

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

In the Matter of the Accusation Against:

Michael Mehran Hayavi, M.D.

**Physician's & Surgeon's
Certificate No. G 77704**

Respondent.

Case No. 800-2021-074560

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 January 23, 2025.

IT IS SO ORDERED: December 24, 2024.

MEDICAL BOARD OF CALIFORNIA

Michelle A. Bholat, MD

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

1 ROB BONTA
Attorney General of California
2 EDWARD KIM
Supervising Deputy Attorney General
3 CHRISTINE FRIAR WALTON
Deputy Attorney General
4 State Bar No. 228421
300 South Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 269-6472
6 Facsimile: (916) 731-2117
Attorneys for Complainant
7

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

12 In the Matter of the Accusation Against:

Case No. 800-2021-074560

13 **MICHAEL MEHRAN HAYAVI, M.D.**
14 **P.O. Box 108**
Beverly Hills, CA 90213-0108

OAH No. 2024030168

15 **Physician's and Surgeon's Certificate No.**
16 **G 77704**

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER

17 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 Christine Friar Walton,
25 Deputy Attorney General.

26 2. Respondent Michael Mehran Hayavi, M.D. (Respondent) is represented in this
27 proceeding by attorney Nicholas D. Jurkowitz of the Fenton Jurkowitz Law Group, LLP, located
28 at 1990 South Bundy Drive, Suite 777, Los Angeles, California 90025.

1 3. On or about October 6, 1993, the Board issued Physician's and Surgeon's Certificate
2 No. G 77704 to Michael Mehran Hayavi, M.D. (Respondent). That Physician's and Surgeon's
3 Certificate was in full force and effect at all times relevant to the charges brought in Accusation
4 No. 800-2021-074560, and will expire on October 31, 2025, unless renewed.

5 **JURISDICTION**

6 4. Accusation No. 800-2021-074560 was filed before the Board, and is currently
7 pending against Respondent. The Accusation and all other statutorily required documents were
8 properly served on Respondent on December 21, 2023. Respondent timely filed his Notice of
9 Defense contesting the Accusation. A true and correct copy of Accusation No. 800-2021-074560
10 is attached as Exhibit A and incorporated herein by reference.

11 **ADVISEMENT AND WAIVERS**

12 5. Respondent has carefully read, fully discussed with counsel, and understands the
13 charges and allegations in Accusation No. 800-2021-074560. Respondent has also carefully read,
14 fully discussed with his counsel, and understands the effects of this Stipulated Settlement and
15 Disciplinary Order.

16 6. Respondent is fully aware of his legal rights in this matter, including the right to a
17 hearing on the charges and allegations in the Accusation; the right to confront and cross-examine
18 the witnesses against him; the right to present evidence and to testify on his own behalf; the right
19 to the issuance of subpoenas to compel the attendance of witnesses and the production of
20 documents; the right to reconsideration and court review of an adverse decision; and all other
21 rights accorded by the California Administrative Procedure Act and other applicable laws.

22 7. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
23 every right set forth above.

24 **CULPABILITY**

25 8. Respondent understands and agrees that the charges and allegations in Accusation
26 No. 800-2021-074560, if proven at a hearing, constitute cause for imposing discipline upon his
27 Physician's and Surgeon's Certificate. Respondent hereby gives up his right to contest those
28 charges and allegations.

9. Respondent does not contest that, at an administrative hearing, Complainant could establish a *prima facie* case with respect to the charges and allegations contained in Accusation No. 800-2021-074560 and that he has thereby subjected his license to disciplinary action.

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

CONTINGENCY

11. 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.

12. 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.

13. Respondent agrees that if he ever petitions for modification of these terms, or if a subsequent accusation and/or petition to revoke probation is filed against him before the Board, all of the charges and allegations contained in Accusation No. 800-2021-074560 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.

14. 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.

1 15. In consideration of the foregoing admissions and stipulations, the parties agree that
2 the Board may, without further notice or opportunity to be heard by the Respondent, issue and
3 enter the following Disciplinary Order:

4 **DISCIPLINARY ORDER**

5 IT IS HEREBY ORDERED that Physician's and Surgeon's Certificate No. G 77704 to
6 Respondent Michael Mehran Hayavi, M.D. is publicly reprimanded pursuant to California
7 Business and Professions Code section 2227, subdivision (a)(4), and it is further ordered that
8 Respondent comply with the following attendant terms and conditions:

9 1. **PUBLIC REPRIMAND**

10 The Public Reprimand issued in connection with Accusation No. 800-2021-074560, against
11 Respondent Michael Mehran Hayavi, M.D., is as follows:

12 "From 2017 through 2021, you committed unprofessional conduct when you: entered into
13 contractual agreements under the names "BeverlyHillsPhysicians.com" and "Beverly Hills
14 Physicians" without initially forming a professional medical corporation and/or obtaining a
15 fictitious name permit for such fictitious names; and used unapproved fictitious names,
16 including "BeverlyHillsPhysicians.com" and "Beverly Hills Physicians," in signage and/or
17 advertising materials."

18 2. **PROFESSIONALISM PROGRAM (ETHICS COURSE)**

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

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

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

9 **3. INVESTIGATION/ENFORCEMENT COST RECOVERY**

10 Respondent is hereby ordered to reimburse the Board its costs of investigation and
11 enforcement, including, but not limited to, expert review, amended accusations, legal reviews,
12 investigation(s), and subpoena enforcement, as applicable, in the amount of \$29,425.31 (Twenty-
13 nine thousand, four hundred twenty-five dollars and thirty-one cents). Costs shall be payable to
14 the Medical Board of California within one (1) year from the effective date of this Decision.

15 Any and all requests for a payment plan shall be submitted in writing by Respondent to the
16 Board. The filing of bankruptcy by Respondent shall not relieve Respondent of the responsibility
17 to repay investigation and enforcement costs.

18 **4. FAILURE TO COMPLY**

19 Failure to comply with any of the terms of this Disciplinary Order shall constitute
20 unprofessional conduct and shall be a basis for further disciplinary action by the Board. In such
21 circumstances, the Complainant may reinstate Accusation No. 800-2021-074560 and/or file a
22 supplemental accusation alleging any failure to comply with any provision of this order by
23 Respondent as unprofessional conduct.

