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

Case No.: 800-2019-058998

ln	the	Matter	of	the	Acc	usa	tion
A	gain	st:					

JOHN D. KUNZ, M.D.

Physician's and Surgeon's Certificate No. G 57797

Respondent.

DECISION

The attached Stipulated Settlement is hereby adopted as the Decision and Order of the Medical Board of California, Department of Consumer Affairs, State of California.

This Decision shall become effective at 5:00 p.m. on February 22. 2024.

IT IS SO ORDERED: January 23, 2024.

MEDICAL BOARD OF CALIFORNIA

Laurie Rose Lubiano, J.D., Chair

Panel A

1 2 3 4 5 6 7 8	ROB BONTA Attorney General of California EDWARD KIM Supervising Deputy Attorney General JONATHAN NGUYEN Deputy Attorney General State Bar No. 263420 Department of Justice 300 So. Spring Street, Suite 1702 Los Angeles, CA 90013 Telephone: (213) 269-6434 Facsimile: (916) 731-2117 Attorneys for Complainant									
9	BEFORE THE									
	MEDICAL BOARD OF CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS									
10	STATE OF CA	ALIFORNIA								
11	In the Matter of the Accusation Against:	Case No. 800-2019-058998								
12	JOHN D. KUNZ, M.D.	OAH No. 2023010333								
13	101 W. Arrellaga St., Ste. B Santa Barbara, CA 93101-5950	STIPULATED SETTLEMENT AND								
14	Physician's and Surgeon's	DISCIPLINARY ORDER								
15	Certificate No. G 57797									
16	Respondent.									
17										
18	IT IS HEREBY STIPULATED AND AGR	EED by and between the parties to the above-								
19	entitled proceedings that the following matters are	e true:								
20	PAR	<u>ries</u>								
21	1. Reji Varghese (Complainant) is the Executive Director of the Medical Board of									
22	California (Board). He brought this action solely in his official capacity and is represented in this									
23	matter by Rob Bonta, Attorney General of the State of California, by Jonathan Nguyen, Deputy									
24	Attorney General.									
25	2. Respondent John D. Kunz, M.D. (Respondent) is represented in this proceeding by									
26	attorney Derek F. O'Reilly-Jones, Esq., whose address is: 355 South Grand Ave., Ste. 1750									
27	Los Angeles, CA 90071-1562. On or about July 14, 1986, the Board issued Physician's and									
28	Surgeon's Certificate No. G 57797 to John D. Kunz, M.D. (Respondent). The Physician's and									
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Surgeon's Certificate was in full force and effect at all times relevant to the charges brought in Accusation No. 800-2019-058998, and will expire on February 28, 2026, unless renewed.

JURISDICTION

- 3. Accusation No. 800-2019-058998 was filed before the Board, and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served on Respondent on August 24, 2022. Respondent timely filed his Notice of Defense contesting the Accusation.
- 4. A copy of Accusation No. 800-2019-058998 is attached as Exhibit A and incorporated herein by reference.

ADVISEMENT AND WAIVERS

- 5. Respondent has carefully read, fully discussed with counsel, and understands the charges and allegations in Accusation No. 800-2019-058998. Respondent has also carefully read, fully discussed with his counsel, and understands the effects of this Stipulated Settlement and Disciplinary Order.
- 6. Respondent is fully aware of his legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to confront and cross-examine the witnesses against him; the right to present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.
- 7. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

- 8. Respondent understands and agrees that the charges and allegations in Accusation No. 800-2019-058998, if proven at a hearing, constitute cause for imposing discipline upon his Physician's and Surgeon's Certificate.
- 9. Respondent does not contest that, at an administrative hearing, Complainant could establish a prima facie case with respect to the charges and allegations in Accusation No. 800-

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2019-058998, a true and correct copy of which is attached hereto as Exhibit A, and that he has thereby subjected his Physician's and Surgeon's Certificate, No. G 57797 to disciplinary action.

- 10. ACKNOWLEDGMENT. Respondent acknowledges the Disciplinary Order below, requiring the disclosure of probation pursuant to Business and Professions Code section 2228.1, serves to protect the public interest.
- 11. Respondent agrees that his Physician's and Surgeon's Certificate is subject to discipline and he agrees to be bound by the Board's probationary terms as set forth in the Disciplinary Order below.

RESERVATION

The admissions made by Respondent herein are only for the purposes of this 12. proceeding, or any other proceedings in which the Medical Board of California or other professional licensing agency is involved, and shall not be admissible in any other criminal or civil proceeding.

