

## N E W S L I N E

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### **Division of Workers' Compensation Suspends 21 Medical Providers for Fraud**

The Division of Workers' Compensation (DWC) has suspended 21 more medical providers from participating in California's workers' compensation system, bringing the total number of providers suspended this year to 73.

DWC Administrative Director George Parisotto issued Orders of Suspension against the following providers:

- Christopher King of Beverly Hills, owner of medical-billing and medical-management companies, and his wife were the masterminds in a \$40 million conspiracy to commit medical insurance fraud along with over two dozen doctors, pharmacists and business owners. [More than 13,000 patients and at least 27 insurance carriers were victims in the scheme](#). King [pled guilty in Orange County Superior Court on April 26](#) to two felony counts of conspiracy to commit medical insurance fraud and felony insurance fraud. King, co-owner of Monarch Medical Group, King Medical Management and One Source Laboratories, recruited doctors and pharmacists to prescribe unnecessary treatment for patients with workers' compensation insurance.
- Marisa Schermbeck Nelson of Torrance [pled guilty on July 26 in Los Angeles County Superior Court](#) for her involvement in a fraudulent [\\$150 million workers' compensation insurance billing and capping conspiracy](#) with orthopedic surgeon Munir Uwaydah. Nearly two dozen patients were deceived by Dr. Uwaydah and his staff into undergoing surgeries they were told would be performed by Dr. Uwaydah, but were instead performed by a physician's assistant who has never attended medical school. These patients were operated on under general anesthesia and without Dr. Uwaydah present in the operating room. The scheme included payments of up to \$10,000 a month for illegal referrals.
- Marlon Songco of Burbank, president of Rehab Dynamics, Inc., [pled guilty in federal court on January 8, 2015](#) for paying illegal kickbacks as part of a Medicare fraud scheme along with [co-conspirators Joseff Sales and Danniell Goyena](#).

- Dolphus Dwayne Pierce II, chiropractor in Lemoore, [was found guilty in Kern County Superior Court on January 8, 2016](#) of conspiracy to commit insurance fraud for billing insurance companies for services that were unnecessary, not rendered or double billed.
- Julio Diaz, physician in Santa Barbara and Orange Counties, [was found guilty in August 2015](#) on 79 counts of writing prescriptions for narcotics without a legitimate medical purpose.
- Edward Balbas, physician in Rancho Cucamonga, [pled guilty on May 5 in Riverside County Superior Court](#) to two felony counts of insurance fraud [for submitting more than 165 fraudulent bills over a three-year period](#). As part of his plea agreement, Balbas was required to pay multiple insurance companies restitution of over \$650,000.
- Randall William Tonelli, pharmacist in San Mateo, [pled guilty in federal court on July 11, 2016](#) to knowingly offering to sell and trade a prescription drug sample and misbranding drugs for sale with the intent to defraud and mislead. Tonelli surrendered his pharmacist license on October 13, 2016.
- Candelaria Valdez, medical services provider in Hemet, [pled guilty in September 2016 in Riverside Superior Court](#) to misdemeanor battery relating to abuse of a patient.
- Bennie Johnson, osteopathic physician in Encinitas, [had his license revoked by the osteopathic board on March 6](#). The board determined he had committed repeated acts of gross negligence in his treatment of multiple cancer patients.
- Helen Chang, physician in San Diego, was [disciplined by the Medical Board of California for incompetence and gross negligence](#) in her treatment of a patient. She surrendered her medical certificate on November 1, 2015.
- Raffiel Arvon Norwood of Rosamond, former vocational nurse, [pled guilty in federal court on October 22, 2009 to felony possession of child pornography](#). Norwood surrendered his medical license on July 7, 2016. He was suspended from the Medi-Cal program last April.
- Mark Anderson, dentist in Woodland, [was found guilty in March 2009 on felony counts of sexual battery](#).
- Jerry Tabuyo, operator of a community care facility for the elderly in San Jacinto, [pled guilty in January to operating without a license](#).
- William Richard Bailey, osteopathic physician in San Diego, had his [medical license revoked following conviction for tax evasion in 2016](#). He was sentenced

to more than three years in federal prison and required to pay over \$500,000 in restitution and fines.

- James Francis Murphy of Encinitas, osteopathic physician, was [convicted on federal charges of income tax fraud and evasion](#). He was sentenced to four years in prison commencing on February 24, 2015 and ordered to pay \$447,528 in restitution. His medical license was revoked on October 24, 2016.
- David Anderson, chiropractor in San Diego, [pled guilty to mail and income tax fraud in 1997](#). He was suspended from participation in the Medicare and Medi-Cal programs on September 20, 2001.
- [Robert Craig Taylor](#), former chiropractor in Los Angeles, was convicted in March 2007 of misdemeanor burglary and identity theft, in September 2007 of felony possession of a controlled substance for sale and grand theft and in December 2007 of receiving stolen property, identity theft and commercial burglary. His chiropractic license was revoked effective October 25, 2009.
- Matthew Cole, Newport Beach physician, [pled guilty December 15, 2015 to federal charges](#) of conspiracy to obtain controlled substances by misrepresentation, fraud, forgery deception and subterfuge. He was barred from participating in the Medi-Cal program following his conviction.
- Joanne Benzor, Riverside physician, [pled guilty in 2009 to two counts of driving under the influence of alcohol](#). Her medical license was revoked between May 18, 2012 and June 16, 2017, at which time it was reinstated subject to limitations.
- Virginia Garrett of Sarasota, Florida, former registered nurse, was [convicted on August 20, 2008 in Los Angeles Superior Court](#) for reckless driving while under the influence of alcohol and drugs, with a prior conviction for driving with a blood alcohol content exceeding the legal limit. Her medical license was revoked by the Board of Registered Nursing on January 27, 2012.
- Kenneth R. Geiger, physician in Sonoma, [surrendered his medical license on April 2, 2008](#) following an evaluation that he suffers from an illness that impairs his ability to safely practice medicine.

AB 1244 (Gray and Daly), which went into effect January 1, introduced new changes to the workers' compensation system and requires the division's Administrative Director to suspend any medical provider, physician or practitioner from participating in the workers' compensation system in cases in which one or more of the following is true:

- The provider has been convicted of a felony or misdemeanor involving fraud or abuse of the Medi-Cal or Medicare programs or the workers' compensation system, fraud or abuse of a patient, or related types of misconduct;

- The provider has been suspended due to fraud or abuse from the Medicare or Medicaid (including Medi-Cal) programs; or
- The provider's license or certificate to provide health care has been surrendered or revoked.

The Department of Industrial Relations (DIR's) [fraud prevention efforts](#) are posted online, including frequently updated lists for physicians, practitioners, and providers who have been issued [notices of suspension](#), and those who have been [suspended pursuant to Labor Code §139.21\(a\)\(1\)](#). The department recently added a new web page with information on [lien consolidations and the Special Adjudication Unit](#).

DIR protects and improves the health, safety and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR's [Division of Workers' Compensation](#) monitors the administration of workers' compensation claims, and provides administrative and judicial services to assist in resolving disputes that arise in connection with claims for workers' compensation benefits.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Communications Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.