

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY

Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07101

By: John D. Hugelmeyer
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FILED

JUN 24 2009

Division of Consumer Affairs

STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS

**IN THE MATTER OF AN INVESTIGATION
BY THE NEW JERSEY DIVISION OF
CONSUMER AFFAIRS**

of

Preferred Health Mate, Inc.

Administrative Action

Respondent

CONSENT ORDER

This matter having been opened by the Division of Consumer Affairs, Office of Consumer Protection (hereinafter referred to as "Consumer Affairs" or "Division"), as an investigation in order to ascertain whether violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. (hereinafter referred to as the "CFA") and the Employment and Personnel Services Act, N.J.S.A. 34:8-43 et seq. (hereinafter referred to the "Act"), and its regulations, N.J.A.C. 13:45B-1 et seq., have been or are being committed by Preferred Health Mate, Inc., a New Jersey Corporation (hereafter referred to as "Respondent") with its principal place of business at 192 Jack Martin Blvd., Brick, New Jersey, 08724 and it appearing that the parties

have reached an amicable agreement thereby resolving the issues in controversy and concluding this matter without the need for further action and Respondent having voluntarily cooperated and consented to the entry of the within Consent Order without having admitted any fact or violation of law, and for good cause shown:

IT IS on this 24th day of June, 2009, ORDERED and AGREED as follows:

BUSINESS PRACTICES

1. Respondent, its principals, officers, agents, representatives and employees shall not engage in any unfair or deceptive acts or practices in the conduct of their business in the State of New Jersey and shall comply with such state laws, rules and regulations as now constituted or as may hereafter be amended, including but not limited to, the CFA, the Act and the regulations promulgated pursuant thereto in connection with employment and personnel services.
2. Respondent shall cease and desist from engaging in the following:
 - a. Allowing uncertified aides to perform services that would require a certified aide as required by N.J.A.C. 13:45B-14.4(a)
 - b. Creating an employment application that does not comply with all the requirements of N.J.A.C. 13:45B-14.2 et. seq.
3. Specifically, Respondent shall comply with the following business practices:
 - a. Placing only place those health care practitioners who are currently licensed or certified as required by N.J.A.C. 13:45B-14.4(a)
 - b. Maintain a Care of Plan in clients files as set forth in N.J.A.C. 13:45B-14.9(a)
 - c. Create an application for each applicant seeking placement or employment by or

through your agency that includes all the information required in N.J.A.C.
13:45B-14.2 et. seq.

- d. Verify license status of each individual prior to the referral or placement as required by N.J.A.C. 13:45B-14.4(c)
- e. Maintain a copy of license or registration with the required notation conspicuously written across the entire face of the license as required by N.J.A.C. 13:45B-14.4(d)
- f. Create a job order for every position, or type of position within a single institution, for which a referral or placement is to be made as required by N.J.A.C. 13:45B-14.5(b)
- g. Maintain a copy of a bond of \$10,000.00 or a certified financial report prepared by a certified public accountant or licensed accountant establishing a net worth of \$100,000.00 or greater as required by N.J.A.C. 13:45b-13.3(a)3.

FUTURE CONSUMER COMPLAINTS

- 4. For a period of eighteen (18) months from the entry of this Consent Order, Consumer Affairs will forward to Respondent any consumer complaints received by Consumer Affairs within thirty (30) days of receipt of such complaint. Complaints received by any county or municipal Consumer Affairs Local Assistance (CALA) office will be forwarded to Consumer Affairs which will then forward them to Respondent within 30 days of Consumer Affairs' receipt from the county or municipal CALA office. Complaining consumers will be notified by Consumer Affairs that their complaints have been forwarded to Respondent; that they should expect a response from Respondent within 30

days; and of their right to arbitrate the complaint if a settlement with Respondent cannot be reached.

5. Within thirty (30) days of receiving said consumer complaints, Respondent will send a written response to each complaining consumer, with a copy to the New Jersey Division of Consumer Affairs, Office of Consumer Protection, Attention: Case Management Tracking Supervisor, 124 Halsey Street, P.O. Box 45025, Newark, New Jersey 07101.
6. If Respondent's written response does not dispute the consumer's complaint or the relief sought by the consumer, Respondent's response to the consumer shall include all documents necessary or appropriate to satisfy the consumer's requested relief, including payment or credit.
7. If Consumer Affairs has not received notice from Respondent that a forwarded complaint has been settled on or before the forty-fifth (45) day after the complaint is transmitted to the Respondent, the complaint shall be forwarded to the ADR Unit of the Division of Consumer Affairs to reach a resolution of the complaint through binding arbitration. Thereafter, the matter shall proceed in accordance with the ADR guidelines. Respondent agrees herein to participate in this arbitration process and be bound by the arbitrator's decision. Respondent further agrees to be bound by the immunity provisions of the New Jersey Arbitration Act, N.J.S.A. 2A:23B-14, and the New Jersey Tort Claims Act, N.J.S.A. 59:10A-1 et seq. In the event that Respondent fails or refuses to participate in the arbitration process with the consumer, the arbitrator may enter a default against Respondent. Respondent shall pay any and all arbitration awards within thirty (30) days of the arbitrator's decision unless otherwise specified in writing in the arbitration award. Failure or refusal to participate in the arbitration process or to timely pay an award shall

constitute a violation of this Consent Order. If a consumer refuses to participate in the ADR program, the consumer's complaint shall be deemed closed for purposes of this Consent Order.

