

GURBIR S. GREWAL  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiff  
Richard J. Hughes Justice Complex  
25 Market Street  
P.O. Box 117  
Trenton, New Jersey 08625-0117

By: Ashleigh B. Shelton  
Deputy Attorney General  
NJ Attorney ID: 294162019  
(609) 376-2965  
Ashleigh.Shelton@law.njoag.gov

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION - OCEAN COUNTY  
DOCKET NO. OCN-L-1917

MARLENE CARIDE<sup>1</sup>, )  
COMMISSIONER OF THE NEW )  
JERSEY DEPARTMENT OF )  
BANKING AND INSURANCE, et )  
al., )  
 )  
Plaintiffs, )  
 )  
v. )  
 )  
RICHARD STARK and ELMORA )  
WELLNESS CENTER, LLC, et )  
al, )

Civil Action

**ORDER FOR FINAL JUDGMENT BY  
DEFAULT**

Defendants.

THIS MATTER HAVING BEEN opened to the Court on the application of Gurbir S. Grewal, Attorney General of New Jersey, (by Ashleigh B. Shelton, Deputy Attorney General, appearing),

---

<sup>1</sup> This action was commenced on behalf of Richard J. Badolato, former Commissioner of the Department of Banking and Insurance ("Department"). Pursuant to R. 4:34-4, the caption has been revised to reflect the current Commissioner of the Department.

attorney for Plaintiff, Marlene Caride, Commissioner of the New Jersey Department of Banking and Insurance on a motion for judgment by default; and

Defendants, Richard Stark ("Defendant Stark") and Elmora Wellness Center, LLC ("Defendant Elmora") (collectively, "Stark Defendants"), having been duly served with a copy of the Summons and Complaint in the above-captioned action and default having been entered for failure to appear, answer, or otherwise defend;

This Court now finds that the Stark Defendants violated the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 to -30 ("Fraud Act") by knowingly submitting claims for payment to Allstate Insurance Company and their subsidiaries, including Allstate New Jersey P and C Insurance, Allstate New Jersey Ins Co, and Encompass Insurance Company of NJ (collectively, "Allstate Subsidiaries"), on behalf of patients who were procured illegally, and by knowingly assisting and conspiring with another person to violate provisions of the Fraud Act; and

FINAL JUDGMENT is on this **26** day of **February** 2021, entered in the amount of \$23,785.00 against the Stark Defendants and in favor of Plaintiff, Marlene Caride, Commissioner of the New Jersey Department of Banking and Insurance, as follows:

1. \$21,000.00 in civil penalties, joint and several against Defendant Stark and Defendant Elmora, for 21 violations of

the Fraud Act, pursuant to N.J.S.A. 17:33A-5(b);

2. Attorneys' fees of \$785.00, pursuant to N.J.S.A. 17:33A-5(b), joint and several against Defendant Stark and Defendant Elmora;

3. A statutory fraud surcharge of \$1,000.00, against Defendant Stark individually, pursuant to N.J.S.A. 17:33A-5.1; and

4. A statutory fraud surcharge of \$1,000.00, against Defendant Elmora individually, pursuant to N.J.S.A. 17:33A-5.1; and

IT IS FURTHER ORDERED, that a copy of this Order be served upon the Stark Defendants within 5 days of the date of receipt.

/s/ Craig L. Wellerson  
J.S.C.

This motion was:

           Opposed

  X   Unopposed