DWC Suspends Three Medical Providers for Fraud or Loss of License

The Division of Workers' Compensation (DWC) has suspended three more medical providers from participating in California’s workers’ compensation system, bringing the total number of providers suspended to 245.

DWC Administrative Director George Parisotto issued suspension orders against the following providers:

- Ronald Grusd, Los Angeles physician, was convicted in federal court in 2017 for his involvement in a complex illegal referral scheme with suspended providers Steven Rigler, Carlos Arguello, Fermin Iglesias and Alexander Kiev Martinez to defraud the California workers’ compensation system by recruiting patients, paying illegal referral fees, and fraudulently submitting misleading documentation to insurers. Grusd and his co-conspirators submitted claims in excess of $20 million for services procured through the payment of bribes.

- Toros Yeranosian of Encino, co-owner of Mauran Ambulance Service, and Aharon Krkasharyan of Los Angeles, manager of Mauran, were convicted in federal court in 2017 of conspiracy to commit healthcare fraud for their involvement in an illegal scheme of providing unnecessary ambulance transportation services to Medicare beneficiaries and creating fraudulent reasons that justified the services. Yeranosian, Krkasharyan and their co-conspirators submitted over $1 million in false and fraudulent claims to Medicare.

AB 1244, which went into effect January 1, 2017, requires DWC’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 Relation’s (DIR’s) fraud prevention efforts are posted online, including frequently updated lists for physicians, practitioners, and providers who have been issued notices of suspension, those who have been suspended pursuant to Labor Code §139.21(a)(1), and information on lien consolidations and the Special Adjudication Unit.

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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.