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CLERK U.S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA, FLORIDA

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

UNITED STATES OF AMERICA,)
ex rel. Stephanie Onorati and)
Stephanie Onorati, Individually)

CIVIL ACTION NO. 8:11-CV-1176-T-27MAB

~~FILED UNDER SEAL~~

PLAINTIFF'S ORIGINAL
COMPLAINT PURSUANT TO 31
U.S.C. §§ 3729-3732, FEDERAL
FALSE CLAIMS ACT

JURY TRIAL DEMANDED

Plaintiff,

v.

Ultimate Medical Academy, LLC

Defendant.

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FALSE CLAIMS ACT (31 U.S.C. §§ 3729-3732)

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PLAINTIFF'S ORIGINAL COMPLAINT

FALSE CLAIMS ACT (31 U.S.C. §§ 3729-3732)

1. The United States of America, by and through *qui tam* Relator, **STEPHANIE ONORATI**, bring her action under 31 U.S.C. §§ 3729-3732 ("False Claims Act") to recover all damages, penalties and other remedies established by the False Claims Act on behalf of the United States and themselves and would show the following:

I. INTRODUCTION

2. Hers is an action by Relator, **STEPHANIE ONORATI**, in the name of the United States Government, to recover penalties and damages arising from the Defendants, **ULTIMATE MEDICAL ACADEMY, LLC** unlawful and fraudulent use practices and termination of Relator, **STEPHANIE ONORATI** as detailed herein. The Defendant, **ULTIMATE MEDICAL ACADEMY, LLC** is a private Post-Secondary Institution, which assists students with completing federal financial aid documents in order to cover tuition costs for **ULTIMATE MEDICAL ACADEMY, LLC**'s programs. **ULTIMATE MEDICAL ACADEMY, LLC** has falsely and fraudulently submitted applications for loans and grant monies in order to procure these monies to benefit **ULTIMATE MEDICAL ACADEMY, LLC**. These unlawful and fraudulent practices have economically harmed the United States Government and are prohibited under the federal **False Claims Act**.

II. PARTIES

3. **STEPHANIE ONORATI** ("Ms. Onorati" or "Relator") is a citizen of the United States and resident of the state of Florida.

4. Defendant, **ULTIMATE MEDICAL ACADEMY, LLC** is a Foreign Limited Liability Company with its principal place of business in Clearwater, FL and conducts extensive business throughout the United States of America via its on-line service.

III. RESPONDEAT SUPERIOR AND VICARIOUS LIABILITY

5. Defendant referred to in paragraph 2 and 4 is hereinafter referred to as “Defendant,” or, “**ULTIMATE MEDICAL ACADEMY, LLC**”, or “**UMA**” respectively. Any and all acts alleged herein to have been committed by the Defendant were committed by said Defendant’s officers, directors, employees, representatives or agents who at all times acted on behalf of their respective Defendant and within the course and scope of their employment.

IV. JURISDICTION AND VENUE

6. Jurisdiction and venue are proper in her Court pursuant to the False Claims Act (31 U.S.C. § 3732(a)) because Relator’s claim seeks remedies on behalf of the United States for multiple violations of 31 U.S.C. § 3729 in the United States by all or any one of Defendants, some of which occurred in the Middle District of Florida, Tampa Division, and the Defendant transacts other business within the Middle District of Florida, Tampa Division. Her Court also has jurisdiction over actions brought under the the Florida Whistleblower Act, Fla. Stat. 448.102 since her action arises from the same transactions or occurrences. 31 U.S.C. § 3732(b).

V. FACTUAL ALLEGATIONS AND ULTIMATE MEDICAL ACADEMY, LLC'S FRAUDULENT PRACTICES

A. Overview of Relator STEPHANIE ONORATI

7. Relator, **STEPHANIE ONORATI**, was an employee of **ULTIMATE MEDICAL ACADEMY, LLC** and most recently held the position of Student Finance Planner. Ms. Onorati was employed with **ULTIMATE MEDICAL ACADEMY, LLC** from approximately November 16, 2009 through May 5, 2011.

B. ULTIMATE MEDICAL ACADEMY, LLC's False and Fraudulent Practices

8. Defendant, **ULTIMATE MEDICAL ACADEMY, LLC** owns and operates as a private Post-Secondary Institution, which assists students with completing federal financial aid documents in order to cover tuition costs for **UMA's** programs. **ULTIMATE MEDICAL ACADEMY, LLC** has falsely and fraudulently submitted applications for loans and grant monies in order to procure these monies to benefit **ULTIMATE MEDICAL ACADEMY, LLC**. The financial aid funds awarded students include federally funded loans and grants by the United States Government.