CONTINGENCY

- 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.
- Respondent agrees that if he ever petitions for early termination or modification of probation, or if an accusation and/or petition to revoke probation is filed against him before the Board, all of the charges and allegations contained in Accusation No. 800-2019-058998 shall be deemed true, correct and fully admitted by respondent for purposes of any such proceeding or any

other licensing proceeding involving Respondent in the State of California.

- 15. This Stipulated Settlement and Disciplinary Order is intended by the parties herein to be an integrated writing representing the complete, final and exclusive embodiment of the agreement of the parties in this above entitled matter.
- 16. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Settlement and Disciplinary Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.
- 17. In consideration of the foregoing admissions and stipulations, the parties agree that the Board may, without further notice or opportunity to be heard by the Respondent, issue and enter the following Disciplinary Order:

DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Physician's and Surgeon's Certificate No. G 57797 issued to Respondent JOHN D. KUNZ, M.D. is revoked. However, the revocation is stayed and Respondent is placed on probation for five (5) years on the following terms and conditions.

of this order and while the respondent is on probation, the respondent must provide all patients, or patient's guardian or health care surrogate, with a separate disclosure that includes the respondent's probation status, the length of the probation, the probation end date, all practice restrictions placed on the respondent by the board, the board's telephone number, and an explanation of how the patient can find further information on the respondent's probation on the respondent's profile page on the board's website. Respondent shall obtain from the patient, or the patient's guardian or health care surrogate, a separate, signed copy of that disclosure. Respondent shall not be required to provide a disclosure if any of the following applies: (1) The patient is unconscious or otherwise unable to comprehend the disclosure and sign the copy of the disclosure and a guardian or health care surrogate is unavailable to comprehend the disclosure and sign the copy; (2) The visit occurs in an emergency room or an urgent care facility or the visit is unscheduled, including consultations in inpatient facilities; (3) Respondent is not known to the patient until immediately prior to the start of the visit; (4) Respondent does not have a direct

treatment relationship with the patient.

- 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. 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 CME of which 40 hours were in satisfaction of this condition.
- 3. PRESCRIBING PRACTICES COURSE. Within 60 calendar days of the effective date of this Decision, Respondent shall enroll in a course in prescribing practices approved in advance by the Board or its designee. Respondent shall provide the approved course provider with any information and documents that the approved course provider may deem pertinent. Respondent shall participate in and successfully complete the classroom component of the course not later than six (6) months after Respondent's initial enrollment. Respondent shall successfully complete any other component of the course within one (1) year of enrollment. The prescribing practices course shall be at Respondent's expense and shall be in addition to the Continuing Medical Education (CME) requirements for renewal of licensure.

A prescribing practices 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.

4. MEDICAL RECORD KEEPING COURSE. Within 60 calendar days of the effective date of this Decision, Respondent shall enroll in a course in medical record keeping approved in advance by the Board or its designee. Respondent shall provide the approved course provider with any information and documents that the approved course provider may deem pertinent. Respondent shall participate in and successfully complete the classroom component of the course not later than six (6) months after Respondent's initial enrollment. Respondent shall successfully complete any other component of the course within one (1) year of enrollment. The medical record keeping course shall be at Respondent's expense and shall be in addition to the Continuing Medical Education (CME) requirements for renewal of licensure.

A medical record keeping 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.

5. PROFESSIONALISM PROGRAM (ETHICS COURSE). Within 60 calendar days of the effective date of this Decision, Respondent shall enroll in a professionalism program, that meets the requirements of Title 16, California Code of Regulations (CCR) section 1358.1. Respondent shall participate in and successfully complete that program. Respondent shall provide any information and documents that the program may deem pertinent. Respondent shall successfully complete the classroom component of the program not later than six (6) months after Respondent's initial enrollment, and the longitudinal component of the program not later than the time specified by the program, but no later than one (1) year after attending the classroom component. The professionalism program shall be at Respondent's expense and shall be in addition to the Continuing Medical Education (CME) requirements for renewal of licensure.

A professionalism program 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 program would have been approved by the Board or its designee had the program 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 program or not later than 15 calendar days after the effective date of the Decision, whichever is later.

6. <u>CLINICAL COMPETENCE ASSESSMENT PROGRAM</u>. Within 60 calendar days of the effective date of this Decision, Respondent shall enroll in a clinical competence assessment program approved in advance by the Board or its designee. Respondent shall successfully complete the program not later than six (6) months after Respondent's initial enrollment unless the Board or its designee agrees in writing to an extension of that time.

