

## N E W S L I N E

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### **DWC Suspends 11 Medical Providers for Fraud or Loss of License**

The Division of Workers' Compensation (DWC) has suspended 11 more medical providers from participating in California's workers' compensation system, bringing the total number of providers suspended to 274.

DWC Administrative Director George Parisotto [issued suspension orders](#) against the following providers:

- James Chen, Palmdale pharmacy owner, pled guilty in federal court in 2017 to health care fraud for pharmacy processing and billing approximately \$62 million in fraudulent prescriptions for compounded medications. The California Department of Health Care Services suspended him from the Medi-Cal program on October 6, 2017.
- Abdul Garba, Van Nuys owner and operator of ITC Medical Supply, a supplier of durable medical equipment, primarily power wheelchairs, was found guilty of health care fraud in May 2015 for submitting false claims to Medicare for care and services. He was sentenced to 21 months in prison and ordered to pay \$814,446 in restitution. The California Department of Health Care Services suspended him from the Medi-Cal program on September 6, 2016.
- Taliaferro Harris, Los Angeles, was convicted in federal court of health care fraud in 2008 for his involvement in an illegal scheme to defraud the Medicare program by overbilling for services. Harris was sentenced to 3 years of probation and ordered to pay \$88,015 in restitution.
- Errol and Thelma Lat of La Verne, owners and operators of Star Home Health Resources, Inc., were convicted in federal court in 2017 of conspiracy to pay and receive illegal remunerations for health care referrals and paying illegal remunerations for health care referrals. Star Home Health Resources, Inc. paid illegal referral fees to physicians for Medicare referrals. They and [suspended provider Elaine Lat](#) were involved in an illegal scheme that billed Medicare more than \$4 million.

- Nick Nikbakht, Sherman Oaks co-owner of Diagnostics Corporations, pled guilty in federal court in 2016 to mail fraud and conspiracy to commit money laundering for his involvement in an illegal scheme to defraud private insurers by overbilling for services that were not medically necessary. Nikbakht and his co-conspirators billed private insurers at least \$3 million.
- Fernando Valdes, Garden Grove durable medical equipment provider, pled guilty in federal court in 2017 to conspiracy to commit honest services mail fraud. Valdes was involved in an illegal scheme with [suspended provider George Reese](#) to defraud the California worker's compensation system by overbilling for equipment and services.

The following providers surrendered their medical license or had their medical licenses revoked:

- Michael Basco, Maryland obstetrician/gynecologist, had his license revoked on November 10, 2016, after the Maryland State Board of Physicians concluded he was guilty of unprofessional conduct in the practice of medicine.
- Rodney Davis, San Diego physician assistant, had his license revoked on June 20, 2016, after a decision by the Medical Board of California, Department of Consumer Affairs. It was determined that he had practiced medicine, specifically related to liposuction, without a license.
- Luis Antonio Lomeli, Ontario physician, surrendered his license, effective November 23, 2016, based on accusations that he suffers from a mental/physical illness ailment that inhibits his ability to safely practice medicine.
- Irineo Mallari, Morgan Hill registered nurse, surrendered her license, effective June 13, 2017, for failure to comply with a probation program and for failure to function as a registered nurse.

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 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](#), 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.