SUPREME COURT OF THE STATE OF NEW YORK

COUNTY OF NEW YORK

THE CITY OF NEW YORK AND SAMUEL A.A. LEVINE, AS COMMISSIONER OF THE NEW YORK CITY DEPARTMENT OF CONSUMER AND WORKER PROTECTION, Plaintiffs, -against- KOOROSH SHAMTOUB, D.D.S., P.C. d/b/a, CANARSIE FAMILY DENTISTRY and NEW YORK FAMILY DENTISTRY, Defendants.	**VERIFIED COMPLAINT** Index No.: _____

Plaintiffs, by their attorney, STEVEN BANKS, Corporation Counsel of the City of New York, as and for their complaint against the Defendants, allege as follows:

INTRODUCTION

The City of New York and Samuel A.A. Levine as Commissioner of the New York City Department of Consumer and Worker Protection ("DCWP" or the "Department") bring this action against Koorosh Shamtoub, D.D.S., P.C. doing business under the trade name Canarsie Family Dentistry ("CFD"), and against New York Family Dentistry ("NYFD", and together with CFD, "Defendants" or the "Dental Offices"), and allege, upon information and belief, as follows:

PRELIMINARY STATEMENT

1. For many consumers of all ages, visiting the dentist is often associated with anxiety. In fact, nearly three out of four adults fear going to the dentist, according to a study published in

the Journal of the American Dental Association.[1] Yet dental care is essential; it is necessary to treat pain, to prevent infection, to maintain overall health, and maintain a good quality of life.

2. Consumers who seek dental treatment, particularly for urgent or painful conditions, or for serious infections, do so out of necessity, and with the expectation that they will receive fair, honest, and professional care consistent with the ethical obligations and standards governing the dental profession. [2]

3. When choosing a dental provider, consumers reasonably rely on representations about various dental offices' policies regarding cost of services and payment, including whether the provider accepts their insurance (medical and dental), and if the dental provider will submit claims on their behalf. This reliance is especially important because oral healthcare is often expensive, and insurance coverage plays a critical role in making care affordable to consumers, regardless of their income level or status.

4. Particularly when New Yorkers find themselves in pain or have a child dealing with dental trauma from a fall or accident, and need urgent care, consumers are not in the position to scour various dental offices' payment policies, or sit on the phone with their insurance providers themselves. This is when consumers are at their most vulnerable — and this is precisely when Defendants take advantage of consumers.

5. Consumers seeking urgent dental treatment are often in pain, distressed, and unable reasonably to protect their own interests or meaningfully evaluate treatment, costs, insurance,

[1] "A census-matched survey of dental fear and fear-treatment interest in the United States", Vol. 156, Issue 9, pps. 769-705.e3, Journal of the American Dental Ass'n. (September 2025), *available at* https://www.sciencedirect.com/science/article/abs/pii/S0002817725004027?via%3Dihub.

[2] *See* "The Principles of Ethics and Code of Professional Conduct of the New York State Dental Association", *available at* https://www.nysdental.org/docs/statenynewyorklibraries/default-document-library/the-principles-of-ethics-and-code-of-professional-conduct.pdf?sfvrsn=749e975c_6.

and financing options. Defendants exploit these circumstances through practices that are both deceptive and unconscionable.

6. Defendants respectively operate the Dental Offices in Brooklyn and both advertise low-cost or affordable dental services to consumers, including those seeking urgent treatment for painful dental conditions.

7. The Dental Offices use the same playbook to deceive consumers: Defendants both advertise that they accept major insurance plans—including dental, PPO and indemnity plans—and advertise offers or deals for bundles of services they market as affordable. For example, on NYFD's main website, https://newyorkfamilydentistry.com/index.php, an emergency visit is advertised as "$99", and NYFD represents that this includes "a problem focused exam, x-rays needed, and necessary medication prescriptions."

8. However, NYFD fails to disclose the key limitation to this offer that this price does not include any additional procedure that might be necessary to treat the actual emergency, and often fails to disclose additional cost until the patient is in the dental chair already.

9. In fact, even during non-emergency visits to the Dental Offices, consumers regularly find themselves being "upsold" and pressured into additional treatments or services Defendants say are necessary, but often are not covered by insurers. This puts patients in a difficult situation where they are facing costs far exceeding what they expected when they sought treatment.

10. Then, once patients agree to receive the additional services, Defendants frequently refuse or fail to submit insurance claims in contravention of their advertisements, misrepresent the availability of insurance coverage, and instead pressure or induce patients—often while they are in pain or otherwise vulnerable—to apply for third-party medical payment products without

adequately disclosing that such products are in fact loans, and that enrolling in these financing products could ultimately impact a consumer's financial health and access to credit.

11. Defendants push these medical payment products[3] on patients after providing their professional opinion that consumers require treatment far beyond the original advertised cost of the exam or services for which they came in, and after Defendants disclose that, contrary to what Defendants' advertisements represent, the consumer's insurance plan is not in fact accepted by the office.

12. Defendants have an incentive to convince patients to use these payment products: When consumers use one of these products, the Dental Offices receive immediate payment in full made by the financial product's bank, without having to negotiate with insurance companies or other third-party payors, and without having to only accept a portion of the total amount the consumer will owe. In other words, having consumers use these medical payment products to pay for their treatments and services means immediate profit for the Dental Offices.

13. Defendants take advantage of consumers once they are seated in the dental chair, and who are particularly vulnerable due to age, financial circumstances, limited familiarity with consumer credit products, dental pain, anxiety associated with treatment, and the urgent nature of the dental conditions for which they seek care. These circumstances impair consumers' ability reasonably to protect their own interests and increase the likelihood that they will rely on Defendants' representations regarding necessary services, insurance coverage, treatment costs, and financing options.

14. The consequences consumers face for utilizing these payment products can be dire, and Defendants fail to fully disclose those consequences to patients before urging them to use

[3] Medical payment products are defined as open-ended or closed-ended financial products specifically offered for the payment of health care services, including dental treatments.

such products. Many of the payment products Defendants promote are consumer credit products, including medical credit cards. Such products often carry annual percentage rates ("APRs") of approximately 26.99 percent and may impose substantial interest charges, fees, deferred-interest obligations, and other financial penalties.[4]

15. In fact, Defendants regularly enroll consumers into these financing products without ever disclosing *any* of the consumer credit products' many critical terms and conditions, including those that waive legal rights, such as mandatory arbitration clauses.[5]

16. The Dental Offices' staff members not only fail to disclose critical terms of these medical payment products, but, in some cases, actually sign patients up for these loans without their consent or knowledge. The result: Patients desperately in need of care end up on the hook for hundreds or thousands of dollars of unexpected medical debt.

17. After receiving numerous alarming complaints regarding Defendants' pattern of deceptive and unconscionable conduct, DCWP, the agency charged with protecting New Yorkers from deceptive, unfair, and unconscionable business practices, opened an investigation into the Dental Offices.

18. As part of its investigation, the Department reviewed consumer complaints submitted to DCWP, the Better Business Bureau, and online platforms such as Yelp and Google; interviewed affected consumers; and examined Defendants' public advertising and website representations.

19. The Department has determined that Defendants' conduct violates the New York City Consumer Protection Law. With this action, the Department seeks to enjoin Defendants from continuing to deceive their patients by misrepresenting or omitting material information

[4] https://prospect.org/2025/05/28/2025-05-28-predatory-lenders-operating-room-medical-credit-cards/
[5] *See, e.g.,* https://www.carecredit.com/YourTerms/.

regarding the third-party lending products Defendants are inducing their patients to apply for, and from continuing to publish deceptive advertisements on their respective websites. The Department further seeks to obtain restitution for aggrieved consumers, civil penalties, and such other relief as authorized by section 2203(h) of Chapter 64 of the New York City Charter ("Charter"), the New York City Administrative Code (the "NYC Code"), and the Rules of the City of New York (the "Rules" or "RCNY").

20. Unless enjoined by this Court, Defendants' deceptive practices will continue to exploit, prey upon, and significantly harm New York consumers seeking essential dental care.

PARTIES

21. Plaintiff, City of New York, is a municipal corporation incorporated under the laws of the State of New York.

22. DCWP is an agency of the City of New York responsible for protecting and enhancing the daily economic lives of New Yorkers to create thriving communities.