24 **5. FUTURE ADMISSIONS CLAUSE**

25 If Respondent should ever apply or reapply for a new license or certification, or petition for
26 reinstatement of a license, by any other health care licensing action agency in the State of
27 California, all of the charges and allegations contained in Accusation No. 800-2021-074560 shall
28 be deemed to be true, correct, and admitted by Respondent for the purpose of any Statement of

1 Issues or any other proceeding seeking to deny or restrict license.

2 ACCEPTANCE

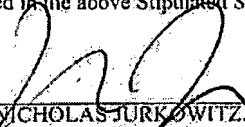
3 I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully
4 discussed it with my attorney, Nicholas D. Jurkowitz. I understand the stipulation and the effect
5 it will have on my Physician's and Surgeon's Certificate. I enter into this Stipulated Settlement
6 and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the
7 Decision and Order of the Medical Board of California.

8 DATED: 10/17/24

9 
MICHAEL MEHRAN HAYAVI, M.D.
10 Respondent

11 I have read and fully discussed with Respondent Michael Mehran Hayavi, M.D. the terms
12 and conditions and other matters contained in the above Stipulated Settlement and Disciplinary
13 Order. I approve its form and content.

14 DATED: 10-21-24

15 
NICHOLAS JURKOWITZ, ESQ.
16 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 DATED: October 21, 2024

Respectfully submitted,

21 ROB BONTA
22 Attorney General of California
23 EDWARD KIM
Supervising Deputy Attorney General

24 

25 CHRISTINE FRIAR WALTON
26 Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation No. 800-2021-074560

1 ROB BONTA
Attorney General of California
2 EDWARD KIM
Supervising Deputy Attorney General
3 CHRISTINE FRIAR WALTON
Deputy Attorney General
4 State Bar No. 228421
300 So. Spring Street, Suite 1702
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9 **MEDICAL BOARD OF CALIFORNIA**
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13 **Michael Mehran Hayavi, M.D.**
14 **P.O. Box 108**
Beverly Hills, CA 90213-0108

A C C U S A T I O N

15 **Physician's and Surgeon's Certificate**
No. G 77704,

16 Respondent.
17

18 **PARTIES**

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

22 2. On or about October 6, 1993, the Board issued Physician's and Surgeon's Certificate
23 Number G 77704 to Michael Mehran Hayavi, M.D. ("Respondent"). The Physician's and
24 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 **JURISDICTION**

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

1 indicated.

2 4. Section 2004 of the Code states:

3 The board shall have the responsibility for the following:

4 (a) The enforcement of the disciplinary and criminal provisions of the Medical
5 Practice Act.

6 (b) The administration and hearing of disciplinary actions.

7 (c) Carrying out disciplinary actions appropriate to findings made by a panel or
8 an administrative law judge.

9 (d) Suspending, revoking, or otherwise limiting certificates after the conclusion
10 of disciplinary actions.

11 (e) Reviewing the quality of medical practice carried out by physician and
12 surgeon certificate holders under the jurisdiction of the board.

13 (f) Approving undergraduate and graduate medical education programs.

14 (g) Approving clinical clerkship and special programs and hospitals for the
15 programs in subdivision (f).

16 (h) Issuing licenses and certificates under the board's jurisdiction.

17 (i) Administering the board's continuing medical education program.

18 5. Section 2220 of the Code states:

19 Except as otherwise provided by law, the board may take action against all
20 persons guilty of violating this chapter. The board shall enforce and administer this
21 article as to physician and surgeon certificate holders, including those who hold
22 certificates that do not permit them to practice medicine, such as, but not limited to,
23 retired, inactive, or disabled status certificate holders, and the board shall have all the
24 powers granted in this chapter for these purposes including, but not limited to:

25 (a) Investigating complaints from the public, from other licensees, from health
26 care facilities, or from the board that a physician and surgeon may be guilty of
27 unprofessional conduct. The board shall investigate the circumstances underlying a
28 report received pursuant to Section 805 or 805.01 within 30 days to determine if an
interim suspension order or temporary restraining order should be issued. The board
shall otherwise provide timely disposition of the reports received pursuant to Section
805 and Section 805.01.

(b) Investigating the circumstances of practice of any physician and surgeon
where there have been any judgments, settlements, or arbitration awards requiring the
physician and surgeon or his or her professional liability insurer to pay an amount in

1 damages in excess of a cumulative total of thirty thousand dollars (\$30,000) with
2 respect to any claim that injury or damage was proximately caused by the physician's
and surgeon's error, negligence, or omission.

3 (c) Investigating the nature and causes of injuries from cases which shall be
4 reported of a high number of judgments, settlements, or arbitration awards against a
physician and surgeon.

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

9 **STATUTORY PROVISIONS**

10 7. Section 2234 of the Code, states:

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

13 (a) Violating or attempting to violate, directly or indirectly, assisting in or
14 abetting the violation of, or conspiring to violate any provision of this chapter.

15 ...

16 8. Section 651 of the Code states, in pertinent part:

17 (a) It is unlawful for any person licensed under this division or under any initiative act
18 referred to in this division to disseminate or cause to be disseminated any form of public
19 communication containing a false, fraudulent, misleading, or deceptive statement, claim, or
20 image for the purpose of or likely to induce, directly or indirectly, the rendering of
professional services or furnishing of products in connection with the professional practice
21 or business for which he or she is licensed. A "public communication" as used in this
section includes, but is not limited to, communication by means of mail, television, radio,
22 motion picture, newspaper, book, list or directory of healing arts practitioners, Internet, or
other electronic communication.

23 (b) A false, fraudulent, misleading, or deceptive statement, claim, or image includes a
24 statement or claim that does any of the following:

25 (1) Contains a misrepresentation of fact.

26 (2) Is likely to mislead or deceive because of a failure to disclose material facts.

27 ...

28 (5) Contains other representations or implications that in reasonable probability will

1 cause an ordinarily prudent person to misunderstand or be deceived.

2 ...

3 (8) Includes any statement, endorsement, or testimonial that is likely to mislead or
4 deceive because of a failure to disclose material facts.

5 ...

6 (f) Any person so licensed who violates this section is guilty of a misdemeanor. A
7 bona fide mistake of fact shall be a defense to this subdivision, but only to this subdivision.

8 (g) Any violation of this section by a person so licensed shall constitute good cause
9 for revocation or suspension of his or her license or other disciplinary action.

10 ...

