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This article also picked up by the following for print/and or Internet editions:

The Hartford Courant https://www.courant.com/2023/05/03/former-stone-academy-nursing-students-to-file-class-action-lawsuit/

Waterbury Republican-American https://www.rep-am.com/localnews/2023/05/03/former-stone-academy-students-preparing-to-file-class-action-suit/ Page One

New Haven Register https://www.nhregister.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php?src=nhrhpdesecp

Connecticut Post https://www.ctpost.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php

Middletown Press https://www.middletownpress.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php

(Torrington) Register Citizen https://www.registercitizen.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php

The (Norwalk) Hour https://www.thehour.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php

The (Stamford) Advocate https://www.stamfordadvocate.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php

Greenwich Time https://www.greenwichtime.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php

(Danbury) News Times https://www.newstimes.com/news/education/article/former-stone-academy-students-file-class-action-18076949.php

Former Stone Academy nursing students to file class action lawsuit

The Stone Academy officials named in the lawsuit were served with the court documents on Wednesday



A closed building of Stone Academy in West Haven. After the nursing school abruptly closed on Feb. 15, educational plans of hundreds of students are left in limbo. Attorney General William Tong launched an investigation into potential violations of the Connecticut Unfair Trade Practices Act by the for-profit organization in February. Yehyun Kim / CT Mirror

Attorneys for eight former Stone Academy students notified school officials Wednesday that they intend to file a class action lawsuit against the nursing school, which <u>left more than 800</u> students in the dark about their standing when it abruptly shut down earlier this year.

The lawsuit, which will represent the class of students that attended Stone Academy from 2018 until its closure in February, will be filed early next week, the attorneys said.

The complaint says Stone Academy, its owners and trustees — Mark Scheinberg, Joseph Bierbaum and Richard Scheinberg — and the school's CEO Gary Evans failed to deliver on the education the school promised, including by deceiving students about the validity of course work and misleading them for weeks, maybe even months, about its impending closure.

"Stone Academy sold all of these folks a ticket to a sinking ship," said Attorney David Slossberg, of Hurwitz, Sagarin, Slossberg & Knuff LLC, the law firm representing the students. "It's bad enough that it creates such hardship, but the way that it was done is just inexcusable."

Perry Rowthorn, the former deputy attorney general representing Stone Academy, said that the lawsuit "ignores the fact that the Connecticut Office of Higher Education (OHE) and Department of Public Health forced Stone to close on short notice without legal justification."

"We expect plaintiffs' lawyers to join us in demanding that OHE cease its audit and permit a teach out – as has been done in previous school closures. We are reviewing options to ensure that the State and state officials assume legal responsibility for the harms they caused to Stone students that are improperly alleged against the school," Rowthorn said in a written statement. "We will respond to the lawsuit more fully in court at the appropriate time but categorically reject its characterization of the quality of Stone students' education and the circumstances of the school's closure."

The 36-page complaint will be filed in Waterbury Superior Court and alleges breach of contract, breach of implied covenant of good faith and fair dealing, unjust enrichment and several violations against the Connecticut Unfair Trade Practices Act.

The plaintiffs, all women who enrolled at Stone Academy between 2019 and 2022, are among what may be more than 1,000 students who were affected by the for-profit school's closure in February. An audit ordered by the Office of Higher Education is analyzing the program's course and clinical hours for anyone enrolled at one of the three Stone Academy campuses between November 2021 through its closure in February.

Students who have already graduated, passed state exams and have been in the workforce in that time frame are requested to enter a "stipulated agreement" with the Office of Higher Education.

The agreement asks former Stone Academy students to complete a "refresher course," which consists of an eight-hour in-person skills review and 40 hours of clinical experience, or otherwise says the students may be subjected to an investigation into their license and "disciplinary action" if the investigation shows the nurse "did not receive the preparation required by state law and regulation," according to an email sent to students last month.

The nursing school closed its doors amid questions about its examination passage rates, faculty qualifications and clinical training requirements. Since then, about 850 students have been unable to obtain their transcripts while a company hired by the Office of Higher Education audits the academy's records to determine whether students were properly trained and educated.

A \$200,000 contract was signed in late March, and the audit has been underway since.

Until last year, Stone Academy was owned by Mark Scheinberg, the founder and president of Goodwin University in East Hartford. He was forced last May to divest and pay \$1 million to resolve allegations that Stone had concealed a high rate of student loan defaults.

Stone now is held in a trust managed by his stepson, Joseph Bierbaum. Scheinberg's brother, Richard, also is a trustee.

In early April, the state attorney general <u>filed a compliance court order</u> against Richard Scheinberg and Bierbaum after claiming they ignored civil investigative demands regarding their knowledge of the school's academic and financial records.

The complaint alleges that the school "engaged in continuing course of conduct" that denied students a proper education through:

- Unlawful clinical hours;
- Clinical programs that were "in direct contradiction to the Connecticut Board of Nursing Examiners' January 2021 directives";
- Improper clinical supervision;
- Unqualified faculty;
- Failure to retain qualified faculty;
- False advertising;
- Financial interests ahead of the welfare of students;
- Financial interests ahead of patient care;
- Recruiting and admitting new students despite misleading representations of the quality of the program;
- Obtaining tuition despite its closure.

The complaint also states that since the Scheinbergs and Bierbaum managed and controlled Stone Academy, including by attending Connecticut Board of Nursing Examiner meetings and hiring and firing staff, their conduct was "taken with reckless and wanton disregard of Plaintiffs' rights and/or knowledge of the wrongdoings at issue."

The complaint also alleges Evans, who served as the schools' CEO from October 2021 through its closure, had similar responsibilities as the Scheinbergs and Bierbaum, in addition to representing the school and setting its enrollment goals, which ultimately were "unfair and deceptive acts and/or practices within the meaning of the Connecticut Unfair Trade Practices Act."

Beyond the three counts of violations against the Connecticut Unfair Trade Practices Act, the complaint also argues the school breached its contract with its students to provide educational services, "did not provide its duty of good faith and fair dealing under the terms of the standard, common contract between them" and the Scheinbergs, Bierbaum and Evans were "enriched" by receiving tuition money without providing proper services in exchange.

The plaintiffs are seeking an award for compensatory damages, consequential damages, prejudgement interest, fees and costs allowed by law, and any additional relief the court "may deem just and proper," according to the complaint.

How much that might be won't be clear until the litigation begins.

"We think it's going to be significant, and it should be," Slossberg said. "The system can only do so much to help the people who are victims of these kinds of bad business practices. In some

degree, you can get money, but some people can't go back to their degrees or the time they took, or they have families and all those hardships. It's very hard to make somebody [feel] whole."