23. Plaintiff Samuel A.A. Levine is the Commissioner of DCWP and is empowered under section 2203 of the New York City Charter to enforce the Consumer Protection Law and the Rules.

24. Defendant Koorosh Shamtoub, D.D.S., P.C., which operates under the trade name Canarsie Family Dentistry, is a domestic professional service corporation organized under the laws of the State of New York and registered with the New York Department of State.

25. Upon information and belief, CFD maintains its principal executive office and provides dental services at 9413 Flatlands Avenue, Suite 102W, Brooklyn, New York 11236.

26. Upon information and belief, CFD is authorized and registered with the New York State Education Department to practice dentistry in New York State.

27. At all relevant times, CFD has advertised dental treatments and oral health services, and has engaged with consumers in New York City for the provision of dental services.

28. Defendant New York Family Dentistry is a domestic professional service corporation organized under the laws of the State of New York and registered with the New York Department of State.

29. Upon information and belief, NYFD is authorized and registered with the New York State Education Department to practice dentistry in New York State.

30. At all relevant times, NYFD has advertised dental treatments and oral health services, and has engaged with consumers for the provision of dental services at multiple locations.

31. Upon information and belief, NYFD owns, operates, manages, and/or controls several dental offices in Brooklyn, New York, including offices operating under the names Avenue L Family Dental, located at 9323 Avenue L, Brooklyn, New York 11236; Flatlands Family Dental, located at 7919 Flatlands Avenue, Brooklyn, New York 11236; and Canarsie Cosmetic Family Dental.

32. Upon information and belief, CFD operates separately and independently from NYFD.

33. At all relevant times, Defendants, each of them, have transacted business within the City of New York and have engaged in acts and practices affecting consumers within the City of New York.

VENUE

34. Venue is proper under New York Civil Practice Law and Rules § 503(a) because DCWP's principal office is located at 42 Broadway in New York County, New York City.

RELEVANT LAW

35. The New York City Charter § 2203(d) authorizes DCWP to enforce NYC Code § 20-700 *et seq* and 6 RCNY § 5-01 *et seq* (collectively, the "Consumer Protection Law" or "CPL"), which bars "any deceptive or unconscionable trade practice in the sale, lease, rental, or loan of any consumer goods or services[.]" NYC Code § 20-700. "To establish a cause of action under [the CPL] it need not be shown that consumers are being or were actually injured." NYC Code § 20-703(j).

36. It is a deceptive trade practice to make a "false… or misleading… written, digital, or electronic statement, visual description or other representation or omission of any kind made in connection with the sale, lease, rental, or loan or in connection with the offering for sale, lease, rental or loan of consumer goods or services … which has the capacity, tendency or effect of directly or indirectly deceiving or misleading consumers[.]" NYC Code § 20-701(a).

37. Specifically, deceptive trade practices include, "the use, in any representation, of exaggeration, innuendo or ambiguity as to a material fact, or failure to state a material fact if such use deceives or tends to deceive," NYC Code § 20-701(a)(2), and "offering goods or services with the intent not to sell them as offered, including by failing to disclose clearly and conspicuously all material exclusions, reservations, limitations, modifications or conditions on such offer", NYC Code § 20-701(a)(4).

38. The Rules state, "[s]ellers offering consumer goods or services in print advertising and promotional literature must disclose clearly and conspicuously all material exclusions, reservations, limitations, modification or conditions. A disclosure made in print at least one-third as large as the largest print used in the advertisement or promotional literature satisfies this section." 6 RCNY § 5-09.

39. Violations of the CPL occurring on or after January 24, 2022, carry civil penalties from $350 to $2,500 per violation, and $3,500 for "knowing" violations. NYC Code § 20-703(a)-(d).

40. "Each individual statement, description or other representation or omission that constitutes a deceptive trade practice shall give rise to a distinct and independent violation." NYC Code § 20-703(b).

41. "Each day on which an individual statement, description or other representation or omission that constitutes a deceptive trade practice is distributed, broadcast, posted, published, or otherwise exposed to the public shall give rise to a single separate violation." NYC Code § 20-703(c).

42. Whenever any person has engaged in any act or practice which constitutes a violation of the CPL, the City may bring an action seeking an order enjoining such acts or practices, imposing civil penalties, and compelling the payment of consumer restitution and DCWP's investigation costs. NYC Code §§ 20-703(e), (g).

STATEMENT OF FACTS

I. Defendants Operate Dental Offices Serving Consumers in Brooklyn

43. Defendant Canarsie Family Dentistry operates a dental practice located at 9413 Flatlands Avenue, in the Canarsie neighborhood of Brooklyn, New York. It advertises its services on its website, https://canarsiefamilydentistry.com (the "CFD Website").

44. Defendant New York Family Dentistry operates multiple dental offices serving patients in Brooklyn, including offices operating under the names Canarsie Cosmetic Family Dental, Avenue L Family Dental, and Flatlands Family Dental. NYFD advertises its services,

and those of its three office locations, on its website, https://newyorkfamilydentistry.com/index.php (the "NYFD Website").

45. Defendants both target consumers in the broader Canarsie, Brooklyn community by offering a range of dental treatments, including routine dental care, pediatric dental care, cosmetic dental services, treatment for urgent dental emergencies, and cosmetic services beyond dental treatments—such as wrinkle reduction treatments.

46. According to a recent study conducted by New York City, the Canarsie community is predominantly African American (84%), with 46% hailing from the West Indies, and approximately 8% of the population is Hispanic/Latino. Canarsie has a median household income of $71,393.[6]

47. Because dental care can be expensive, but traditional medical health insurance often will not cover many dental services, and because dental insurance is often paid for by consumers rather than provided by employers or available through public benefits, when looking for a dentist, consumers note whether dentists accept whatever insurance plan they have, and pay special attention to any prices disclosed by dentists.

48. Consumers reasonably rely on providers' representations regarding whether a particular dental office accepts insurance, what insurance plans are accepted, and how to obtain insurance coverage for services or treatment when choosing a dentist.

49. The Dental Offices promote their respective dental services, and represent that they accept insurance, through advertising campaigns targeting the surrounding neighborhoods by the use of exterior storefront signage and window displays—in addition to using their websites, social media accounts, online business listings, brochures, and other promotional

[6]New York City Department of Small Business Services, *Avenue NYC Commercial District Needs Assessment: Canarsie* (New York: NYC SBS), pg. 2, avenyc-cdna-canarsie.pdf.

materials. Across these advertising channels, Defendants consistently emphasize that consumers can use most insurance plans at the Dental Offices, the Dental Offices' affordability, promotional pricing, and convenient payment options in order to attract consumers seeking dental treatment.

50. Defendants' exterior signage prominently displays their representations (echoed by Defendants in their online advertisements) regarding insurance acceptance, affordability, and ease of obtaining dental care, and are intended to induce prospective patients to enter the offices for treatment.

51. For example, the exterior signage at NYFD's Canarsie office prominently advertises "Most Insurances Accepted," and that it welcomes "Walk-Ins," and offers "FREE CONSULTATIONS." These representations communicate to reasonable consumers that they can obtain dental treatment using their insurance, and will face little or no upfront cost, thereby encouraging consumers seeking affordable dental care to enter the office.

[7]

52. Likewise, the exterior signage at NYFD's Flatlands Family Dental office prominently states "All smiles & insurance accepted." This representation reinforces the message that insured consumers can readily utilize their dental insurance when obtaining treatment from NYFD, and conveys no indication that consumers may instead be required to pay thousands of dollars out of pocket or be directed into third-party financing products.

[7] Photograph of the exterior of NYFD's office located at [INSERT ADDRESS], taken by a Department investigator on June [xx], 2026.

II. Defendants' Online Advertisements Include Promises of Affordability and Insurance Coverage

53. Defendants promote their dental services through their websites, social media accounts, online business listings, and other internet-based promotional materials available to the public.[8] Through the CFD and NYFD Websites, associated social media pages, and search-engine-optimized indexed content, Defendants ensure that their representations and offers are

[8] Beginning on or about January 12, 2026, DCWP conducted daily monitoring of the NYFD Website and preserved screenshots documenting the representations described below. Those screenshots, taken on a weekly basis through the commencement of this action, demonstrate that the challenged representations remained publicly displayed throughout that period. Beginning in or about April 2026, DCWP likewise conducted periodic monitoring of the CFD Website and preserved screenshots documenting substantially similar representations, which also remain publicly displayed.