The program shall consist of a comprehensive assessment of Respondent's physical and mental health and the six general domains of clinical competence as defined by the Accreditation Council on Graduate Medical Education and American Board of Medical Specialties pertaining to Respondent's current or intended area of practice. The program shall take into account data obtained from the pre-assessment, self-report forms and interview, and the Decision(s), Accusation(s), and any other information that the Board or its designee deems relevant. The program shall require Respondent's on-site participation for a minimum of three (3) and no more than five (5) days as determined by the program for the assessment and clinical education evaluation. Respondent shall pay all expenses associated with the clinical competence assessment program.

At the end of the evaluation, the program will submit a report to the Board or its designee which unequivocally states whether the Respondent has demonstrated the ability to practice safely and independently. Based on Respondent's performance on the clinical competence assessment, the program will advise the Board or its designee of its recommendation(s) for the scope and length of any additional educational or clinical training, evaluation or treatment for any medical condition or psychological condition, or anything else affecting Respondent's practice of

medicine. Respondent shall comply with the program's recommendations.

Determination as to whether Respondent successfully completed the clinical competence assessment program is solely within the program's jurisdiction.

If Respondent fails to enroll, participate in, or successfully complete the clinical competence assessment program within the designated time period, Respondent shall receive a notification from the Board or its designee to cease the practice of medicine within three (3) calendar days after being so notified. The Respondent shall not resume the practice of medicine until enrollment or participation in the outstanding portions of the clinical competence assessment program have been completed. If the Respondent did not successfully complete the clinical competence assessment program, the Respondent shall not resume the practice of medicine until a final decision has been rendered on the accusation and/or a petition to revoke probation. The cessation of practice shall not apply to the reduction of the probationary time period.

7. MONITORING - PRACTICE. Within 30 calendar days of the effective date 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(s) and Accusation(s), and a proposed monitoring plan. Within 15 calendar days of receipt of the Decision(s), Accusation(s), and proposed monitoring plan, the monitor shall submit a signed statement that the monitor has read the Decision(s) and Accusation(s), 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, the monitor shall submit a revised monitoring plan with the signed statement for approval by the Board or its designee.

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. Respondent shall make all records available for immediate inspection and copying on the premises by the monitor at all times during business hours and shall retain the records for the entire term of probation.

If Respondent fails to obtain approval of a monitor within 60 calendar days of the effective date of this Decision, Respondent shall receive a notification from the Board or its designee to cease the practice of medicine within three (3) calendar days after being so notified. Respondent shall cease the practice of medicine until a monitor is approved to provide monitoring responsibility.

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, 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 calendar days of the resignation or unavailability of the monitor, Respondent shall receive a notification from the Board or its designee to cease the practice of medicine within three (3) calendar days after being so notified. Respondent shall cease the practice of medicine until a replacement monitor is approved and assumes monitoring responsibility.

In lieu of a monitor, Respondent may participate in a professional enhancement program approved in advance by the Board or its designee 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.

8. NOTIFICATION. Within seven (7) days of the effective date of this Decision, the Respondent shall provide a true copy of this Decision 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.

- 9. <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.
- 10. <u>INVESTIGATION/ENFORCEMENT COST RECOVERY</u>. Respondent is hereby ordered to reimburse the Board its costs of investigation and enforcement, including, but not limited to, expert review, amended accusations, legal reviews, investigation(s), and subpoena enforcement, as applicable, in the amount of \$59,646.60 (fifty-nine thousand, six hundred forty-six dollars and sixty cents). Costs shall be payable to the Medical Board of California. Failure to pay such costs shall be considered a violation of probation.

Payment must be made in full within 30 calendar days of the effective date of the Order, or by a payment plan approved by the Medical Board of California. Any and all requests for a payment plan shall be submitted in writing by respondent to the Board. Failure to comply with the payment plan shall be considered a violation of probation.

The filing of bankruptcy by respondent shall not relieve respondent of the responsibility to repay investigation and enforcement costs, including expert review costs.

11. <u>QUARTERLY DECLARATIONS</u>. 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

Compliance with Probation Unit

Respondent shall comply with the Board's probation unit.

Address Changes

Respondent shall, at all times, keep the Board informed of Respondent's business and residence addresses, email address (if available), and telephone number. 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, subdivision (b).

Place of Practice

Respondent shall not engage in the practice of medicine in Respondent's or patient's place of residence, unless the patient resides in a skilled nursing facility or other similar licensed facility.

