

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

In the Matter of the Accusation
Against:

Julie A. Taguchi, M.D.

Physician's and Surgeon's
Certificate No. G 58135

Case No.: 800-2021-074436

Respondent

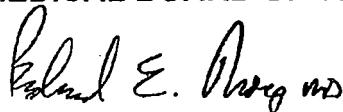
DECISION

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 April 11, 2025.

IT IS SO ORDERED: March 14, 2025.

MEDICAL BOARD OF CALIFORNIA



Richard E. Thorp, Chair
Panel B

1 ROB BONTA
2 Attorney General of California
3 EDWARD KIM
4 Supervising Deputy Attorney General
5 MELISSA M. MARQUEZ
6 Deputy Attorney General
7 State Bar No. 326096
8 300 So. Spring Street, Suite 1702
9 Los Angeles, CA 90013
10 Telephone: (213) 269-6376
11 Facsimile: (916) 731-2117
12 *Attorneys for Complainant*

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

In the Matter of the Accusation Against:

Case No. 800-2021-074436

JULIE A. TAGUCHI, M.D.
211 E. Anapamu Street
Santa Barbara, CA 93101-2005

OAH No. 2024100184

Physician's and Surgeon's Certificate
No. G 58135

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

Respondent.

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

PARTIES

1. Reji Varghese (Complainant) is the Executive Director of the Medical Board of California (Board). He brought this action solely in his official capacity and is represented in this matter by Rob Bonta, Attorney General of the State of California, by Melissa M. Marquez, Deputy Attorney General.

2. Respondent Julie A. Taguchi, M.D. (Respondent) is represented in this proceeding by attorney Raymond J. McMahon, whose address is: 5440 Trabuco Road, Irvine, CA 92620.

3. On or about August 4, 1986, the Board issued Physician's and Surgeon's Certificate No. G 58135 to Respondent. The Physician's and Surgeon's Certificate was in full force and effect at all times relevant to the charges brought in Accusation No. 800-2021-074436 and will

1 expire on April 30, 2026, unless renewed.

2 **JURISDICTION**

3 4. Accusation No. 800-2021-074436 was filed before the Board and is currently pending
4 against Respondent. The Accusation and all other statutorily required documents were properly
5 served on Respondent on September 16, 2024. Respondent timely filed her Notice of Defense
6 contesting the Accusation.

7 5. A copy of Accusation No. 800-2021-074436 is attached as Exhibit A and
8 incorporated herein by reference.

9 **ADVISEMENT AND WAIVERS**

10 6. Respondent has carefully read, fully discussed with counsel, and understands the
11 charges and allegations in Accusation No. 800-2021-074436. Respondent has also carefully read
12 and fully discussed with her counsel and understands the effects of this Stipulated Settlement and
13 Disciplinary Order.

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

20 8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
21 every right set forth above.

22 **CULPABILITY**

23 9. Respondent admits the truth of each and every charge and allegation in Accusation
24 No. 800-2021-074436.

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

28 ///

CONTINGENCY

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

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

13. Respondent agrees that if she ever petitions for early termination or modification of
probation, or if an accusation and/or petition to revoke probation is filed against her before the
Board, all of the charges and allegations contained in Accusation No. 800-2021-074436 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.

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

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

DISCIPLINARY ORDER

27 IT IS HEREBY ORDERED that Physician's and Surgeon's Certificate No. G 58135 issued
28 to Respondent JULIE A. TAGUCHI, M.D., is revoked. However, the revocation is stayed, and

1 Respondent is placed on probation for seven (7) years on the following terms and conditions:

2 1. ACTUAL SUSPENSION. As part of probation, Respondent is suspended from the
3 practice of medicine for 35 days beginning the sixteenth (16th) day after the effective date of this
4 decision.

5 2. COMMUNITY SERVICE - FREE SERVICES. Within 60 calendar days of the
6 effective date of this Decision, Respondent shall submit to the Board or its designee for prior
7 approval a community service plan in which Respondent shall, within the first 2 years of
8 probation, provide 40 hours of free services nonmedical to a community or non-profit
9 organization. If the term of probation is designated for 2 years or less, the community service
10 hours must be completed not later than 6 months prior to the completion of probation.

