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8 INTEGRATED HEALTH, PC; GOSSETT GLOBAL HEALTH SOLUTIONS,
9 PC; MICHAEL GLICKERT, D.C.; TAYLOR VANDEN WYNBOOM, D.C.; and
TOMMY GOSSETT, D.C.

10 UNITED STATES DISTRICT COURT
11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 THE VANGUARD CLINIC, LLC, a
13 limited liability company; NOVA
14 INTEGRATED HEALTH, PC, a
15 professional corporation; GOSSETT
16 GLOBAL HEALTH SOLUTIONS,
17 PC., a professional corporation;
18 MICHAEL GLICKERT, D.C., an
19 individual; TAYLOR VANDEN
WYNBOOM, D.C., an individual;
and TOMMY GOSSETT, D.C., an
individual;

20 Plaintiffs,

21 vs.

22 NATIONAL BILLING INSTITUTE,
23 LLC, a limited liability company;
24 RESONANT SPECIFIC
25 TECHNOLOGIES, INC., a
corporation; and KAREO, INC., a
corporation;

26 Defendants.

Case No. 2:20-cv-11234

COMPLAINT FOR:

- 1) **BREACH OF FIDUCIARY DUTY;**
- 2) **FRAUD: INTENTIONAL MISREPRESENTATION;**
- 3) **FRAUD: NEGLIGENT MISREPRESENTATION;**
- 4) **FRAUD: CONCEALMENT;**
- 5) **CONSTRUCTIVE FRAUD (Cal. Civ. Code § 1573);**
- 6) **RESCISSION (Cal. Civ. Code § 1692);**
- 7) **CONVERSION;**
- 8) **UNLAWFUL BUSINESS PRACTICES (Cal. Bus. & Prof. Code, § 17200, et seq.).**

DEMAND FOR JURY TRIAL

1 Plaintiffs THE VANGUARD CLINIC, LLC (“Vanguard Clinic”), NOVA
2 INTEGRATED HEALTH, PC (“Nova Integrated”), GOSSETT GLOBAL
3 HEALTH SOLUTIONS, PC (“Gossett Clinic”), MICHAEL GLICKERT, D.C.
4 (“Dr. Glickert”), TAYLOR VANDEN WYNBOOM, D.C. (“Dr. Vanden
5 Wynboom”), and TOMMY GOSSETT, D.C. (“Dr. Gossett”), (collectively
6 Vanguard Clinic, Nova Integrated, Gossett Clinic, Dr. Glickert, Dr. Vanden
7 Wynboom, and Dr. Gossett, are “Plaintiffs”), respectfully allege as follows:

8 **I. INTRODUCTION**

9 1. This Complaint for Breach of Fiduciary Duty, Intentional
10 Misrepresentation, Negligent Misrepresentation, Concealment, Constructive Fraud,
11 Rescission, Conversion, and Unlawful Business Practices, arises out of defendants
12 NATIONAL BILLING INSTITUTE, LLC (“NBI”), RESONANT SPECIFIC
13 TECHNOLOGIES, INC. (“RST”), and KAREO, INC.’s (“Kareo”) (collectively
14 NBI, RST, and Kareo are “Defendants”) repeated misrepresentations to Plaintiffs,
15 and concealment of material facts from Plaintiffs, in relation to Medicare coverage
16 and lawful billing of treatments involving RST-Sanexas neoGEN-Series medical
17 device (“Sanexas”), and related subcutaneous injections.

18 **II. THE PARTIES**

19 2. Vanguard Clinic is a limited liability company organized and existing
20 under the laws of the State of Missouri, with its principal place of business in Saint
21 Louis County, Missouri. At all times relevant to the events described in this
22 Complaint, Vanguard Clinic was an integrated chiropractic/medical practice
23 specializing in chronic pain treatment.

24 3. Nova Integrated is a professional corporation organized and existing
25 under the laws of the State of Iowa, with its principal place of business in Polk
26 County, Iowa. At all times relevant to the events described in this Complaint, Nova
27 Integrated was an integrated chiropractic/medical practice specializing in
28 peripheral neuropathy and chronic pain treatment.

1 4. Gossett Clinic is a professional corporation organized and existing
2 under the laws of the State of Illinois, with its principal place of business in
3 Champaign County, Illinois. At all times relevant to the events described in this
4 Complaint, Gossett Clinic was an integrated chiropractic/medical practice
5 specializing in peripheral neuropathy and chronic pain treatment.

6 5. Dr. Glickert is an individual and citizen of the United States of
7 America, residing in Saint Louis County, Missouri. At all times relevant to the
8 events described in this Complaint, Dr. Glickert was a chiropractic physician
9 licensed by the Missouri Board of Chiropractic Examiners, and a managing
10 member of Vanguard Clinic.

