

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

PEOPLE OF THE STATE OF NEW YORK,
by LETITIA JAMES, Attorney General of
the State of New York,

Plaintiff,

– against –

SEAMAN RADIO DISPATCHERS, INC.,
JUAN FAMILIA, and BIENVENIDO DEJESUS,

Defendants.

VERIFIED COMPLAINT

Index No.: _____

The People of the State of New York (the “State”), by its attorney Letitia James, Attorney General of the State of New York, allege the following upon information and belief:

PRELIMINARY STATEMENT

1. Between January 1, 2017 and June 30, 2024 (the “Relevant Period”), Seaman Radio Dispatchers, Inc. (“Seaman Radio”) and its owners Juan Familia (“Familia”) and Bienvenido Dejesus (“Dejesus”) (collectively, “Defendants”) submitted claims to the New York State Medical Assistance Program (the “Medicaid Program” or “Medicaid”), 42 U.S.C. §§ 1396 *et seq.*, for providing non-emergency transportation services to Medicaid recipients traveling to or from providers furnishing medical services paid for by Medicaid. However, Defendants repeatedly and persistently submitted claims to Medicaid for medical transportation services that were not furnished and/or were claimed during periods when Seaman Radio’s New York City Taxi and Limousine Commission (“TLC”) Livery Base License¹ was suspended and Seaman Radio was

¹ As used herein, the term “Livery Base License” shall have the same meaning as in TLC’s regulations, which define it as a license to operate a base for dispatching vehicles, made for less than six passengers, on a “pre-arranged basis” and to charge passengers based on “a flat rate, time, mileage, or zones.” 35 RCNY § 59B-03(n).

operating unlawfully. Defendants fraudulently claimed and received approximately \$1,235,514.76 in Medicaid funds to which they were not entitled.

2. The allegations set forth herein are alleged upon information and belief based on information obtained during an investigation conducted by the Office of the New York State Attorney General's ("OAG") Medicaid Fraud Control Unit ("MFCU") into the matters described herein.

PARTIES, JURISDICTION, AND VENUE

3. Letitia James is the Attorney General of the State of New York and, as such, is authorized on behalf of Plaintiff, the State, to bring a civil action against those who violate the New York False Claims Act ("FCA"), New York Finance Law ("State Fin. Law") §§ 187–94; to enjoin and seek restitution for repeated fraudulent or illegal acts or repeated or persistent fraudulent or illegal practices in the conduct of a business pursuant to New York Executive Law ("Exec. Law") § 63(12); and to recover government funds without right obtained pursuant to Exec. Law § 63-c and other causes of action under New York State laws.

4. MFCU is responsible for investigating and prosecuting, through criminal and civil proceedings, *inter alia*, healthcare providers and persons who assist and facilitate providers' fraudulent schemes and illegal billing of the Medicaid and Medicare programs. Based upon MFCU's investigation of Defendants' conduct, the State has filed this action pursuant to the well-established authority vested in OAG by the Executive Law, Medicaid rules and regulations, and by its federal grant of authority under the Social Security Act and its Medicaid and Medicare program regulations, to investigate and prosecute provider fraud. *See* 42 U.S.C. § 1396b(q); 42 C.F.R. § 1007.11(a)(2); Exec. Law § 63(12).

5. Defendant Seaman Radio is a New York domestic corporation with its principal place of business at 4020 10th Avenue, New York, New York 10034.

6. Defendant Familia last resided at an address known to MFCU in the Bronx, New York and, during the Relevant Period, was an owner and high managerial agent of Seaman Radio.

7. Defendant Dejesus last resided at an address known to MFCU in the Bronx, New York and, during the Relevant Period, was an owner and high managerial agent of Seaman Radio.

8. Venue is proper in New York County pursuant to CPLR 503(a) and (c) because a substantial part of the events or omissions giving rise to the claims asserted herein occurred in New York County and Seaman Radio's principal office is in New York County.

THE MEDICAID PROGRAM

9. The Medicaid Program, administered by the New York State Department of Health ("DOH"), is authorized by Title XIX of the Social Security Act and Title 42 of the Code of Federal Regulations. Medicaid is a joint federal-state program that provides health care benefits for certain groups, including the poor and disabled. Medicaid is funded by both federal and state tax dollars.