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

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

18 3. EDUCATION COURSE. Within 60 calendar days of the effective date of this
19 Decision, and on an annual basis thereafter, Respondent shall submit to the Board or its designee
20 for its prior approval educational program(s) or course(s), which shall not be less than 55 hours
21 per year, for each year of probation. The educational program(s) or course(s) shall be aimed at
22 correcting any areas of deficient practice or knowledge and shall be Category I certified. The
23 educational program(s) or course(s) shall be at Respondent's expense and shall be in addition to
24 the Continuing Medical Education (CME) requirements for renewal of licensure. Following the
25 completion of each course, the Board or its designee may administer an examination to test
26 Respondent's knowledge of the course. Respondent shall provide proof of attendance for 55
27 hours of CME of which 30 hours were in satisfaction of this condition.

28 4. MEDICAL RECORD KEEPING COURSE. Within 60 calendar days of the effective

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

9 A medical record keeping course taken after the acts that gave rise to the charges in the
10 Accusation, but prior to the effective date of the Decision may, in the sole discretion of the Board
11 or its designee, be accepted towards the fulfillment of this condition if the course would have
12 been approved by the Board or its designee had the course been taken after the effective date of
13 this Decision.

14 Respondent shall submit a certification of successful completion to the Board or its
15 designee not later than 15 calendar days after successfully completing the course, or not later than
16 15 calendar days after the effective date of the Decision, whichever is later.

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

27 A professionalism program taken after the acts that gave rise to the charges in the
28 Accusation, but prior to the effective date of the Decision may, in the sole discretion of the Board

1 or its designee, be accepted towards the fulfillment of this condition if the program would have
2 been approved by the Board or its designee had the program been taken after the effective date of
3 this Decision.

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

7 6. PSYCHIATRIC EVALUATION. Within 30 calendar days of the effective date of
8 this Decision, and on whatever periodic basis thereafter may be required by the Board or its
9 designee, Respondent shall undergo and complete a psychiatric evaluation (and psychological
10 testing, if deemed necessary) by a Board-appointed board certified psychiatrist, who shall
11 consider any information provided by the Board or designee and any other information the
12 psychiatrist deems relevant, and shall furnish a written evaluation report to the Board or its
13 designee. Psychiatric evaluations conducted prior to the effective date of the Decision shall not
14 be accepted towards the fulfillment of this requirement. Respondent shall pay the cost of all
15 psychiatric evaluations and psychological testing.

16 Respondent shall comply with all restrictions or conditions recommended by the evaluating
17 psychiatrist within 15 calendar days after being notified by the Board or its designee.

18 7. MONITORING – PRACTICE/BILLING. Within 30 calendar days of the effective
19 date of this Decision, Respondent shall submit to the Board or its designee for prior approval as a
20 practice and billing monitor(s), the name and qualifications of one or more licensed physicians
21 and surgeons whose licenses are valid and in good standing, and who are preferably American
22 Board of Medical Specialties (ABMS) certified. A monitor shall have no prior or current
23 business or personal relationship with Respondent, or other relationship that could reasonably be
24 expected to compromise the ability of the monitor to render fair and unbiased reports to the
25 Board, including but not limited to any form of bartering, shall be in Respondent's field of
26 practice, and must agree to serve as Respondent's monitor. Respondent shall pay all monitoring
27 costs.

28 The Board or its designee shall provide the approved monitor with copies of the Decision(s)

1 and Accusation(s), and a proposed monitoring plan. Within 15 calendar days of receipt of the
2 Decision(s), Accusation(s), and proposed monitoring plan, the monitor shall submit a signed
3 statement that the monitor has read the Decision(s) and Accusation(s), fully understands the role
4 of a monitor, and agrees or disagrees with the proposed monitoring plan. If the monitor disagrees
5 with the proposed monitoring plan, the monitor shall submit a revised monitoring plan with the
6 signed statement for approval by the Board or its designee.

