# BEFORE THE MEDICAL BOARD OF CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

In the Matter of the Accusation Against:		) ) )		
DAVID TODD ASHER, M.D.		)	File No.	04-2007-181656
Physician's and Surgeon's Certificate No. A 67110		)		
	Respondent.	)		

# **DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Medical Board of California, Department of Consumer Affairs, State of California, as its Decision in this matter.

This Decision shall become effective at 5:00 p.m. on \_\_\_\_\_ July 6, 2010 \_\_.

IT IS SO ORDERED June 3, 2010.

MEDICAL BOARD OF CALIFORNIA

Shelton Duruisseau, Chair

Panel A

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1	EDMUND G. BROWN JR.						
2	Attorney General of California STEVEN V. ADLER						
3	Supervising Deputy Attorney General BETH FABER JACOBS						
4	Deputy Attorney General State Bar No. 89145						
5	110 West "A" Street, Suite 1100 San Diego, CA 92101	•					
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7	Telephone: (619) 645-2069 Facsimile: (619) 645-2061 Attorneys for Complainant						
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9	BEFORE THE MEDICAL BOARD OF CALIFORNIA						
10	DEPARTMENT OF C	CONSUMER AFFAIRS					
11	STATE OF C	CALIFORNIA					
12	·						
13	In the Matter of the Accusation Against,	Case No. 04-2007-181656					
<ul><li>14</li><li>15</li></ul>	DAVID TODD ASHER, M.D. 947 S. Anaheim Blvd., Suite 270 Anaheim, CA 92805	OAH No. 2009101343					
16	Physician's and Surgeon's Certificate No. A67110	STIPULATED SETTLEMENT AND DISCIPLINARY ORDER					
17 18	Respondent.						
19	IT IS HERERY STIPLILATED AN	D AGREED by and between the parties to the					
20	IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-entitled proceedings that the following matters are true:						
21		RTIES					
22		nt) is the Executive Director of the Medical Board					
23	of California. She brought this action solely in her official capacity and is represented in this						
24	matter by Edmund G. Brown Jr., Attorney Gene	•					
25	Jacobs, Deputy Attorney General.						
26	2. David Todd Asher, M.D. (Respondent) is represented in this proceeding by						
27	Norman C. Davis, Esq., whose address is 2677 North Main Street, Suite 936, Santa Ana, CA						
28	92705-6632.						
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## **CULPABILITY**

- 8. Respondent admits all the charges and allegations in Accusation No. 04-2007-181656.
- 9. Respondent agrees that his Physician's and Surgeon's Certificate is subject to discipline and he agrees to be bound by the Medical Board of California's imposition of discipline as set forth in the Disciplinary Order below.

## CONTINGENCY

- 10. This stipulation shall be subject to approval by the Medical Board of California. Respondent understands and agrees that counsel for Complainant and the staff of the Medical Board of California may communicate directly with the Board regarding this stipulation and settlement, without notice to or participation by Respondent or his counsel. By signing the stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.
- 11. The parties understand and agree that facsimile copies of this Stipulated Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same force and effect as the originals.
- 12. In consideration of the foregoing admissions and stipulations, the parties agree that the Board may, without further notice or formal proceeding, issue and enter the following Disciplinary Order:

## **DISCIPLINARY ORDER**

IT IS HEREBY ORDERED that Physician's and Surgeon's Certificate No. A67110 issued to Respondent David Todd Asher, M.D. (Respondent) is revoked. However, the revocation is stayed and Respondent is placed on probation for five (5) years on the following terms and conditions.

- 1. <u>ACTUAL SUSPENSION</u> As part of probation, Respondent is suspended from the practice of medicine for thirty (30) days beginning the 16<sup>th</sup> day after the effective date of this Decision.
- 2. <u>EDUCATION COURSE</u> Within 60 calendar days of the effective date of this Decision, and on an annual basis thereafter, Respondent shall submit to the Board or its designee for its prior approval educational program(s) or course(s) which shall not be less than 40 hours per year, for each year of probation. The educational program(s) or course(s) shall be aimed at correcting any areas of deficient practice or knowledge and shall be Category I certified, limited to classroom, conference, or seminar settings. The educational program(s) or course(s) shall be at Respondent's expense and shall be in addition to the Continuing Medical Education (CME) requirements for renewal of licensure. Following the completion of each course, the Board or its designee may administer an examination to test Respondent's knowledge of the course. Respondent shall provide proof of attendance for 65 hours of continuing medical education of which 40 hours were in satisfaction of this condition.
- 3. <u>COMMUNITY SERVICE</u> Within 60 calendar days of the effective date of this Decision, Respondent shall submit to the Board or its designee for prior approval a community service plan in which Respondent shall within the first two years of probation, provide eighty (80) hours of free services, which may be medical or non-medical, to a community or non-profit organization.