10. By enrolling as a Medicaid provider, a healthcare provider must agree to abide by all rules and regulations of the Medicaid Program pursuant to Title 18 of the Official Compilation of Codes, Rules, and Regulations of New York State, Section 504.3. *See* 18 NYCRR § 504.3(i); *see also* 18 NYCRR § 515.2(a)(1). Further, 18 NYCRR § 504.6(d) requires that a provider submit Medicaid claims only for services provided in compliance with Title 18 of the Official Compilation of Codes, Rules, and Regulations of New York State.

11. As part of the Medicaid Program, providers are required to submit an annual certification affirming their compliance with all program rules and regulations. *See* 18 NYCRR §§ 504.1(b)(1), 504.9; *see generally* New York State Medicaid Program, *Information for All*

Providers General Billing, Aug. 16, 2021,

<https://www.emedny.org/providermanuals/allproviders/pdfs/>

[information_for_all_providers-general_billing.pdf](#). The certification states:

I (or the entity) have furnished or caused to be furnished the care, services, and supplies itemized and done so in accordance with applicable federal and state laws and regulations In submitting claims under this agreement, I understand and agree that I (or the entity) shall be subject to and bound by all rules, regulations, policies, standards, fee codes and procedures of the New York State Department of Health and the Office of the Medicaid Inspector General as set forth in statute or Title 18 of the Official Compilation of Codes, Rules and Regulations of New York State and other publications of the Department, including eMedNY Provider Manuals and other official bulletins of the Department.²

12. Medicaid providers are prohibited from engaging in certain “unacceptable practices.” 18 NYCRR § 515.2. As relevant here, these practices include violating DOH rules and regulations, and participating in conduct that constitutes fraud and abuse, including making or causing to be made a false claim for an improper amount or unfurnished services; ordering or furnishing improper, unnecessary, or excessive services; making false statements or failing to disclose events that affect the right to payment; failing to maintain or make available for audit or investigation records necessary to fully disclose the extent of the services provided; and soliciting, receiving, offering, or agreeing to make a bribe or kickback, including making any payment for the purpose of influencing a Medicaid recipient to use or refrain from using any particular source of services. *See* 18 NYCRR § 515.2(b).

13. The Medicaid Program will not knowingly pay claims resulting from unacceptable practices. All claims for payment submitted to Medicaid resulting from unacceptable practices are

² eMedNY, *Certification Statement for Provider Billing Medicaid*, https://www.emedny.org/info/providerenrollment/ProviderMaintForms/490501_ETIN_CERT_Certification_Statement_Cert_Instructions_for_Existing_ETINs.pdf.

in violation of a material condition of payment of the Medicaid Program, and Defendants are liable for repayment of such overpayments. *See* 18 NYCRR § 518.3.

Non-Emergency Transportation for Medical Care and Services

14. To ensure access to health care for Medicaid enrollees, the Medicaid Program provides recipients with necessary modes of transportation to appointments with qualified medical professionals. The Medicaid Program covers transportation by ambulance, ambulette, taxi, livery, public transit, and personal vehicle. This action involves Seaman Radio acting under the rules for “Non-Emergency Transportation”—the lowest level of transportation service in ordinary taxi vehicles licensed under the rules of the county or city of operation.

15. To operate as a medical taxi or livery service under the Medicaid Program, a company must: enroll as a provider in the Medicaid Program; provide an ownership disclosure; execute annual notarized certifications; agree to follow Medicaid rules and regulations; and, in fact, comply with those Medicaid rules and regulations, as well as with local regulations governing taxi or livery vehicles in its county of operation and the New York State Department of Motor Vehicles regulations. *See* 18 NYCRR § 505.10(e)(6)(iii).

16. In addition, Medicaid transportation providers operating in New York City must also comply with TLC requirements—including that when any ride is assigned or performed, the transportation company that dispatches and/or assigns rides to drivers must possess a valid Livery Base License issued by TLC. *See* 35 RCNY § 59B-11(a).

17. Upon completing a trip, a transportation provider must attest that the trip occurred in a computerized system operated by DOH’s third-party transportation manager. The transportation manager then issues a “prior approval” which dictates the procedure codes (e.g., mileage, tolls), modifiers, units/quantities (e.g., how many legs of a trip, mileage), and monetary

amounts for which the provider is authorized to bill. The provider uses the information on the prior approval to bill Medicaid directly.

