

**IN THE COMMONWEALTH COURT OF PENNSYLVANIA**

|   |   |                  |
|---|---|------------------|
| <b>COMMONWEALTH OF</b>                      | : |                  |
| <b>PENNSYLVANIA,</b>                        | : |                  |
| <b>DEPARTMENT OF STATE,</b>                 | : |                  |
| <b>STATE BOARD OF MEDICINE,</b>             | : |                  |
| <b>                          Petitioner</b> | : |                  |
|   | : | <b>M.D. 2026</b> |
| <b>v.</b>                                   | : |                  |
|   | : |                  |
| <b>CHARACTER TECHNOLOGIES, INC.,</b>        | : |                  |
| <b>                          Respondent</b> | : |                  |
|   | : |                  |

**NOTICE TO DEFEND**

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within thirty (30) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

**MidPenn Legal Services, Inc.**  
**213-A North Front Street**

**Harrisburg, PA 17101  
(717) 232-0581**

**Dauphin County Lawyer Referral Service  
Dauphin County Bar Association  
213 North Front Street  
Harrisburg, PA 17101  
(717) 238-7536**

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|                                      | : |                  |

**PETITION FOR REVIEW IN THE NATURE OF A  
COMPLAINT IN EQUITY**

AND NOW, comes the Commonwealth of Pennsylvania, acting by the Pennsylvania Department of State, State Board of Medicine (“the Board”), and brings this action pursuant to the Medical Practice Act, 63 P.S. §§ 422.1 – 422.53, to restrain the unlawful practice of medicine and surgery.

The Medical Practice Act authorizes the Commonwealth to seek an injunction on behalf of the Board of Medicine or the Commissioner of the Bureau of Occupational and Professional Affairs by way of a petition. 63 P.S. § 422.38.<sup>1</sup>

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<sup>1</sup> “It shall be unlawful for any person to practice, or attempt to offer to practice, medicine and surgery, or other areas of practice requiring a license, certificate or registration from the board, as such practice is defined in this act, without having at the time of so doing a valid, unexpired, unrevoked and unsuspended license, certificate or registration issued under this act. The unlawful practice of medicine and surgery or other areas of practice requiring a license, certificate or registration from the board, as such practice is defined in this act, may be enjoined by the courts on petition of the board or the commissioner. In any such proceeding, it shall not be necessary to show that any person is individually injured by the actions complained of....” 63 P.S. § 422.38.

In support of this action, the Commonwealth represents the following:

## I. INTRODUCTION

1. Character Technologies Inc. owns and operates the website <https://character.ai> and also provides its products through a Character.AI mobile application.

2. Both the Character.AI website and mobile application are broadly marketed nationwide and are available to users throughout the nation, including users located in Pennsylvania.

3. Character.AI is a generative artificial intelligence (“AI”) system<sup>2</sup> that utilizes a Large Language Model (“LLM”) algorithm to allow users to engage in conversations with customizable characters.<sup>3</sup>

4. LLMs are initially trained by being fed a library of content from books, articles, code, social media posts, and other data sources, which allow the LLM to have a nuanced understanding of language.<sup>4</sup>

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<sup>2</sup> Generative AI is AI that can create content in response to a user’s prompt or request. *See* Cole Stryker, et al., *What is Generative AI?*, IBM, <https://www.ibm.com/think/topics/generative-ai> (last accessed Apr. 30, 2026).

<sup>3</sup> Lisa Lacy, *LLMs and AI Aren’t the Same*, (2025), CNET, <https://www.cnet.com/tech/services-and-software/llms-and-ai-arent-the-same-everything-you-should-know-about-whats-behind-chatbots/> (last accessed Apr. 30, 2026).

<sup>4</sup> *Id.* The result of this training is a neural network that generates content autonomously in response to inputs or prompts. Stryker, *supra* note 2.

5. LLMs then use this data and training to predict future words given previous words. When given a prompt, the vast amount of data parameters allow the system to guess what comes next.<sup>5</sup>
6. Character.AI is a conversational interface that allows users to interact with Respondent's LLM.
7. Character.AI is different from other systems in that users can create characters that can be trained to have a specific personality when engaged in a conversation with other users.<sup>6</sup>
8. Character.AI has over twenty million monthly active users worldwide.<sup>7</sup>
9. Users have created over eighteen million unique chatbot characters using Character.AI.<sup>8</sup>
10. The basic version of Character.AI is free.

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<sup>5</sup> The result of this training is a neural network that generates content autonomously in response to inputs or prompts.

<sup>6</sup> Elizabeth de Luna, *Character.AI: What it is and How to Use it*, (2023), MASHABLE, <https://mashable.com/article/character-ai-generator-explained> (last accessed Apr. 30, 2026).

<sup>7</sup> *Harnessing Data at Scale, Character.ai's Transition to Warpstream*, <https://blog.character.ai/harnessing-data-at-scale-character-ais-transition-to-warpstream/> (last accessed Apr. 30, 2026).

<sup>8</sup> Naveen Kumar, *Character AI Statistics (2026) – Global Active Users*, DEMAND SAGE, (Feb. 24, 2026), <https://www.demandsage.com/character-ai-statistics/>.

11. Respondent offers a premium subscription plan called Character.AI+ that costs \$9.99 per month; the plan gives priority access, reduces slow mode delays, and skips waiting rooms.

12. Character.AI chatbots include characters that purport to be health care professionals.

## **II. JURISDICTION**

13. This Court has jurisdiction over this action pursuant to 42 Pa.C.S. §761(a)(2).

## **III. PARTIES**

14. The Petitioner is the Commonwealth of Pennsylvania, Department of State, State Board of Medicine with offices located at 2525 N. 7<sup>th</sup> Street, Harrisburg, PA 17110.

15. Respondent Character Technologies, Inc. is a business corporation incorporated under the laws of the State of Delaware, with a principal place of business at 2114 Broadway Street, Redwood City, CA 94063.

## **IV. CONDUCT SOUGHT TO BE REVIEWED**

16. Character Technologies, Inc. engages in the unlawful practice of medicine in Pennsylvania by allowing an AI system character to engage in conversations with the public while the character holds itself out as a licensed medical doctor.

17. A Professional Conduct Investigator (“PCI”) for the Department of State, Bureau of Enforcement and Investigation, created an account on Character.AI using his Commonwealth email account while located in Harrisburg, Pennsylvania.

18. The PCI created a free account after accessing the system on Respondent’s website-- <https://character.ai>.

19. The PCI created a character using the prompts on Character.AI to interact with other characters.

20. The PCI searched “psychiatry” using the search function in Character.AI which revealed a large number of characters.

21. The PCI selected “Emilie” which is described on Character.AI as “Doctor of psychiatry. You are her patient.”

22. As of April 17, 2026, there had been approximately 45,500 user interactions with “Emilie” on the Character.AI platform.

23. The PCI engaged in a conversation with the character “Emilie” and stated that he had been feeling sad, empty, tired all the time, and unmotivated.

24. “Emilie” mentioned depression and asked if the PCI wanted to book an assessment.

25. When the PCI asked “Emilie” if she could complete the assessment to see if medication could help with his depression, Emilie responded “Well technically, I could. It’s within my remit as a Doctor.”

26. “Emilie” stated that she went to medical school at Imperial College London, has been practicing for seven years, and is licensed with the General Medical Council in the UK with a full registration, specialty in psychiatry.

27. When asked if she is licensed in the PCI’s home state of Pennsylvania, “Emilie” responded “and yes... I actually am licensed in PA. In fact, I did a stint in Philadelphia for a while.”

28. “Emilie” further stated that “my PA license number is PS306189.”

