

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

In the Matter of CAREPATROL, INC., a corporation.)))))))))	Docket No. C-4379
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COMPLAINT

The Federal Trade Commission, having reason to believe that CarePatrol, Inc. (“CarePatrol” or “respondent”) has violated provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent is an Arizona corporation with its principal office or place of business at 625 N. Gilbert Rd., Ste. 200, Gilbert, Arizona 85234. Respondent provides its services through 18 franchises located in 12 states.

2. Respondent advertises that its “senior care consultants” offer consumers free assistance in obtaining placements at assisted living communities and other facilities which provide care for the frail elderly. CarePatrol states that it receives compensation for its placement services from the facilities at which it makes its placements.

3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.

4. There are least 39,000 assisted living facilities in the United States, as well as thousands of smaller, residential care homes which provide assistance and living arrangements for the frail elderly. Many states have one thousand or more such facilities and homes.

5. Respondent has disseminated or has caused the dissemination of promotional materials for its placement services through web-based advertising. *See, e.g.*, Exhibits A through C, attached hereto. CarePatrol’s promotional materials contain the following statements or depictions:

a. **CarePatrol's Web Site:**

Safe, Pre-Screened, Qualified Providers Fast & Easy

Families usually do not start their search in hopes to find the assisted living or independent living community with:

- **The most citations or violations**
- **The worst care history or**
- **The highest staff turnover**

But that is **exactly what can happen** when you request a list of assisted living options from other assisted living websites. **You Deserve Qualified, Safe Choices!**

That's why CarePatrol's local, Nationally Certified Advisors **look beyond the chandeliers and fancy lobbies** to monitor each community's care history and state violations so we can recommend:

The Safest Options For Your Loved One

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Pre-Approved Options

Whether the choice is in-home care, an assisted living community, adult family home, nursing home or a retirement community, your Senior Care Consultant keeps safety and comfort in mind. You receive only the best, prescreened options for care, based on your desired location, needs and affordability. **Only about 30% of all care options meet our high standards.**

Viewing Your Options

After completing an assessment, your **Senior Care Consultant will coordinate or accompany you on a tour** of our prescreened providers that's tailored to your needs. Until your senior living decision is made, we are with you every step of the way to provide local, expert counsel, guidance, and reassurance.

Exh. A

b. CarePatrol's Web Site:

**You Have Choices...
We Have Their Grades**

You can spend your time on the Internet **SEARCHING** for Assisted Living options for your loved one and **find pretty pictures and fluffy descriptions** of care facilities near you..... **Does that Help You Find A Safe, Quality Care Facility?**

At CarePatrol, We Don't Just Send You a List of Facilities Like Everyone Else Does. We Grade Each and Every Facility From "A" to "F" Based On Their Last State Survey. Our Local Senior Care Consultants also Pre-Screen every home we recommend

Exh. B

c. CarePatrol's Web Site:

Click Below to Meet our Consultants

<u>Alabama</u>	<u>Iowa</u>	<u>Nevada</u>	<u>South Dakota</u>
<u>Alaska</u>	<u>Kansas</u>	<u>New Hampshire</u>	<u>Tennessee</u>
<u>Arizona</u>	<u>Kentucky</u>	<u>New Jersey</u>	<u>Texas</u>
<u>Arkansas</u>	<u>Louisiana</u>	<u>New Mexico</u>	<u>Utah</u>
<u>California</u>	<u>Maine</u>	<u>New York</u>	<u>Vermont</u>
<u>Colorado</u>	<u>Maryland</u>	<u>North Carolina</u>	<u>Virginia</u>
<u>Connecticut</u>	<u>Massachusetts</u>	<u>North Dakota</u>	<u>Washington</u>
<u>Delaware</u>	<u>Michigan</u>	<u>Ohio</u>	<u>West Virginia</u>
<u>Florida</u>	<u>Minnesota</u>	<u>Oklahoma</u>	<u>Wisconsin</u>
<u>Georgia</u>	<u>Mississippi</u>	<u>Oregon</u>	<u>Wyoming</u>
<u>Hawaii</u>	<u>Missouri</u>	<u>Pennsylvania</u>	
<u>Idaho</u>	<u>Montana</u>	<u>Rhode Island</u>	
<u>Illinois</u>	<u>Nebraska</u>	<u>South Carolina</u>	
<u>Indiana</u>			

Exh. C

6. Through the means described in Paragraph 5, CarePatrol has made representations, expressly or by implication that:

- a. It monitors or grades the care history and violations of virtually all, or a substantial majority, of all assisted living facilities in a consumer's desired location (Exhs. A through C);

- b. It provides services through a network of senior care consultants who are located in every state (Exh. C); and
- c. It monitors or grades assisted living facilities based on a review of the facilities' latest state inspection reports (Exh. B).

7. In truth and in fact:

- a. CarePatrol does not monitor or grade the care history and violations of virtually all, or a substantial majority, of assisted living facilities in a consumer's desired location. In most states listed on CarePatrol's website, it has not monitored or graded any facilities;
- b. CarePatrol does not provide its services through a network of senior care consultants who are located in every state; and
- c. In numerous instances, CarePatrol does not monitor or grade assisted living facilities based on a review of the facilities' most recent state inspection reports.

Therefore, the representations set forth in Paragraph 6 are false or misleading.

8. Through the means described in Paragraph 5, respondent has represented, expressly or by implication, that it possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 6, at the time the representations were made.

9. In truth and in fact, respondent did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 6 at the time the representations were made. Therefore, the representation set forth in Paragraph 8 is false or misleading.

10. Respondent's practices, as alleged in this complaint, constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission, this third day of December, 2012, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL: