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**STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION
BEFORE THE ADMINISTRATIVE DIRECTOR**

In Re: PROVIDER SUSPENSION

ORDER OF SUSPENSION

**SYLMAR PHYSICIAN MEDICAL GROUP,
INC.,**

Respondent.

Labor Code section 139.21(a)(1)(D) requires the Administrative Director of the Division of Workers' Compensation (Administrative Director) to suspend any entity from participating in the California workers' compensation system as a physician, practitioner, or provider if the entity controlled by an individual who has been convicted of a felony or misdemeanor described in Labor Code section 139.21(a)(1)(A).

Labor Code section 139.21(a)(1)(A) requires the Administrative Director to suspend any physician, practitioner, or provider from participating in the California workers' compensation system as a physician, practitioner, or provider if the individual or entity has been convicted of any felony or misdemeanor and that crime either: (1) involves fraud or abuse of the federal Medicare or Medicaid programs, the Medi-Cal program, or the workers' compensation system, or fraud or abuse of any patient; (2) relates to the conduct of the individual's medical practice as it pertains to patient care; or (3) is a financial crime that relates to the federal Medicare or Medicaid programs, the Medi-Cal program, or the workers' compensation system.

Labor Code section 139.21(a)(3) provides that an entity is controlled by an individual if the individual: (1) is or was an officer or director of the entity; (2) is or was a shareholder with a 10 percent or greater interest in the entity; or (3) held de facto ownership of the entity or de facto control consistent with the rights and duties of an officer or director of the entity. (See Villanueva v. Teva Foods (2019) WCAB Case No. ADJ9332041, 84 Cal. Comp. Cases 198 [significant panel decision].)

1 On or about May 19, 2014, Houshang Pavehzadeh, an individual, was convicted
2 in the United States District Court, Central District of California, of crimes described in
3 Labor Code section 139.21(a)(1)(A). (United States of America v. Pavehzadeh, Case
4 No. CR13-0320-R-1.)

5 Respondent Sylmar Physician Medical Group, Inc., is controlled by Houshang
6 Pavehzadeh, pursuant to Labor Code section 139.21(a)(3).

7 On or about November 15, 2022, the Administrative Director mailed to
8 Respondent Sylmar Physician Medical Group, Inc., a written notice of the right to a
9 hearing regarding the suspension and the procedure to follow to request a hearing, as
10 provided in Labor Code section 139.21(b)(2) and California Code of Regulations, title 8,
11 section 9788.1.

12 Pursuant to Labor Code section 139.21(b)(2) and California Code of Regulations,
13 title 8, section 9788.1(d), the written notice advised Respondent Sylmar Physician
14 Medical Group, Inc., that the suspension would start thirty (30) calendar days after the
15 date of mailing of written notice, unless Respondent Sylmar Physician Medical Group,
16 Inc., submitted a written request for a hearing within ten (10) calendar days of the date
17 of mailing of the notice.

18 Respondent Sylmar Physician Medical Group, Inc., did not submit a written
19 request for hearing within ten (10) calendar days of the date of mailing of the notice.

20 The Administrative Director is required to suspend any physician, practitioner, or
21 provider pursuant to Labor Code section 139.21 and California Code of Regulations,
22 title 8, section 9788.2, after thirty (30) days from the date the notice was mailed, unless
23 the physician, practitioner, or provider submits a written request for a hearing within ten
24 (10) calendar days of the date of mailing of the notice.

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1 **IT IS HEREBY ORDERED** that Respondent Sylmar Physician Medical Group,
2 Inc., is hereby suspended from participating in the California workers' compensation
3 system as a physician, practitioner, or provider.

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5 Date: December 28, 2022

/S/ George P. Parisotto

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7 George P. Parisotto
8 Administrative Director
9 Division of Workers' Compensation
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