

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 24-0792H

_____)
KENNEY & SAMS, P.C.,)
)
Plaintiff)
)
v.)
)
STEWARD HEALTH CARE SYSTEM)
LLC, STEWARD MEDICAL GROUP,)
INC., and TAILORED RISK ASSURANCE)
CO., LTD.)
)
Defendants)
_____)

SUFFOLK SUPERIOR COURT
 CIVIL CLERK'S OFFICE
 2024 MAR 25 P 1:49
 JOHN E. POWERS III
 ACTING CLERK MAGISTRATE

COMPLAINT

The Plaintiff, Kenney & Sams, P.C. ("Kenney & Sams"), is a law firm. It brings this lawsuit against Steward Health Care System LLC ("Steward Health"), Steward Medical Group, Inc. ("Steward Medical") and Tailored Risk Assurance Company, Ltd. ("Tailored Risk") (hereinafter, Steward Health, Steward Medical and Tailored Risk are referred to collectively as "Steward" or "Defendants") to recover amounts owed for legal services Kenney & Sams rendered for which Steward failed to make payment, and other damages as set forth below.

PARTIES

1. The Plaintiff, Kenney & Sams, is a Massachusetts professional corporation with a principal place of business at 144 Turnpike Road, Southborough, Massachusetts, and which also does business through its offices located at 10 High Street, Boston, Suffolk County, Massachusetts.

2. Defendant Steward Health is a Delaware limited liability company with a

principal place of business at 1900 N. Pearl Street, Suite 2400, Dallas, Texas. Steward Health does business in Massachusetts and has a Registered Agent in Massachusetts located at 155 Federal Street, Suite 700, Boston, MA 02110.

3. Defendant Steward Medical is a Massachusetts corporation with a principal place of business 1900 N. Pearl Street, Suite 2400, Dallas, Texas. It does business in Massachusetts and has a Registered Agent in Massachusetts located at 155 Federal Street, Suite 700, Boston, MA 02110.

4. Defendant Tailored Risk is a so-called "captive" insurance company owned, operated and controlled by Steward Health and/or Steward Medical. It has a principal place of business at 1900 N. Pearl Street, Suite 2400, Dallas, Texas, and conducts regular and ongoing business in Massachusetts through its offices at 500 Boylston Street, #591, Boston, MA 02116.

FACTS

5. Steward hired, retained and contracted with Kenney & Sams to serve as legal counsel in various civil actions in Massachusetts state and federal courts, and to provide other legal services.

6. Kenney & Sams provided Steward with favorable rates and billing terms.

7. Steward agreed to pay Kenney & Sams for its services at agreed-upon rates.

8. Pursuant thereto, Kenney & Sams provided legal services to Steward. For over six years, Kenney & Sams represented the Defendants and their affiliates in dozens of lawsuits and legal proceedings.

9. As a matter of public record, Kenney & Sams defended the Defendants against a variety of legal claims including claims alleging employment discrimination, retaliation, and violation of the Massachusetts Consumer Protection Act, among others.

10. Kenney & Sams' legal services were performed in a good and professional manner, and met with Steward's satisfaction.

11. Kenney & Sams consistently achieved favorable results for Steward.

12. Steward was provided with regular itemized invoices.

13. Steward never contested any invoices, never questioned any of the work Kenney & Sams performed, and never criticized the results Kenney & Sams achieved.

14. In approximately January of 2022, Steward began delaying payment to Kenney & Sams.

15. Kenney & Sams requested payment.

16. In response, the Defendants, by and through their agents and employees, promised and assured Kenney & Sams that full payment would be forthcoming, and encouraged and induced Kenney & Sams to continue providing legal services.

17. In good faith reliance on the Defendants' promises and assurances, Kenney & Sams continued to represent the Defendants in court and protected their interests across multiple lawsuits.

18. The Defendants made sporadic payments but the receivables continued to increase.

19. On multiple occasions throughout 2022 and 2023 Kenney & Sams continued to request payment from the Defendants.

20. On multiple dates throughout this two-year period, the Defendants made multiple assurances to Kenney & Sams that its invoices would be paid, and encouraged and induced Kenney & Sams to continue providing legal services.

21. In good faith reliance on the Defendants' repeated promises that full payment

would be forthcoming, Kenney & Sams continued to represent the Defendants and protected their interests across multiple lawsuits.

22. The Defendants, however, failed to make payments, and ultimately ceased payments altogether.

23. Ultimately, in or about February, 2024, Kenney & Sams withdrew from its representation of the Defendants in various courts due to nonpayment.

24. Kenney & Sams now brings this action to recover the amounts due for the legal services it rendered.

25. The Defendants owe \$605,306.43 to Kenney & Sams for legal services rendered, plus interest and additional damages.

COUNT I
BREACH OF CONTRACT

26. Kenney & Sams repeats and realleges the allegations in the preceding paragraphs as if set forth herein in full.

27. Kenney & Sams and Steward are parties to agreements for legal services that constitute enforceable contracts.

28. Kenney & Sams has performed its obligations pursuant to those contracts and invoiced Steward for its services.

29. Kenney & Sams duly performed all conditions in the agreements between and among the parties on their part required to be performed.