License Renewal

Respondent shall maintain a current and renewed California physician's and surgeon's license.

Travel or Residence Outside California

Respondent shall immediately inform the Board or its designee, in writing, of travel to any areas outside the jurisdiction of California which lasts, or is contemplated to last, more than thirty (30) calendar days.

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.

- 13. <u>INTERVIEW WITH THE BOARD OR ITS DESIGNEE</u>. Respondent shall be available in person upon request for interviews either at Respondent's place of business or at the probation unit office, with or without prior notice throughout the term of probation.
 - 14. NON-PRACTICE WHILE ON PROBATION. Respondent shall notify the Board or

its designee in writing within 15 calendar days of any periods of non-practice lasting more than 30 calendar days and within 15 calendar days of Respondent's return to practice. Non-practice is defined as any period of time Respondent is not practicing medicine as defined in Business and Professions Code sections 2051 and 2052 for at least 40 hours in a calendar month in direct patient care, clinical activity or teaching, or other activity as approved by the Board. If Respondent resides in California and is considered to be in non-practice, Respondent shall comply with all terms and conditions of probation. All time spent in an intensive training program which has been approved by the Board or its designee shall not be considered non-practice and does not relieve Respondent from complying with all the terms and conditions of probation. Practicing medicine in another state of the United States or Federal jurisdiction while on probation with the medical licensing authority of that state or jurisdiction shall not be considered non-practice. A Board-ordered suspension of practice shall not be considered as a period of non-practice.

In the event Respondent's period of non-practice while on probation exceeds 18 calendar months, Respondent shall successfully complete the Federation of State Medical Boards' Special Purpose Examination, or, at the Board's discretion, a clinical competence assessment program that meets the criteria of Condition 18 of the current version of the Board's "Manual of Model Disciplinary Orders and Disciplinary Guidelines" prior to resuming the practice of medicine.

Respondent's period of non-practice while on probation shall not exceed two (2) years.

Periods of non-practice will not apply to the reduction of the probationary term.

Periods of non-practice for a Respondent residing outside of 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;
General Probation Requirements; Quarterly Declarations; Abstain from the Use of Alcohol and/or
Controlled Substances; and Biological Fluid Testing.

15. <u>COMPLETION OF PROBATION</u>. Respondent shall comply with all financial obligations (e.g., restitution, probation costs) not later than 120 calendar days prior to the completion of probation. This term does not include cost recovery, which is due within 30

 calendar days of the effective date of the Order, or by a payment plan approved by the Medical Board and timely satisfied. Upon successful completion of probation, Respondent's certificate shall be fully restored.

- 16. <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, or 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.
- Respondent ceases practicing due to retirement or health reasons or is otherwise unable to satisfy the terms and conditions of probation, Respondent may request to surrender his or her license.

 The Board reserves the right to evaluate Respondent's request and to exercise its discretion in determining whether or not to grant the request, or to take any other action deemed appropriate and reasonable under the circumstances. Upon formal acceptance of the surrender, Respondent shall within 15 calendar days deliver Respondent's wallet and wall certificate to the Board or its designee and Respondent shall no longer practice medicine. Respondent will no longer be subject to the terms and conditions of probation. If Respondent re-applies for a medical license, the application shall be treated as a petition for reinstatement of a revoked certificate.
- 18. <u>PROBATION MONITORING COSTS</u>. Respondent shall pay the costs associated with probation monitoring each and every year of probation, as designated by the Board, which may be adjusted on an annual basis. Such costs shall be payable to the Medical Board of California and delivered to the Board or its designee no later than January 31 of each calendar year.
- 19. <u>FUTURE ADMISSIONS CLAUSE</u>. If Respondent should ever apply or reapply for a new license or certification, or petition for reinstatement of a license, by any other health care licensing action agency in the State of California, all of the charges and allegations contained in

1	Accusation No. 800-2019-058998 shall be deemed to be true, correct, and admitted by							
2	Respondent for the purpose of any Statement of Issues or any other proceeding seeking to deny or							
3	restrict license.							
4	<u>ACCEPTANCE</u>							
5	I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully							
6	discussed it with my attorney, Derek F. O'Reilly-Jones, Esq I understand the stipulation and the							
7	effect it will have on my Physician's and Surgeon's Certificate. I enter into this Stipulated							
8	Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be							
9	bound by the Decision and Order of the Medical Board of California.							
10	DATED: 10/9/2023 Bly O/kg/MD							
11	JOHN D. KUNZ, M.D. Respondent							
12	I have read and fully discussed with Respondent John D. Kunz, M.D. the terms and							
13	conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order.							
14	I approve its form and content.							
15	DATED: 10 09 2023							
16	DEREK F. OREILLY-JONES, ESQ. Attorney for Respondent							
17	ENDORSEMENT							
18	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully							
19	submitted for consideration by the Medical Board of California.							
20	10/10/2022							
21	DATED: 10/10/2023 Respectfully submitted,							
22	ROB BONTA Attorney General of California							
23	EDWARD KIM Supervising Deputy Attorney General							
24								
25	Jonathan Nguyen							
26	Deputy Attorney General Attorneys for Complainant							
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STIPULATED SETTLEMENT (800-2019-058998)