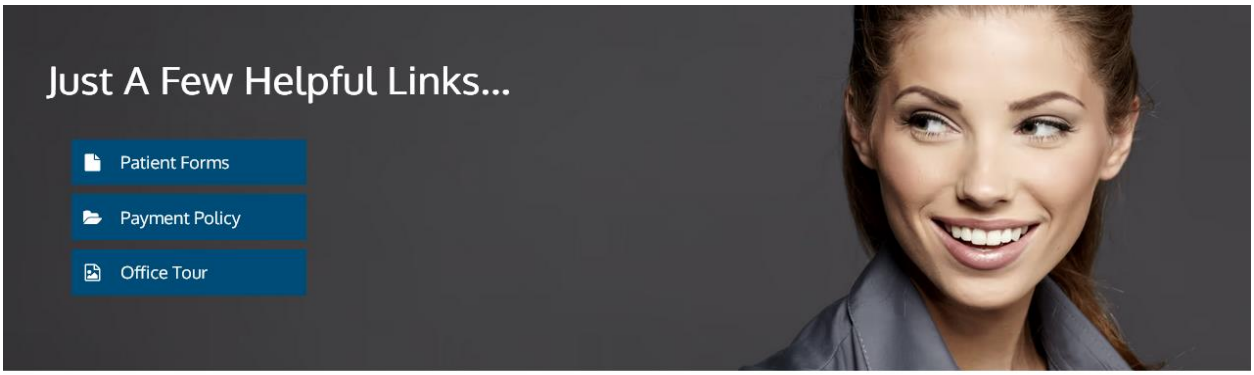
readily accessible to consumers who search online for family or pediatric dentists, affordable dental services, and emergency dental services in the Brooklyn area.[9]

54. Defendants' Websites make a number of representations intended to appeal to consumers, including their acceptance of insurance, and promotional bundled deals. For example, the NYFD Website reads, "We accept most insurance plans and are offering a $199 Dental Hygiene Visit which includes exam, x-rays, and cleaning." The NYFD Website also assures that they accept "most PPO and indemnity plans."

55. These statements, and similar ones, appear throughout NYFD's various webpages accessible from the NYFD Website, including the homepage, the respective location-specific webpages, and payment and insurance-related pages, that are designed to attract and solicit patients seeking dental care.

56. Directly below NYFD's representations that they accept most insurances, and continuing the impression that they work with patients to make their services affordable, NYFD has pasted logos for the medical payment products it markets to consumers as well, giving the impression that these products are similar to insurance plans or payment plans, reasonably causing consumers to be misled about the nature of the payment products.

[9] As part of the pre-suit investigation, the Department conducted searches on Google and Facebook using consumer-oriented terms, and using Canarsie area zip codes. The searches revealed that both Defendants' Websites, Google Business profiles, and social media pages were top hits. DCWP used key words such as "family dentist Canarsie," "affordable dentist Canarsie," "dental emergency 11234," and "emergency dentist near 11236," and Defendants' websites regularly appeared in the top two or three results. These search results demonstrate that Defendants actively market their services to prospective patients seeking affordable, family, and emergency dental care in the Canarsie and Brooklyn areas.



57. Further, in addition to confusingly placing these logos beneath the insurance and payments header, NYFD also fails to provide any explanation of the implications of the financing products' nature as loans, much less their applicable critical terms and conditions, and does not even link to the product pages that may disclose that these logos are for products that are, in fact, loans. This has the tendency and effect of misleading consumers, as seen in the image of the NYFD Website above.

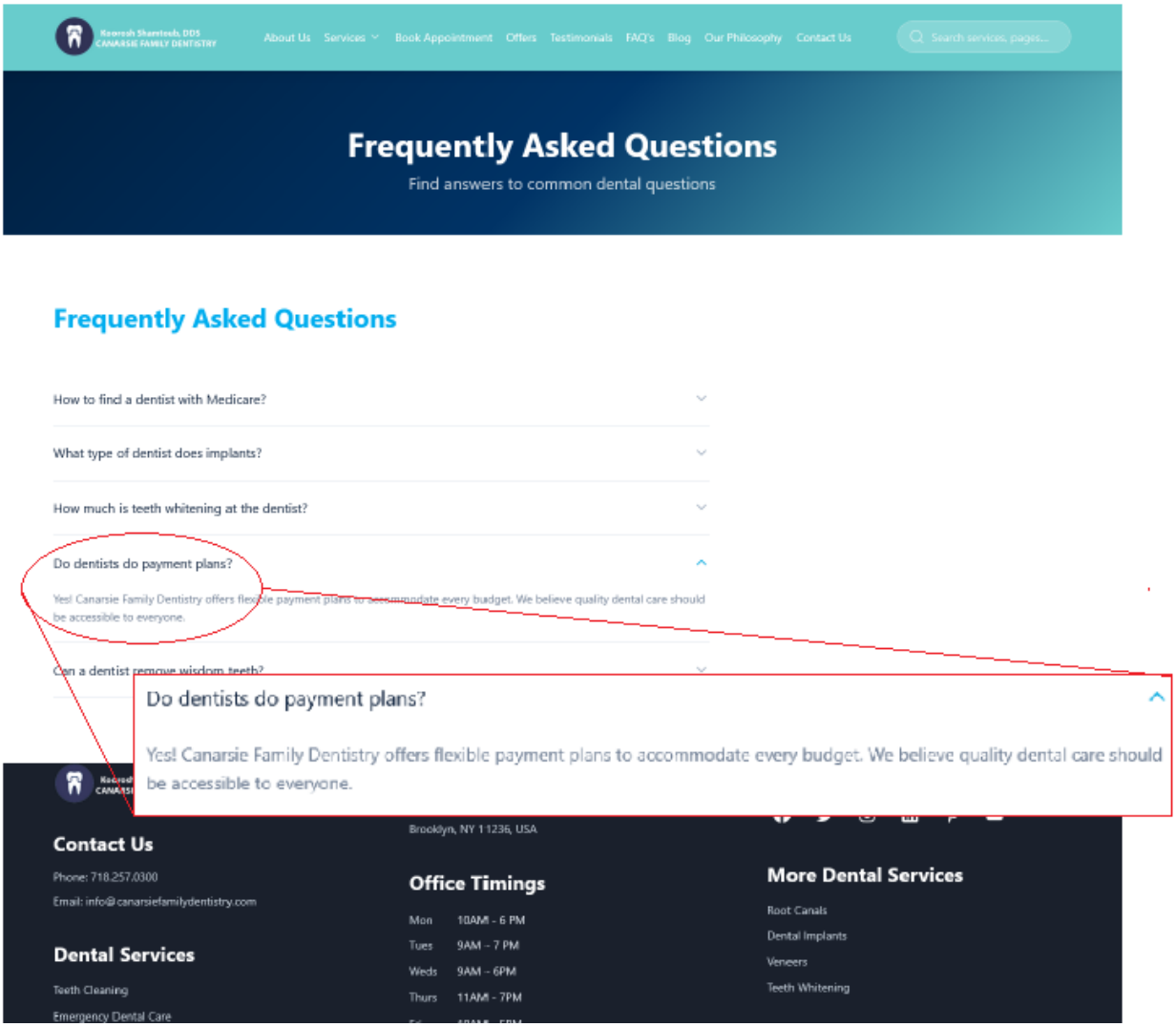
58. This deceptive advertisement is directly tied to how both NYFD and CFD employ their schemes: Luring consumers in under the guise of affordability and willingness to accept insurance, only to then upsell them and/or refuse to actually submit claims to insurers, and instead, directing consumers to enroll in these medical payment products, all while failing to disclose those products' terms and conditions—and even that they are in fact loans.

59. The CFD Website similarly contains representations directed at consumers regarding affordability and payment options. For example, on its homepage, CFD advertises a "SPECIAL OFFER ONLY $140.00" that includes a comprehensive exam, x-rays, and cleaning. Despite this appealing low-cost bundle of dental services, CFD does not disclose that, when consumers come in for this bundled offer, they regularly require additional costly services.

60. CFD further appears to target those who are cost-conscious by also purporting to accept most insurance policies; on its Frequently Asked Questions page, in response to the question "How to find a dentist with Medicare?", the CFD Website states: "At Canarsie Family Dentistry, we work with a variety of insurance plans."