FACTUAL BACKGROUND

18. On or about February 6, 2017, Seaman Radio enrolled in the Medicaid Program as a transportation provider. Seaman Radio was effectively owned, controlled, and operated by Familia and Dejesus, both of whom were high managerial agents of Seaman Radio, and each of whom had an active role in the company's operations and finances.

19. In Seaman Radio's Medicaid enrollment materials, Familia documented himself as "President" and "100% owner," while on Seaman Radio's banking documents, Familia identified himself as the corporation's "CFO" and "Treasurer." The Medicaid enrollment materials for Seaman Radio document that all correspondences to Seaman Radio should be directed to Familia.

20. Dejesus identified himself as Seaman Radio's "Chief Executive Officer" on the corporation's biennial filing to the New York State Department of State.

21. Familia and Dejesus are both signatories on Seaman Radio's bank accounts and were intimately involved in the operations of Seaman Radio. Familia is documented on Seaman Radio's TD Bank account as its Treasurer, and Dejesus is listed as its President.

22. Seaman Radio's 2016 Medicaid enrollment application contains an affirmation followed by Familia's signature. By way of this affirmation, Familia, on behalf of Seaman Radio, agreed that the company would "comply with the rules, regulations and official directives of the Department [of Health]" and "agree to abide by all applicable Federal and State laws as well as the rules and regulations of other New York State agencies particular to the type of program covered by this enrollment application."

23. On behalf of Seaman Radio, both Familia and Dejesus executed annual Certification Statements for Provider Billing Medicaid through the State's Medicaid Fiscal Agent. Specifically, in 2017 and from 2019 through 2024, Familia identified himself as the President or Treasurer of Seaman Radio on the certification statements. In a 2018 certification, Dejesus identified himself as Seaman Radio's President.³ See Medicaid Certification Statements, 2017-2024, annexed hereto as Exhibit A. Therein, Familia and Dejesus certified that: (1) they reviewed all claims submitted to Medicaid by Seaman Radio; (2) all claims Seaman Radio submitted for reimbursement to Medicaid were made in full compliance with applicable federal and state laws and regulations and pertinent provisions of the DOH Transportation Provider Manual and all revisions thereto; and (3) they and Seaman Radio understood and agreed that they would be subject to and bound by all rules, regulations, policies, standards, fee codes, and procedures of DOH and the Office of the Medicaid Inspector General as set forth in statute or title 18 of the Official Compilation of Codes, Rules, and Regulations of New York State and other publications of DOH, including Provider Manuals and other official bulletins of DOH.

24. Shortly after enrolling as a Medicaid provider, Seaman Radio began submitting claims for payment to Medicaid for transportation services purportedly provided to Medicaid beneficiaries. During the Relevant Period, Familia, Dejesus, and Seaman Radio caused to be submitted fraudulent and false claims for which Defendants received approximately \$1,235,514.76 in Medicaid funds to which they were not entitled.⁴

³ Familia signed the 2017, 2019, and 2020 certifications as President of Seaman Radio. Familia signed the 2023 and 2024 certifications as Treasurer of Seaman Radio. Dejesus signed the 2018 certification as President of Seaman Radio.

⁴ MFCU auditors reviewed Seaman Radio's Medicaid claims data from throughout the Relevant Period and calculated the three categories of damages described herein (i.e., claims for deceased recipients, claims for recipients who disclaimed receiving services, and claims incurred when Seaman Radio's TLC Livery Base License was suspended). MFCU auditors ensured that false claims were counted in only one of these three categories of damages, and to the extent there was any overlap, the overlapping damages were removed from all but one of these categories.

Seaman Radio Claimed from Medicaid \$60,467.49 in Transportation Services It Never Provided.

25. As noted above, Medicaid reimburses for transportation services only when those services are provided to transport Medicaid beneficiaries to or from necessary Medicaid-covered treatment.