ROB BONTA Attorney General of California 2 JUDITH T. ALVARADO Supervising Deputy Attorney General 3 TAN N. TRAN Deputy Attorney General 4 State Bar No. 197775 300 South Spring Street, Suite 1702 5 Los Angeles, CA 90013 Telephone: (213) 269-6535 Facsimile: (916) 731-2117 6 Attorneys for Complainant 7 8 BEFORE THE MEDICAL BOARD OF CALIFORNIA 9 DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA 10 11 In the Matter of the Accusation Against: Case No. 800-2019-058998 12 ACCUSATION JOHN D. KUNZ, M.D. 13 101 W. Arrellaga St., Ste. B Santa Barbara, CA 93101-5950 14 Physician's and Surgeon's Certificate 15 No. G 57797, 16 Respondent. 17 18 **PARTIES** 19 William Prasifka (Complainant) brings this Accusation solely in his official capacity 1. 20 as the Executive Director of the Medical Board of California, Department of Consumer Affairs 21 (Board). 22 On or about July 14, 1986, the Board issued Physician's and Surgeon's Certificate 2. 23 Number G 57797 to John D. Kunz, M.D. (Respondent). The Physician's and Surgeon's 24 Certificate was in full force and effect at all times relevant to the charges brought herein and will 25 expire on February 29, 2024, unless renewed. 26 111. 27 /// 28 (JOHN D. KUNZ, M.D.) ACCUSATION NO. 800-2019-058998

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JURISDICTION

- 3. This Accusation is brought before the Board, under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.
 - 4. Section 2004 of the Code states:

The board shall have the responsibility for the following:

- (a) The enforcement of the disciplinary and criminal provisions of the Medical Practice Act.
 - (b) The administration and hearing of disciplinary actions.
- (c) Carrying out disciplinary actions appropriate to findings made by a panel or an administrative law judge.
- (d) Suspending, revoking, or otherwise limiting certificates after the conclusion of disciplinary actions.
- (e) Reviewing the quality of medical practice carried out by physician and surgeon certificate holders under the jurisdiction of the board.
 - (f) Approving undergraduate and graduate medical education programs.
- (g) Approving clinical clerkship and special programs and hospitals for the programs in subdivision (f).
 - (h) Issuing licenses and certificates under the board's jurisdiction.
 - (i) Administering the board's continuing medical education program.
- 5. Section 2227 of the Code states:
- (a) A licensee whose matter has been heard by an administrative law judge of the Medical Quality Hearing Panel as designated in Section 11371 of the Government Code, or whose default has been entered, and who is found guilty, or who has entered into a stipulation for disciplinary action with the board, may, in accordance with the provisions of this chapter:
 - (1) Have his or her license revoked upon order of the board.
- (2) Have his or her right to practice suspended for a period not to exceed one year upon order of the board.
- (3) Be placed on probation and be required to pay the costs of probation monitoring upon order of the board.
- (4) Be publicly reprimanded by the board. The public reprimand may include a requirement that the licensee complete relevant educational courses approved by the board.

- (5) Have any other action taken in relation to discipline as part of an order of probation, as the board or an administrative law judge may deem proper.
- (b) Any matter heard pursuant to subdivision (a), except for warning letters, medical review or advisory conferences, professional competency examinations, continuing education activities, and cost reimbursement associated therewith that are agreed to with the board and successfully completed by the licensee, or other matters made confidential or privileged by existing law, is deemed public, and shall be made available to the public by the board pursuant to Section 803.1.

