

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

**In the Matter of the Accusation  
Against:**

**Janardhan Rao Grandhe, M.D.**

**Physician's and Surgeon's  
Certificate No. A 52798**

**Case No.: 800-2022-092723**

**Respondent.**

**DECISION**

**The attached Stipulated Settlement and Disciplinary Order 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 December 6, 2024.**

**IT IS SO ORDERED: November 6, 2024.**

**MEDICAL BOARD OF CALIFORNIA**

*Michelle A. Bholat, MD*

**Michelle A. Bholat, M.D. Interim Chair  
Panel A**

1 ROB BONTA  
Attorney General of California  
2 STEVE DIEHL  
Supervising Deputy Attorney General  
3 JADE WOLANSKY  
Deputy Attorney General  
4 State Bar No. 349302  
California Department of Justice  
5 1300 I Street, Suite 125  
P.O. Box 944255  
6 Sacramento, CA 94244-2550  
Telephone: (916) 210-7287  
7 Facsimile: (916) 327-2247  
*Attorneys for Complainant*  
8

9 **BEFORE THE**  
10 **MEDICAL BOARD OF CALIFORNIA**  
11 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. 800-2022-092723

13 **JANARDHAN RAO GRANDHE, M.D.**

OAH No. 2024040035

14 **6401 Truxtun Ave., Ste B**  
15 **Bakersfield, CA 93309-0674**

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

16 **Physician's and Surgeon's Certificate No. A**  
17 **52798**

Respondent.

18  
19 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-  
20 entitled proceedings that the following matters are true:

21 **PARTIES**

22 1. Reji Varghese (Complainant) is the Executive Director of the Medical Board of  
23 California (Board). He brought this action solely in his official capacity and is represented in this  
24 matter by Rob Bonta, Attorney General of the State of California, by Jade Wolansky, Deputy  
25 Attorney General.

26 ///

27 ///

28 ///



1 **CULPABILITY**

2 9. Respondent admits the truth of each and every charge and allegation in Accusation  
3 No. 800-2022-092723.

4 10. Respondent agrees that his Physician's and Surgeon's Certificate is subject to  
5 discipline and he agrees to be bound by the Board's probationary terms as set forth in the  
6 Disciplinary Order below.

7 **CONTINGENCY**

8 11. This stipulation shall be subject to approval by the Medical Board of California.  
9 Respondent understands and agrees that counsel for Complainant and the staff of the Medical  
10 Board of California may communicate directly with the Board regarding this stipulation and  
11 settlement, without notice to or participation by Respondent or his counsel. By signing the  
12 stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek  
13 to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails  
14 to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary  
15 Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal  
16 action between the parties, and the Board shall not be disqualified from further action by having  
17 considered this matter.

18 12. This Stipulated Settlement and Disciplinary Order is intended by the parties herein to  
19 be an integrated writing representing the complete, final and exclusive embodiment of the  
20 agreement of the parties in this above entitled matter.

21 13. Respondent agrees that if he ever petitions for early termination or modification of  
22 probation, or if an accusation and/or petition to revoke probation is filed against him before the  
23 Board, all of the charges and allegations contained in Accusation No. 800-2022-092723 shall be  
24 deemed true, correct and fully admitted by respondent for purposes of any such proceeding or any  
25 other licensing proceeding involving Respondent in the State of California.

26 14. The parties understand and agree that Portable Document Format (PDF) and facsimile  
27 copies of this Stipulated Settlement and Disciplinary Order, including PDF and facsimile  
28 signatures thereto, shall have the same force and effect as the originals.

15. 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. A 52798 issued to Respondent JANARDHAN RAO GRANDHE, M.D. is revoked, and the automatic suspension of Certificate No. A 52798 is dissolved pursuant to Business and Professions Code section 2236.1, subdivision (b). However, the revocation is stayed and Respondent is placed on probation for four (4) years on the following terms and conditions:

1. COMMUNITY SERVICE - FREE SERVICES. 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 2 years of probation, provide 100 (one hundred) hours of free services (e.g., medical or nonmedical) to a community or non-profit organization. If the term of probation is designated for 2 years or less, the community service hours must be completed not later than 6 months prior to the completion of probation.

Prior to engaging in any community service, Respondent shall provide a true copy of the Decision(s) 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(s) in community service.

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

2. 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

1 successfully complete the classroom component of the program not later than six (6) months after  
2 Respondent's initial enrollment, and the longitudinal component of the program not later than the  
3 time specified by the program, but no later than one (1) year after attending the classroom  
4 component. The professionalism program shall be at Respondent's expense and shall be in  
5 addition to the Continuing Medical Education (CME) requirements for renewal of licensure.

6 A professionalism program taken after the acts that gave rise to the charges in the  
7 Accusation, but prior to the effective date of the Decision may, in the sole discretion of the Board  
8 or its designee, be accepted towards the fulfillment of this condition if the program would have  
9 been approved by the Board or its designee had the program been taken after the effective date of  
10 this Decision.

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

14 3. MONITORING - PRACTICE/BILLING. Within 30 calendar days of the effective  
15 date of this Decision or within 30 days of Respondent submitting patient bills/invoices for  
16 medical care performed by Respondent (whichever date is later), Respondent shall submit to the  
17 Board or its designee for prior approval as a Billing Monitor the names and qualifications (CV  
18 required) of at least three licensed physicians and surgeons, or individuals who possess a Medical  
19 Billing and Coding Certificate or equivalent, to be Respondent's Billing Monitor (Monitor). A  
20 monitor shall have no prior or current business or personal relationship with Respondent, or other  
21 relationship that could reasonably be expected to compromise the ability of the monitor to render  
22 fair and unbiased reports to the Board, including but not limited to any form of bartering, shall be  
23 in Respondent's field of practice, and must agree to serve as Respondent's monitor. Respondent  
24 shall pay all monitoring costs.

25 The Board or its designee shall provide the approved monitor with copies of the Decision(s)  
26 and Accusation(s), and a proposed monitoring plan. Within 15 calendar days of receipt of the  
27 Decision(s), Accusation(s), and proposed monitoring plan, the monitor shall submit a signed  
28 statement that the monitor has read the Decision(s) and Accusation(s), fully understands the role

1 of a monitor, and agrees or disagrees with the proposed monitoring plan. If the monitor disagrees  
2 with the proposed monitoring plan, the monitor shall submit a revised monitoring plan with the  
3 signed statement for approval by the Board or its designee.

4 Within 60 calendar days of the effective date of this Decision or within 60 days of  
5 Respondent submitting patient bills/invoices for medical care performed by Respondent  
6 (whichever date is later), and continuing throughout probation, Respondent's billing shall be  
7 monitored by the approved monitor. Respondent shall make all records available for immediate  
8 inspection and copying on the premises by the monitor at all times during business hours and  
9 shall retain the records for the entire term of probation.

10 If Respondent fails to obtain approval of a monitor within 60 calendar days of the effective  
11 date of this Decision or within 60 days of Respondent submitting patient bills/invoices for  
12 medical care performed by Respondent (whichever date is later), Respondent shall receive a  
13 notification from the Board or its designee to cease the practice of medicine within three (3)  
14 calendar days after being so notified. Respondent shall cease the practice of medicine until a  
15 monitor is approved to provide monitoring responsibility.

16 The monitor(s) shall submit a quarterly written report to the Board or its designee which  
17 includes an evaluation of Respondent's performance, indicating whether Respondent's practices  
18 are within the standards of practice of billing and whether Respondent is practicing medicine  
19 safely, billing appropriately or both. It shall be the sole responsibility of Respondent to ensure  
20 that the monitor submits the quarterly written reports to the Board or its designee within 10  
21 calendar days after the end of the preceding quarter.

22 If the monitor resigns or is no longer available, Respondent shall, within 5 calendar days of  
23 such resignation or unavailability, submit to the Board or its designee, for prior approval, the  
24 name and qualifications of a replacement monitor who will be assuming that responsibility within  
25 15 calendar days. If Respondent fails to obtain approval of a replacement monitor within 60  
26 calendar days of the resignation or unavailability of the monitor, Respondent shall receive a  
27 notification from the Board or its designee to cease the practice of medicine within three (3)  
28 calendar days after being so notified. Respondent shall cease the practice of medicine until a

1 replacement monitor is approved and assumes monitoring responsibility.