Prior to engaging in any community service, Respondent shall provide a true copy of the Decision to the chief of staff, director, office manager, program manager, officer, or the chief executive officer at every community or non-profit organization where Respondent provides community service and shall submit proof of compliance to the Board or its designee within 15 calendar days. This condition shall also apply to any change or changes in community service.

Community service performed prior to the effective date of the Decision shall not be accepted in fulfillment of this condition.

4. <u>ETHICS COURSE</u> Within one year of the effective date of this Decision, Respondent shall enroll in a course in ethics, at Respondent's expense, approved in advance by

the Board or its designee. Failure to successfully complete the course during the second year of probation is a violation of probation.

An ethics course taken after the acts that gave rise to the charges in the Accusation, but prior to the effective date of the Decision may, in the sole discretion of the Board or its designee, be accepted towards the fulfillment of this condition if the course would have been approved by the Board or its designee had the course been taken after the effective date of this Decision.

Respondent shall submit a certification of successful completion to the Board or its designee not later than 15 calendar days after successfully completing the course, or not later than 15 calendar days after the effective date of the Decision, whichever is later.

of this Decision, Respondent shall submit to the Board or its designee for prior approval as a practice monitor, the name and qualifications of one or more licensed physicians and surgeons whose licenses are valid and in good standing, and who are preferably American Board of Medical Specialties (ABMS) certified. A monitor shall have no prior or current business or personal relationship with Respondent, or other relationship that could reasonably be expected to compromise the ability of the monitor to render fair and unbiased reports to the Board, including, but not limited to, any form of bartering, shall be in Respondent's field of practice, and must agree to serve as Respondent's monitor. Respondent shall pay all monitoring costs.

The Board or its designee shall provide the approved monitor with copies of the Decision and Accusation, and a proposed monitoring plan. Within 15 calendar days of receipt of the Decision, Accusation, and proposed monitoring plan, the monitor shall submit a signed statement that the monitor has read the Decision and Accusation, fully understands the role of a monitor, and agrees or disagrees with the proposed monitoring plan. If the monitor disagrees with the proposed monitoring plan with the signed statement.

Within 60 calendar days of the effective date of this Decision, and continuing throughout probation, Respondent's practice shall be monitored by the approved monitor.

premises by the monitor at all times during business hours, and shall retain the records for the entire term of probation.

The monitor(s) shall submit a quarterly written report to the Board or its design

Respondent shall make all records available for immediate inspection and copying on the

The monitor(s) shall submit a quarterly written report to the Board or its designee which includes an evaluation of Respondent's performance, indicating whether Respondent's practices are within the standards of practice of medicine or billing, or both, and whether Respondent is practicing medicine safely, billing appropriately or both.

It shall be the sole responsibility of Respondent to ensure that the monitor submits the quarterly written reports to the Board or its designee within 10 calendar days after the end of the preceding quarter.

If the monitor resigns or is no longer available, Respondent shall, within 5 calendar days of such resignation or unavailability, submit to the Board or its designee, for prior approval, the name and qualifications of a replacement monitor who will be assuming that responsibility within 15 calendar days. If Respondent fails to obtain approval of a replacement monitor within 60 days of the resignation or unavailability of the monitor, Respondent shall be suspended from the practice of medicine until a replacement monitor is approved and prepared to assume immediate monitoring responsibility. Respondent shall cease the practice of medicine within 3 calendar days after being so notified by the Board or designee.

In lieu of a monitor, Respondent may participate in a professional enhancement program equivalent to the one offered by the Physician Assessment and Clinical Education Program at the University of California, San Diego School of Medicine, that includes, at minimum, quarterly chart review, semi-annual practice assessment, and semi-annual review of professional growth and education. Respondent shall participate in the professional enhancement program at Respondent's expense during the term of probation.

Failure to maintain all records, or to make all appropriate records available for immediate inspection and copying on the premises, or to comply with this condition as outlined above is a violation of probation.

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6. NOTIFICATION Prior to engaging in the practice of medicine, the Respondent shall provide a true copy of the Decisions and Accusation to the Chief of Staff or the Chief Executive Officer at every hospital where privileges or membership are extended to Respondent, at any other facility where Respondent engages in the practice of medicine, including all physician and locum tenens registries or other similar agencies, and to the Chief Executive Officer at every insurance carrier which extends malpractice insurance coverage to Respondent. Respondent shall submit proof of compliance to the Board or its designee within 15 calendar days.