26. Between August 6, 2019, and April 23, 2021, Defendants submitted and/or caused Seaman Radio to submit over 400 false claims to Medicaid for trips that Seaman Radio could not have validly billed for transporting the recipient to the purported location because either: the recipient informed investigators they did not receive the transportation, amounting to \$48,766.38; or the recipient was deceased when the transportation was purportedly provided, amounting to \$11,701.11. These combined trips totaled \$60,467.49. Exhibit B sets forth the dollar value and number of false claims submitted by Defendants and the amount paid to Defendants. The false claims set forth on Exhibit B are incorporated in the allegations of this Complaint by reference.⁵

27. Examples of such trips include, but are not limited to:

a. Claims for Recipients Who Take Public Transit

- i. Between November 4, 2019, and March 13, 2020, Defendants submitted 79 false claims for transportation that Seaman Radio allegedly provided to Medicaid Recipient A. However, when interviewed by detectives, Medicaid Recipient A stated they only took the train for medical appointments, never used any car service, and had never heard of Seaman Radio. Based on these

⁵ Throughout this pleading and its attachments, the State has anonymized the Medicaid recipients due to concerns about releasing their Personal Health Information and Personal Identifying Information. Upon request, the State will provide the Court and Defendants with a legend identifying each Medicaid recipient whose claims are at issue, *in camera* and, if the Court deems appropriate, subject to a protective order.

false claims involving Medicaid Recipient A, Medicaid paid Seaman Radio \$11,423.96 for trips it never conducted.

- ii. Between August 6, 2019, and March 13, 2020, Defendants submitted 124 false claims for transportation that Seaman Radio allegedly provided to Medicaid Recipient B. However, when interviewed by detectives, Medicaid Recipient B stated they took the train or express bus to their appointments, rarely used car services, and had never heard of Seaman Radio. Based on these false claims involving Medicaid Recipient B, Medicaid paid Seaman Radio \$19,142.13 for trips it never conducted.
- iii. Between September 16, 2019, and March 13, 2020, Defendants submitted 118 false claims for transportation that Seaman Radio allegedly provided to Medicaid Recipient C. However, when interviewed by detectives, Medicaid Recipient C stated they used mass transit or relied on relatives to go to their doctor's appointments, had never heard of Seaman Radio, and rarely used car services. Based on these false claims involving Medicaid Recipient C, Medicaid paid Seaman Radio \$18,200.32 for trips it never conducted.

b. Claims for Dead Recipients

- i. Between April 14, 2020, and May 15, 2020, Defendants submitted 20 false claims for transportation that Seaman Radio allegedly provided to Medicaid Recipient D. However, Medicaid Recipient D died on April 13, 2020, and therefore could not have possibly been transported on these dates. Based on these false claims involving Medicaid Recipient D, Medicaid paid Seaman Radio \$2,602.37 for trips it never conducted.

- ii. Between March 23, 2021, and April 23, 2021, Defendants submitted nine false claims for transportation that Seaman Radio allegedly provided to Medicaid Recipient E. However, Medicaid Recipient E died on March 22, 2021. Based on these false claims involving Medicaid Recipient E, Medicaid paid Seaman Radio \$1,095.91 for trips it never conducted.
- iii. Between February 12, 2021, and February 26, 2021, Defendants submitted eight false claims for transportation that Seaman Radio allegedly provided to Medicaid Recipient F. However, Medicaid Recipient F died on December 29, 2020. Based on these false claims involving Medicaid Recipient F, Medicaid paid Seaman Radio \$980.74 for trips it never conducted.
- iv. Between April 24, 2020, and May 29, 2020, Defendants submitted 23 false claims for transportation Seaman Radio allegedly provided to Medicaid Recipient G. However, Medicaid Recipient G died on April 22, 2020. Based on these false claims involving Medicaid Recipient G, Medicaid paid Seaman Radio \$3,023.76 for trips it never conducted.
- v. Between August 24, 2020, and November 20, 2020, Defendants submitted 31 false claims for transportation Seaman Radio allegedly provided to Medicaid Recipient H. However, Medicaid Recipient H died on July 2, 2020. Based on these false claims involving Medicaid Recipient H, Medicaid paid Seaman Radio \$3,998.32 for trips it never conducted.

Seaman Radio Claims from Medicaid \$1,175,047.27 for Transportation Services Purportedly Furnished While Its Livery Base License was Suspended.

28. As detailed above, Medicaid reimburses for transportation services only to the extent those services are provided in accordance with all federal, state, and local laws and

regulations. One such local regulation requires that every Medicaid transportation company operating in New York City must possess a valid Livery Base License to arrange and provide Medicaid transportation. *See* 35 RCNY § 59B-11(a).