7 Within 60 calendar days of the effective date of this Decision, and continuing throughout
8 probation, Respondent's practice and billing shall be monitored by the approved monitor.
9 Respondent shall make all records available for immediate inspection and copying on the
10 premises by the monitor at all times during business hours and shall retain the records for the
11 entire term of probation.

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

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

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

1 calendar days after being so notified. Respondent shall cease the practice of medicine until a
2 replacement monitor is approved and assumes monitoring responsibility.

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

8 8. PROHIBITED PRACTICE. During probation, Respondent is prohibited from
9 ordering COVID-19 testing and prohibited from acting as a laboratory director. After the
10 effective date of this Decision, all patients being treated by the Respondent shall be notified that
11 the Respondent is prohibited from ordering COVID-19 testing and prohibited from acting as a
12 laboratory director. Any new patients must be provided this notification at the time of their initial
13 appointment.

14 Respondent shall maintain a log of all patients to whom the required oral notification was
15 made. The log shall contain the: 1) patient's name, address and phone number; 2) patient's
16 medical record number, if available; 3) the full name of the person making the notification; 4) the
17 date the notification was made; and 5) a description of the notification given. Respondent shall
18 keep this log in a separate file or ledger, in chronological order, shall make the log available for
19 immediate inspection and copying on the premises at all times during business hours by the Board
20 or its designee, and shall retain the log for the entire term of probation.

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

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

2 10. SUPERVISION OF PHYSICIAN ASSISTANTS AND ADVANCED PRACTICE
3 NURSES. During probation, Respondent is prohibited from supervising physician assistants and
4 advanced practice nurses.

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

8 12. INVESTIGATION/ENFORCEMENT COST RECOVERY. Respondent is hereby
9 ordered to reimburse the Board its costs of investigation and enforcement, including, but not
10 limited to, expert review, amended accusations, legal reviews, investigation(s), and subpoena
11 enforcement, as applicable, in the amount of \$16,761.25 (sixteen thousand, seven hundred sixty-
12 one dollars and twenty-five cents). Costs shall be payable to the Medical Board of California.
13 Failure to pay such costs shall be considered a violation of probation.

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

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

20 13. QUARTERLY DECLARATIONS. Respondent shall submit quarterly declarations
21 under penalty of perjury on forms provided by the Board, stating whether there has been
22 compliance with all the conditions of probation.

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

25 14. GENERAL PROBATION REQUIREMENTS.

26 Compliance with Probation Unit

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

28 Address Changes

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

6 Place of Practice

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

10 License Renewal

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

13 Travel or Residence Outside California

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

17 In the event Respondent should leave the State of California to reside or to practice
18 Respondent shall notify the Board or its designee in writing 30 calendar days prior to the dates of
19 departure and return.

20 15. INTERVIEW WITH THE BOARD OR ITS DESIGNEE. Respondent shall be
21 available in person upon request for interviews either at Respondent's place of business or at the
22 probation unit office, with or without prior notice throughout the term of probation.

23 16. NON-PRACTICE WHILE ON PROBATION. Respondent shall notify the Board or
24 its designee in writing within 15 calendar days of any periods of non-practice lasting more than
25 30 calendar days and within 15 calendar days of Respondent's return to practice. Non-practice is
26 defined as any period of time Respondent is not practicing medicine as defined in Business and
27 Professions Code sections 2051 and 2052 for at least 40 hours in a calendar month in direct
28 patient care, clinical activity or teaching, or other activity as approved by the Board. If

1 Respondent resides in California and is considered to be in non-practice, Respondent shall
2 comply with all terms and conditions of probation. All time spent in an intensive training
3 program which has been approved by the Board or its designee shall not be considered non-
4 practice and does not relieve Respondent from complying with all the terms and conditions of
5 probation. Practicing medicine in another state of the United States or Federal jurisdiction while
6 on probation with the medical licensing authority of that state or jurisdiction shall not be
7 considered non-practice. A Board-ordered suspension of practice shall not be considered as a
8 period of non-practice.

