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

3

1

2

4

5

In Re: PROVIDER SUSPENSION

CENTER, LLC,

NORCAL SPECIALTY SURGERY

Respondent.

6

7

8

9

10 11

12

13 14

15 16

17

18 19

20 21

22

23 24

25

26 27

28

ORDER OF SUSPENSION

WHEREAS, Labor Code section 139.21(a)(1)(D) requires the Administrative Director to suspend any entity controlled by an individual who has been convicted of a felony or misdemeanor described in Labor Code section 139.21(a)(1)(A); and

WHEREAS, Norcal Specialty Surgery Center, LLC, is controlled by an individual, Eric Stephan Schmidt, who has been convicted of a felony or misdemeanor described in Labor Code section 139.21(a)(1)(A). (Per Labor Code section 139.21(a)(3), an entity is controlled by an individual if: (1) the individual 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].); and

WHEREAS, on or about November 10, 2022 the Administrative Director mailed to Norcal Specialty Surgery Center, LLC, 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; and

WHEREAS, pursuant to Labor Code section 139.21(b)(2) and California Code of Regulations, title 8, section 9788.1(d), the written notice advised Norcal Specialty Surgery Center, LLC, that the suspension would start thirty (30) calendar days after the date of mailing of written notice, unless Norcal Specialty Surgery Center, LLC, submitted a written request for //

a hearing within ten (10) calendar days of the date of mailing of the notice; and

WHEREAS, Norcal Specialty Surgery Center, LLC, did not submit a written request for hearing within ten (10) calendar days of the date of mailing of the notice; and

WHEREAS, the Administrative Director is required to suspend any physician, practitioner, or provider pursuant to Labor Code section 139.21 and title 8, California Code of Regulations, 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 Norcal Specialty Surgery Center, LLC, is hereby suspended from participating in the workers' compensation system as a physician, practitioner, or provider.

Date: March 15, 2023

/S/ George Parisotto

GEORGE PARISOTTO
Administrative Director
Division of Workers' Compensation