This condition shall apply to any change(s) in hospitals, other facilities or insurance carrier.

- 7. <u>SUPERVISION OF PHYSICIAN ASSISTANTS</u> During probation, Respondent is prohibited from supervising physician assistants.
- 8. <u>OBEY ALL LAWS</u> Respondent shall obey all federal, state and local laws, all rules governing the practice of medicine in California, and remain in full compliance with any court ordered criminal probation, payments and other orders.
- 9. QUARTERLY DECLARATIONS Respondent shall submit quarterly declarations under penalty of perjury on forms provided by the Board, stating whether there has been compliance with all the conditions of probation. Respondent shall submit quarterly declarations not later than 10 calendar days after the end of the preceding quarter.
- 10. PROBATION UNIT COMPLIANCE Respondent shall comply with the Board's probation unit. Respondent shall, at all times, keep the Board informed of Respondent's business and residence addresses. Changes of such addresses shall be immediately communicated in writing to the Board or its designee. Under no circumstances shall a post office box serve as an address of record, except as allowed by Business and Professions Code section 2021(b).

Respondent shall not engage in the practice of medicine in Respondent's place of residence. Respondent shall maintain a current and renewed California Physician's and Surgeon's license. Respondent shall immediately inform the Board, or its designee, in writing, of

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travel to any areas outside the jurisdiction of California which lasts, or is contemplated to last, more than 30 calendar days.

- 11. <u>INTERVIEW WITH THE BOARD, OR ITS DESIGNEE</u> Respondent shall be available in person for interviews either at Respondent's place of business or at the probation unit office, with the Board or its designee, upon request at various intervals, and either with or without prior notice throughout the term of probation.
- 12. <u>RESIDING OR PRACTICING OUT-OF-STATE</u> In the event Respondent should leave the State of California to reside or to practice, Respondent shall notify the Board or its designee in writing 30 calendar days prior to the dates of departure and return. Non-practice is defined as any period of time exceeding 30 calendar days in which Respondent is not engaging in any activities defined in Sections 2051 and 2052 of the Business and Professions Code.

All time spent in an intensive training program outside the State of California which has been approved by the Board or its designee shall be considered as time spent in the practice of medicine within the State. A Board-ordered suspension of practice shall not be considered as a period of non-practice. Periods of temporary or permanent residence or practice outside California will not apply to the reduction of the probationary term. Periods of temporary or permanent residence or practice outside California will relieve Respondent of the responsibility to comply with the probationary terms and conditions with the exception of this condition and the following terms and conditions of probation: Obey All Laws and Probation Unit Compliance.

Respondent's license shall be automatically cancelled if Respondent's periods of temporary or permanent residence or practice outside California total two years. However, Respondent's license shall not be cancelled as long as Respondent is residing and practicing medicine in another state of the United States and is on active probation with the medical licensing authority of that state, in which case the two year period shall begin on the date probation is completed or terminated in that state.

13. <u>FAILURE TO PRACTICE MEDICINE - CALIFORNIA RESIDENT</u>

In the event Respondent resides in the State of California and for any reason Respondent stops practicing medicine in California, Respondent shall notify the Board or its designee in writing

within 30 calendar days prior to the dates of non-practice and return to practice. Any period of non-practice within California, as defined in this condition, will not apply to the reduction of the probationary term and does not relieve Respondent of the responsibility to comply with the terms and conditions of probation. Non-practice is defined as any period of time exceeding 30 calendar days in which Respondent is not engaging in any activities defined in sections 2051 and 2052 of the Business and Professions Code.

All time spent in an intensive training program which has been approved by the Board or its designee shall be considered time spent in the practice of medicine. For purposes of this condition, non-practice due to a Board-ordered suspension or in compliance with any other condition of probation, shall not be considered a period of non-practice.

Respondent's license shall be automatically cancelled if Respondent resides in California and for a total of two years, fails to engage in California in any of the activities described in Business and Professions Code sections 2051 and 2052.

- 14. <u>COMPLETION OF PROBATION</u> Respondent shall comply with all financial obligations (e.g., cost recovery, restitution, probation costs) not later than 120 calendar days prior to the completion of probation. Upon successful completion of probation, Respondent's certificate shall be fully restored.
- 15. <u>VIOLATION OF PROBATION</u> Failure to fully comply with any term or condition of probation is a violation of probation. If Respondent violates probation in any respect, the Board, after giving Respondent notice and the opportunity to be heard, may revoke probation and carry out the disciplinary order that was stayed. If an Accusation, Petition to Revoke Probation, or an Interim Suspension Order is filed against Respondent during probation, the Board shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final.
- 16. <u>LICENSE SURRENDER</u> Following the effective date of this Decision, if Respondent ceases practicing due to retirement, health reasons or is otherwise unable to satisfy the terms and conditions of probation, Respondent may request the voluntary surrender of Respondent's license. The Board reserves the right to evaluate Respondent's request and to