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

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

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

16 Periods of non-practice for a Respondent residing outside of California will relieve
17 Respondent of the responsibility to comply with the probationary terms and conditions with the
18 exception of this condition and the following terms and conditions of probation: Obey All Laws;
19 General Probation Requirements; and Quarterly Declarations.

20 17. COMPLETION OF PROBATION. Respondent shall comply with all financial
21 obligations (e.g., restitution, probation costs) not later than 120 calendar days prior to the
22 completion of probation. This term does not include cost recovery, which is due within 30
23 calendar days of the effective date of the Order, or by a payment plan approved by the Medical
24 Board and timely satisfied. Upon successful completion of probation, Respondent's certificate
25 shall be fully restored.

26 18. VIOLATION OF PROBATION. Failure to fully comply with any term or condition
27 of probation is a violation of probation. If Respondent violates probation in any respect, the
28 Board, after giving Respondent notice and the opportunity to be heard, may revoke probation and

1 carry out the disciplinary order that was stayed. If an Accusation, or Petition to Revoke Probation,
2 or an Interim Suspension Order is filed against Respondent during probation, the Board shall have
3 continuing jurisdiction until the matter is final, and the period of probation shall be extended until
4 the matter is final.

5 19. LICENSE SURRENDER. Following the effective date of this Decision, if
6 Respondent ceases practicing due to retirement or health reasons or is otherwise unable to satisfy
7 the terms and conditions of probation, Respondent may request to surrender his or her license.
8 The Board reserves the right to evaluate Respondent's request and to exercise its discretion in
9 determining whether or not to grant the request, or to take any other action deemed appropriate
10 and reasonable under the circumstances. Upon formal acceptance of the surrender, Respondent
11 shall within 15 calendar days deliver Respondent's wallet and wall certificate to the Board or its
12 designee and Respondent shall no longer practice medicine. Respondent will no longer be subject
13 to the terms and conditions of probation. If Respondent re-applies for a medical license, the
14 application shall be treated as a petition for reinstatement of a revoked certificate.

15 20. PROBATION MONITORING COSTS. Respondent shall pay the costs associated
16 with probation monitoring each and every year of probation, as designated by the Board, which
17 may be adjusted on an annual basis. Such costs shall be payable to the Medical Board of
18 California and delivered to the Board or its designee no later than January 31 of each calendar
19 year.

20 21. FUTURE ADMISSIONS CLAUSE. If Respondent should ever apply or reapply for
21 a new license or certification, or petition for reinstatement of a license, by any other health care
22 licensing action agency in the State of California, all of the charges and allegations contained in
23 Accusation No. 800-2021-074436 shall be deemed to be true, correct, and admitted by
24 Respondent for the purpose of any Statement of Issues or any other proceeding seeking to deny or
25 restrict license.

[Signatures continued on following page]

ACCEPTANCE

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

DATED: 3/19/25

Mr. Peacock

JULIE A. TAGUCHI, M.D.
Respondent

I have read and fully discussed with Respondent Julie A. Taguchi, M.D. the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: February 19, 2025

RAYMOND J. MCMAHON
Attorney for Respondent

ENDORSEMENT

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

DATED: February 19, 2025

Respectfully submitted,

ROB BONTA
Attorney General of California
EDWARD KIM
Supervising Deputy Attorney General

Melissa M. Marquez
Digitally signed by Melissa M. Marquez
Date: 2025.02.19 14:47:19 -08'00'
MELISSA M. MARQUEZ
Deputy Attorney General
Attorneys for Complainant

Exhibit A

Accusation No. 800-2021-074436

1 ROB BONTA
2 Attorney General of California
3 EDWARD KIM
4 Supervising Deputy Attorney General
5 MELISSA M. MARQUEZ
6 Deputy Attorney General
7 State Bar No. 326096
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12 *Attorneys for Complainant*

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

In the Matter of the Accusation Against: Case No. 800-2021-074436
Julie A. Taguchi, M.D. ACCUSATION
211 E. Anapamu St.
Santa Barbara, CA 93101-2005
Physician's and Surgeon's Certificate
No. G 58135,
Respondent.