29. TLC records document that, between January 29, 2019, through February 12, 2021, TLC had suspended Seaman Radio's Livery Base License on four separate occasions for failing to either (1) respond to TLC summonses, (2) appear at TLC hearings, and/or (3) pay fines to TLC for violations of its Rules.⁶ During those suspensions, Defendants submitted more than 9,000 false claims for payment to Medicaid. As a result of Defendants' false claims, Medicaid paid Seaman Radio \$1,175,047.27 to which Seaman Radio was not entitled.⁷

30. Defendants were aware of the suspensions of Seaman Radio's Livery Base License during each suspension period, as represented by the fact that they took the necessary corrective action to clear each suspension and had TLC reinstate Seaman Radio's Livery Base License in each instance.

31. Because of the fraudulent and false claims described above, Defendants received approximately \$1,235,514.76 in Medicaid funds to which they were not entitled.⁸

⁶ The suspensions were in effect from: January 29, 2019, through February 11, 2019; July 22, 2019, through August 6, 2019; October 2, 2020, through October 28, 2020; and December 21, 2020, through February 12, 2021. The TLC summonses provided a clear warning to Seaman Radio: "If you do not respond the City of New York will decide the Summons against you and impose penalties. If you do not pay any imposed civil penalty, the City could deny an application for, suspend, terminate, or revoke any City license, permit or registration that you have. The City may also enter a judgment against you in court."

⁷ See Exhibit C for a summary of the trips billed during each of these four suspension periods.

⁸ On January 7 and 8, 2025, Familia and Seaman Radio, respectively, were served with a cease-and-desist notice advising them in detail of the false claims and overpayments described herein. Since that date—over 60 days prior to the date of this Complaint—Defendants have failed to return or repay the Medicaid funds obtained from those false claims. Under both federal and New York law, a person who has received an overpayment has an obligation to report the amount of and reason for such overpayment and to return the overpayment within 60 days of identification. *See* 42 U.S.C. § 1320a-7k(d); Soc. Serv. Law § 363-d(6).

**FIRST CAUSE OF ACTION
PURSUANT TO N.Y. STATE FIN. LAW § 189(1)(a-b):
VIOLATION OF THE FCA**

As Against All Defendants

32. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

33. The New York State FCA, State Fin. Law § 189(1), prohibits any person from knowingly: (a) presenting or causing to be presented a false or fraudulent claim for payment or approval; (b) making, using, or causing to be made or used, a false record or statement material to a false or fraudulent claim; and (c) conspiring to commit a violation of subsections (a) and (b).

34. Defendants, acting with actual knowledge or with deliberate ignorance or reckless disregard of the truth, presented and/or caused the presentation of false claims to Medicaid, including those for transportation services never furnished.

35. Defendants, acting with actual knowledge or with deliberate ignorance or reckless disregard of the truth, presented and/or caused the presentation of false claims to Medicaid, including those for transportation services provided to Medicaid beneficiaries while Seaman Radio's TLC Livery Base License was suspended.

36. Defendants, acting with actual knowledge or with deliberate ignorance or reckless disregard of the truth, used false records or statements—including, but not limited to, annual provider certifications that falsely state that all Medicaid claims submitted are true and accurate and comply with all federal and state laws and regulations—to get false or fraudulent Medicaid claims paid or approved by the State.

37. By reason of these false records and statements, the State has sustained damages in a substantial amount to be determined at trial and is entitled to treble damages plus a civil penalty for each violation pursuant to the FCA.

**SECOND CAUSE OF ACTION
PURSUANT TO EXEC. LAW § 63(12):
VIOLATIONS OF THE FCA
REPEATED AND PERSISTENT ILLEGALITY**

As Against All Defendants

38. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

39. Defendants have engaged in repeated and persistent illegal acts and/or illegality in the carrying on, conducting, or transaction of business, in violation of Exec. Law § 63(12), by:

- a. Repeatedly and persistently presenting false claims to Medicaid for payment approval for transportation services never furnished in violation of State Fin. Law § 189(1)(a);
- b. Repeatedly and persistently presenting false claims to Medicaid for payment approval for transportation services provided to Medicaid beneficiaries on dates when Seaman Radio's TLC Livery Base License was suspended in violation of State Fin. Law § 189(1)(a); and
- c. Repeatedly and persistently presenting false claims to Medicaid for payment by submitting annual provider certifications that falsely state that all Medicaid claims are true and accurate and comply with all federal and state laws and regulations in violation of State Fin. Law § 189(1)(b).