STATUTORY PROVISIONS

6. Section 2234 of the Code, states:

The board 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.
 - (b) Gross negligence.
- (c) Repeated negligent acts. To be repeated, there must be two or more negligent acts or omissions. An initial negligent act or omission followed by a separate and distinct departure from the applicable standard of care shall constitute repeated negligent acts.
- (1) An initial negligent diagnosis followed by an act or omission medically appropriate for that negligent diagnosis of the patient shall constitute a single negligent act.
- (2) When the standard of care requires a change in the diagnosis, act, or omission that constitutes the negligent act described in paragraph (1), including, but not limited to, a reevaluation of the diagnosis or a change in treatment, and the licensee's conduct departs from the applicable standard of care, each departure constitutes a separate and distinct breach of the standard of care.
 - (d) Incompetence.
- (e) The commission of any act involving dishonesty or corruption that is substantially related to the qualifications, functions, or duties of a physician and surgeon.
 - (f) Any action or conduct that would have warranted the denial of a certificate.
- (g) The failure by a certificate holder, in the absence of good cause, to attend and participate in an interview by the board. This subdivision shall only apply to a certificate holder who is the subject of an investigation by the board.
- 7. Section 2241 of the Code states:
- (a) A physician and surgeon may prescribe, dispense, or administer prescription drugs, including prescription controlled substances, to an addict under his or her treatment for a purpose other than maintenance on, or detoxification from,

(JOHN D. KUNZ, M.D.) ACCUSATION NO. 800-2019-058998

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- (c) A practitioner who has a medical basis for prescribing, furnishing, dispensing, or administering dangerous drugs or prescription controlled substances shall not be subject to disciplinary action or prosecution under this section.
- (d) No physician and surgeon shall be subject to disciplinary action pursuant to this section for treating intractable pain in compliance with Section 2241.5.
- 9. Section 2266 of the Code states:

The failure of a physician and surgeon to maintain adequate and accurate records relating to the provision of services to their patients constitutes unprofessional conduct.

COST RECOVERY

- 10. Business and Professions Code section 125.3 states that:
- (a) Except as otherwise provided by law, in any order issued in resolution of a disciplinary proceeding before any board within the department or before the Osteopathic Medical Board upon request of the entity bringing the proceeding, the administrative law judge may direct a licensee found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.
- (b) In the case of a disciplined licentiate that is a corporation or a partnership, the order may be made against the licensed corporate entity or licensed partnership.
- (c) A certified copy of the actual costs, or a good faith estimate of costs where actual costs are not available, signed by the entity bringing the proceeding or its designated representative shall be prima facie evidence of reasonable costs of investigation and prosecution of the case. The costs shall include the amount of investigative and enforcement costs up to the date of the hearing, including, but not limited to, charges imposed by the Attorney General.
- (d) The administrative law judge shall make a proposed finding of the amount of reasonable costs of investigation and prosecution of the case when requested pursuant to subdivision (a). The finding of the administrative law judge with regard to costs shall not be reviewable by the board to increase the cost award. The board may reduce or eliminate the cost award, or remand to the administrative law judge if the proposed decision fails to make a finding on costs requested pursuant to subdivision (a).
- (e) If an order for recovery of costs is made and timely payment is not made as directed in the board's decision, the board may enforce the order for repayment in any appropriate court. This right of enforcement shall be in addition to any other rights the board may have as to any licensee to pay costs.
- (f) In any action for recovery of costs, proof of the board's decision shall be conclusive proof of the validity of the order of payment and the terms for payment.
- (g)(1) Except as provided in paragraph (2), the board shall not renew or reinstate the license of any licensee who has failed to pay all of the costs ordered under this section.
- (2) Notwithstanding paragraph (1), the board may, in its discretion, conditionally renew or reinstate for a maximum of one year the license of any

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with benzodiazepines.

 multiple conditions including rheumatoid arthritis, substance use/mental health disorders, anxiety and pain management.⁴

- 13. Per CURES (Controlled Substance Utilization Review and Evaluation System, a drug monitoring database for Schedule II through V controlled substances dispensed in California) and other medical records, Respondent was prescribing to Patient 1 a dangerous combination of controlled medications, including opioids (e.g., oxycodone, methadone), benzodiazepines (e.g., clonazepam, alprazolam/Xanax), and sedative hypnotics (Lunesta, zolpidem), throughout the time period he treated Patient 1.⁵ Records indicate that Patient 1 filled her last prescription on May 22, 2017, just eight days before her death on May 30, 2017.
- 14. Patient 1 also displayed signs ("red flags") of addiction/substance abuse. For example, Patient 1 claimed that her prescriptions had been lost or stolen, and had numerous early refills authorized by Respondent, despite multiple substances agreements (drug contracts) between Respondent and the patient which prohibited same. Moreover, as early as 2010, Respondent received information that Patient 1 may have been selling drugs out of her apartment, and may have been diverting her pain medication.⁶
- 15. Despite Patient 1 having a very complex and long-standing history of dual diagnosis (mental health and substance use disorders), and despite all the "red flags" of addiction and noncompliant behavior that the patient displayed over the years, Respondent continued to treat Patient 1 by regularly co-prescribing a dangerous combination of medications, including benzodiazepines, opioids, as well as sedative hypnotics to her. In doing so, Respondent failed to timely recognize the high risk for overdose and death, and should have referred Patient 1 for regular follow-ups with a psychiatrist, pain specialist, and addiction specialist.