PARTIES

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

2. On or about August 4, 1986, the Board issued Physician's and Surgeon's Certificate Number G 58135 to Julie A. Taguchi, M.D. (Respondent). The Physician's and Surgeon's Certificate was in full force and effect at all times relevant to the charges brought herein and will expire on April 30, 2026, unless renewed.

JURISDICTION

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

1 4. Section 2004 of the Code states:

2 The board shall have the responsibility for the following:

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

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

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

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

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

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

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

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

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

17 5. Section 2220 of the Code states:

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

24 (a) Investigating complaints from the public, from other licensees, from health
25 care facilities, or from the board that a physician and surgeon may be guilty of
26 unprofessional conduct. The board shall investigate the circumstances underlying a
27 report received pursuant to Section 805 or 805.01 within 30 days to determine if an
28 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.

24 (b) Investigating the circumstances of practice of any physician and surgeon
25 where there have been any judgments, settlements, or arbitration awards requiring the
26 physician and surgeon or his or her professional liability insurer to pay an amount in
27 damages in excess of a cumulative total of thirty thousand dollars (\$30,000) with
28 respect to any claim that injury or damage was proximately caused by the physician's
 and surgeon's error, negligence, or omission.

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

1 6. Section 2227 of the Code states:

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

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

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

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

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

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

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

STATUTORY PROVISIONS

17 7. Section 2234 of the Code states in pertinent part:

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

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

23 ...

24 (e) The commission of any act involving dishonesty or corruption that is
25 substantially related to the qualifications, functions, or duties of a physician and
26 surgeon.

27 ...

28 8. Section 2236 of the Code states:

29 (a) The conviction of any offense substantially related to the qualifications,
30 functions, or duties of a physician and surgeon constitutes unprofessional conduct
31 within the meaning of this chapter [Chapter 5, the Medical Practice Act]. The record
32 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 Medical Board of the pendency of an action against a licensee charging a felony or misdemeanor immediately upon obtaining information that the defendant is a licensee. The notice shall identify the licensee and describe the crimes charged and the facts alleged. The prosecuting agency shall also notify the clerk of 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.

(c) The clerk of the court in which a licensee is convicted of a crime shall, within 48 hours after the conviction, transmit a certified copy of the record of conviction to the board. The division may inquire into the circumstances surrounding 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.

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

9. Section 490 of the Code states:

(a) In addition to any other action that a board is permitted to take against a licensee, a board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued.

(b) Notwithstanding any other provision of law, a board may exercise any authority to discipline a licensee for conviction of a crime that is independent of the authority granted under subdivision (a) only if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the licensee's license was issued.

(c) A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that a board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code.

(d) The Legislature hereby finds and declares that the application of this section has been made unclear by the holding in *Petropoulos v. Department of Real Estate* (2006) 142 Cal.App.4th 554, and that the holding in that case has placed a significant number of statutes and regulations in question, resulting in potential harm to the consumers of California from licensees who have been convicted of crimes. Therefore, the Legislature finds and declares that this section establishes an independent basis for a board to impose discipline upon a licensee, and that the amendments to this section made by Chapter 33 of the Statutes of 2008 do not constitute a change to, but rather are declaratory of, existing law.

10. Title 18, United States Code, section 1349 states:

Any person who attempts or conspires to commit any offense under this chapter

1 shall be subject to the same penalties as those prescribed for the offense, the
2 commission of which was the object of the attempt or conspiracy.

3 11. Unprofessional conduct is conduct which breaches rules or ethical codes of a profession
4 or conduct which is unbecoming a member in good standing of a profession. (*Shea v. Board of*
Medical Examiners (1978) 81 Cal.App.3rd 564, 575.).

5 **REGULATORY PROVISIONS**

6 12. California Code of Regulations, title 16, section 1360 states:

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

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

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

22 **COST RECOVERY**

23 13. Section 125.3 of the Code provides, in pertinent part, that the Board may request the
24 administrative law judge to direct a licensee found to have committed a violation or violations of
25 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
enforcement of the case, with failure of the licensee to comply subjecting the license to not being
renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be
included in a stipulated settlement.