11 9. Section 652 of the Code states:

12 Violation of this article in the case of a licensed person constitutes
13 unprofessional conduct and grounds for suspension or revocation of his or her license
14 by the board by whom he or she is licensed, or if a license has been issued in
15 connection with a place of business, then for the suspension or revocation of the place
16 of business in connection with which the violation occurs. The proceedings for
17 suspension or revocation shall be conducted in accordance with Chapter 5
18 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the
19 Government Code, and each board shall have all the powers granted therein.
20 However, in the case of a licensee of the State Department of Health Services, the
21 proceedings shall be conducted in accordance with Section 110171 of the Health and
22 Safety Code. In addition, any violation constitutes a misdemeanor as to any and all
23 persons offering, delivering, receiving, accepting, or participating in any rebate,
24 refund, commission, preference, patronage dividend, unearned discount, or
25 consideration, whether or not licensed under this division, and is punishable by
26 imprisonment in the county jail not exceeding six months, by a fine not exceeding
27 two thousand five hundred dollars (\$2,500), or by both the imprisonment and fine.

28 10. Section 2271 of the Code states: "Any advertising in violation of Section 17500,
relating to false or misleading advertising, constitutes unprofessional conduct."

11. Section 2272 of the Code states: "Any advertising of the practice of medicine in
which the licensee fails to use his or her own name or approved fictitious name constitutes
unprofessional conduct."

12. Section 2285 of the Code states:

The use of any fictitious, false, or assumed name, or any name other than his or
her own by a licensee either alone, in conjunction with a partnership or group, or as

1 the name of a professional corporation, in any public communication, advertisement,
2 sign, or announcement of his or her practice without a fictitious-name permit obtained
3 pursuant to Section 2415 constitutes unprofessional conduct. This section shall not
4 apply to the following:

5 (a) Licensees who are employed by a partnership, a group, or a professional
6 corporation that holds a fictitious name permit.

7 (b) Licensees who contract with, are employed by, or are on the staff of, any
8 clinic licensed by the State Department of Health Services under Chapter 1
9 (commencing with Section 1200) of Division 2 of the Health and Safety Code.

10 (c) An outpatient surgery setting granted a certificate of accreditation from an
11 accreditation agency approved by the medical board.

12 (d) Any medical school approved by the division or a faculty practice plan
13 connected with the medical school.

14 13. Section 2286 of the Code states:

15 It shall constitute unprofessional conduct for any licensee to violate, to attempt
16 to violate, directly or indirectly, to assist in or abet the violation of, or to conspire to
17 violate any provision or term of Article 18 (commencing with Section 2400), of the
18 Moscone-Knox Professional Corporation Act (Part 4 commencing with Section
19 13400) of Division 3 of Title 1 of the Corporations Code), or of any rules and
20 regulations duly adopted under those laws.

21 14. Section 2400 of the Code states:

22 Corporations and other artificial legal entities shall have no professional rights,
23 privileges, or powers. However, the Division of Licensing may in its discretion, after
24 such investigation and review of such documentary evidence as it may require, and
25 under regulations adopted by it, grant approval of the employment of licensees on a
26 salary basis by licensed charitable institutions, foundations, or clinics, if no charge for
27 professional services rendered patients is made by any such institution, foundation, or
28 clinic.

15. Effective January 1, 2018, section 2415 of the Code states:

(a) Any physician and surgeon or any doctor of podiatric medicine, as the case
may be, who as a sole proprietor, or in a partnership, group, or professional
corporation, desires to practice under any name that would otherwise be a violation of
Section 2285 may practice under that name if the proprietor, partnership, group, or
corporation obtains and maintains in current status a fictitious-name permit issued by
the Division of Licensing, or, in the case of doctors of podiatric medicine, the
California Board of Podiatric Medicine, under the provisions of this section.

(b) The division or the board shall issue a fictitious-name permit authorizing the

holder thereof to use the name specified in the permit in connection with his, her, or its practice if the division or the board finds to its satisfaction that:

(1) The applicant or applicants or shareholders of the professional corporation hold valid and current licenses as physicians and surgeons or doctors of podiatric medicine, as the case may be.

(2) The professional practice of the applicant or applicants is wholly owned and entirely controlled by the applicant or applicants.

(3) The name under which the applicant or applicants propose to practice is not deceptive, misleading, or confusing.

(c) Each permit shall be accompanied by a notice that shall be displayed in a location readily visible to patients and staff. The notice shall be displayed at each place of business identified in the permit.

(d) This section shall not apply to licensees who contract with, are employed by, or are on the staff of, any clinic licensed by the State Department of Health Services under Chapter 1 (commencing with Section 1200) of Division 2 of the Health and Safety Code or any medical school approved by the division or a faculty practice plan connected with that medical school.

(e) Fictitious-name permits issued under this section shall be subject to Article 19 (commencing with Section 2421) pertaining to renewal of licenses.

(f) The division or the board may revoke or suspend any permit issued if it finds that the holder or holders of the permit are not in compliance with the provisions of this section or any regulations adopted pursuant to this section. A proceeding to revoke or suspend a fictitious-name permit shall be conducted in accordance with Section 2230.

(g) A fictitious-name permit issued to any licensee in a sole practice is automatically revoked in the event the licensee's certificate to practice medicine or podiatric medicine is revoked.

(h) The division or the board may delegate to the executive director, or to another official of the board, its authority to review and approve applications for fictitious-name permits and to issue those permits.

(i) The California Board of Podiatric Medicine shall administer and enforce this section as to doctors of podiatric medicine and shall adopt and administer regulations specifying appropriate podiatric medical name designations.

16. Section 17500 of the Code states:

It is unlawful for any person, firm, corporation or association, or any employee thereof with intent directly or indirectly to dispose of real or personal property or to perform services, professional or otherwise, or anything of any nature whatsoever or to induce the public to enter into any obligation relating thereto, to make or

1 disseminate or cause to be made or disseminated before the public in this state, or to
2 make or disseminate or cause to be made or disseminated from this state before the
3 public in any state, in any newspaper or other publication, or any advertising device,
4 or by public outcry or proclamation, or in any other manner or means whatever,
5 including over the Internet, any statement, concerning that real or personal property
6 or those services, professional or otherwise, or concerning any circumstance or matter
7 of fact connected with the proposed performance or disposition thereof, which is
8 untrue or misleading, and which is known, or which by the exercise of reasonable
9 care should be known, to be untrue or misleading, or for any person, firm, or
10 corporation to so make or disseminate or cause to be so made or disseminated any
11 such statement as part of a plan or scheme with the intent not to sell that personal
12 property or those services, professional or otherwise, so advertised at the price stated
13 therein, or as so advertised. Any violation of the provisions of this section is a
14 misdemeanor punishable by imprisonment in the county jail not exceeding six
15 months, or by a fine not exceeding two thousand five hundred dollars (\$2,500), or by
16 both that imprisonment and fine.