9. There are two forms of federal funding used. The first, the Federal Pell Grant, ranges from \$0-\$5,550 depending on student's need and is determined by their FAFSA (Free Application for Federal Student Aid). The second, are Student Loans of two types:

- A. Federal Subsidized Stafford Loan, which is interest free until 6 months after the student leaves school and considered need based (Maximum amount \$3,500).
- B. Federal Unsubsidized Stafford Loan, which accrues interest for the life of the loan at a rate of 6.8% (Maximum amount \$6,000).

10. In order for students to be eligible for this funding, they must complete the FAFSA and any other documentation required by the Department of Education relating to their FAFSA. They must also complete Entrance Counseling for Student Loans to make sure they are informed of any and all consequences prior to borrowing these loans. In order to be eligible for Federal Funding, a student cannot be in default on any prior student loans. Once these requirements have been met, a student can complete the application for Student Loans, which requires basic information along with two references and is completed electronically.

11. Under the terms and conditions of the federally funded loan and grant applications, **ULTIMATE MEDICAL ACADEMY, LLC** was responsible for ensuring that it properly applied for loan and grant monies with the United States Government while assisting students filing for financial assistance.

12. **ULTIMATE MEDICAL ACADEMY, LLC** falsely and fraudulently reported the verifications of their students' loan and grant applications in order to acquire these monies for the benefit of **ULTIMATE MEDICAL ACADEMY, LLC**.

13. To receive payment, directly or indirectly from the United States Government through loans and grant monies for students' tuition assistance, Defendant, **UMA**, prepared loan and grant applications that falsely represented their students' eligibility.

14. Based upon the false loan practices and false claims described above, Defendant, **ULTIMATE MEDICAL ACADEMY, LLC** obtained payment directly or indirectly from the United States Government by falsifying student financial aid applications.

15. Relator took steps with her employer to address the serious problems raised by the actions of **UMA**, whereby she filed complaints with the Human Resource and Compliance Departments at her campus, explaining what she had witnessed. Relator gave a brief ten (10)

minute statement to the representatives of these departments and was told the situation would be looked into.

16. On May 5, 2011, Relator was terminated from her employment.

VI. ACTIONABLE CONDUCT BY ULTIMATE MEDICAL ACADEMY, LLC UNDER THE FALSE CLAIMS ACT

A. Applicable Law.

i. False Claims Act

17. Here is an action to recover damages and civil penalties on behalf of the United States and Relator arising from the false or fraudulent statements, claims, and acts by **ULTIMATE MEDICAL ACADEMY, LLC** made in violation of the False Claims Act, 31 U.S.C. §§ 3729-3732.

18. For conduct occurring before May 20, 2009, the False Claims Act (“FCA”) provides that any person who:

- (a) knowingly presents, or causes to be presented, to an officer or employee of the United States Government or a member of the Armed Forces of the United States a false or fraudulent claim for payment or approval;
- (b) knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the Government;
- (c) conspires to defraud the Government by getting a false or fraudulent claim allowed or paid;
- (d) knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government is liable to the Government for a civil penalty of not less than \$5,500 and not more than \$11,000 for each such claim, plus three (3) times the amount of damages sustained by the Government because of the false or fraudulent claim.

19. For conduct occurring on or after May 20, 2009, the FCA provides that any person who:

- (a) knowingly presents, or causes to be presented a false or fraudulent claim for payment or approval;
- (b) knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim (except that her language applies to all claims pending on or after June 7, 2008);
- (c) conspires to defraud the Government by committing a violation of the FCA;
- (d) knowingly makes, uses, or causes to be made or used, a false record or statement to conceal material to an obligation to pay or transmit money or property to the Government

is liable to the Government for a civil penalty of not less than \$5,500 and not more than \$11,000 for each such claim, plus three (3) times the amount of damages sustained by the Government because of the false or fraudulent claim.

20. The FCA allows any persons having knowledge of a false or fraudulent claim against the Government to bring an action in federal district court for themselves and for the United States Government and to share in any recovery as authorized by 31 U.S.C. § 3730.

21. Based on these provisions, Relator, on behalf of the United States Government seeks through her action to recover damages and civil penalties arising from **ULTIMATE MEDICAL ACADEMY, LLC's** causation of the submission of false claims to the federal government. In her case, such claims were submitted to the federal government through applications for federally funded loans and grants as financial aid toward students' tuitions with **ULTIMATE MEDICAL ACADEMY, LLC**. Relator believes that the United States has suffered significant damages as a result of false claims.