26 **FIRST CAUSE FOR DISCIPLINE**

27 **(Conviction of Substantially Related Crime)**

28 14. Respondent is subject to disciplinary action under sections 2236 and 490 of the Code,

1 in that she was convicted of an offense that is substantially related to the qualifications, functions,
2 or duties of a physician. The circumstances are as follows:

3 15. The Medicare Program (Medicare) is a health care benefit program as defined by
4 Title 18, United States Code, section 24(b). Medicare is administered by the Centers for
5 Medicare and Medicaid Services (CMS). CMS regulates all laboratory testing (except research)
6 performed on humans in the United States through the Clinical Laboratory Improvement
7 Amendments (CLIA). All clinical laboratories must be properly certified by CLIA to receive
8 Medicare or Medicaid payments. Once a medical provider, such as a clinical laboratory, is
9 certified, it can obtain a Medicare Provider Identification Number (PIN) for billing purposes. A
10 health care provider who is assigned a Medicare PIN and provides services to beneficiaries can
11 submit claims for reimbursement to the Medicare contractor and/or carrier that includes the PIN
12 assigned to that medical provider.

13 16. A part of Medicare covers medical testing by clinical laboratories, including allergy
14 testing and COVID-19 testing. Allergy testing is performed to determine immunologic sensitivity
15 or reaction to antigens for the purpose of identifying the cause of the allergic state. COVID-19
16 testing assesses whether an individual had the novel coronavirus disease from 2019, commonly
17 known as COVID-19. To be reimbursed from Medicare for laboratory testing, including allergy
18 and COVID-19 testing, the testing had to be reasonable, medically necessary, documented, and
19 actually provided as represented to Medicare.

20 17. Respondent was a physician, licensed in the state of California. Co-Conspirator 1,¹ a
21 layperson, was the owner and president of Arrayit Corporation (Arrayit). Arrayit describes itself
22 as “a world leader in microarray technology empowering researchers and doctors in the life
23 sciences, wellness, and healthcare testing markets.” Arrayit was a participating provider in the
24 Medicare program and submitted claims to Medicare.

25 18. In or around 2015, Co-Conspirator 1 asked Respondent to be the lab director of
26 Arrayit because he needed a medical doctor to get Arrayit a license. Respondent agreed to be the
27 lab director of Arrayit. From 2016 to 2020, Respondent acted as the lab director of Arrayit.

28 ¹ Respondent is aware of the identity of Co-Conspirator 1.

1 19. From in or around July 2018 through April 2020, Respondent knowingly and
2 willfully conspired and agreed with other co-conspirators to execute a scheme to commit health
3 care fraud, in violation of Title 18, United States Code, section 1349.

4 20. The purpose of the conspiracy between Respondent and co-conspirators was to
5 unlawfully enrich themselves by: (1) submitting or causing the submission of false and fraudulent
6 claims to Medicare for services that were (a) procured by the payment of kickbacks and bribes;
7 (b) medically unnecessary; and/or (c) not provided as represented; (2) concealing the submission
8 of false and fraudulent claims to Medicare and the receipt and transfer of the proceeds of the
9 fraud; and (3) diverting proceeds of the fraud for personal use and benefit of Respondent and her
10 co-conspirators in furtherance of the conspiracy.

11 21. In furtherance of the conspiracy and to accomplish its objective, Respondent's co-
12 conspirators would apply for and maintain various laboratory certifications from state and federal
13 agencies, including from CLIA, which allowed Arrayit to conduct testing and submit claims to
14 Medicare and other insurance plans. Respondent and her co-conspirators submitted and caused
15 the submission of false and fraudulent attestations and other documents to state and federal
16 regulators, including CLIA, that falsely claimed that Respondent (1) possessed the appropriate
17 qualifications to serve as laboratory director of Arrayit, (2) conducted testing, and (3) carried out
18 other responsibilities as Arrayit's laboratory director.