17 17. Effective January 1, 2023, Corporations Code section 13401,¹ provides in pertinent
18 part:

19 As used in this part:

20 (a) "Professional services" means any type of professional services that may be
21 lawfully rendered only pursuant to a license, certification, or registration authorized
22 by the Business and Professions Code, the Chiropractic Act, or the Osteopathic Act.

23 (b) "Professional corporation" means a corporation organized under the General
24 Corporation Law or pursuant to subdivision (b) of Section 13406 that is engaged in
25 rendering professional services in a single profession, except as otherwise authorized
26 in Section 13401.5, pursuant to a certificate of registration issued by the
27 governmental agency regulating the profession as herein provided and that in its
28 practice or business designates itself as a professional or other corporation as may be
required by statute. However, any professional corporation or foreign professional
corporation rendering professional services by persons duly licensed by the Medical
Board of California or any examining committee under the jurisdiction of the board,
the California Board of Podiatric Medicine, the Osteopathic Medical Board of
California, the Dental Board of California, the Dental Hygiene Board of California,
the California State Board of Pharmacy, the Veterinary Medical Board, the California
Architects Board, the Court Reporters Board of California, the Board of Behavioral
Sciences, the Speech-Language Pathology and Audiology Board, the Board of
Registered Nursing, the State Board of Optometry, or the California Board of
Occupational Therapy shall not be required to obtain a certificate of registration in
order to render those professional services.

...

(d) "Licensed person" means any natural person who is duly licensed under the

¹ Section 13400 of the Corporations Code provides that, "this part shall be known and
may be cited as the 'Moscone-Knox Professional Corporations Act.'"

provisions of the Business and Professions Code, the Chiropractic Act, or the Osteopathic Act to render the same professional services as are or will be rendered by the professional corporation or foreign professional corporation of which the person is, or intends to become, an officer, director, shareholder, or employee.

18. Corporations Code section 13404 provides:

A corporation may be formed under the General Corporation Law or pursuant to subdivision (b) of Section 13406 for the purposes of qualifying as a professional corporation in the manner provided in this part and rendering professional services. The articles of incorporation of a professional corporation shall contain a specific statement that the corporation is a professional corporation within the meaning of this part. Except as provided in subdivision (b) of Section 13401, no professional corporation shall render professional services in this state without a currently effective certificate of registration issued by the governmental agency regulating the profession in which such corporation is or proposes to be engaged, pursuant to the applicable provisions of the Business and Professions Code or the Chiropractic Act expressly authorizing such professional services to be rendered by a professional corporation.

REGULATORY PROVISIONS

19. California Code of Regulations, title 16, section 1344 states, in pertinent part:

(a) Unless a fictitious name permit is obtained pursuant to Section 2415 of the code, the name of a professional corporation shall be restricted to the name or surname of one or more of the present prospective or former shareholders who are physicians or podiatrists, as the case may be, for a medical or podiatry corporation.

(b) When the applicant uses any fictitious, false or assumed name or any name other than the name or surname of one or more of the present, prospective or former shareholders, or any other words or names in addition to those of the shareholders, it shall obtain a permit pursuant to Section 2415 of the code. The fee required in Section 1352 shall accompany the fictitious name permit application.

20. California Code of Regulations, title 16, section 1347 states, in pertinent part:

...

(b) A professional medical or podiatry corporation may enter into partnership agreements with other physicians and surgeons or podiatrists, as the case may be, practicing individually or in a group or with other medical or podiatry corporations.

21. California Code of Regulations, title 16, section 1350.2 states, in pertinent part:

...

1 (c) No licensed person shall render professional services using a fictitious, false
2 or assumed name or any name other than his or her own unless and until a fictitious
3 name permit has been issued by the division.

4 COST RECOVERY

5 22. Section 125.3 of the Code states:

6 (a) Except as otherwise provided by law, in any order issued in resolution of a
7 disciplinary proceeding before any board within the department or before the
8 Osteopathic Medical Board, upon request of the entity bringing the proceeding, the
9 administrative law judge may direct a licensee found to have committed a violation or
10 violations of the licensing act to pay a sum not to exceed the reasonable costs of the
11 investigation and enforcement of the case.

12 (b) In the case of a disciplined licensee that is a corporation or a partnership, the
13 order may be made against the licensed corporate entity or licensed partnership.

14 (c) A certified copy of the actual costs, or a good faith estimate of costs where
15 actual costs are not available, signed by the entity bringing the proceeding or its
16 designated representative shall be prima facie evidence of reasonable costs of
17 investigation and prosecution of the case. The costs shall include the amount of
18 investigative and enforcement costs up to the date of the hearing, including, but not
19 limited to, charges imposed by the Attorney General.

20 (d) The administrative law judge shall make a proposed finding of the amount
21 of reasonable costs of investigation and prosecution of the case when requested
22 pursuant to subdivision (a). The finding of the administrative law judge with regard to
23 costs shall not be reviewable by the board to increase the cost award. The board may
24 reduce or eliminate the cost award, or remand to the administrative law judge if the
25 proposed decision fails to make a finding on costs requested pursuant to subdivision
26 (a).

27 (e) If an order for recovery of costs is made and timely payment is not made as
28 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
licensee who demonstrates financial hardship and who enters into a formal agreement
with the board to reimburse the board within that one-year period for the unpaid
costs.

1 (h) All costs recovered under this section shall be considered a reimbursement
2 for costs incurred and shall be deposited in the fund of the board recovering the costs
to be available upon appropriation by the Legislature.

3 (i) Nothing in this section shall preclude a board from including the recovery of
4 the costs of investigation and enforcement of a case in any stipulated settlement.

5 (j) This section does not apply to any board if a specific statutory provision in
6 that board's licensing act provides for recovery of costs in an administrative
disciplinary proceeding.

7 FACTUAL ALLEGATIONS

8 23. Respondent specializes in anesthesiology and pain management.

9 24. In conjunction with his brother, Kevin Kayvan Hayavi, M.D., who is also a licensed
10 physician and surgeon in California, (collectively, the "Hayavi brothers"), Respondent owns four
11 surgery centers located in Southern California, including² Thousand Oaks Surgical Institute
12 ("TOSI") and Encino Surgical Institute.

