

In accordance with the required statement of R. 1:6-2(a), this motion was:

Opposed Unopposed.