61. The CFD Website also states: "Canarsie Family Dentistry offers flexible payment plans to accommodate every budget. We believe quality dental care should be accessible to everyone." These representations appear on webpages designed to solicit prospective patients seeking routine, cosmetic, and emergency dental care. By describing alternate financing options as “flexible payment plans”, it is understandable that consumers might mistake a medical payment product—a loan extended by a third party—for a straightforward payment installment plan offered by the dental office itself.

62. While NYFD pastes the medical financing product logos on their site but mischaracterizes them as insurance or payment plan options, CFD does not even refer to or paste logos of medical financing products—and instead focuses on the office’s acceptance of insurance as payment, and represents that the office offers payment plans. This focus on payment plans and insurance coverage, together with CFD’s representations that they are affordable, lead consumers to believe that they will be able to pay for dental treatment there without having to resort to seeking third party financing or taking out loans.



63. As evidenced in screenshots taken of the NYFD Website and the CFD Website, Defendants' advertisements are replete with these mischaracterizations and material omissions. The same or substantially similar representations also appear in other promotional materials, including on other webpages, social media, in brochures, advertisements, and in flyers displayed at the Dental Offices, which are directed at prospective patients deciding whether to seek treatment from Defendants.

64. These representations are material, and are likely to mislead a consumer into believing that Defendants participate in, or are in-network with, major health and dental

insurance plans, and that insured patients can obtain covered services at in-network rates, with Defendants submitting and processing claims to insurers in the ordinary course of business.

65. These representations likewise contribute to consumers believing that, when Defendants surprise them with saying a service is *not* covered by insurance, they will instead have the opportunity to pay through a payment plan or via installments made directly to the Dental Offices themselves.

66. As consumers quickly find out, however, Defendants frequently fail to honor the reasonable expectations created by these false advertisements. Consumers are often unable to utilize insurance benefits as advertised, are directed to pay substantial out-of-pocket amounts, and are steered toward third-party financing products presented as affordable payment options or payment plans, all without adequate disclosure of the products' actual natures, costs, or terms.

III. Defendants Refuse to Accept Insurance or to Submit Claims for Payment to Insurers as Advertised

67. Contrary to the statements made in their advertisements, Defendants frequently refuse to accept insurance, demand up front out of pocket payments, or fail to submit insurance claims on behalf of insured patients. And in other circumstances, Defendants' deceptive conduct actually affirmatively obstructs or impedes consumers from utilizing their insurance plans to cover necessary dental services.

68. Defendants regularly lure consumers in with their false representations that they will submit claims to insurers as payment, and then once consumers are in the Dental Offices, upsell consumers for treatments that cost far more than the advertised bundles, and for which they refuse to accept insurance.

69. Defendants' bait-and-switch tactic induces consumers who expect to have their insurance plan pay for their visit to seek dental treatment from Defendants as opposed to other

dentists, only to then have to pay out of pocket or become indebted for the services when Defendants fail to follow through with their representations.

A. Defendants Upsell Consumers Into Services For Which They Refuse to Accept Insurance, Contrary to Their Advertisements

70. Despite advertising that "all major dental insurances" are accepted or that they accept payment from "most insurance plans", "a variety of insurance plans" and "most PPO and indemnity plans," and that they offer "flexible payment plans" that make quality dental care "accessible to everyone," once the Dental Offices have the consumers physically present and seeking treatment (and even in the dental chairs), Defendants tell patients that recommended procedures are not covered by insurance, fail to facilitate the use of consumers'paid-for insurance benefits, and instead confront their patients with quotes for services that require substantial out-of-pocket payments. Defendants then use the sticker shock of these quoted prices that consumers are confronted with to steer or direct them to the third-party medical financing products.

71. Defendants employ this upselling tactic by taking advantage of their positions and unique knowledge as health care professionals to tell consumers that additional expensive treatments are required for the consumers' overall oral and physical wellbeing—and then inform the consumers that this additional necessary treatment is not covered by insurance.

72. In early August 2025, because she did not have a regular dentist and was experiencing acute pain in her upper tooth, in a state of urgency and distress, consumer Krista Kenell sought treatment from Defendant CFD, expecting to utilize her dental insurance to cover the costs. Once she was in CFD's office, which she observed to be dirty and cramped, CFD staff administered numerous x-rays and examinations.

73. Thereafter, a CFD dentist informed Ms. Kenell that she required a root canal to address the tooth causing her pain, and further represented that she required additional dental treatment, including endodontic treatment to remove inflamed pulp and treatment for gum-related issues. Although Ms. Kenell had presented her dental insurance information to office staff, CFD informed her that the recommended procedures would not be covered by her insurance provider, and that she would therefore be required to pay out of pocket for the treatment.

74. Subsequently, a billing representative entered the examination room where Ms. Kenell sat, in pain, and attempted to pressure Ms. Kenell into paying approximately $5,000 upfront for the purported necessary dental work. Despite the availability of insurance coverage for at least some of the recommended treatment, CFD represented that Ms. Kenell would be required to pay the full amount out of pocket before receiving care. CFD thereby caused Ms. Kenell to believe that she could not receive the root canal needed to address her acute pain unless she agreed to pay for multiple recommended treatments upfront. Despite her pain, Ms. Kenell became uncomfortable with the demand for payment, prompting her to leave CFD's office without consenting to or paying for any treatment.

75. On April 8, 2024, consumer Philomena Dadzie was looking for a dental office to obtain her routine dental cleaning. After doing an internet search online for dental offices near her who would accept her insurance, she found NYFD's website. Ms. Dadzie chose to go to one of NYFD's offices, Flatlands Family Dental, specifically because the office represented on its website that it accepted her dental insurance.

76. During her cleaning visit, NYFD engaged in efforts to upsell Ms. Dadzie. NYFD's staff performed x-rays as part of their general dental hygiene visit, and then told Ms.

Dadzie that she required gum treatment, warning that she would lose her teeth without such treatment. Ms. Dadzie was caught off guard, and advised NYFD's staff that she was retired, unemployed, and unable to afford costly procedures. Ms. Dadzie believes that NYFD was so focused on trying to sell her the gum treatment that they did not actually complete the tooth cleaning.

77. Ms. Dadzie was not the only NYFD patient who was induced to select NYFD for dental services based on NYFD's representations regarding insurance coverage, only to be blindsided by staff demanding payment out of pocket for costly treatments: Consumer Rashina Ten had previously been a patient at NYFD's Canarsie Cosmetic & Family Dentistry office as a child, so when Ms. Ten began experiencing a severe toothache, she sought treatment from NYFD. Ms. Ten had Empire Blue Cross Blue Shield health insurance, and when she called the office to inquire whether her insurance would cover the visit and related treatment, NYFD represented that they accepted her insurance for the services she was seeking.

78. Ms. Ten presented to the office in extreme pain, where dental staff informed her that one of her teeth was damaged and would need to be extracted. NYFD staff again assured Ms. Ten that the extraction would be covered by her insurance.

79. NYFD then proceeded to note that Ms. Ten also appeared to have two teeth missing, and began promoting dental implants as a necessary course of treatment, all before extracting the painfully damaged tooth. The NYFD staff member emphasized the importance of dental health, and strongly pressured Ms. Ten to pursue implants immediately.

80. With Ms. Ten in the dental chair and under distress, NYFD's staff caused her to believe that she would not obtain relief from her pain unless she agreed to the full package of

treatments NYFD was presenting to her—the extraction *and* the implants. Ms. Ten simply wanted her excruciating pain to subside, and so she agreed to the full suite of treatments.

B. Defendants' Deceptions Affirmatively Impede Consumers From Enjoying the Benefits of Their Insurance Plans

81. Defendants' deceptive conduct is designed to lure consumers into their offices for a variety of dental needs by advertising "affordable" services and representing that they accept most insurance plans. Once consumers are in the Dental Offices, however, Defendants frequently represent that additional recommended procedures are not covered by insurance, decline to verify or facilitate insurance coverage, refuse to submit claims, fail to provide information necessary for consumers to seek reimbursement, or otherwise steer consumers away from utilizing their insurance benefits. Through these practices, Defendants impede consumers' ability to obtain the benefit of insurance coverage for which they have already paid, and instead direct them toward substantial out-of-pocket payments and third-party financing products.

