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COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss

DEPT. OF THE TRIAL COURT
SUPERIOR COURT

LUCAS MERCHANT,
Plaintiff,

v.

ANDREW GRASSO,
PRODIGY NORTH HEALTH AGENCY, LLC,
and UNIVERSAL HEALTH FELLOWSHIP

CIVIL ACTION NO. _____

COMPLAINT AND JURY DEMAND

NOW COMES Plaintiff Lucas Merchant who brings this action for breach of contract, promissory estoppel, fraud, conversion and negligent infliction of emotional distress against Andrew Grasso, Prodigy North Health Agency LLC and Universal Health Fellowship. In October, 2022, Mr. Merchant purchased a health care benefit plan from the Defendants, for which he paid them premiums and fees. Following such purchase, Mr. Merchant required an emergency appendectomy surgery at Mass General Brigham Hospital, costing \$55,000.00, for which Defendants initially promised and agreed to pay, but which they then failed and refused to pay, all to Plaintiff's loss and damage. Plaintiff now seeks damages for the payment of this hospital bill, and for conversion, fraud, and negligent infliction of emotional distress.

PARTIES

1. Plaintiff Lucas Merchant (hereinafter "Merchant") is an individual who resides in East Boston, County of Suffolk, Massachusetts.
2. Defendant Anthony Grasso (hereinafter "Grasso") is an individual who at all times relevant hereto was an employee of Prodigy North Health Agency LLC, and was an apparent and actual duly authorized agent, servant and employee of the Defendant Prodigy and of the Defendant Universal Health Fellowship.
3. Defendant Prodigy North Health Agency LLC (hereinafter "Prodigy") is a New Jersey domestic corporation located at 4 Hillmont Terrace, Colts Neck, New Jersey, 07722, the Agent for Service for which is United States Corp Agents Inc., of 330 Changebridge Road, Suite 101, Pine Brook, New Jersey, 07058, and is in the business, among other things, of soliciting and

selling certain health care benefit plans to residents of Massachusetts in exchange for premium and fee payments.

4. Defendant Universal Health Fellowship (hereinafter " Universal") is an organization with a mailing address of 4555 Mansell Road, Suite 300, Alpharetta, GA, 30022, which, at all times relevant hereto, employed and authorized the Defendants Grasso and Prodigy to solicit and sell certain health care benefit plans to residents throughout the United States, including residents of Massachusetts, whereunder such a plan, one could secure health care benefits in exchange for paying monthly premiums and certain additional fees.

JURISDICTION AND VENUE

5. The jurisdiction of this Court is lawful and proper as Plaintiff's injuries and losses all occurred in Massachusetts and all of the elements of the purchase and sale of the instant health care benefit policy; Plaintiff's completion of a policy Application, his payment of money for premiums and fees, and acceptance by the Defendants of such payments; all occurred in Massachusetts. Personal jurisdiction over Defendants is sufficient pursuant to the Massachusetts long arm statute as Defendants conduct and solicit business within the Commonwealth of Massachusetts.

6. Venue in Suffolk County Superior Court is lawful and proper as the plaintiff's injuries and losses occurred in East Boston, MA with damages exceeding \$50,000.00.

FACTS

7. On October 6, 2022, Plaintiff Merchant was an individual residing at 63 Maverick Square, Unit 8, East Boston, MA.

8. At that time Defendant Grasso was an agent and employee of Defendant Prodigy, and both were in the business of selling health care plans to individuals in exchange for certain premium and fee payments; including to residents of Massachusetts.

9. At that time Grasso and Prodigy were both doing business in Massachusetts by way of soliciting and selling such health care plans to residents of Massachusetts.

10. At that time Defendants Grasso and Prodigy were both employed by and agents for the Universal Health Fellowship, an organization that solicits and sells health care benefit plans to individuals, including to residents of Massachusetts, and thereby does business in Massachusetts.