30. Steward breached the contracts with Kenney & Sams by, without limitation, refusing and failing to pay for legal services rendered.

31. As a result of Steward's breaches of contract, Kenney & Sams has suffered substantial damages as hereinbefore alleged.

COUNT II
BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

32. Kenney & Sams repeats and realleges the allegations in the preceding paragraphs as if set forth herein in full.

33. By reason of the foregoing, Steward breached the covenant of good faith and fair dealings which was implied in the relationships between Steward and Kenney & Sams and in their agreements.

34. As a result of Steward's breaches of the implied covenant of good faith and fair dealings, Kenney & Sams has suffered substantial damages as hereinbefore alleged, and demands compensation therefor.

COUNT III
QUANTUM MERUIT/ UNJUST ENRICHMENT

35. Kenney & Sams repeats and realleges the allegations in the preceding paragraphs as if set forth herein in full.

36. Kenney & Sams provided legal services to Steward at the direction of Steward and its agents.

37. Steward accepted the benefits of the legal services Kenney & Sams furnished, with the knowledge that Kenney & Sams expected payment for the fair and reasonable value of its services.

38. Despite demand, Steward has failed to pay Kenney & Sams the fair and reasonable value of the services furnished, and has been unjustly enriched thereby.

39. Kenney & Sams conferred a benefit upon Steward, which Steward knowingly received and kept, and under the circumstances it would be inequitable for Steward to keep that benefit without making payment for its value.

40. Therefore, Steward has been unjustly enriched by Kenney & Sams, and Kenney & Sams seeks the fair and reasonable value of its services and the fair and reasonable value that Steward received.

41. Kenney & Sams brings this claim in the alternative, pursuant to Mass. R. Civ. P. 8(a).

COUNT IV
PROMISSORY ESTOPPEL

42. Kenney & Sams repeats and realleges the allegations in the preceding paragraphs as if set forth herein in full.

43. As set forth above, Steward made promises to Kenney & Sams which Steward reasonably should have expected would induce action on the part of Kenney & Sams. Those promises induced such action on the part of Kenney & Sams, and injustice can be avoided only by enforcement of the Defendants' promises.

44. Accordingly, the Defendants should be estopped from denying the promises they made to Kenney & Sams, and be ordered to pay just compensation to Kenney & Sams therefor.

45. Kenney & Sams brings this claim in the alternative, pursuant to Mass. R. Civ. P. 8(a).

COUNT V
ACCOUNT STATED

46. Kenney & Sams repeats and realleges the allegations in the preceding paragraphs as if set forth herein in full.

47. Kenney & Sams regularly tendered invoices to Steward for legal services rendered in accordance with the parties' agreements.

48. The Defendants never objected to the amounts reflected on the invoices or

otherwise indicated that they contested their obligation to pay the amounts reflected on the invoices. Instead, Steward consistently acknowledged that it owed Kenney & Sams the amounts due. The Defendants should be estopped from denying the accounts as stated.

49. Kenney & Sams suffered damages as a result of Steward's failure to pay the amounts due to Kenney & Sams for legal services.

COUNT VI
VIOLATION OF G.L. c. 93A §11

50. Kenney & Sams repeats and realleges the allegations in the preceding paragraphs as if set forth herein in full.

51. All parties are in trade or commerce as such terms are defined in G.L. c. 93A, §1(b).

52. Most or all of the foregoing acts and omissions of the Defendants took place in or from Massachusetts.

53. The foregoing conduct of the Defendants was unfair and deceptive within the meaning of G.L. c. 93A, §2, and was done in a knowing and willful manner, and such conduct caused harm to Kenney & Sams.

54. Kenney & Sams seeks damages under G.L. c. 93A, §11, including costs, interest, reasonable attorneys' fees and treble damages.

WHEREFORE, Kenney & Sams respectfully requests that the Court grant the following relief:

- a. Enter judgment for Kenney & Sams and against each defendant, jointly and severally, on each count set forth above;
- b. Enter judgment for Kenney & Sams and against each defendant, jointly and severally, for legal damages in an amount no less than \$605,306.43, plus interest and costs;
- c. Award Kenney & Sams its costs, legal fees and double or triple damages pursuant to G.L. c. 93A, § 11; and
- d. Award such additional relief as is just and proper.

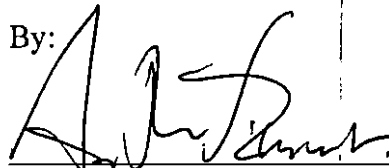
JURY DEMAND

Kenney & Sams respectfully demands a trial by jury on all claims so triable.

Respectfully submitted:

KENNEY & SAMS, P.C.

By:



Anthony B. Fioravanti, Esq. (BBO: #664823)

Michael P. Sams, Esq. (BBO: #567812)

KENNEY & SAMS, P.C.

144 Turnpike Road

Southborough, MA 01772

-and at-

The Rice Building

10 High Street

Boston, MA 02110

abfioravanti@KSlegal.com

mpsams@kslegal.com

Date: March 25, 2024