8. After the initial eighteen months, the complaint resolution procedure set forth above will automatically renew for successive one year periods unless either party provides written notice of termination within thirty (30) days of the anniversary date of this agreement. Written termination under this provision of the Consent Order shall be provided as follows: For the Division, written notice shall be forwarded via certified mail, return receipt requested, to the New Jersey Division of Consumer Affairs, Office of Consumer Protection, Attention: Deputy Executive Director, 124 Halsey Street, P.O. Box 45025, Newark, New Jersey 07101; for Respondent, written notice shall be forwarded via certified mail, return receipt requested to: Preferred Health Mate, Inc., 192 Jack Martin Blvd., Brick, New Jersey, 08724
9. Nothing contained in this Consent Order shall be deemed to waive any right of the Division of Consumer Affairs or the Attorney General to take any civil or administrative action deemed appropriate in the best interest of the public with respect to any complaint received regarding Respondent after the date of this Consent Order.

PAYMENT TO THE STATE

10. Respondent shall pay the Division of Consumer Affairs the sum of \$15,500.00 as a civil penalty pursuant to N.J.S.A. 56:8-13 and \$2,200.00 as a reimbursement for the Division's costs pursuant to N.J.S.A. 56:8-11. The aforesated amount, totaling \$17,700.00 shall be paid over a 12 month period as follows:

The first payment of \$1,475.00 being due upon signing of this Consent Order and shall be submitted together with this Consent Order fully executed by Respondent. Subsequent payments, to be paid in installments of \$1,475.00 each, shall be made on the first day of each month thereafter, until the full amount is paid. Each of the aforestated payment for penalties and costs shall be made by certified check, attorney trust account check or other guaranteed funds made payable to the "New Jersey Division of Consumer Affairs" and shall be delivered to the following:

Attention: Case Management Tracking
New Jersey Department of Law and Public Safety
Division of Consumer Affairs
124 Halsey Street
P.O. Box 45025
Newark, NJ 07101

11. In the event that any installment payment required herein is not made within fifteen (15) days of the due date, all unpaid amounts due, shall become payable under this Consent Order shall immediately be accelerated and be due and payable without the need for notice or presentment, with interest calculated in accordance with R. 4:42-11 from the date of default and with the State's costs of collection. In addition to the relief provided for in this paragraph, this default shall also enable the Division to make application to the court for an order directing compliance and any other relief in aid of litigants' rights, including the imposition of attorneys' fees for said application, or to make any other application as provided by law.
12. If, after the signing of this Consent Order, Respondent engages in any acts or practices which constitute a violation of the Consumer Fraud Act, the Regulations or this Consent Order, Respondent will be subject to the imposition of enhanced penalties pursuant to

N.J.S.A. 56:8-13 or N.J.S.A. 56:8-18, without prejudice to Respondent's right to present evidence in mitigation and affirmative defenses.

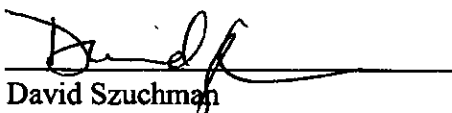
GENERAL PROVISIONS

13. Nothing contained in this Consent Order shall be construed to limit or affect the rights of any persons or entities who are not parties to this Consent Order with respect to any of the matters contained herein.
14. Nothing contained herein shall in any manner or fashion be construed to limit or affect any position that the parties may take in any future or pending action not specifically encompassed herein.
15. This Consent Order resolves all claims and causes of action against Respondent for violation of the Consumer Fraud Act, N.J.S.A. 56:8-1 et seq., and the Employment and Personnel Services Act, N.J.S.A. 34:8-43 et. seq., promulgated pursuant thereto, which were known by the Division through October 1, 2008.
16. The parties represent that an authorized representative of each has signed this Consent Order with full knowledge, understanding and acceptance of its terms and that this person has done so with the authority to legally bind the respective parties.
17. This Consent Order constitutes the entire agreement between the parties hereto and shall bind the parties hereto and their respective officers, directors, agents, employees, successors and assigns.
18. Respondent shall not represent or imply that any advertising procedure or other act or practice hereinafter used or engaged in by Respondent has been required or approved, in

whole or part, by the Attorney General or the Division of Consumer Affairs or any of the State's agencies or agents.

19. The parties acknowledge that for purposes of enforcement of this Consent Order, New Jersey law shall govern the terms and provisions herein.
20. The Division has advised the Respondent to seek the advice of an attorney prior to entering into this agreement.
21. Respondent acknowledges that this Consent Order is a public document and shall be effective upon filing.

ANNE MILGRAM,
ATTORNEY GENERAL OF NEW JERSEY

BY: 
David Szuchman
New Jersey Division of Consumer Affairs

DATED: 6/24/09

The undersigned has read this Consent Order, understands it, and agrees to be bound by its terms. Consent is hereby given as to the form and entry of this Order.

Preferred Health Mate, Inc.
Respondent

BY: 
TITLE: President

DATED: 6/12/09