82. Defendants' conduct routinely forces consumers to forgo use of their dental insurance benefits, either by misrepresenting coverage determinations, refusing to submit claims, providing patients with inaccurate or false information, and/or steering patients toward out-of-pocket or third-party financing arrangements instead of seeking coverage by insurance providers.

83. This conduct further harms consumers whom Defendants had convinced to use their dental services over competitors' by falsely advertising that they accept most insurance plans, as detailed above. Consumers who pay some sort of a premium for coverage—whether dental or medical—and intend to utilize the service they pay for are deprived of doing so by Defendants' actions.

84. Consumer Carol Romain intended to use her dental insurance when she sought dental services from CFD to alleviate ongoing uncomfortable dental pain. Ms. Romain sought

treatment from CFD specifically because the CFD Website represented that they accept most dental insurance plans. Ms. Romain went to her appointment, accompanied by her husband and her daughter.

85. After reviewing Ms. Romain's x-rays and discussing treatment, CFD staff surprised Ms. Romain by telling her that insurance would not cover all of the recommended procedures necessary to relieve her ongoing pain and discomfort, which they said required extraction, a crown, and antibiotics.

86. CFD staff actually refused to even try to submit a claim to Ms. Romain's insurance provider, and—incredibly—also refused to even provide her the procedure codes necessary for her to submit a claim independently.

87. As a result, Ms. Romain was forced to choose between paying approximately $1,500 out of pocket or simply dealing with the pain from the tooth the dentist said had to be extracted. And because CFD further refused to provide the necessary procedure codes, she was unable to even try to obtain reimbursement from her insurance provider herself.

88. Consumer Melva Wilson, an 81-year-old Brooklyn resident and Medicare and Medicaid beneficiary, sought treatment from CFD after scheduling what she believed would be a routine dental cleaning. During the appointment, after beginning the cleaning, a CFD dentist informed Ms. Wilson that she required extensive additional dental work, including partial dentures and crowns. The dentist represented that these services were not covered by her insurance and would therefore cost approximately $8,100 out of pocket.

89. Ms. Wilson relied on CFD's representations regarding insurance coverage. At the time, she maintained dental coverage through her Healthfirst Medicare Advantage ("Healthfirst") plan administered by DentaQuest, as well as Medicaid coverage. CFD represented that it had

contacted her insurance and that the recommended treatment would not be covered. Ms. Wilson was not advised whether CFD had attempted to determine whether Medicaid would provide coverage if DentaQuest had denied it, nor was she provided any meaningful opportunity to verify the asserted lack of coverage before treatment proceeded.

90. After the appointment, however, Ms. Wilson began receiving explanations of benefits from her Medicare Advantage plan indicating that CFD had in fact submitted claims for at least some of the services rendered. Upon contacting DentaQuest, Ms. Wilson learned that CFD had billed her insurer for treatment, while also obtaining full payment from a third-party financing product for the same treatment. Following a grievance investigation initiated by Ms. Wilson, Healthfirst determined that CFD had improperly billed both Ms. Wilson and her insurer for the same dental services, and directed CFD to refund approximately $2,293.

91. Although CFD ultimately credited approximately $2,293 toward the financing account it had convinced Ms. Wilson to obtain after Healthfirst's outreach, Ms. Wilson remained responsible for interest that had accrued on that improperly financed amount during the period it remained part of the loan balance. Through this conduct, CFD deprived Ms. Wilson of the benefit of her insurance coverage while simultaneously causing her to incur unnecessary financing obligations and interest charges.

92. NYFD similarly deceives consumers about insurance coverage, depriving them of utilizing their paid-for benefits. Consumer Alenia Sumpter found herself experiencing severe pain, and sought treatment from NYFD at Flatlands Family Dental. NYFD identified the cause of Ms. Sumpter’s pain as an impacted left wisdom tooth and informed her that it would need to be extracted. However, after performing an examination and x-rays, and after a dentist explained that her pain was being caused due to the impacted wisdom tooth being severely decayed,

NYFD's staff told Ms. Sumpter that the necessary extraction was not covered by her dental insurance, and that, in order for the office to extract the tooth, she would have to pay close to $3,000 total, with approximately $900 upfront.

93. Ms. Sumpter was not provided with any opportunity to verify coverage with her insurer before being presented with this payment demand, nor did the office staff appear to take the time to verify that her insurance would not in fact cover the extraction. Ms. Sumpter found herself having to make an impossible choice: Put up $900 on the spot, or leave the dental office still in pain.

94. Days after Ms. Sumpter had been presented with this dilemma, she contacted her insurance provider, and found out that the extraction procedure had actually been covered by her policy, contrary to what the NYFD staff had claimed. When Ms. Sumpter relayed this information to NYFD and asked for information necessary for her to receive reimbursement from her insurer, NYFD's staff repeatedly provided her with incorrect procedure codes, making it impossible for her to submit her claim.

95. Consumer Tiana Priestly-Howe similarly reported that NYFD staff at Flatlands Family Dental refused to accept her insurance despite their advertisements. Ms. Priestly-Howe had active dental insurance at the time she sought treatment, but NYFD office staff would not submit any claim to her insurance provider, and instead insisted that she pay upfront for services they described as important for her, including Invisalign treatment.

96. Through this conduct, Defendants affirmatively misrepresent the availability and scope of insurance coverage, and interfere with consumers' ability to obtain payment from their insurers.

97. These practices prevent consumers from utilizing the benefits of their paid-for insurance policies, and pressure consumers to incur unnecessary out-of-pocket payments—which, as detailed below, often lead them into predatory and unconscionable financing obligations.

IV. Defendants Trick Consumers Into Applying for Medical Payment Products and Unknowingly Taking On High-Interest Loans

98. After impeding consumers from utilizing their insurance coverage that Defendants deceptively advertised would be accepted, Defendants frequently push consumers to apply for third-party medical financing products to pay for their dental treatments, without ever disclosing critical terms and conditions for those products.

99. As described above, Defendants are incentivized to drive consumers in this direction: While submitting a claim to an insurance company means that Defendants will not receive payment for services immediately, and they may receive a lesser, negotiated payment amount, when a consumer utilizes one of the medical payment products, the Dental Offices receive immediate payment in full.

100. In pressuring and hoodwinking the consumers into enrolling in the medical payment products, Defendants are exploiting the consumers' lack of knowledge or experience, and creating circumstances in which a disparity exists between the services consumers are receiving and the obligations into which the Dental Offices are imposing on consumers—all so that Defendants can receive their profits expediently and without any regard to the effect on the consumers.

A. Defendants Mischaracterize Medical Payment Products and Omit Material Financing Terms

101. Defendants' deception concerning the medical payment products includes mischaracterizing financing products as office-administered payment or installment plans rather

than loans, and knowingly omitting material terms and conditions of the financing obligations consumers are taking on.

102. For example, one of the medical payment products the Dental Offices push consumers to use, CareCredit, advertises as interest-free for the first six months. CareCredit accounts function as consumer credit accounts that allow healthcare providers to receive immediate payment while creating repayment obligations for the patient. Although such products may be marketed as interest-free for a limited promotional period, they impose significant interest charges, deferred interest obligations, and financial penalties if balances are not paid within the promotional period or if payments are made late.

103. All of the medical payment products the Dental Offices deceptively pressure consumers to use are consumer credit or lending products that create repayment obligations for patients, and often result in substantial interest charges, fees, or other financial penalties. These products have complicated terms and conditions, and—while many are advertised as interest-free financing options[10]like CareCredit—all of these products have significant potential penalties for late or missed payments, and interest rates that exceed most states' usury laws if and when consumers are unable to make payments.

104. Defendants characterize these products to consumers as simple or low-cost "payment plans"—just as the NYFD Website does—without disclosing or explaining their material terms, including doing so while consumers are in the midst of receiving treatment, seated in dental chairs in pain, or otherwise in a vulnerable condition.

105. When they suggest that consumers enroll in these financing options, Defendants fail to inform consumers of the interest rate that applies if they do not pay off the entire loan

[10] *See, e.g.,* https://www.lanehealth.com/post/top-medical-credit-cards-to-manage-healthcare-expenses-a-comprehensive-guide.

balance during the six-month promotional period (sometimes as high as 30%), and how other fees—such as for late payments—could result in an increase in the amount they owe, even after making payments.