13 25. Respondent is the President, Chief Executive Officer and Chief Financial Officer of
14 TOSI. Respondent's brother is the Secretary of TOSI.

15 26. The Hayavi brothers' surgery centers are primarily used for plastic surgeries. The
16 surgeries are performed by other licensed physicians and surgeons who must apply for privileges
17 at the Hayavi brothers' facilities.

18 27. In addition to the four surgery centers, the Hayavi brothers also operate the website,
19 beverlyhillsphysicians.com (hereinafter, "BHP.com").

20 28. The Hayavi brothers' limited liability company, Capri Global Management, LLC,
21 located at 115 Jensen Court, #101, Thousand Oaks, California, owns the trademark for BHP.com.
22 Capri Global Management, LLC is wholly and exclusively owned by the Hayavi brothers.

23 29. The Hayavi brothers also own Central Valley Medical Corporation.

24 30. On or about September 13, 2021, an investigator with the Health Quality
25 Investigation Unit of the Division of Investigation, California Department of Consumer Affairs
26 ("HQIU") interviewed the Hayavi brothers about BHP.com and their surgery centers
27 ("Interview"). The Hayavi brothers stated that they use the website, BHP.com, as a marketing

28 ² As used herein, "including" means "including without limitation."

1 tool to recruit patients to their surgery centers.

2 31. More specifically, the Hayavi brothers utilized the website, BHP.com, to engage in a
3 web-based physician referral service, which refers patients interested in cosmetic and plastic
4 surgical services to doctors with privileges at the surgery centers owned by the Hayavi brothers.
5 For each surgical procedure offered, the BHP.com website lists physicians available to perform
6 that specific type of surgery.

7 32. The physicians listed on BHP.com do not pay to advertise on BHP.com.

8 33. During the relevant time period, the Hayavi brothers failed to incorporate the
9 advertising/referral business they operated via the website, BHP.com, and failed to obtain a
10 fictitious name permit for BHP.com from the Board. In addition, during the relevant time period,
11 the Hayavi brothers failed to disclose any information on BHP.com identifying the owners of the
12 website, namely, Respondent and his brother.

13 34. During the relevant time period, the business known as "Beverly Hills Physicians"
14 (hereinafter, "BHP") was not incorporated. The Board had issued a fictitious name permit for
15 BHP on August 22, 2017, to Dr. Sohiel Saul Lahijani. Dr. Lahijani had designated BHP as a sole
16 proprietorship. BHP's fictitious name permit expired on August 31, 2019. As of February 18,
17 2022, BHP's fictitious name permit was in delinquent status.

18 35. In or around 2019, a patient who underwent an abdominalplasty at one of the surgery
19 centers owned by the Hayavi brothers, filed a complaint against her treating surgeon, Dr. H, with
20 the Board for quality of care issues related to the surgery. The surgery was performed in
21 November of 2017 at TOSI.

22 36. The Board opened an investigation into the care and treatment provided by Dr. H to
23 the patient. The investigation was conducted by HQUI. During the investigation, evidence was
24 discovered that the patient was referred to Dr. H through BHP.com. It was further discovered that
25 the patient's consent forms were on the letterhead of BHP.com. It was also discovered that Dr. H
26 and BHP.com had purportedly entered into a contractual relationship, whereby BHP.com and Dr.
27 H agreed to split the fees generated from any surgeries referred to Dr. H by BHP.com.

28 37. Dr. H entered into written contracts with the Hayavi brothers/BHP.com in 2006 and

1 2018 ("2006 Contract" and "2018 Contract," respectively). The 2006 Contract was in effect until
2 it was replaced by the 2018 Contract. Respondent's brother signed both contracts on behalf of
3 BHP.com.

4 38. Pursuant to the contractual arrangement between Dr. H and BHP.com/the Hayavi
5 brothers, Dr. H accepted patient referrals from BHP.com/the Hayavi brothers without paying to
6 advertise on BHP.com. Additionally, Dr. H did not pay for the use of the Hayavi brothers'
7 surgery centers where he performed the procedures referred to him by BHP.com/the Hayavi
8 brothers. Dr. H also did not pay for the office space he used at TOSI to consult and treat those
9 patients. Instead, Dr. H agreed to perform the referred surgeries at the Hayavi brothers' surgery
10 centers and to split the surgical fees charged to the patient with the Hayavi brothers.

11 39. During the Interview, the Hayavi brothers admitted that the referred patients were
12 typically billed a global fee for the surgical services rendered. The global fee included, among
13 other things, the operating room, anesthesia, surgeon fee and facility fee.

14 40. The global fees were typically billed and paid entirely in the name of entities owned
15 and operated by the Hayavi brothers (e.g., the surgery centers). For example, the patient referred
16 to Dr. H through BHP.com/the Hayavi brothers for abdominalplasty referred to in paragraph 35
17 herein was billed by the Hayavi brothers, and not Dr. H, for the surgical services rendered by Dr.
18 H. Specifically, the patient was billed for the surgery in the names of Respondent, Central Valley
19 Medical Corp., and TOSI. Pursuant to the 2006 Contract, the Hayavi brothers, through BHP.com
20 and their other entities, then paid Dr. H a percentage while retaining for themselves part of the
21 fees related to the surgical procedures Dr. H had performed.

22 41. Pursuant to the 2006 Contract, Dr. H would be paid on a monthly basis a percentage
23 of the fees generated by the surgeries he performed at the Hayavi brothers' surgery centers.
24 Exhibit A of the 2006 Contract sets forth specific fee-splitting calculations based on revenue
25 collected. Specifically, according to Exhibit A of the 2006 Contract, Dr. H would be paid as
26 follows:

27 (A) Fifty (50) percent of the professional fees collected for the surgeon's
28 component for non-cosmetic surgical services from insurance companies and other

third party payors, billed separately for surgical services, upon collection.

(B) The sum of twenty three (23) percent of the first two hundred and fifty thousand dollars (\$250,000) of Cosmetic Collected Revenue per month and twenty five (25) percent of sales greater than two hundred and fifty thousand and one dollars (\$250,001) per month for months one through twenty four of contract.

(C) The sum of twenty four (24) percent of the first two hundred and fifty thousand dollars (\$250,000) of Cosmetic Collected Revenue per month and twenty six (26) percent of sales greater than two hundred and fifty thousand and one dollars (\$250,001) per month for months twenty five through thirty six of contract.