⁶ Although some of these examples are outside the statute of limitations, they are offered as examples of Respondent's pattern and practice of substandard care.

⁴ Respondent made it clear in an interview with Board investigators that he is not a pain management doctor, but acknowledged that he would, on occasion, have to take on that role (i.e., pain management doctor) for Patient 1 for a variety of reasons, including insurance coverage, lack of availability of specialists in the area, etc.

⁵ Patient 1 had a very complex and long-standing history of dual diagnosis (mental health and substance abuse disorders). In a patient with these diagnoses, a combination of opioid and benzodiazepine prescriptions should have been avoided at all costs. Also, all of these medications are controlled substances which can be lethal when combined. They are also considered dangerous drugs pursuant to Code section 4022.

Respondent's actions and/or omissions, as described above, represent an extreme departure from the standard of care for Respondent's inappropriate prescribing of controlled substances to Patient 1, as well as for Respondent's failure to seek appropriate consultations. Respondent's care and treatment of Patient 1, as described above, also represents repeated negligent acts.

Patient 2:

- 17. Patient 2 (or "patient") is a fifty-four-year-old male, who treated with Respondent from approximately 2015 to 2020. Patient 2 was diagnosed with bipolar disorder by a psychiatrist who had Patient 2 on a non-benzodiazepine regimen (e.g., Lamictal and Seroquel).7 Patient 2 had also been formerly addicted to recreational and pharmaceutical drugs. Respondent first cared for Patient 2 at Aegis. Per Patient 2, he went to Aegis clinic and was referred to Respondent because he [the patient] was told that Respondent treats patients with substance abuse issues. Respondent treated Patient 2 at Aegis for anxiety and opioid abuse.
- While Patient 2 was at Aegis, Respondent did not continue benzodiazepines for Patient 2, as it was Aegis's policy at the time that patients with opiate use disorder were not given medication assisted treatment concurrently with benzodiazepines. However, when Patient 2 transferred to Respondent's private practice, Respondent resumed prescribing benzodiazepines for him and started Patient 2 on clonazepam.8
- Aside from treating Patient 2 with clonazepam, Respondent was also prescribing Patient 2 with suboxone (an opiate used to treat substance abuse disorder) and trazodone (a sedating anti-depressant used for insomnia). Throughout Respondent's medical records for Patient 2, Respondent's medical decision-making is sparsely noted and thus it is not evident that other non-habit forming or sedating modalities for anxiolysis were attempted (e.g., selective serotonin reuptake inhibitors (SSRIs)).9 It is also not clear from Respondent's documentation

9 An example of an SSRI is Lexapro, a medication used to treat depression and

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⁷ Although Respondent is not a psychiatrist, it appeared that Respondent took over

prescribing for Patient 2's mental health diagnoses and resumed benzodiazepines.

8 Apparently, Patient 2 found Seroquel (a non-benzodiazepine antipsychotic medication) to be too sedating, so Respondent discontinued Seroquel and started Patient 2 on clonazepam (a benzodiazepine often used to treat panic/anxiety disorders).

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whether appropriate medication tapers had been attempted on a regular basis to wean Patient 2 down to the lowest effective dose, despite Patient 2's history of addiction and other suspicious behavior such as requesting early refills and using the medications more than prescribed. 10

Overall. Respondent's care and treatment of Patient 2 represents an extreme departure from the standard of care for Respondent's inappropriate and excessive prescribing of controlled substances to Patient 2, as outlined above. Also, Respondent's failure to adequately seek out psychiatry consultation and/or addiction medicine consultation, given the early refills and the fact that the psychiatrist recommended a non-benzodiazepine regime, represents an extreme departure from the standard of care.