106. Critically, Defendants do not ever disclose to consumers that any deferred interest actually accrues during the promotional period, and if the balance is not paid in full by the end of that period, the entire accrued interest is assessed retroactively, resulting in unexpected debt obligations.

107. Additionally, because Defendants misrepresent these credit products as payment plans or insurance-related arrangements, consumers are also deprived of any meaningful opportunity to review, understand, or reject material contractual provisions, terms and conditions—including mandatory arbitration clauses and other clauses that waive legal rights and remedies such as jury trials, and credit reporting authorizations.

108. Returning to what occurred during Ms. Dadzie's visit to NYFD as described above, after NYFD staff told her that she required gum treatment, despite her having presented for a routine cleaning, Ms. Dadzie responded to NYFD staff that she was retired and could not afford such treatment. NYFD staff stated that because insurance would not cover the recommended procedures, she could still obtain the necessary care, but she would need to arrange payment directly with the office.

109. NYFD staff then encouraged Ms. Dadzie to explore "alternative payment methods," representing that the cost would be addressed through a small monthly payment plan offered through the office and third-party financing. At that time, Ms. Dadzie understood she was agreeing to an in-office payment plan, and would be receiving periodic billing statements

from the dental office. She certainly did not believe she was signing up for a loan or credit account.

110. In reality, the purported "payment plan" NYFD arranged for Ms. Dadzie was a loan in her name in the approximate amount of $4,796.22. NYFD did not disclose the true nature of the financing arrangement, or the material terms of the resulting credit obligation.

111. Ms. Dadzie only realized that the "payment plan" was in fact a loan taken in her name when she later received billing and collection-related notices reflecting her indebtedness to Comenity Capital Bank.[11] Ms. Dadzie did not understand that she was applying for or incurring a loan or credit obligation, and NYFD staff never advised her to see whether the treatment could potentially be reimbursed by her insurance.

112. In fact, Ms. Dadzie ultimately received only two of the four recommended gum treatments, despite having been enrolled to take out the loan for the entire amount—meaning NYFD was paid in full despite not even providing all of the services for which it was paid.

113. Since then, Ms. Dadzie's account has been placed with Midland Credit Management, a debt collector, who has been aggressively collecting this debt. Ms. Dadzie is 72 years old and relies solely on Social Security income, further exacerbating the harm caused by NYFD's deceptive conduct.

114. CFD staff similarly deceived Timon Dominic about what he was signing up for when he visited CFD for dental services. CFD's staff told Timon Dominic he was "just signing an application" when they asked for his signature related to payment; however, it turned out that

[11] Comenity Capital Bank is the lender who issues Alphaeon Credit accounts—one of the medical payment products advertised by NYFD under its "Payments & Dental Insurance" webpages for its dental offices. *See* https://goalphaeon.com/frequently-asked-questions.

he had signed an application for CareCredit without knowing that the document was an application for a credit account.

115. Likewise, as noted earlier, NYFD staff refused to submit a claim to Ms. Priestly-Howe's insurance, stating that her insurance would not cover the Invisalign treatment the dentists said she needed, and that she would therefore be required to pay out of pocket. NYFD then directed Ms. Priestly-Howe to sign up for CareCredit in order to proceed with treatment. Ms. Priestly-Howe did not understand that she was applying for a credit account at the time she signed the documents, and believed she was agreeing to a payment option arranged by the office, since the staff behind reception were the ones providing her with the forms.

116. Before filling out the documents for the medical payment product – which Ms. Priestly-Howe believed was merely a payment plan—she asked the NYFD staff whether the Invisalign was medically necessary, but instead of providing a direct response or clinical explanation, NYFD simply continued to promote the treatment and advised her it was needed because without it, her teeth could "break." This caused Ms. Priestly-Howe significant fear, and concern about her dental health, and convinced Ms. Priestly-Howe to proceed with the treatment and sign the CareCredit agreement without being informed of any terms or conditions, or even understanding that this was a consumer credit account.

B. Defendants Enroll Consumers in Credit Products Without Their Knowledge or Informed Consent

117. Defendants' misconduct extends beyond concealing material financing terms. In numerous instances, consumers did not know they were applying for a credit product,

authorizing a loan, or incurring a consumer debt obligation at all. These transactions exploit the trust patients have in their medical providers and unfairly take advantage of the consumers.

118. Rather than obtaining consumers' informed consent to open credit accounts, Defendants present financing documents as routine intake paperwork or insurance-related forms, obscure the true nature of the transactions, submit credit applications without meaningful disclosure, and, in some instances, cause credit accounts to be opened after consumers had declined, been denied, or otherwise believed they had not agreed to any financing arrangement.

119. As a result, consumers only learned they had incurred substantial loan obligations after treatment had been rendered and they began receiving account statements, collection notices, or other communications from lenders and debt collectors.

120. As described above, during consumer Ms. Romain's visit to CFD to address her dental pain, she was presented with a course of treatment that the office staff quoted would cost over a thousand dollars. While CFD staff insisted that insurance would not cover most of what she required, Ms. Romain continued to ask that she at least be provided with procedure codes to try to submit a claim, but CFD refused to give her the codes.

121. While Ms. Romain remained in the dental chair in pain, CFD staff presented her husband with a document for him to sign, which he believed was necessary for the dentist to submit Ms. Romain's claim to be processed by her insurance provider, as originally requested.

122. However, it was later revealed that CFD staff had actually gone ahead and caused a $3,000 CareCredit account to be opened in Ms. Romain's husband's name, without obtaining informed consent, and the initial payment to CFD was made through the account on the spot.

123. Only after completing Ms. Romain's procedures did CFD inform the couple that they had been approved for a CareCredit account, indicating that the document her husband had

signed was not an authorization for the office to submit an insurance claim, but had in fact been a credit application.

124. Consumer Lola Parchment similarly reported that CFD caused her to incur a consumer credit obligation without her knowledge or informed consent. Ms. Parchment is a 77-year-old Brooklyn resident who sought treatment from CFD after experiencing ongoing dental pain.

125. Before seeking treatment from CFD, Ms. Parchment consulted other dental providers regarding her condition, and learned that the necessary dental work would be costly. Ms. Parchment then contacted her insurance provider for assistance, and her insurer referred her to CFD.

126. When Ms. Parchment arrived at CFD, office staff presented her with paperwork to complete. Ms. Parchment understood the paperwork to consist of routine intake, insurance and treatment-related forms. CFD did not inform her that any of the documents related to financing, consumer credit, or a loan application.

127. During the visit, a CFD staff member informed Ms. Parchment that she required extensive dental work, and quoted her a price of several thousand dollars. Ms. Parchment told CFD that she could not afford the recommended treatment.

128. CFD staff then asked whether a family member could help pay for the treatment. After Ms. Parchment identified her granddaughter, a CFD staff member called the granddaughter and handed the telephone to Ms. Parchment. During that conversation, the granddaughter declined to provide financial assistance.

129. After her granddaughter declined to assist with payment, Ms. Parchment declined the recommended treatment and left CFD's office. Ms. Parchment reports that CFD provided

only a routine cleaning during the visit, which she believed her insurance should have covered, and that she did not knowingly apply for or agree to any financing arrangement.

130. Ms. Parchment further reports that she did not willingly sign any financing agreement, credit application, or loan documents. She understood that she signed only routine intake and treatment-related paperwork.

131. Subsequently, on or about August 2025, Credit Corp Solutions, Inc., filed a lawsuit against Ms. Parchment seeking approximately $5,291 on an alleged debt originating from a CareCredit account reflecting charges associated with CFD.

132. Ms. Parchment disputes the alleged debt, and maintains that she never applied for, authorized, or consented to any CareCredit account, loan, or financing arrangement in connection with her visit to CFD. Upon information and belief, CFD opened, caused to be opened, or utilized a consumer credit account in Ms. Parchment's name despite her not knowingly applying for or authorizing such financing. Further, Ms. Parchment did not even receive the costly treatment for which CFD apparently charged her CareCredit account.

133. Through this conduct, CFD subjected Ms. Parchment to debt-collection litigation concerning a financing obligation that she did not incur, causing confusion, distress, and potential financial harm.