11. On October 6, 2022, at about 10:20 A.M., Defendant Grasso, at all times relevant hereto acting as the duly authorized agent, servant and employee of Prodigy and of Universal, did solicit and sell to Plaintiff Merchant a certain health care benefit plan, for which Mr. Merchant, at that time, fully paid the "one-time Enrollment Fee" and the initial monthly dues that were requested of him in order to effect the plan.
12. Pursuant to the Health Care Benefit Plan provisions, Defendant Universal did automatically charge Plaintiff Merchant for two more months of monthly dues called for under the Plan, on the next two succeeding monthly anniversaries of the initial effective date of the plan.
13. Shortly after Plaintiff Mr. Merchant purchased the Health Care Benefit Plan from Defendants, Plaintiff experienced the need for emergency surgery; to wit an emergency appendectomy operation.
14. Upon learning of the imminent need for emergency surgery, Plaintiff Merchant contacted Defendant Grasso on at least three separate occasions including prior to the surgery and after the surgery at Mass General Brigham's Hospital in Boston, MA. , and on each occasion was informed in no uncertain terms that his health care policy was in effect and his surgery would be covered and paid for by his health plan.
15. Following the emergency appendectomy surgery and related treatment Plaintiff received from the Hospital, Plaintiff was informed by Defendants that his health care plan would not cover his surgery.
16. Subsequent to his surgery and related care, Plaintiff received an invoice from Mass General Brigham's Hospital for \$55,000.00 for their services rendered, which upon presentment and due demand for coverage and payment from the Plaintiff's health care plan, the Defendants have failed and refused to pay.
17. As a direct result of Defendants' failure to fulfill their obligations under the health care plan purchased by the Plaintiff, Plaintiff has been forced to pay the hospital bill personally, all to his loss and damage.
18. As a further direct result of Defendants' failure to abide by the terms of the Plan, Plaintiff suffers from emotional distress and loss of enjoyment of life's activities.
19. As a further result of Defendants' commission of conversion and fraud, Plaintiff has been damaged and seeks punitive damages.

COUNT I

(Breach of Contract; Promissory Estoppel)

20. Plaintiff repeats the allegations set forth above as if fully contained herein.
21. As described above, Plaintiff and Defendants executed a completed contract, being the health care benefit plan, and Plaintiff fully executed his obligations thereunder by way of making full payments that were called for.
22. Defendants breached such contract by way of neglecting and failing to make payments for Plaintiff's medical treatment incurred for his surgery, as they were obliged to do under the plan, and as promised on numerous occasions by the Defendant Grasso, and by bad faith and unfair dealing.
23. In any event, as described above, based upon the promises and undertakings of the Defendants, Plaintiff made payments and underwent surgery, all in justifiable detrimental reliance upon the Defendants' promises, estopping the Defendants from denying the plan contract was in full force and effect, and preventing them from refusing to pay the Plaintiff for the hospital bill Plaintiff incurred by such reliance.

COUNT II

(Conversion and Fraud)

24. Defendants took Plaintiff's payments for a "one-time Enrollment Fee", and for his first monthly dues payment, as well as monthly dues payments for two successive months thereafter, for no consideration, and took and converted them to their own use, to the Plaintiff's loss and damage.
25. Defendants took Plaintiff's payments to them, then subsequently promised to pay out benefits for Plaintiff's hospital bill, then recanted and withdrew such promises, knowing, or with reason to know of their legal obligations to make such payment and to take care of the bill; all constituting a knowing and intentional fraud upon the Plaintiff, to his loss and damage.

COUNT III

(Negligent Infliction of Emotional Distress)

26. Plaintiff repeats the allegations set forth above as if fully contained herein.

27. As a direct and proximate result of Defendants' negligent conduct described above, Plaintiff suffered and continues to suffer from emotional distress and anguish with resulting physical injury.

COUNT IV

(Unfair and deceptive business practices)

28. Defendants, together and individually, worked in the business of insurance at all times relevant hereto.

29. Plaintiff was led to believe that he had insurance coverage when, in fact, no such medical expense protections have been provided to date.

30. That is a clear violation of Massachusetts consumer protection statutes.

PRAYERS FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that this Honorable Court:

1. Enter judgement in Plaintiff's favor on all counts stated in this Complaint and award damages in an amount sufficient to compensate for Plaintiff's injuries and losses, including contractual damages of \$55,000.00, reasonable damages for conversion, fraud, and the negligent infliction of emotional distress, punitive damages for conversion and fraud, interest and costs; and

2. Such other relief as the Court deems just and proper.

JURY DEMAND

PLAINTIFF DEMANDS A TRIAL BY JURY ON ALL COUNTS.

Respectfully submitted,
PLAINTIFF
Through counsel,



Nolan P. Sloan (BBO # 699822)

John H. Peck (BBO # 691029)

Peck Trial Attorneys, PC

77 Franklin Street, Fourth Floor

Boston, MA 02110
Date: December 5, 2023