Patient 3:

- Patient 3 (or "patient") is a thirty-eight-year-old male, who treated with Respondent 21. from approximately March 2015 to the present (i.e., as of July 2022). Patient 3 had a history of heroin use and IV drug use. Patient 3 had previously been on methadone (medication used to treat narcotic addiction) and had a drug relapse in January of 2015.
- Respondent was prescribing to Patient 3 both benzodiazepines (e.g., clonazepam, alprazolam/Xanax)11 and opioids (e.g., suboxone). Similar to Patient 2, Respondent's medical decision-making is sparsely noted throughout his documentation in Patient 3's medical chart, and thus it is not evident that other non-habit forming or sedating modalities for anxiolysis were tried. It is also not clear from the documentation whether appropriate medication tapers had been attempted on a regular basis to wean down to the lowest effective dose. 12

generalized anxiety disorder. Lexapro is considered less dangerous than alprazolam/Xanax, which is a benzodiazepine. Hydroxyzine (an antihistamine and serotonin antagonist) also works similarly to taking SSRIs, another type of medication used to treat anxiety by making more serotonin available in a person's brain.

10 Per Respondent, Patient 2 "...has not wanted to taper [off opiates]..." and that "...I [Respondent] don't push people to ...taper off."

11 Respondent acknowledged that he wasn't initially concerned about Patient 3's anxiety; yet, Respondent continued to prescribe Xanax, which is a sedating and addictive medication, to Patient 3.

¹² Respondent acknowledged that at one point, while he [Respondent] was prescribing both suboxone and benzodiazepines to Patient 3, he [Respondent] should have referred the patient to a psychiatrist for consultation, rather than escalating the dose of benzodiazepines. end hactory of All e

- 23. Patient 3 was also displaying signs of overt substance abuse. For example, Patient 3 had a history of heroin use, and on at least four occasions between 2017 and 2018, Patient 3 claimed that his Xanax was stolen or lost. Respondent, on numerous occasions, honored Patient 3's requests for early refills, despite Patient 3 signing an agreement with Respondent which stated that early refills would not be honored. Moreover, there is evidence that Patient 3's wife and an insurance company contacted Respondent regarding their concerns about Patient 3's drug use/abuse. Despite these "red flags," Respondent failed to take adequate steps to determine if he should stop prescribing controlled substances to Patient 3, nor did Respondent cease treatment of Patient 3 in a timely matter.
- 24. Overall, Respondent's care and treatment of Patient 3 represents an extreme departure from the standard of care for Respondent's inappropriate and excessive prescribing of controlled substances to Patient 3, as outlined above. Also, Respondent's continuous prescribing of addictive controlled substances to Patient 3 despite his signs of addiction and illicit behavior, represents repeated acts of negligence.

SECOND CAUSE FOR DISCIPLINE

(Excessive Prescribing – 3 Patients)

25. By reason of the facts and allegations set forth in the First Cause for Discipline above, Respondent John D. Kunz, M.D. is subject to disciplinary action under section 725 of the Code, in that Respondent excessively prescribed dangerous drugs to Patients 1, 2, and 3, above.

THIRD CAUSE FOR DISCIPLINE

(Furnishing Drugs to an Addict - 3 Patients)

26. By reason of the facts and allegations set forth in the First Cause for Discipline above, Respondent John D. Kunz, M.D. is subject to disciplinary action under section 2241 of the Code, in that Respondent furnished dangerous drugs to Patients 1, 2, and 3, who had signs of addiction to and/or diversion of controlled substances.

13 Respondent justified the early prescriptions due to the development of tolerance by the patient necessitating a higher dose.

FOURTH CAUSE FOR DISCIPLINE

(Failure to Maintain Adequate and Accurate Medical Records - 3 Patients)

27. By reason of the facts and allegations set forth in the First Cause for Discipline above, Respondent John D. Kunz, M.D. is subject to disciplinary action under section 2266 of the Code, in that Respondent failed to maintain adequate and accurate records of his care and treatment of Patients 1, 2, and 3, above.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Medical Board of California issue a decision:

- 1. Revoking or suspending Physician's and Surgeon's Certificate Number G 57797, issued to Respondent John D. Kunz, M.D.;
- 2. Revoking, suspending or denying approval of Respondent John D. Kunz, M.D.'s authority to supervise physician assistants and advanced practice nurses;
- 3. Ordering Respondent John D. Kunz, M.D., to pay the Board the costs of the investigation and enforcement of this case, and if placed on probation, the costs of probation monitoring; and
 - 4. Taking such other and further action as deemed necessary and proper.

DATED: AUG 2 4 2022

WILLIAM PRASIFICATION Executive Director

Medical Board of California

Department of Consumer Affairs

State of California Complainant