**THIRD CAUSE OF ACTION
PURSUANT TO EXEC. LAW § 63-c:
OVERPAYMENT OF PUBLIC FUNDS**

As Against All Defendants

40. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

41. Defendants directly and/or indirectly obtained, received, converted, or disposed of Medicaid funds to which they were not entitled, as alleged in the foregoing paragraphs of this Complaint.

42. The acts and practices of Defendants complained of herein constitute a misappropriation of public property in violation of the Tweed Law, Exec. Law § 63-c.

**FOURTH CAUSE OF ACTION
PURSUANT TO EXEC. LAW § 63(12):
VIOLATIONS OF EXEC. LAW § 63-c
REPEATED AND PERSISTENT ILLEGALITY**

As Against All Defendants

43. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

44. Defendants have also engaged in repeated and persistent illegal acts and/or illegality in the carrying on, conducting, or transaction of business, in violation of Exec. Law § 63(12), by:

- a. Repeatedly and persistently obtaining, receiving, converting, or disposing of Medicaid funds, directly and/or indirectly, to which they were not entitled in violation of the Tweed Law, Exec. Law § 63-c, as alleged in the foregoing paragraphs of this Complaint.

**FIFTH CAUSE OF ACTION
PURSUANT TO EXEC. LAW § 63(12):
REPEATED AND PERSISTENT FRAUD**

As Against All Defendants

45. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

46. Exec. Law § 63(12) authorizes the New York Attorney General to seek injunctive and other equitable relief whenever an individual or entity engages in repeated or persistent fraudulent conduct.

47. Exec. Law § 63(12) defines fraud and fraudulent conduct broadly to include “any device, scheme or artifice to defraud and any deception, misrepresentation, concealment, suppression, false pretense, false promise or unconscionable contractual provisions.” Defendants repeatedly and persistently committed fraud by, to wit:

- a. Repeatedly and persistently presenting false claims to Medicaid for payment approval for transportation services never furnished;
- b. Repeatedly and persistently presenting false claims to Medicaid for payment approval for transportation services provided to Medicaid beneficiaries when Seaman Radio’s TLC Livery Base License was suspended; and
- c. Repeatedly and persistently presenting false claims to Medicaid for payment by submitting annual provider certifications that falsely state that all Medicaid claims are true and accurate and comply with all federal and state laws and regulations.

48. By reason of the acts and practices alleged herein, Defendants have engaged in repeated and persistent fraud in violation of Exec. Law § 63(12).

**SIXTH CAUSE OF ACTION
PURSUANT TO SOCIAL SERVICES LAW § 145-b:
FALSE STATEMENTS**

As Against All Defendants

49. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

50. Defendants knowingly by means of false statements or representations, or by deliberate concealment of material facts or by other fraudulent schemes or devices, obtained payment for themselves and others for services purportedly furnished pursuant to the laws of the State of New York, including the rules and regulations of the Medicaid Program.

51. By reason of the foregoing, Defendants are liable to the State pursuant to Social Services Law § 145-b for actual damages and three times the amounts falsely submitted, plus interest at the highest legal rate.

**SEVENTH CAUSE OF ACTION
PURSUANT TO EXEC. LAW § 63(12):
VIOLATIONS OF SOCIAL SERVICES LAW § 145-b
REPEATED AND PERSISTENT ILLEGALITY**

As Against All Defendants

52. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

53. Defendants have also engaged in repeated and persistent illegal acts and/or illegality in the carrying on, conducting, or transaction of business, in violation of Exec. Law § 63(12), by:

- a. Repeatedly and persistently, by means of false statements or representations, or by deliberate concealment of material facts or by other fraudulent schemes or devices, obtaining payment for themselves and others for services purportedly furnished pursuant to the laws of the State of New York, including the rules and regulations of the Medicaid Program, in violation of Social Services Law § 145-b, as alleged in the foregoing paragraphs of this Complaint.

**EIGHTH CAUSE OF ACTION
UNJUST ENRICHMENT**

As Against All Defendants

54. The State repeats and realleges the foregoing paragraphs of this Complaint as if fully set forth herein.

55. Defendants have been unjustly enriched to the detriment of Medicaid by diverting Medicaid payments intended to provide Medicaid recipients transportation to essential services to themselves, and it is against equity and good conscience to permit them to retain those payments.