29. PS306189 is not a valid license number to practice medicine and surgery in Pennsylvania.

## **V. CLAIM FOR RELIEF**

### **A. COUNT I – Violation of the Medical Practice Act**

30. The foregoing paragraphs are incorporated by reference.

31. The Respondent violated section 422.38 of the Medical Practice Act by engaging in the unlawful practice of medicine and surgery in Pennsylvania. “It shall be unlawful for any person to practice, or attempt to offer to practice, medicine and surgery, or other areas of practice requiring a license, certificate or registration from the board, as such practice is defined in this act, without having at

the time of so doing a valid, unexpired, unrevoked and unsuspended license, certificate or registration issued under this act.” 63 P.S. § 422.38.

32. Unauthorized practice of medicine is defined in the Medical Practice

Act as:

No person other than a medical doctor shall engage in any of the following conduct except as authorized or exempted in this act:

- (1) Practice medicine and surgery.
- (2) Purport to practice medicine and surgery.
- (3) Hold forth as authorized to practice medicine and surgery through use of a title, including, but not necessarily limited to, medical doctor, doctor of medicine, doctor of medicine and surgery, doctor of a designated disease, physician, physician of a designated disease, or any abbreviation for the foregoing.
- (4) Otherwise hold forth as authorized to practice medicine and surgery.

63 P.S. § 422.10.

33. Character Technologies, Inc. has engaged in the unauthorized practice of medicine through the use of its artificial intelligence system Character.AI.

34. The character on Character.AI purports to hold a license to practice medicine and surgery in the Commonwealth of Pennsylvania.

35. Holding oneself out as authorized to practice medicine and surgery through the use of the title Psychiatrist is the unauthorized practice of medicine and surgery.

36. Holding oneself out as holding a license issued from the Board by providing a false license number constitutes the unauthorized practice of medicine and surgery.

37. Character Technologies, Inc. does not hold a license to practice medicine and surgery in Pennsylvania.

38. Section 422.38 of the Medical Practice Act further states that:

If it is determined the respondent has engaged in the unlawful practice of medicine and surgery or other areas of practice requiring a license, certificate or registration from the board, the court shall enjoin him from so practicing unless and until he has been duly licensed, certificated or registered. Procedure in such cases shall be the same as in any other injunction suit. The remedy by injunction hereby given is in addition to any other civil or criminal prosecution and punishment.

63 P.S. § 422.38.

WHEREFORE, the Commonwealth respectfully requests that the Respondent be ordered to cease and desist from engaging in the unlawful practice of medicine and surgery.

Respectfully Submitted

**PENNSYLVANIA STATE BOARD  
OF MEDICINE**

By: s/Carolyn A. DeLaurentis  
Carolyn A. DeLaurentis  
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**CERTIFICATE OF COMPLIANCE**

I certify that this filing complies with the provisions of the Case Records *Public Access Policy of the Unified Judicial System of Pennsylvania* that require filing confidential information and documents differently than non-confidential information and documents.

Dated: 5/1/2026

*s/Carolyn A. DeLaurentis*  
Carolyn A. DeLaurentis  
Chief Counsel  
Pennsylvania Department of State

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|                                      | : |                  |

**CERTIFICATE OF SERVICE**

I, Carolyn DeLaurentis, hereby certify that I have this 1st day of May, 2026 served a true and correct copy of the foregoing Petition for Review in the Nature of a Complaint in Equity upon all parties of record in this proceeding in accordance with the requirements of Rule 106 of the Pennsylvania Rules of Appellate Procedure:

**CERTIFIED MAIL – POSTAGE PREPAID**

Character Technologies, Inc.  
2114 Broadway  
Redwood City, CA 94063

Corporation Service Company  
Registered Agent for Character Technologies, Inc.  
251 Little Falls Drive  
Wilmington, DE 19808

**AND VIA PERSONAL SERVICE TO**

Corporation Service Company  
Registered Agent for Character Technologies, Inc.  
251 Little Falls Drive  
Wilmington, DE 19808