134. CFD likewise caused consumer Ms. Wilson to incur a substantial consumer credit obligation without obtaining her informed consent. While the dentist prepared Ms. Wilson for treatment, an administrative employee completed financing paperwork and placed documents into Ms. Wilson's handbag without explaining their purpose. Ms. Wilson does not recall ever completing or signing an application for financing, authorizing the opening of a consumer credit account, or being informed that she was applying for a loan. As previously noted, Ms. Wilson has

insurance coverage through Medicare Advantage provider DentaQuest, which she believed would cover her treatment.

135. However, shortly after the appointment, Ms. Wilson began receiving billing statements from Alphaeon Credit, issued by Comenity Bank, reflecting an $8,100 balance that had already been disbursed to CFD. Until those statements arrived, Ms. Wilson did not know that a consumer credit account had been opened in her name, or that CFD had financed the cost of treatment through that account.

136. Believing she was obligated to repay the amount the statements indicated she owed, Ms. Wilson made monthly payments for approximately two years. When she attempted to pay the remaining balance in full, the promotional financing period had expired, and Alphaeon assessed more than $3,000 in deferred interest, substantially increasing the amount allegedly owed.

137. Not only did CFD enroll Ms. Wilson into this obligation without her informed consent, but Ms. Wilson had never been informed that deferred interest accrued during the promotional period or that failure to satisfy the balance before the promotional period expired could result in retroactive interest charges.

138. NYFD similarly engages in these same predatory practices. NYFD deceived Rashina Ten, who—as described above—had confirmed that NYFD accepted her Blue Cross Blue Shield insurance before seeking treatment from NYFD. As noted, she believed the extraction necessary to alleviate her pain caused by a damaged tooth would be covered by her insurance, but, while she remained seated in the dental chair awaiting treatment, NYFD's staff were strongly pushing her to additionally get implants where she was missing teeth, which they informed her would not be covered by her insurer.

139. Ms. Ten remained seated in the dental chair in pain, when a member of NYFD's staff strongly encouraged her to apply for financing to pay for the dental implants they were recommending, since staff said this would not be covered by insurance, though they did not appear to have actually verified that with Blue Cross Blue Shield. NYFD staff emphasized the importance of proceeding with the implant procedure and urged her to apply for financing immediately.

140. Ms. Ten understood from NYFD's statements and conduct that the dentists might not proceed with treating the damaged tooth causing her pain unless she applied for financing to cover the cost of the implants as well. Therefore, she complied with the staff's request.

141. NYFD staff then placed an electronic tablet before Ms. Ten while she sat in the chair, and instructed her to put in her personal identifying information, including her Social Security number. After she input her information, Ms. Ten's initial credit application was denied.

142. Subsequently, and without notifying Ms. Ten they were doing so—and certainly without disclosing any of the applicable details, terms or conditions—NYFD used Ms. Ten's personal identifying information she had input into the tablet and opened a CareCredit account in Ms. Ten's name, with an approved credit limit of approximately $6,000, approximately $3,000 of which was instantaneously disbursed to NYFD.

143. Ms. Ten is unaware whether NYFD ever submitted a claim to her insurer for any of the services, including those which staff had originally said were in fact covered. At no point did Ms. Ten knowingly or voluntarily consent to applying for a loan—especially after her initial credit application had been denied, nor did she fully understand the financial obligations she

incurred or ever provide informed consent to applying for a second financing product after her initial credit application had been denied.

144. Ms. Ten left the appointment under the impression that she had not authorized a loan in connection with obtaining the dental services, particularly after her initial credit application was denied. She understood that any charges would first be processed through her insurance with Empire Blue Cross Blue Shield, with any remaining balance, if any, billed to her thereafter.

145. However, after returning home from the appointment, she discovered emails from CareCredit and Synchrony Bank stating that she had been approved for a credit account with a limit of approximately $6,000, and that approximately $3,000 of that credit line had already been paid directly to NYFD.

146. Consumer Vanuska Sylvester reported that a third-party credit account was opened in her name in connection with treatment at NYFD's Flatlands Family Dental office without her knowledge or informed consent. Ms. Sylvester did not understand that she was applying for, authorizing, or otherwise incurring a consumer credit obligation at the time of treatment, and believed any payment arrangement was either an in-office payment plan or subject to insurance billing.

147. After treatment, Ms. Sylvester discovered that a CareCredit/Synchrony Bank account had been opened in her name and that credit activity had been associated with the account. She disputed the account as unauthorized and fraudulent. According to Ms. Sylvester, Synchrony Bank—the lending institution who issues CareCredit products—initially acknowledged the fraudulent nature of the account and indicated that corrective action would be

taken; however, adverse credit reporting associated with the account persisted for an extended period thereafter.

148. Despite notice of the dispute, the fraudulent account was not promptly corrected or removed from Ms. Sylvester's credit profile, resulting in continued adverse credit reporting and financial consequences. Ms. Sylvester further reported that she was required to expend time and resources attempting to resolve the unauthorized account and mitigate resulting harm to her credit.

149. The harm Defendants inflict on consumers from deceiving them into taking on these loan obligations cannot be overstated: These financial obligations often can damage a consumer's credit, subject them to harassing debt collection proceedings, and even impact their physical health by causing them to avoid seeking medical and dental treatment in the future.

FIRST CAUSE OF ACTION

Defendants Engage in False and Misleading Advertising Regarding Insurance Acceptance, Affordable Dental Care, and Payment Options in Violation of NYC Code § 20-700 et seq. at least 186 times as to NYFD, and at least 81 times as to CFD

150. NYC Code § 20-700 prohibits false or misleading representations made in connection with the advertising or sale of consumer goods or services.

151. Beginning on or about January 12, 2026, DCWP periodically captured screenshots of NYFD's website and social media pages documenting the continued publication of the deceptive advertisements described herein. The advertisements remained materially unchanged throughout the investigation and were publicly available through the filing of this action.Beginning in or about April 2026, DCWP periodically captured screenshots of CFD's website and social media pages documenting the continued publication of the deceptive

advertisements described herein. The advertisements remained materially unchanged throughout the investigation and were publicly available through the filing of this action.

152. Based on the repeated observations during the investigation and the continuous public availability of the advertisements through the filing of this action, Plaintiff alleges that the deceptive advertisements remained publicly published on at least 186 days as to NYFD and at least 81 days as to CFD. Plaintiff reserves the right to seek additional penalties for any violations established through discovery or otherwise proven at trial.

153. Defendants repeatedly and persistently violated NYC Code §§ 20-700 and 20-701 by falsely advertising that they accepted consumers' dental insurance, offered affordable dental care, and provided payment options that would make dental treatment financially accessible when such representations were false or misleading. Defendants' deceptive advertising occurred through repeated and discrete public-facing publications and postings, each of which constitutes a separate violation under NYC Code § 20-703(b)-(c).

154. Each false or misleading advertisement constitutes a separate violation. Pursuant to NYC Code § 20-703(a)-(d), Defendants are liable for civil penalties of not less than $350 and not more than $2,500 per violation, and up to $3,500 for each knowing violation.

155. As alleged in paragraphs 49 through 58 and 67 through 149, NYFD's advertisements caused reasonable consumers to believe they could obtain dental treatment using their insurance benefits, receive affordable care, and utilize payment arrangements comparable to those advertised, when NYFD instead frequently represented that insurance would not cover recommended treatment, failed to facilitate insurance claims, and steered consumers toward

third-party financing products.

156. As alleged in paragraphs 59 through 149, CFD likewise published advertisements representing that it accepted insurance, offered affordable care, and provided flexible payment options, while frequently refusing to facilitate consumers' use of insurance benefits and instead directing consumers toward costly financing arrangements.

157. These representations conveyed to reasonable consumers that insured patients could utilize insurance benefits and receive coverage in the ordinary course of business.

158. Defendants' deceptive advertising occurred through repeated and discrete public-facing publications and postings, each of which constitutes a separate violation under NYC Code § 20-703(c).

159. Each day a false or misleading advertisement is publicly published constitutes a separate violation. Pursuant to NYC Code § 20-703(a)-(d), Defendants are liable for civil penalties of not less than $350 and not more than $2,500 per violation, and up to $3,500 for each knowing violation.

SECOND CAUSE OF ACTION

Defendants Engage in Deceptive Practices by Misrepresenting Payment Obligations and Concealing Consumer Credit Financing in Violation of NYC Code § 20-700 et seq. at least 13 times as to NYFD, and at least 8 times as to CFD

160. NYC Code § 20-700 prohibits deceptive trade practices, defined as "[a]ny false, falsely disparaging, or misleading oral or written statement, visual description or other representation of any kind made in connection with the sale, lease, rental or loan or in connection with the offering for sale, lease, rental or loan of consumer goods or services . . . which has the

capacity, tendency or effect of deceiving or misleading consumers." NYC Code § 20-701(a). Deceptive trade practices include but are not limited to "(1) representations that goods or services have characteristics, benefits or qualities that they do not have; (2) the use, in any representation, of exaggeration, innuendo or ambiguity as to a material fact, or failure to state a material fact if such use deceives or tends to deceive; and (7) stating that a consumer transaction involves consumer rights, remedies or obligations that it does not involve."

161. Defendants repeatedly and persistently violated NYC Code §§ 20-700 and 20-701 by misrepresenting and omitting material facts concerning third-party consumer financing products offered in connection with the provision of dental services.

162. Defendants' deceptive practices included characterizing consumer credit products as ordinary payment plans, comparing consumer financing to insurance or in-office payment arrangements, omitting material financing terms and conditions—including interest, deferred interest, repayment obligations, fees, and other material consequences—and presenting financing to consumers while they were in pain, undergoing treatment, or otherwise in a vulnerable position.

163. NYFD violated NYC Code § 20-700 by failing to disclose material terms and conditions of consumer credit financing products, including applicable interest rates, deferred interest accrual, repayment obligations, fees, credit reporting consequences, and other terms necessary for consumers to understand that they were entering into loans rather than payment arrangements.

164. NYFD further engaged in deceptive practices by characterizing consumer credit accounts as "payment plans," "alternative payment methods," or comparable to insurance-based

payment arrangements, thereby obscuring the true nature of the obligations consumers were assuming.

165. Each deceptive representation or omission concerning the nature, terms, or consequences of consumer financing constitutes a separate and distinct violation under NYC Code § 20-703(b)-(c).

166. NYFD committed at least thirteen deceptive acts involving consumer financing products, including acts involving Philomena Dadzie, Rashina Ten, and Tiana Priestly-Howe, by mischaracterizing credit products as payment arrangements, failing to disclose material financing terms, and concealing the nature and consequences of the resulting credit obligations.

167. As alleged in paragraphs 108 through 149, NYFD committed deceptive acts involving consumers Philomena Dadzie, Rashina Ten, and Tiana Priestly-Howe by presenting consumer credit products as payment plans or equivalent payment arrangements while omitting material financing terms, concealing the true nature of the resulting credit obligations, and failing to disclose the consequences of entering into those credit products.

168. CFD similarly violated NYC Code §§ 20-700 and 20-701 by failing to disclose that purported "payment plans" and financing arrangements were consumer credit accounts subject to repayment obligations, interest, fees, adverse credit reporting consequences, and other material terms. CFD further misrepresented the nature of such financing products by characterizing them as ordinary payment arrangements rather than consumer credit obligations, including when consumers were seeking treatment while experiencing pain or other distress.

169. CFD committed at least eight deceptive acts involving consumers Timon Dominic, Melva Wilson, and Carol Romain by characterizing consumer credit products as ordinary payment arrangements, failing to disclose material financing terms, presenting

financing obligations in a misleading manner, and concealing that consumers were incurring consumer debt obligations.

170. Each deceptive representation, omission, concealment, or mischaracterization of a consumer financing obligation constitutes a separate violation under NYC Code § 20-703(a)-(d), subjecting Defendants to civil penalties ranging from $350 to $2,500 per violation, and up to $3,500 for each knowing violation.

THIRD CAUSE OF ACTION

Defendants Engage in Deceptive Practices by Applying for Consumer Credit Products Without Consumers' Knowledge or Authorization in Violation of NYC Code § 20-700 et seq. at least 4 times as to NYFD and at least 4 times as to CFD

171. Defendants engaged in deceptive trade practices by applying for, facilitating, or causing consumers to be enrolled in third-party consumer credit products without the consumers' knowledge, informed consent, or authorization.

172. Defendants' employees submitted, facilitated, caused to be submitted, or otherwise procured consumer credit applications and consumer credit accounts using consumers' personal identifying information without first obtaining consumers' knowing and informed authorization to incur consumer credit obligations, including by presenting financing documents as routine intake paperwork, insurance paperwork, treatment paperwork, or ordinary payment arrangements.

173. NYFD committed at least four deceptive acts by causing or facilitating unauthorized consumer credit accounts or loan enrollments involving consumers Vanuska Sylvester and Rashina Ten, and by causing consumers to incur consumer credit obligations without their knowing authorization or informed consent.

174. CFD committed at least four deceptive acts involving consumers Carol Romain, Lola Parchment, and Melva Wilson by causing or facilitating consumer credit accounts or loan enrollments without consumers' knowledge, informed consent, or authorization, including by presenting financing documents as routine paperwork or otherwise obscuring the nature of the transaction.

175. These unauthorized financing applications occurred without consumers' knowing authorization and resulted in consumers being enrolled in or obligated under consumer credit products they did not knowingly request or authorize.

176. These deceptive practices occurred in connection with, consumers Vanuska Sylvester, Rashina Ten, Carol Romain, Lola Parchment, and Melva Wilson.

177. Each unauthorized application for consumer credit, unauthorized enrollment in a financing product, or other deceptive procurement of consumer financing constitutes a separate violation a separate violation under NYC Code § 20-703(a)-(d), subjecting Defendants to civil penalties ranging from $350 to $2,500 per violation, and up to $3,500 for each knowing violation.

FOURTH CAUSE OF ACTION

Defendants Engage in Deceptive Practices Regarding Insurance Coverage, Claims Processing, and Consumers' Ability to Utilize Insurance Benefits as Advertised in Violation of NYC Code § 20-700 et seq. at least 4 times as to NYFD and at least 3 times as to CFD

178. Defendants represented through advertisements and direct communications that consumers could utilize their dental insurance for treatment and that Defendants accepted consumers' insurance plans and would facilitate the ordinary processing of insurance benefits.

179. Contrary to those representations, Defendants frequently misrepresented insurance coverage, refused to verify or submit insurance claims, refused to provide information necessary for consumers to seek reimbursement, failed to facilitate consumers' use of available insurance benefits, or otherwise diverted consumers from insurance toward out-of-pocket payments and third-party financing.

180. NYFD committed at least four deceptive acts involving Philomena Dadzie, Rashina Ten, Alenia Sumpter, and Tiana Priestly-Howe by refusing to process insurance claims as represented, falsely advising consumers that treatment was not covered, refusing to facilitate reimbursement, or steering consumers away from available insurance benefits.

181. CFD committed at least three deceptive acts involving Krista Kenell, Carol Romain, and Melva Wilson by refusing to submit insurance claims, declining to provide information necessary for reimbursement, misrepresenting coverage determinations, or otherwise failing to process insurance benefits consistent with its advertising and representations.

182. Each refusal to accept insurance or submit insurance claims contrary to Defendants' representations, constitutes a separate violation under NYC Code § 20-703(a)-(d), subjecting Defendants to civil penalties ranging from $350 to $2,500 per violation, and up to $3,500 for each knowing violation.

RELIEF SOUGHT

WHEREFORE, Plaintiffs request that the Court:

1. Enjoin Defendants from continuing to publish the deceptive advertisements including:
    - Misrepresentations regarding the acceptance of dental insurance;

- Misrepresentations regarding the availability or scope of insurance coverage; and
- Failing to include limitations, conditions or disclaimers on offers.

2. Enjoin Defendants from continuing to misrepresent or omit material facts regarding the nature of third-party medical payment products.

3. Order Defendants to pay civil penalties pursuant to NYC Code § 20-703(a) and (d) of between $350-$2500 for each violation, and $3,500 for each knowing violation of NYC Code § 20-700.

4. Order Defendants to pay restitution to all affected customers in an amount to be determined at trial, pursuant to NYC Code § 20-703(g)(3);

5. Order Defendants to pay the City's "costs and disbursements of the action or proceeding and the costs of the city's investigation" pursuant to NYC Code § 20-703(g)(5).

6. Award Plaintiffs such other and further relief that it deems just and proper, including equitable relief such as rescission or voiding of consumer financing obligations to the extent they were obtained through Defendants' deceptive acts and practices.

Dated: July 15, 2026
New York, NY

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