PRAYER FOR RELIEF

WHEREFORE, because of the conduct described herein, the State respectfully requests that this Court grant the relief set forth below against each of the Defendants, pursuant to the FCA, Exec. Law § 63(12), Exec. Law § 63-c, Social Services Law § 145-b, and the theory of common law Unjust Enrichment, by issuing an order and judgment:

1. Declaring that:

- a. Defendants have engaged in repeated and persistent fraud in the carrying on, conducting, and transaction of business, in violation of Exec. Law § 63(12); and
- b. Defendants have repeatedly and persistently engaged in illegal acts in the carrying on, conducting, and transaction of business, in violation of Exec. Law § 63(12), by engaging in fraud in operating Seaman Radio by submitting claims to Medicaid for payment approval for transportation services never furnished, submitting claims to Medicaid for transportation services to Medicaid beneficiaries on dates where Seaman Radio's TLC Livery Base License was suspended, as well as making or using false records or statements material to a false or fraudulent claim, including submitting annual provider certifications falsely stating that all submitted Medicaid

claims were true and accurate and comply with all federal and state laws and regulations; and

- c. Defendants have by means of a false statement or representation obtained payment from Medicaid funds for services or supplies purportedly furnished; and
 - d. Defendants have obtained, received, converted, and/or disposed of Medicaid funds, directly or indirectly, to which they were not entitled;
2. Permanently enjoining Defendants from:
 - a. Further violating healthcare regulations and Medicaid guidelines relating to transportation services in New York State; and
 - b. Further engaging in fraudulent and illegal acts and practices relating to reimbursement by the Medicaid Program;
 3. Awarding, under Exec. Law §§ 63(12) and 63-c, a money judgment in favor of the State and against Defendants, jointly and severally, in an amount to be determined at trial but at least \$1,235,514.76, said sum being the total amount of restitution owed to the Medicaid Program known at the time of the service of the Complaint, set forth in Exhibit B;
 4. Awarding, under the FCA and Social Services Law § 145-b, a money judgment in favor of the State and against Defendants, jointly and severally, in an amount to be determined at trial but at least \$3,706,544.28, said sum representing treble damages, less the amount of any money judgment ordered pursuant to Paragraph 3 above;
 5. Awarding interest from the date of each Medicaid payment to Defendants at the maximum legal rate in effect on the date each payment was made;
 6. Directing Defendants to pay civil penalties in the amount of \$12,000.00 per violation pursuant to the FCA and Social Services Law § 145-b;

7. Awarding the State reasonable attorneys' fees;
8. Awarding the State statutory costs against each of the Defendants in the amount of \$2,000.00 pursuant to CPLR 8303(a)(6); and
9. Granting the State such other and further relief as this Court deems just and proper.

Dated: New York, New York
June 27, 2025

LETITIA JAMES
Attorney General of the State of New York

BY: Matthew B. Nevola
Matthew B. Nevola
Special Assistant Attorney General
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State of New York
Medicaid Fraud Control Unit
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SUPREME COURT OF THE STATE OF NEW YORK
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PEOPLE OF THE STATE OF NEW YORK,
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SEAMAN RADIO DISPATCHERS, INC.,
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Defendants.

VERIFICATION

Index No.: _____

Matthew B. Nevola, an attorney duly admitted to practice law before the Courts of the State of New York, affirms the following under the penalty of perjury:

I am a Special Assistant Attorney General in the New York State Attorney General's Medicaid Fraud Control Unit, of Counsel to Letitia James, Attorney General of the State of New York, attorney for Plaintiff in this action. I am acquainted with the facts set forth in the foregoing Complaint, based on my review of the files of the Medicaid Fraud Control Unit and information provided by Special Assistant Attorneys General, auditors, and investigators participating in the investigation of this matter, and said Complaint is true to my knowledge, except as to matters which were therein stated to be based upon information and belief, and as to those matters, I believe them to be true. The reason I make this verification is that Plaintiff, the People of the State of New York, is a body politic.

Dated: New York, New York
June 27, 2025

LETITIA JAMES

Attorney General of the State of New York

BY: Matthew B. Nevola

Matthew B. Nevola
Special Assistant Attorney General
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