19 22. In furtherance of the conspiracy, Respondent also gave her national provider number
20 to her co-conspirators, which was used to submit false and fraudulent claims for allergy testing on
21 behalf of Arrayit for patients Respondent never saw or treated. Respondent solicited and received
22 kickbacks and bribes from her co-conspirators in exchange for allowing her national provider
23 number to be used by Arrayit to submit false and fraudulent claims for allergy testing for patients
24 that Respondent never saw or treated.

25 23. It was further part of the conspiracy that Respondent ordered and caused others to
26 order bundled Arrayit COVID-19 and allergy tests, despite knowing that the allergy test was
27 medically unnecessary, and the COVID-19 tests returned "false positive" results, meaning it
28 would indicate that a patient was positive for antibodies for COVID-19. However, the positive

1 results were due to past or present infection with non-COVID-19 coronavirus strains.

2 24. Respondent and her co-conspirators concealed and disguised the fraudulent scheme
3 by entering into sham contracts and agreements that disguised the kickbacks and bribes as
4 payments for the laboratory director or other legitimate services. Between in or around July 2018
5 to April 2020, Respondent and her co-conspirators submitted or caused the submission of
6 approximately \$248,784.16 in false and fraudulent claims that were procured through the
7 payment of kickbacks and bribes that were medically unnecessary, ineligible for Medicare
8 reimbursement, and/or not provided as represented. Respondent committed all of the above acts
9 knowingly and willfully, and with the intent to defraud.

10 25. On or about June 9, 2020, in a proceeding entitled *United States of America v. Julie*
11 *Taguchi*, United States District Court, Northern District of California, Case No. 5:20-cr-00229-
12 EJD, Respondent was charged with conspiracy to commit health care fraud, in violation of Title
13 18, United States Code, Section 1349, a felony (Count 1).

14 26. On or about January 4, 2021, in a proceeding entitled *United States of America v.*
15 *Julie Taguchi*, United States District Court, Northern District of California, Case No. 5:20-cr-
16 00229-EJD, Respondent pleaded guilty to Count 1. Respondent admitted that she was guilty of
17 the offense, including the facts set forth herein above.

18 27. On or about December 11, 2023, Respondent was sentenced to: (1) one year of
19 probation, (2) pay a fine in the amount of \$7,500, (3) complete 40 hours of community service;
20 (4) pay a special assessment fee of \$100, and (5) pay restitution in the amount of \$13,961.45.

21 **SECOND CAUSE FOR DISCIPLINE**

22 (Dishonesty or Corruption)

23 28. Respondent's license is subject to disciplinary action under section 2234, subdivision
24 (e), of the Code, in that she participated in a conspiracy to defraud Medicare. The circumstances
25 are as follows:

26 29. The allegations of the First Cause for Discipline are incorporated herein by reference
27 as if fully set forth.

28 ///

THIRD CAUSE FOR DISCIPLINE

(General Unprofessional Conduct)

3 30. Respondent is subject to disciplinary action under section 2234 of the Code, and
4 California Code of Regulations, title 16, section 1399.24, generally, in that she engaged in
5 unprofessional conduct that breaches the rules or ethical code of the medical profession or
6 conduct which is unbecoming to a member in good standing of the medical profession. The
7 circumstances are as follows:

8 31. The allegations of the First and Second Causes for Discipline are incorporated herein
9 by reference as if fully set forth.

PRAYER

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

13 1. Revoking or suspending Physician's and Surgeon's Certificate Number G 58135,
14 issued to Respondent Julie A. Taguchi, M.D.;

15 2. Revoking, suspending, or denying approval of Respondent Julie A. Taguchi, M.D.'s
16 authority to supervise physician assistants and advanced practice nurses;

17 3. Ordering Respondent Julie A. Taguchi, M.D., to pay the Board the costs of the
18 investigation and enforcement of this case, and if placed on probation, the costs of probation
19 monitoring; and

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

21 | SEP 16 2024
22 | DATED:

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

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