2 In lieu of a monitor, Respondent may participate in a professional enhancement program  
3 approved in advance by the Board or its designee that includes, at minimum, quarterly chart  
4 review, semi-annual practice assessment, and semi-annual review of professional growth and  
5 education. Respondent shall participate in the professional enhancement program at Respondent's  
6 expense during the term of probation.

7 4. NOTIFICATION. Within seven (7) days of the effective date of this Decision, the  
8 Respondent shall provide a true copy of this Decision and Accusation to the Chief of Staff or the  
9 Chief Executive Officer at every hospital where privileges or membership are extended to  
10 Respondent, at any other facility where Respondent engages in the practice of medicine,  
11 including all physician and locum tenens registries or other similar agencies, and to the Chief  
12 Executive Officer at every insurance carrier which extends malpractice insurance coverage to  
13 Respondent. Respondent shall submit proof of compliance to the Board or its designee within 15  
14 calendar days.

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

16 5. OBEY ALL LAWS. Respondent shall obey all federal, state and local laws, all rules  
17 governing the practice of medicine in California and remain in full compliance with any court  
18 ordered criminal probation, payments, and other orders.

19 6. INVESTIGATION/ENFORCEMENT COST RECOVERY. Respondent is hereby  
20 ordered to reimburse the Board its costs of investigation and enforcement, including, but not  
21 limited to, expert review, amended accusations, legal reviews, investigation(s), and subpoena  
22 enforcement, as applicable, in the amount of \$27,809.40 (twenty seven thousand and eight  
23 hundred and nine dollars and forty cents). Costs shall be payable to the Medical Board of  
24 California. Failure to pay such costs shall be considered a violation of probation.

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



1 The filing of bankruptcy by respondent shall not relieve respondent of the responsibility to  
2 repay investigation and enforcement costs.

3 7. QUARTERLY DECLARATIONS. Respondent shall submit quarterly declarations  
4 under penalty of perjury on forms provided by the Board, stating whether there has been  
5 compliance with all the conditions of probation.

6 Respondent shall submit quarterly declarations not later than 10 calendar days after the end  
7 of the preceding quarter.

8 8. GENERAL PROBATION REQUIREMENTS.

9 Compliance with Probation Unit

10 Respondent shall comply with the Board's probation unit.

11 Address Changes

12 Respondent shall, at all times, keep the Board informed of Respondent's business and  
13 residence addresses, email address (if available), and telephone number. Changes of such  
14 addresses shall be immediately communicated in writing to the Board or its designee. Under no  
15 circumstances shall a post office box serve as an address of record, except as allowed by Business  
16 and Professions Code section 2021, subdivision (b).

17 Place of Practice

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

21 License Renewal

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

24 Travel or Residence Outside California

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

28 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.

9. INTERVIEW WITH THE BOARD OR ITS DESIGNEE. 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.

10. 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's 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.

11. COMPLETION OF PROBATION. 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.

12. VIOLATION OF PROBATION. 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.

13. LICENSE SURRENDER. Following the effective date of this Decision, if 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.

14. PROBATION MONITORING COSTS. 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

1 California and delivered to the Board or its designee no later than January 31 of each calendar  
2 year.

3 15. FUTURE ADMISSIONS CLAUSE. If Respondent should ever apply or reapply for a  
4 new license or certification, or petition for reinstatement of a license, by any other health care  
5 licensing action agency in the State of California, all of the charges and allegations contained in  
6 Accusation No. 800-2022-092723 shall be deemed to be true, correct, and admitted by  
7 Respondent for the purpose of any Statement of Issues or any other proceeding seeking to deny or  
8 restrict license.

9 ACCEPTANCE

10 I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully  
11 discussed it with my attorney, Michael A. Firestone J.D. I understand the stipulation and the  
12 effect it will have on my Physician's and Surgeon's Certificate. I enter into this Stipulated  
13 Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be  
14 bound by the Decision and Order of the Medical Board of California.

15  
16 DATED: 7/12/2024

  
17 JANARDHAN RAO GRANDHE, M.D.  
18 Respondent

19 I have read and fully discussed with Respondent Janardhan Rao Grandhe, M.D. the terms  
20 and conditions and other matters contained in the above Stipulated Settlement and Disciplinary  
21 Order. I approve its form and content.

22  
23 DATED: 7/12/2024

  
24 MICHAEL A. FIRESTONE J.D.  
25 Attorney for Respondent

26 ///

27 ///

28 ///

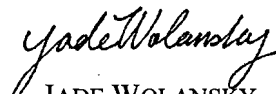
**ENDORSEMENT**

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Medical Board of California.

DATED: July 12, 2024

Respectfully submitted,

ROB BONTA  
Attorney General of California  
STEVE DIEHL  
Supervising Deputy Attorney General

  
JADE WOLANSKY  
Deputy Attorney General  
*Attorneys for Complainant*

FR2023303533  
38254482.docx

1 ROB BONTA  
Attorney General of California  
2 STEVE DIEHL  
Supervising Deputy Attorney General  
3 JADE WOLANSKY  
Deputy Attorney General  
4 State Bar No. 349302  
California Department of Justice  
5 1300 I Street, Suite 125  
P.O. Box 944255  
6 Sacramento, CA 94244-2550  
Telephone: (916) 210-7287  
7 Facsimile: (916) 327-2247  
*Attorneys for Complainant*

9  
10 **BEFORE THE**  
**MEDICAL BOARD OF CALIFORNIA**  
11 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. 800-2022-092723

13 **Janardhan Rao Grandhe, M.D.**  
14 **6401 Truxtun Ave., Ste B**  
**Bakersfield, CA 93309**

**A C C U S A T I O N**

15 **Physician's and Surgeon's Certificate**  
16 **No. A 52798,**

17 Respondent.

18 **PARTIES**

19 1. Reji Varghese (Complainant) brings this Accusation solely in his official capacity as  
20 the Executive Director of the Medical Board of California, Department of Consumer Affairs  
21 (Board).

22 2. On or about February 9, 1994, the Medical Board issued Physician's and Surgeon's  
23 Certificate Number A 52798 to Janardhan Rao Grandhe, M.D. (Respondent). The Physician's  
24 and Surgeon's Certificate was in full force and effect at all times relevant to the charges brought  
25 herein and will expire on October 31, 2025, unless renewed.

26 ///

27 ///

28 ///

1 **JURISDICTION**

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

5 4. Section 2227 of the Code states:

6 (a) A licensee whose matter has been heard by an administrative law judge of the  
7 Medical Quality Hearing Panel as designated in Section 11371 of the Government Code, or  
8 whose default has been entered, and who is found guilty, or who has entered into a  
9 stipulation for disciplinary action with the board, may, in accordance with the provisions of  
10 this chapter:

11 (1) Have his or her license revoked upon order of the board.

12 (2) Have his or her right to practice suspended for a period not to exceed one year  
13 upon order of the board.

14 (3) Be placed on probation and be required to pay the costs of probation monitoring  
15 upon order of the board.

16 (4) Be publicly reprimanded by the board. The public reprimand may include a  
17 requirement that the licensee complete relevant educational courses approved by the board.

18 (5) Have any other action taken in relation to discipline as part of an order of  
19 probation, as the board or an administrative law judge may deem proper.

20 (b) Any matter heard pursuant to subdivision (a), except for warning letters, medical  
21 review or advisory conferences, professional competency examinations, continuing  
22 education activities, and cost reimbursement associated therewith that are agreed to with the  
23 board and successfully completed by the licensee, or other matters made confidential or  
24 privileged by existing law, is deemed public, and shall be made available to the public by  
25 the board pursuant to Section 803.1.

26 **STATUTORY PROVISIONS**

27 5. Section 2236 of the Code states:

28 (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. The record of conviction shall be conclusive  
evidence only of the fact that the conviction occurred.

(b) The district attorney, city attorney, or other prosecuting agency shall notify  
the Division of Medical Quality of the pendency of an action against a licensee  
charging a felony or misdemeanor immediately upon obtaining information that the

1 defendant is a licensee. The notice shall identify the licensee and describe the crimes  
2 charged and the facts alleged. The prosecuting agency shall also notify the clerk of  
3 the court in which the action is pending that the defendant is a licensee, and the clerk  
shall record prominently in the file that the defendant holds a license as a physician  
and surgeon.

4 (c) The clerk of the court in which a licensee is convicted of a crime shall,  
5 within 48 hours after the conviction, transmit a certified copy of the record of  
6 conviction to the board. The division may inquire into the circumstances surrounding  
7 the commission of a crime in order to fix the degree of discipline or to determine if  
the conviction is of an offense substantially related to the qualifications, functions, or  
duties of a physician and surgeon.

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

11 6. Section 490 of the Code provides, in pertinent part, that a board may suspend or  
12 revoke a license on the ground that the licensee has been convicted of a crime substantially  
13 related to the qualifications, functions, or duties of the business or profession for which the  
14 license was issued.

15 7. Section 493 of the Code states, in pertinent part:

16 (a) Notwithstanding any other law, in a proceeding conducted by a board within the  
17 department pursuant to law to deny an application for a license or to suspend or revoke a  
18 license or otherwise take disciplinary action against a person who holds a license, upon the  
19 ground that the applicant or the licensee has been convicted of a crime substantially related  
20 to the qualifications, functions, and duties of the licensee in question, the record of  
conviction of the crime shall be conclusive evidence of the fact that the conviction  
occurred, but only of that fact.

21 (b) (1) Criteria for determining whether a crime is substantially related to the  
22 qualifications, functions, or duties of the business or profession the board regulates shall  
include all of the following:

23 (A) The nature and gravity of the offense.

24 (B) The number of years elapsed since the date of the offense.

25 (C) The nature and duties of the profession.

26 ...

27 8. Section 2234 of the Code, states, in pertinent part:

28 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:

...

(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.

...

9. Section 2236.1 of the Code states:

(a) A physician and surgeon's certificate shall be suspended automatically during any time that the holder of the certificate is incarcerated after conviction of a felony, regardless of whether the conviction has been appealed. The Division of Medical Quality shall, immediately upon receipt of the certified copy of the record of conviction, determine whether the certificate of the physician and surgeon has been automatically suspended by virtue of the physician and surgeon's incarceration, and if so, the duration of that suspension. The division shall notify the physician and surgeon of the license suspension and of the right to elect to have the issue of penalty heard as provided in this section.

(b) Upon receipt of the certified copy of the record of conviction, if after a hearing it is determined therefrom that the felony of which the licensee was convicted was substantially related to the qualifications, functions, or duties of a physician and surgeon, the Division of Medical Quality shall suspend the license until the time for appeal has elapsed, if an appeal has not been taken, or until the judgment of conviction has been affirmed on appeal or has otherwise become final, and until further order of the division. The issue of substantial relationship shall be heard by an administrative law judge from the Medical Quality Hearing Panel sitting alone or with a panel of the division, in the discretion of the division.

(c) Notwithstanding subdivision (b), a conviction of any crime referred to in Section 2237, or a conviction of Section 187, 261, 288, or former Section 262, of the Penal Code, shall be conclusively presumed to be substantially related to the qualifications, functions, or duties of a physician and surgeon and a hearing shall not be held on this issue. Upon its own motion or for good cause shown, the division may decline to impose or may set aside the suspension when it appears to be in the interest of justice to do so, with due regard to maintaining the integrity of and confidence in the medical profession.

(d) (1) Discipline may be ordered in accordance with Section 2227, or the Division of Licensing may order the denial of the license when the time for appeal has elapsed, the judgment of conviction has been affirmed on appeal, or an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under Section 1203.4 of the Penal Code allowing the person to withdraw the plea of guilty and to enter a plea of not guilty, setting aside the verdict of guilty, or dismissing the accusation, complaint, information, or indictment.

(2) The issue of penalty shall be heard by an administrative law judge from the Medical Quality Hearing Panel sitting alone or with a panel of the division, in the discretion

1 of the division. The hearing shall not be had until the judgment of conviction has become  
2 final or, irrespective of a subsequent order under Section 1203.4 of the Penal Code, an order  
3 granting probation has been made suspending the imposition of sentence; except that a  
4 licensee may, at the licensee's option, elect to have the issue of penalty decided before  
5 those time periods have elapsed. Where the licensee so elects, the issue of penalty shall be  
6 heard in the manner described in this section at the hearing to determine whether the  
7 conviction was substantially related to the qualifications, functions, or duties of a physician  
8 and surgeon. If the conviction of a licensee who has made this election is overturned on  
9 appeal, any discipline ordered pursuant to this section shall automatically cease. This  
10 subdivision does not prohibit the division from pursuing disciplinary action based on any  
11 cause other than the overturned conviction.

12 (e) The record of the proceedings resulting in the conviction, including a transcript of  
13 the testimony therein, may be received in evidence.

14 (f) The other provisions of this article setting forth a procedure for the suspension or  
15 revocation of a physician and surgeon's certificate shall not apply to proceedings conducted  
16 pursuant to this section.

#### 17 REGULATORY PROVISIONS

18 10. California Code of Regulations, title 16, section 1360, states in pertinent part:

19 (a) For the purposes of denial, suspension or revocation of a license pursuant to  
20 Section 141 or Division 1.5 (commencing with Section 475) of the code, a crime,  
21 professional misconduct, or act shall be considered to be substantially related to the  
22 qualifications, functions or duties of a person holding a license if to a substantial  
23 degree it evidences present or potential unfitness of a person holding a license to  
24 perform the functions authorized by the license in a manner consistent with the public  
25 health, safety or welfare. Such crimes, professional misconduct, or acts shall include  
26 but not be limited to the following: Violating or attempting to violate, directly or  
27 indirectly, or assisting in or abetting the violation of, or conspiring to violate any  
28 provision of state or federal law governing the applicant's or licensee's professional  
practice.

(b) In making the substantial relationship determination required under subdivision  
(a) for a crime, the board shall consider the following criteria:

- (1) The nature and gravity of the crime;
- (2) The number of years elapsed since the date of the crime; and
- (3) The nature and duties of the profession.

...

#### 26 COST RECOVERY

27 11. Section 125.3 of the Code provides, in pertinent part, that the Board may request the  
28 administrative law judge to direct a licensee found to have committed a violation or violations of

1 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and  
2 enforcement of the case, with failure of the licensee to comply subjecting the license to not being  
3 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be  
4 included in a stipulated settlement.

5 **FACTUAL ALLEGATIONS**

6 12. On or about July 19, 2022, in a case titled *United States of America v. Janardhan*  
7 *Grandhe*, Case No. 1:22-cr-00198-JLT, in the United States District Court, Eastern District of  
8 California, Respondent was charged with one count of felony tax evasion under Title 26, United  
9 States Code, Section 7201.

10 13. On or about May 20, 2022, Respondent signed a Plea Agreement and agreed to plead  
11 guilty to one count of felony tax evasion, in violation of Title 26, United States Code, Section  
12 7201. The Plea Agreement was filed on or about October 11, 2022.

13 14. In the Plea Agreement, Respondent agreed that the elements of the offense to which  
14 he was pleading guilty were: (1) Respondent owed more federal income tax for the calendar year  
15 2019 than he declared due on his income tax return for that calendar year; (2) Respondent knew  
16 that he owed more federal income tax than what he declared on his income tax return; (3)  
17 Respondent made an affirmative attempt to evade or defeat a tax or payment thereof; and (4) In  
18 attempting to evade or defeat the additional tax, Respondent acted willfully.

19 15. In Exhibit A of the Plea Agreement, Respondent admitted that the following facts  
20 (summarized below) were true and correct:

- 21 a. At all relevant times and at least for the tax years 2017 to 2019, Respondent was  
22 a pain management doctor located in Bakersfield, California and was a 100%  
23 shareholder of Janardhan Grandhe MD a Medical Corp doing business as Central  
24 Valley Pain Management ("CVPM").
- 25 b. In 2017, 2018, and 2019, Respondent willfully filed false tax returns with  
26 overstated expenses for CVPM and willfully filed false individual tax returns for  
27 himself that omitted gross receipts received by Respondent.
- 28 c. Respondent willfully and affirmatively evaded a total amount of \$309,387.00.

1 False Business Deductions Scheme

- 2 d. In 2017, 2018, and 2019, Respondent provided checks to employees claiming to  
3 be for employee expense reimbursements and were included as deductions on  
4 CVPM tax returns. Respondent claimed the reimbursements were for out-of-  
5 pocket expenses incurred by employees for continuing medical education, meals,  
6 mileage, and travel expenses.
- 7 e. In fact, not all employees who received reimbursements incurred the expense or  
8 paid any costs out of pocket to be reimbursed. Those employees did not receive a  
9 benefit in the amount of the checks made payable to them.
- 10 f. Respondent then instructed those employees to cash the checks and in most  
11 cases, provide the majority of the cash back to Respondent. The cash was then  
12 deposited into accounts controlled by Respondent or his family.
- 13 g. Respondent willfully and intentionally provided false documentation to his tax  
14 preparer to support the claimed employee expense reimbursement deductions.

15 Unreported Income Scheme

- 16 h. In 2017, 2018, and 2019, Respondent diverted business receipts to personal bank  
17 accounts controlled by Respondent and did not provide his tax preparer with  
18 these personal bank account records so that the amounts were not included as  
19 business gross receipts for CVPM tax returns.
- 20 i. These unreported business receipts included checks from customers for stem cell  
21 injections. Respondent diverted credit card receipts received by his business for  
22 medical services rendered by Respondent into his personal bank account. The  
23 unreported income on the CVPM tax returns resulted in decreased net income on  
24 Respondent's personal tax returns.

25 16. On or about April 24, 2023, Respondent pleaded guilty to one count of felony tax  
26 evasion in violation of Title 26, United States Code, Section 7201. Respondent was sentenced to  
27 12 months and 1 day of imprisonment, followed by an additional 12 months of supervised release.  
28 Respondent was ordered to pay restitution in the amount of \$309,387.00, pay other fines and

1 assessments, cooperate in the collection of DNA as directed by a probation officer, comply with  
2 other standard and special conditions of supervision, and surrender to the designated Bureau of  
3 Prisons facility on or before July 5, 2023.

4 17. On or about July 5, 2023, Respondent was incarcerated in United States Penitentiary,  
5 Lompoc, California. Respondent's Physician's and Surgeon's Certificate A 52798 was suspended  
6 automatically by operation of law pursuant to section 2236.1 of the Code.

7 **FIRST CAUSE FOR DISCIPLINE**

8 **(Conviction of a Substantially Related Crime - Tax Evasion [26 U.S.C. Section 7201])**

9 18. Respondent Janardhan Rao Grandhe, M.D. is subject to disciplinary action under  
10 section 2236 and section 490 of the Code, in that he was convicted of a crime substantially related  
11 to the qualifications, functions, or duties of a physician. The circumstances are detailed in  
12 paragraphs 12 to 17, above, and incorporated herein by reference as if fully set forth.

13 **SECOND CAUSE FOR DISCIPLINE**

14 **(Dishonesty/Corruption)**

15 19. Respondent Janardhan Rao Grandhe, M.D. is subject to disciplinary action under  
16 section 2234, subdivision (e), of the Code, in that he committed acts involving dishonesty and/or  
17 corruption substantially related to the qualifications, functions, or duties of a physician. The  
18 circumstances are detailed in paragraphs 12 to 17, above, and incorporated herein by reference as  
19 if fully set forth.

20 **PRAYER**

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

23 1. Revoking or suspending Physician's and Surgeon's Certificate Number A 52798,  
24 issued to Respondent Janardhan Rao Grandhe, M.D.;

25 2. Revoking, suspending or denying approval of Respondent Janardhan Rao Grandhe,  
26 M.D.'s authority to supervise physician assistants and advanced practice nurses;

27 ///

28 ///

1           3.    Ordering Respondent Janardhan Rao Grandhe, M.D., to pay the Board the costs of the  
2 investigation and enforcement of this case, and if placed on probation, the costs of probation  
3 monitoring; and

4           4.    Taking such other and further action as deemed necessary and proper.

5  
6    DATED:   FEB 01 2024

JENNA JONES FOR

REJI VARGHESE  
Executive Director  
Medical Board of California  
Department of Consumer Affairs  
State of California  
*Complainant*

7  
8  
9  
10  
11   FR2023303533  
12   37583533.docx  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28