(D) The sum of twenty six (26) percent of the first two hundred and fifty thousand dollars (\$250,000) of Cosmetic Collected Revenue per month and twenty eight (28) percent of sales greater than two hundred and fifty thousand and one dollars (\$250,001) per month for months thirty seven and thereafter.

(E) The sum of thirty (30) percent of all Cosmetic Collected Revenue over three hundred and eighty thousand dollars (\$380,000) per month.

(F) Cosmetic Collection Revenue shall be the single, global fee paid for cosmetic surgery, including surgical, anesthesia, operating room, recovery room, pre and post operative care and all other cosmetic surgery related services.

42. The 2006 Contract further sets forth that BHP.com/the Hayavi brothers will provide "practice management support, along with marketing, consulting and professional medical personnel services, for the operation of several medical groups located in California." Additionally, the 2006 Contract also provides that BHP.com/the Hayavi brothers will provide "the facilities of Medical Groups, as well as such medical and non-medical equipment and furnishings, supplies, non-physician staff, scheduling and related items and services as are reasonably necessary (in the discretion of BHP[.com]) for [Dr. H] to perform the Services at the Medical Groups."

43. The 2006 Contract further requires Dr. H to procure photographs of patients and transfer them to the custody of BHP.com/the Hayavi brothers and sets forth that BHP.com/the Hayavi brothers can determine the adequacy and accuracy of the documentation in the patient medical records and maintains ownership, custody and control of these patient medical records. Thus, the patients referenced in the 2006 Contract are Respondent's patients, and not Dr. H's patients. BHP.com is not a separate business entity, nor a professional medical corporation, and could not, and cannot, engage in the practice of medicine. To the extent that Respondent was

1 practicing medicine under the name BHP.com in maintaining control over these patient records
2 and otherwise, Respondent did not obtain a fictitious name permit allowing him to offer any
3 professional medical services under the name BHP.com.

4 44. The 2018 Contract entered into between Dr. H and BHP.com/the Hayavi brothers sets
5 forth specific percentages of fee splitting between Dr. H and BHP.com similar to those set forth
6 in the 2006 Contract. Specifically, Exhibit A to the 2018 Contract provides that Dr. H will be
7 paid as follows:

8 (A) The sum of Twenty Five (25) percent of Cosmetic Collected Revenue per
9 month (0-\$199,999)[.]

10 (B) The sum of twenty seven and a half (27.5) percent of Cosmetic Collected
11 Revenue per month (all sales over \$200,000)[.]

12 (C) Cosmetic Collection Revenue shall be the single, global fee collected for
13 Botox, facial fillers, cosmetic surgery, including surgical, anesthesia, operating room,
14 recovery room, pre and post operative care and all other cosmetic surgery related
15 services, less deductions described in section 3.3 of this agreement.

16 (D) Fifty (50) percent of the professional fees collected for the surgeon's
17 component for non cosmetic surgical services from insurance companies and other
18 third party payors, billed separately for surgeon's fee, upon collection, and not subject
19 to section 3.3 of this agreement.

20 (E) Seventy Five (75) percent of production for Factora and "Tite" procedures
21 including but not limited to Body Tite, Face Tite, Neck Tite[.]

22 45. The 2018 Contract, like the 2006 Contract, sets forth that BHP.com/the Hayavi
23 brothers will provide "practice management support, along with marketing, consulting and
24 professional medical personnel services, for the operation of several medical groups located in
25 California." Additionally, BHP.com/the Hayavi brothers will provide "the facilities of Medical
26 Groups, as well as such medical and non-medical equipment and furnishings, supplies, non-
27 physician staff, scheduling and related items and services as are reasonably necessary (in the
28 discretion of BHP[.com]) for [Dr. H] to perform the Services at the Medical Groups."

46. The 2018 Contract further requires Dr. H to procure photographs of patients and
transfer them to the custody of BHP.com/the Hayavi brothers and to provide written request to
obtain approval from BHP.com/the Hayavi brothers to use photographs of patients for patient

1 care, board certification, examination, and scientific presentations at meetings and educational
2 gatherings. Additionally, the 2018 Contract sets forth that BHP.com/the Hayavi brothers can
3 determine the adequacy and accuracy of the documentation in the patient medical records and
4 maintain ownership, custody and control of these patient medical records. Thus, the patients
5 referenced in the 2006 Contract are Respondent's patients, and not Dr. H's patients. BHP.com is
6 not a separate business entity, nor a professional medical corporation, and could not, and cannot,
7 engage in the practice of medicine. To the extent that Respondent was practicing medicine under
8 the name BHP.com in maintaining control over these patient records and otherwise, Respondent
9 did not obtain a fictitious name permit allowing him to offer any professional medical services
10 under the name BHP.com.

11 47. The 2018 Contract was in effect until January 1, 2022.

12 48. As exemplified by the 2006 Contract and the 2018 Contract, Respondent, through the
13 use of BHP.com, attempted to engage and/or conspired to engage in the corporate practice of
14 medicine.

15 49. In addition to Dr. H, the Hayavi brothers, through their use of "BHP.com," entered
16 into similar contractual arrangements with other doctors to whom BHP.com/the Hayavi brothers
17 offered to refer patients in exchange for a portion of any resulting surgical fees and retention and
18 control over patient records.

19 50. For example, BHP.com/the Hayavi brothers entered into a contract with Dr. G. on
20 July 14, 2014 ("2014 Contract"). Dr. G worked under the 2014 Contract through November 16,
21 2017.

22 51. Exhibit A to the 2014 Contract provides that Dr. G shall be paid as follows:

23 (A) The sum of twenty two (22) percent of Cosmetic Collected Revenue per
24 month. Cosmetic Collection Revenue shall be the single, global fee collected for
25 Botox, Dysport, facial fillers, cosmetic surgery, including surgical, anesthesia,
operating room, recovery room, pre and post operative care and all other cosmetic
surgery related services, less deductions described in section 3.3 of this agreement.

26 (B) Fifty (50) percent of the professional fees collected for the surgeon's
27 component for non cosmetic surgical services from insurance companies and other
third party payors, billed separately for surgical services, upon collection.