11 6. Dr. Vanden Wynboom is an individual and citizen of the United
12 States of America, residing in Story County, Iowa. At all times relevant to the
13 events described in this Complaint, Dr. Vanden Wynboom was a chiropractor
14 licensed by the Iowa Board of Chiropractic, and the president of Nova Integrated.

15 7. Dr. Gossett is an individual and citizen of the United States of
16 America, residing in Maricopa County, Arizona. At all times relevant to the events
17 described in this Complaint, Dr. Gossett was a chiropractic physician licensed by
18 the Illinois Medical Licensing Board, and the president of Gossett Clinic.

19 8. NBI is a limited liability company organized and existing under the
20 laws of the State of Florida, with its principal place of business in Palm Beach
21 County, Florida. At all times relevant to the events described in this Complaint,
22 NBI was a medical insurance billing and consulting company offering its services
23 to healthcare providers nationwide, including multiple providers in southern
24 California.

25 9. RST is a corporation organized and existing under the laws of the
26 State of Nevada, with its principal place of business in Clark County, Nevada. At
27 all times relevant to the events described in this Complaint, RST was the creator of
28 Sanexas, and distributor of Sanexas to healthcare providers nationwide, including

1 multiple providers in southern California.

2 10. Kareo is a corporation organized and existing under the laws of the
3 State of California, with its principal place of business in Orange County,
4 California. At all times relevant to the events described in this Complaint, Kareo
5 provided medical billing services by means of an online medical billing and
6 electronic medical records (“EMR”) platform to healthcare providers and insurance
7 billing companies nationwide, including NBI.

8 11. At all times relevant to the events described in this Complaint, there
9 existed a profit-sharing relationship among Defendants, whereby RST sold
10 Sanexas to Plaintiffs and referred them to NBI for billing services. NBI in turn
11 provided billing services to Plaintiffs by billing Sanexas to Medicare and other
12 insurance plans through Kareo’s billing platform. Plaintiffs did not have an
13 independent agreement with Kareo, nor had access to the medical billing portion of
14 Kareo’s platform. Instead, use of Kareo’s platform was embedded into Plaintiffs’
15 agreement with NBI, and NBI alone had access to the medical billing portion of
16 Kareo’s platform. It is Plaintiffs’ understanding that there is a contractual
17 agreement between RST and NBI, and NBI and Kareo.

18 12. Accordingly, at all times relevant to the events described in this
19 Complaint, on information and belief, each Defendant in this action was the agent,
20 authorized representative, joint venturer, or partner of each other Defendant, and in
21 engaging in the conduct alleged in this Complaint, did so jointly and for a common
22 purpose, within the course and scope of its agency, representation, joint venture, or
23 partnership, in order to further its own, and each other’s financial interests.
24 Defendants, and each of them, acted with the knowledge, notification, consent, and
25 ratification of each of the other Defendants. All the acts taken by any employees or
26 agents of any of the Defendants were in fact ratified and adopted by the managing
27 personnel of each named Defendant.

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1 **III. JURISDICTION AND VENUE**

2 13. The Court has subject matter jurisdiction to all claims alleged in the
3 Complaint pursuant to 28 U.S.C. § 1332, as the parties are completely diverse in
4 citizenship and the amount in controversy exceeds \$75,000.

5 14. The Court has personal jurisdiction over Kareo, as it is incorporated in
6 California, and has its principal place of business in Orange County California.
7 The Court also has personal jurisdiction over RST and NBI as they regularly and
8 continuously avail themselves of the privilege of conducting business in the State
9 of California, thereby invoking the benefits and protections of California law.
10 Furthermore, all of Plaintiffs’ billings for Sanexas treatments are performed by
11 NBI through Kareo’s platform in Orange County, California.

12 15. Venue is proper in this District under 28 U.S.C. § 1391(b)(2), as a
13 substantial part of the material events—billing for Sanexas treatments—occurred
14 through Kareo in Orange County, California. Alternatively, venue is proper in this
15 District under 28 U.S.C. § 1391(b)(3), because there is no other appropriate venue
16 under 28 U.S.C. §§ 1391(b)(1) or (b)(2), and at least one Defendant is subject to
17 the Court’s personal jurisdiction in this District.

18 **IV. THE MEDICARE PROGRAM**

19 16. Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395, et seq.,
20 establishes the Health Insurance for the Aged and Disabled Program, commonly
21 referred to as the Medicare Program (the “Medicare Program” or “Medicare”).

22 17. The Medicare Program is comprised of four parts: A, B, C, and D.

23 18. Medicare Part B provides federal government funds to help pay for,
24 among other things, physician services. *See generally* 42 U.S.C. §§ 1395j –
25 1395w-5.

26 19. Medicare Part B is funded by insurance premiums paid by enrolled
27 Medicare beneficiaries and by contributions from the federal treasury. Eligible
28 individuals may enroll in Part B to obtain benefits in return for payments of

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