**ENDORSEMENT** The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Medical Board of California of the Department of Consumer Affairs. Dated: May 11, 2010 Respectfully Submitted, EDMUND G. BROWN JR. Attorney General of California STEVEN V. ADLER Supervising Deputy Attorney General 

BETH FABER JACOBS
Deputy Attorney General
Attorneys for Complainant

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24	Exhibit A
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26	Accusation No. 04-2007-181656
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Stipulated Settlement (2009101343)

EDMUND G. BROWN JR. Attorney General of California 2 STEVEN V. ADLER FILED Supervising Deputy Attorney General STATE OF CALIFORNIA 3 BETH FABER JACOBS MEDICAL BOARD OF CALIFORNIA Deputy Attorney General SACRAMENTO September 23, 20 09 4 State Bar No. 89145 BY: TTELCHAK ANALYST 110 West "A" Street, Suite 1100 5 San Diego, CA 92101 P.O. Box 85266 6 San Diego, CA 92186-5266 Telephone: (619) 645-2069 7 Facsimile: (619) 645-2061 8 Attorneys for Complainant 9 BEFORE THE MEDICAL BOARD OF CALIFORNIA 10 DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA 11 12 In the Matter of the Accusation Against: Case No. 04-2007-181656 13 ACCUSATION DAVID TODD ASHER, M.D. 947 S. Anaheim Blvd., Suite 270 14 Anaheim, CA 92805 15 Physician's and Surgeon's Certificate No. A67110 16 Respondent. 17 18 Complainant alleges: 19 **PARTIES** 20 Barbara Johnston (Complainant) brings this Accusation solely in her official 21 capacity as the Executive Director of the Medical Board of California, Department of Consumer 22 Affairs. 23 2. On or about December 11, 1998, the Medical Board of California issued 24 Physician's and Surgeon's Certificate No. A67110 to David Todd Asher, M.D. (Respondent). 25 The Physician's and Surgeon's Certificate was in full force and effect at all times relevant to the 26 charges brought herein and will expire on October 31, 2010, unless renewed. 2.7 /// 28 ///

3. This Accusation is brought before the Medical Board of California (Board),
Department of Consumer Affairs, under the authority of the following laws. All section
references are to the Business and Professions Code unless otherwise indicated.

4. Section 2220 of the Code states:

"Except as otherwise provided by law, the Division of Medical Quality<sup>1</sup> may take action against all persons guilty of violating this chapter [Chapter 5, the Medical Practice Act]. The division shall enforce and administer this article as to physician and surgeon certificate holders, and the division shall have all the powers granted in this chapter . . . ."

- 5. Section 2227 of the Code provides that a licensee who is found guilty under the Medical Practice Act may have his or her license revoked, suspended for a period not to exceed one year, placed on probation and required to pay the costs of probation monitoring, or such other action taken in relation to discipline as the Division deems proper.
  - 6. Section 2234 of the Code states:

"The Division of Medical Quality shall take action against any licensee who is charged with unprofessional conduct. In addition to other provisions of this article, unprofessional conduct includes, but is not limited to, the following:

"(a) Violating or attempting to violate, directly or indirectly, assisting in or abetting the violation of, or conspiring to violate any provision of this chapter [Chapter 5, the Medical Practice Act].

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<sup>&</sup>lt;sup>1</sup> California Business and Professions Code section 2002, as amended effective January 1, 2008, provides in part that the term "board" as used in the State Medical Practice Act (Business and Professions Code, section 2000, et seq.) means the "Medical Board of California," and that references to the "Division of Medical Quality" and "Division of Licensing" in the Act or any other provision of law shall be deemed to refer to the Board.

- "(e) The commission of any act involving dishonesty or corruption which is substantially related to the qualifications, functions, or duties of a physician and surgeon.
- "(f) Any action or conduct which would have warranted the denial of a certificate."
- 7. Unprofessional conduct under California Business and Professions Code section 2234 also includes conduct that breaches the rules or ethical code of the medical profession, or conduct that is unbecoming a member in good standing of the medical profession, and that demonstrates an unfitness to practice medicine. (*Shea v. Board of Medical Examiners* (9178) 81 Cal.App.3d 564, 575.)
  - 8. Section 2236 of the Code states:
  - "(a) The conviction of any offense substantially related to the qualifications, functions, or duties of a physician and surgeon constitutes unprofessional conduct within the meaning of this chapter [Chapter 5, the Medical Practice Act]. The record of conviction shall be conclusive evidence only of the fact that the conviction occurred.

