

N E W S L I N E

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Division of Workers' Compensation Suspends Six Medical Providers for Fraud

The Division of Workers' Compensation (DWC) has suspended six more medical providers from participating in California's workers' compensation system, bringing the total number of suspended providers to 38.

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

- Jeffrey Campau and Landen Mirallegro of Yorba Linda, co-founders of the medical equipment company Aspen Medical Resources, MRI diagnostic facility Elite Mgmt. LLC dba Elite Diagnostics, and an MRI services company, Regional Medical Services LLC. [Campau](#) and [Mirallegro](#) pled guilty in Orange County Superior Court on May 5, 2017 to medical insurance fraud for their involvement in an overbilling scheme in which they defrauded insurance companies of more than \$70 million. Along with their co-defendant, Campau and Mirallegro agreed to pay over \$8 million in restitution to several insurers and self-insured employers, and to voluntarily dismiss liens of nearly \$140 million, in the case involving Aspen Medical Resources.
- Simon Hong of Brea, a medical clinic operator who on October 19, 2016 was [found guilty by a federal jury in Orange County](#) of 19 counts of health care fraud, illegal kickbacks, and identity theft involving the Medicare program.
- Chi Hong Yang of San Gabriel, who [pled guilty in Kern County Superior Court on August 2, 2013 to conspiracy to commit insurance fraud](#), involving among other things billing and obtaining payment for services not provided. Yang surrendered his physician's and surgeon's certificate earlier this year.
- Rafael U. Chavez of Rancho Cucamonga, due to [revocation of his certification as a Physician Assistant](#) by the Physician Assistant Board of California on June 19, 2014.
- Wendell Wenneker of Napa, whose [physician's and surgeon's certificate was revoked](#) on June 2, 2017 by the Medical Board of California.

AB 1244 (Gray and Daly) requires the DWC 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.