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

In Re: PROVIDER SUSPENSION

COAST MRI, INC. aka COAST MRI, LLC,

Respondent.

ORDER OF SUSPENSION

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 directory of the entity. (See Villanueva v. Teva Foods (2019) WCAB Case No. ADJ9332041, 84 Cal. Comp. Cases 198 [significant panel decision].)

//

//

//

//

//

On or about July 2, 2021, Sam Solakyan, an individual, was convicted in the United States District Court, Southern District of California, of crimes described in Labor Code section 139.21(a)(1)(A). (United States of America v. Solakyan, Case No. 18CR4163-BAS.)

Respondent Coast MRI, Inc. aka Coast MRI, LLC (Coast MRI), is controlled by Sam Solakyan pursuant to Labor Code section 139.21(a)(3).

On or about September 15, 2022, the Administrative Director mailed to Respondent Coast MRI a written notice of the right to a hearing regarding the suspension and the procedure to follow to request a hearing, as provided in Labor Code section 139.21(b)(2) and California Code of Regulations, title 8, section 9788.1.

Pursuant to Labor Code section 139.21(b)(2) and California Code of Regulations, title 8, section 9788.1(d), the written notice advised Respondent Coast MRI that the suspension would start thirty (30) calendar days after the date of mailing of written notice, unless Respondent Coast MRI submitted a written request for a hearing within ten (10) calendar days of the date of mailing of the notice.

Respondent Coast MRI did not submit a written request for hearing within ten (10) calendar days of the date of mailing of the notice.

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

IT IS HEREBY ORDERED that Respondent Coast MRI is hereby suspended from participating in the California workers' compensation system as a physician, practitioner, or provider. Date: October 26, 2022 /S/ George P. Parisotto George P. Parisotto Administrative Director Division of Workers' Compensation