"....

"(d) A plea or verdict of guilty or a conviction after a plea of nolo contendere is deemed to be a conviction within the meaning of this section and Section 2236.1. The record of conviction shall be conclusive evidence of the fact that the conviction occurred."

#### FIRST CAUSE FOR DISCIPLINE

#### (Conviction of a Crime)

- 9. Respondent is subject to disciplinary action under section 2236 in that he has been convicted of a crime substantially related to the qualifications, functions, or duties of a physician and surgeon. The circumstances are as follows:
  - A. On or about February 14, 2007, an Indictment was filed in *United States* of America v. David Todd Asher, et al., United States District Court Central

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District of California, Southern Division, Case No. SACR 07-0019. Count One of the Indictment charged respondent with violating Title 18 U.S.C., §371 [conspiracy]; and violating Title 42 U.S.C. §1320a-7b (b) (1) (A) [illegal kickbacks for patient referrals].

- On or about October 2, 2007, respondent entered into a plea agreement B. in the case, wherein he agreed to plead guilty to Count One of the Indictment (conspiracy, in violation of Title 18 U.S.C. §371, and paying illegal kickbacks for patient referrals, in violation of 42 U.S.C. §1320a-7b(b)(1)(A)). As part of the plea agreement, respondent stipulated to the following facts: From approximately late 2001 through 2003, respondent offered and paid financial kickbacks to board and care facility owners and administrators for the referral of patient names and Medicare numbers of patients residing at the facilities. In furtherance of the conspiracy, respondent, or others acting on his behalf, fraudulently received the identities and Medicare numbers of board and care residents and respondent would use these patients to fraudulently bill for respiratory treatments. In exchange, respondent paid between \$70,000 and \$120,000 in respiratory treatment referral kickbacks over an approximate 30-month period. Respondent offered and paid the kickbacks knowing it was unlawful to do so. Moreover, respondent's actions caused Medicare and Medi-Cal to be fraudulently billed for respiratory treatments.
- C. On or about August 10, 2009, pursuant to his plea agreement in *United States of America v. David Todd Asher, et al.*, United States District Court, Central District of California, Southern Division, Case No. 8:07-cr-00019-JVS, respondent pled guilty to Count One of the Indictment and was convicted of conspiracy, in violation of Title 18 U.S.C. §371, and paying illegal kickbacks for patient referrals, in violation of 42 U.S.C. §1320a-7b(b)(1)(A). For these crimes, the Court ordered, among other terms and conditions, that respondent be placed on probation for two years; pay a special assessment fee in the amount of \$100; and pay restitution in the total amount of \$6,850 [pursuant to 18 U.S.C. §3663A].

1	Respondent was also ordered to notify the Medical Board of California of his
2	conviction. Other terms and conditions and probation were also imposed.
3	SECOND CAUSE FOR DISCIPLINE
4	(Dishonesty or Corrupt Acts)
5	10. Respondent is subject to disciplinary action pursuant to Section 2234,
6	subdivision (e), in that respondent committed acts involving dishonesty or corruption that are
7	substantially related to the qualifications, functions, or duties of a physician and surgeon, as more
8	particularly described in paragraph 9, above, which is hereby incorporated by reference.
9	THIRD CAUSE FOR DISCIPLINE
10	(General Unprofessional Conduct)
11	11. Respondent is further subjected to disciplinary action under section 2234, in
12	that he engaged in conduct that breaches the rules or ethical code of the medical profession, or
13	conduct that is unbecoming to a member in good standing of the medical profession, and that
14	demonstrates an unfitness to practice medicine, as more particularly described in paragraph 9
15	above, which is hereby incorporated by reference.
16	PRAYER
17	WHEREFORE, Complainant requests that a hearing be held on the matters herein
18	alleged, and that following the hearing, the Medical Board of California issue a decision:
19	1. Revoking or suspending Physician's and Surgeon's Certificate No. A67110,
20	issued to David Todd Asher, M.D.;
21	2. Revoking, suspending or denying approval and authority of David Todd Asher,
22	M.D., to supervise physician assistants, pursuant to section 3527 of the Code;
23	3. Ordering David Todd Asher, M.D., if he is placed on probation, to pay the
24	Medical Board of California the costs of probation monitoring;
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1	4. Taking such other and further action as deemed necessary and proper.
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3	DATED: September 23, 2009.
4	BARBARA JOHNSTON Executive Director Medical Board of California
5	Medical Board of California  Department of Consumer Affairs  State of California
6	State of California  Complainant
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