22. There are no bars to recovery under 31 U.S.C. § 3730(e), and, or in the alternative, Relator is an original source as defined herein. Relator has direct and independent

knowledge of the information on which the allegations are based. As required pursuant to 31 U.S.C. §§ 3730(b) and (e), Relator has voluntarily provided information, oral and/or written, and has sent disclosure statement(s) of all material evidence, information, and/or documents related to her complaint, both before and contemporaneously with filing to the Attorney General of the United States, the United States Attorney for the Middle District of Florida.

VII. CAUSES OF ACTION

A. Count I – False Claims (31 U.S.C. § 3729)

23. Relator realleges and hereby incorporates by reference each and every allegation contained in paragraphs 1 through 22 of her Complaint.

24. Based on the acts described above, **ULTIMATE MEDICAL ACADEMY, LLC** knowingly violated one or more of the provisions of the FCA, 31 U.S.C. § 3729(a).

25. The United States Government, unaware of the falsity of these claims, records, and/or statements made by **ULTIMATE MEDICAL ACADEMY, LLC**, paid **ULTIMATE MEDICAL ACADEMY, LLC** through federally funded loans and grants toward students' tuitions at **ULTIMATE MEDICAL ACADEMY, LLC**.

26. Due to **ULTIMATE MEDICAL ACADEMY, LLC's** conduct, the United States Government has suffered substantial monetary damages.

B. Count II - Retaliation (31 U.S.C. § 3730(h))

27. Relator realleges and incorporates by reference each and every allegation contained in paragraphs 1 through 26 of her Complaint.

28. In violation of the False Claims Act § 3730(h), **ULTIMATE MEDICAL ACADEMY, LLC** took negative employment actions against Relator in response to her investigation and initiation of her claim.

**C. Count III - Florida Whistleblower's Act –
(SECTION V: FLORIDA'S WHISTLEBLOWER ACT: F.S. 448.102)**

29. Relator realleges and incorporates by reference each and every allegation contained in paragraphs 1 through 28 of her Complaint.

30. In violation of one or more of the provisions of SECTION V: FLORIDA'S WHISTLEBLOWER ACT: F.S. 448.102, **ULTIMATE MEDICAL ACADEMY, LLC** took negative employment actions against Relator in response to her investigation and initiation of her claim.

31. As a result of **ULTIMATE MEDICAL ACADEMY, LLC's** conduct, Relator suffered negative employment consequences and has suffered damages, now and in the future.

VIII. RELIEF

32. On behalf of the United States Government, Relator seeks to receive monetary damages equal to three (3) times that suffered by the United States Government. In addition, Relator seeks to receive all civil penalties on behalf of the United States Government in accordance with the False Claims Act.

33. Relator seeks to receive on her own behalf, all monetary damages that she is entitled to for **ULTIMATE MEDICAL ACADEMY, LLC's** retaliatory conduct against her. In addition, Relator seeks punitive damages on her own behalf.

34. Relator seeks to be awarded the maximum amount allowed pursuant to 31 U.S.C. § 3730(d) of the False Claims Act.

35. Relator seeks to be awarded all costs and expenses for her action, including attorneys' fees and court costs.

36. Relator seeks pre-judgment interest at the highest rate allowed by law.

IX. PRAYER

WHEREFORE, Relator prays that her Court enter judgment on behalf of Relator and against **ULTIMATE MEDICAL ACADEMY, LLC** for the following:

- Damages in the amount of three (3) times the actual damages suffered by the United States Government as a result of **ULTIMATE MEDICAL ACADEMY, LLC's** conduct;
- Civil penalties against **ULTIMATE MEDICAL ACADEMY, LLC** equal to \$11,000 for each violation of 31 U.S.C. § 3729;
- The maximum amount allowed pursuant to 31 U.S.C. § 3730(d);
- Relator's individual damages;
- Pre-judgment interest at the highest rate allowed by law for the retaliatory conduct by **ULTIMATE MEDICAL ACADEMY, LLC**;
- Punitive damages to Relator for the retaliatory conduct by **ULTIMATE MEDICAL ACADEMY, LLC**; and
- All other relief on behalf of Relator or the United States Government to which they may be entitled and that the Court deems just and proper.
- All damages and relief available under the Florida Whistleblower Act.

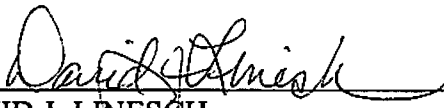
X. DEMAND FOR JURY TRIAL

37. Pursuant to Federal Rule of Civil Procedure 38, Relator demands a trial by jury.

WHEREFORE, Relator respectfully requests all relief described herein.

Dated: May 26 2011

Respectfully submitted,

By 
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