1 52. The 2014 Contract, like the 2006 and 2018 Contracts, sets forth that BHP.com/the
2 Hayavi brothers will provide "practice management support, along with marketing, consulting
3 and professional medical personnel services, for the operation of several medical groups located
4 in California." Additionally, BHP.com/the Hayavi brothers will provide "the facilities of Medical
5 Groups, as well as such medical and non-medical equipment and furnishings, supplies, non-
6 physician staff, scheduling and related items and services as are reasonably necessary (in the
7 discretion of BHP[.com]) for [Dr. G] to perform the Services at the Medical Groups."

8 53. The 2014 Contract further requires Dr. G to procure photographs of patients and
9 transfer them to the custody of BHP.com/the Hayavi brothers and to provide written request to
10 obtain approval from BHP.com/the Hayavi brothers to use photographs of patients for patient
11 care, board certification, examination, and scientific presentations at meetings and educational
12 gatherings. Additionally, the 2014 Contract sets forth that BHP.com/the Hayavi brothers can
13 determine the adequacy and accuracy of the documentation in the patient medical records and
14 maintain ownership, custody and control of these patient medical records. Thus, the patients
15 referenced in the 2014 Contract are Respondent's patients, and not Dr. G's patients. BHP.com is
16 not a separate business entity, nor a professional medical corporation, and could not, and cannot,
17 engage in the practice of medicine. To the extent that Respondent was practicing medicine under
18 the name BHP.com in maintaining control over these patient records and otherwise, Respondent
19 did not obtain a fictitious name permit allowing him to offer any professional medical services
20 under the name BHP.com.

21 54. As exemplified by the 2014 Contract, Respondent, through the use of BHP.com,
22 attempted to engage and/or conspired to engage in the corporate practice of medicine.

23 55. Dr. G was ultimately discharged by TOSI and Respondent, acting through the name
24 BHP.com. Subsequently, Dr. G filed a claim against TOSI for unemployment, among other
25 claims. In connection with that claim, the Oxnard Office of Appeals for the California
26 Unemployment Insurance Appeals Board issued a Decision finding that Dr. G was an employee
27 of TOSI and its affiliated corporate entities, rather than an independent contractor.

28 56. TOSI is located at 115 Jensen Court, Thousand Oaks, California. On or about

1 November 23, 2020, a HQIU investigator took a photograph of the exterior of 115 Jensen Court.
2 A sign advertising BHP.com was affixed to the exterior of the building.

3 57. On or about April 9, 2022, a HQIU investigator photographed the exterior of the other
4 surgery centers owned by the Hayavi brothers and to which the BHP.com website referred
5 patients for surgical services. Those surgery centers were located at 15630 Ventura Boulevard,
6 Encino, California; 200 Jensen Court, Thousand Oaks, California; and in Oxnard, California,
7 respectively. The exterior of each building displayed either BHP.com or BHP signage or a poster
8 listing medical services under the BHP.com name.

9 **FIRST CAUSE FOR DISCIPLINE**

10 **(Advertising Violations and Failure to Have a Valid Fictitious Name Permit)**

11 58. Respondent Michael Mehran Hayavi, M.D. is subject to disciplinary action under
12 Code sections 2234, subdivision (a), 651, 652, 2271, 2272, 2285, 2415 and 17500; and California
13 Code of Regulations, title 16, sections 1344, subdivisions (a) and (b), and 1350.2, subdivision (c),
14 in that he engaged in false and misleading advertising when he used or caused to be used, on one
15 or more occasions, a fictitious, false, or assumed name as the name of a professional corporation
16 in a public communication, advertisement, sign, or announcement of his practice without a
17 fictitious-name permit; failed to obtain a fictitious name permit for BHP.com; and/or attempted or
18 conspired to do the same. The circumstances are as follows:

19 59. The facts alleged in paragraphs 23 through 57 are incorporated herein as if set forth
20 fully.

21 60. Respondent engaged in false and misleading advertising and used a fictitious name
22 without a permit through his acts and/or omissions,³ including but not limited to, the following:

23 a. Respondent failed to obtain a fictitious name permit for either BHP.com or
24 BHP;

25 b. Respondent entered and/or conspired to enter into contracts for professional
26 medical services in the name of BHP.com;

27
28 ³ As used herein, "acts and/or omissions" refers to acts and/or omissions, whether proven individually, jointly, or in any combination thereof.

1 c. Respondent used unapproved fictitious names in signage and/or advertising
2 materials, including but not limited to BHP.com and BHP;

3 d. Through his use of BHP.com and BHP, Respondent's surgery centers had the
4 appearance of a medical group or medical practice through signage on the exterior office
5 buildings, letterhead for patient forms, website, website articles and a poster listing medical
6 services;

7 e. Through his use of BHP.com and BHP, Respondent listed several resources to
8 support the advertised surgical procedures and listed several physicians associated with
9 specific types of surgical procedures offered, which gave the public the appearance that
10 these surgical procedures and the physicians performing these procedures are associated
11 with BHP.com and BHP, when in fact they were not;

12 f. The true structure of Respondent's business offered through BHP.com and BHP
13 was not clear in his advertising; and

14 g. Respondent engaged in false advertising in his use and maintenance of the
15 BHP.com website, web address and signage. In advertising the professional services of
16 BHP.com and/or BHP, Respondent failed to use either his own name or approved fictitious
17 name. Respondent advertised BHP.com such that it appeared to be a professional medical
18 corporation of the physicians listed therein when it, in fact, was not.

19 61. Respondent's conduct, as set forth hereinabove, constitutes grounds for discipline in
20 that he disseminated or caused to be disseminated public communications containing a false,
21 fraudulent, misleading; or deceptive statement, claim, or image for the purpose of or likely to
22 induce, directly or indirectly, the rendering of professional services or furnishing of products in
23 connection with the professional practice or business via his advertising, via the Internet,
24 brochures, newspaper, telephone directory, and other public media, that BHP.com and/or BHP
25 were lawfully and properly licensed professional medical practices and/or medical groups, owned
26 and operated by California licensed physicians or other qualified health professionals, when, in
27 fact, BHP.com and/or BHP are not separate legal entities, but are in fact, alter egos of the Hayavi
28 brothers.

62. Respondent committed unprofessional conduct when he failed to obtain a fictitious name permit pursuant to Code sections 2415 and 2285, for BHP.com and/or BHP, and yet nonetheless he advertised and entered into contractual agreements under those names. As a result of Respondent's actions, BHP.com and/or BHP had the appearance of a professional medical group or practice through the signage on the exterior of Respondent's surgery centers, letterhead on patient forms, and website, among other things, when it was, in fact, not a registered professional medical group or corporation. Respondent's conduct, as set forth hereinabove is unprofessional conduct in that he used a fictitious, false, or assumed name; or any name other than his own name, or as the name of a professional corporation, in public communications, advertisements, without a fictitious name permit obtained pursuant to section 2415 of the Code. Respondent is therefore subject to disciplinary action under section 2285 of the Code.

63. Respondent committed unprofessional conduct when he engaged in false or misleading advertising. Specifically, Respondent operated BHP.com such that it appeared to be a professional medical corporation, when, in fact, it was neither incorporated, nor the holder of a fictitious name permit. BHP.com was simply a referral website and/or alter ego of the Hayavi brothers. Respondent's conduct misled patients, and the public, regarding the source of the physician referrals provided on BHP.com. Respondent also failed to disclose that the surgical procedures advertised were being directed to specific locations owned and operated by Respondent and his brother, either individually or collectively.

64. Respondent's conduct, as set forth hereinabove, is unprofessional conduct and Respondent is subject to disciplinary action under sections 651, 652 and 2271 of the Code.

65. Respondent's conduct, as set forth hereinabove, is unprofessional conduct, in that he failed to use his name or fictitious name in the advertisements described above as required by Code section 2272. Respondent is therefore subject to disciplinary action.

SECOND CAUSE FOR DISCIPLINE

**(Violating, Attempting to Violate, Aiding or Abetting, or Conspiring to Violate the
Medical Practice Act; Attempted Corporate Practice)**

66. Respondent Michael Mehran Hayavi, M.D. is subject to disciplinary action under

1 Code sections 2227, 2234, subdivision (a), and 2286 in that he violated or attempted to violate,
2 directly or indirectly, assisted in or abetted the violation of, or conspired to violate one or more
3 provisions of the Medical Practice Act, including Code section 651 and those sections prohibiting
4 the corporate practice of medicine; or conspired to do the same. The circumstances are as
5 follows:

6 67. The facts alleged in the First Cause for Discipline are incorporated herein as if set
7 forth fully.

8 68. Respondent engaged in unprofessional conduct, attempted to violate, aided or abetted
9 and/or conspired to violate the Medical Practice Act and/or attempted to engage in the unlawful
10 corporate practice of medicine through his unlawful business practices, and his acts and/or
11 omissions, including but not limited to the following:

12 a. Respondent and his brother operated BHP.com and BHP without obtaining a
13 fictitious name permit or incorporating BHP.com or BHP in violation of the Medical
14 Practice Act;

15 b. Respondent falsely advertised BHP.com as providing medical services when, in
16 fact, it was simply a referral website and/or alter ego of the Hayavi brothers; and

17 c. Respondent attempted to engage in the corporate practice of medicine and/or
18 engaged in a deceptive business practice by entering and/or conspiring to enter into
19 contracts on behalf of BHP.com for the provision of professional medical services with
20 providers such as Dr. H and Dr. G. BHP.com, however, was neither incorporated, nor the
21 holder of a fictitious name permit and Respondent could, therefore, not enter into
22 contractual relations in the name of BHP.com. Respondent is therefore subject to
23 disciplinary action under Section 2234, subdivision (a), of the Code in conjunction with
24 California Code of Regulations section 1347, subdivision (b).

25 69. Respondent committed unprofessional conduct when he, acting through BHP.com,
26 entered and/or conspired to enter into contractual arrangements with Dr. H and Dr. G pertaining
27 to surgical services and physician compensation. These contracts provided that BHP.com would
28 provide practice management support, marketing, consulting and professional medical personnel

1 services for the operation of several medical groups located in California. Moreover, pursuant to
2 these contracts, BHP.com/the Hayavi brothers took control over other licensed physicians'
3 practice of medicine and their authority or ownership over their practices. For example, while
4 physicians should maintain custody of their patients' medical records, the Hayavi brothers entered
5 into contracts whereby BHP.com was named as the owner of patient records. At the time the
6 Hayavi brothers entered into these contracts, however, neither BHP.com, nor BHP were
7 incorporated, nor a permitted fictitious name of Respondent or his brother. BHP.com was
8 nothing more than a website. As such, the Hayavi brothers could not enter into contracts on
9 behalf of BHP.com, nor could BHP.com engage in the corporate practice of medicine. BHP.com
10 could also not direct how a physician provides professional medical services or require a
11 physician to procure photographs of patients and transfer them to the custody of BHP.com as set
12 forth in the contractual agreements entered into by the Hayavi brothers. BHP.com and TOSI
13 were also prohibited from employing a physician, such as Dr. G.

14 70. Respondent's acts and/or omissions as set forth in paragraphs 67 through 69, whether
15 proven individually, jointly, or in any combination thereof, constitute violating or attempting to
16 violate, directly or indirectly, assisting in or abetting the violation of, or conspiring to violate one
17 or more provisions of the Medical Practice Act in violation of Code sections 2227, 2234,
18 subdivision (a), and 2286. As such, cause for discipline exists.

19 **THIRD CAUSE FOR DISCIPLINE**

20 **(Unprofessional Conduct)**

21 71. Respondent Michael Mehran Hayavi, M.D. is subject to disciplinary action under
22 Code section 2234, generally, in that Respondent engaged in conduct which breaches the rules or
23 ethical code of the medical profession, or conduct which is unbecoming of a member in good
24 standing of the medical profession, and which demonstrates an unfitness to practice medicine.
25 The circumstances are as follows:

26 72. The facts alleged in the First and Second Causes for Discipline are incorporated
27 herein as if set forth fully.

28 73. Respondent's acts and/or omissions as set forth in paragraph 72, whether proven

1 individually, jointly, or in any combination thereof, constitute unprofessional conduct in violation
2 of Code section 2234. As such, cause for discipline exists.

3 PRAYER

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

6 1. Revoking or suspending Physician's and Surgeon's Certificate Number G 77704,
7 issued to Respondent Michael Mehran Hayavi, M.D.;

8 2. Revoking, suspending or denying approval of Respondent Michael Mehran Hayavi,
9 M.D.'s authority to supervise physician assistants and advanced practice nurses;

10 3. Ordering Respondent Michael Mehran Hayavi, M.D., to pay the Board the costs of
11 the investigation and enforcement of this case, and if placed on probation, the costs of probation
12 monitoring; and

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

14
15 DATED: DEC 21 2023

JENNA JONES FOR
REJI VARGHESE
Executive Director
Medical Board of California
Department of Consumer Affairs
State of California
Complainant

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