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

12 In the Matter of the Accusation Against:

Case No. 500-2024-001657

13 **JAGPREET SINGH MUKKER, DPM**  
7210 N. Milburn, Suite 101  
Fresno, CA 93722

OAH No.

**ACCUSATION**

14 **Doctor of Podiatric Medicine License No.**  
15 **4656**

16 Respondent.

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19 **PARTIES**

20 1. Brian Naslund (Complainant) brings this Accusation solely in his official capacity as  
21 the Executive Officer of the Podiatric Medical Board, Department of Consumer Affairs.

22 2. On or about October 27, 2005, Podiatric Medical Board issued Doctor of Podiatric  
23 Medicine License Number 4656 to JAGPREET SINGH MUKKER, DPM (Respondent). The  
24 Doctor of Podiatric Medicine License was in full force and effect at all times relevant to the  
25 charges brought herein and will expire on September 30, 2027, unless renewed.

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1           7.    Section 2234 of the Code states:

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

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

7                    (b) Gross negligence.

8                    (c) Repeated negligent acts. To be repeated, there must be two or more  
9                    negligent acts or omissions. An initial negligent act or omission followed by a  
10                    separate and distinct departure from the applicable standard of care shall constitute  
11                    repeated negligent acts.

12                    (1) An initial negligent diagnosis followed by an act or omission medically  
13                    appropriate for that negligent diagnosis of the patient shall constitute a single  
14                    negligent act.

15                    (2) When the standard of care requires a change in the diagnosis, act, or  
16                    omission that constitutes the negligent act described in paragraph (1), including, but  
17                    not limited to, a reevaluation of the diagnosis or a change in treatment, and the  
18                    licensee's conduct departs from the applicable standard of care, each departure  
19                    constitutes a separate and distinct breach of the standard of care.

20                    (d) Incompetence.

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

24                    (f) Any action or conduct that would have warranted the denial of a certificate.

25                    (g) The failure by a certificate holder, in the absence of good cause, to attend and  
26                    participate in an interview by the board no later than 30 calendar days after being notified  
27                    by the board. This subdivision shall only apply to a certificate holder who is the subject of  
28                    an investigation by the board.

                  8.    Section 2261 of the Code states:

                          Knowingly making or signing any certificate or other document directly or  
                          indirectly related to the practice of medicine or podiatry which falsely represents the  
                          existence or nonexistence of a state of facts, constitutes unprofessional conduct.

                  9.    Section 2262 of the Code states:

                          Altering or modifying the medical record of any person, with fraudulent intent,  
                          or creating any false medical record, with fraudulent intent, constitutes unprofessional  
                          conduct.

                          In addition to any other disciplinary action, the Division of Medical Quality or  
                          the California Board of Podiatric Medicine may impose a civil penalty of five hundred  
                          dollars (\$500) for a violation of this section.

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10. Section 650 of the Code states, in pertinent part:

(a) Except as provided in Chapter 2.3 (commencing with Section 1400) of Division 2 of the Health and Safety Code, the offer, delivery, receipt, or acceptance by any person licensed under this division or the Chiropractic Initiative Act of any rebate, refund, commission, preference, patronage dividend, discount, or other consideration, whether in the form of money or otherwise, as compensation or inducement for referring patients, clients, or customers to any person, irrespective of any membership, proprietary interest, or coownership in or with any person to whom these patients, clients, or customers are referred is unlawful.

11. Section 1871.4 of the Insurance Code states, in pertinent part:

(a) It is unlawful to do any of the following:

(1) Make or cause to be made any knowingly false or fraudulent material statement or material representation for the purpose of obtaining or denying any compensation, as defined in Section 3207 of the Labor Code.

(2) Present or cause to be presented any knowingly false or fraudulent written or oral material statement in support of, or in opposition to, any claim for compensation for the purpose of obtaining or denying any compensation, as defined in Section 3207 of the Labor Code.

(3) Knowingly assist, abet, conspire with, or solicit any person in an unlawful act under this section.

(4) Make or cause to be made any knowingly false or fraudulent statements with regard to entitlement to benefits with the intent to discourage an injured worker from claiming benefits or pursuing a claim.

For the purposes of this subdivision, "statement" includes, but is not limited to, a notice, proof of injury, bill for services, payment for services, hospital or doctor records, X-ray, test results, medical-legal expense as defined in Section 4620 of the Labor Code, other evidence of loss, injury, or expense, or payment.

(5) Make or cause to be made any knowingly false or fraudulent material statement or material representation for the purpose of obtaining or denying any of the benefits or reimbursement provided in the Return-to-Work Program established under Section 139.48 of the Labor Code.

(6) Make or cause to be made any knowingly false or fraudulent material statement or material representation for the purpose of discouraging an employer from claiming any of the benefits or reimbursement provided in the Return-to-Work Program established under Section 139.48 of the Labor Code.

12. Section 550 of the Penal Code states, in pertinent part:

(a) It is unlawful to do any of the following, or to aid, abet, solicit, or conspire with any person to do any of the following:

1 (1) Knowingly present or cause to be presented any false or fraudulent claim for  
the payment of a loss or injury, including payment of a loss or injury under a contract  
of insurance.

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3 (2) Knowingly present multiple claims for the same loss or injury, including  
presentation of multiple claims to more than one insurer, with an intent to defraud.

4 (3) Knowingly cause or participate in a vehicular collision, or any other  
vehicular accident, for the purpose of presenting any false or fraudulent claim.

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6 (4) Knowingly present a false or fraudulent claim for the payments of a loss for  
theft, destruction, damage, or conversion of a motor vehicle, a motor vehicle part, or  
contents of a motor vehicle.

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8 (5) Knowingly prepare, make, or subscribe any writing, with the intent to  
present or use it, or to allow it to be presented, in support of any false or fraudulent  
claim.

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10 (6) Knowingly make or cause to be made any false or fraudulent claim for  
payment of a health care benefit.

11 (7) Knowingly submit a claim for a health care benefit that was not used by, or  
on behalf of, the claimant.

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13 (8) Knowingly present multiple claims for payment of the same health care  
benefit with an intent to defraud.

14 (9) Knowingly present for payment any undercharges for health care benefits  
on behalf of a specific claimant unless any known overcharges for health care  
benefits for that claimant are presented for reconciliation at that same time.

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16 (10) For purposes of paragraphs (6) to (9), inclusive, a claim or a claim for  
payment of a health care benefit also means a claim or claim for payment submitted  
by or on the behalf of a provider of any workers' compensation health benefits under  
the Labor Code.

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18 (b) It is unlawful to do, or to knowingly assist or conspire with any person to  
do, any of the following:

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20 (1) Present or cause to be presented any written or oral statement as part of, or  
in support of or opposition to, a claim for payment or other benefit pursuant to an  
insurance policy, knowing that the statement contains any false or misleading  
information concerning any material fact.

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23 (2) Prepare or make any written or oral statement that is intended to be  
presented to any insurer or any insurance claimant in connection with, or in support  
of or opposition to, any claim or payment or other benefit pursuant to an insurance  
policy, knowing that the statement contains any false or misleading information  
concerning any material fact.

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26 (3) Conceal, or knowingly fail to disclose the occurrence of, an event that  
affects any person's initial or continued right or entitlement to any insurance benefit  
or payment, or the amount of any benefit or payment to which the person is entitled.

1 (4) Prepare or make any written or oral statement, intended to be presented to  
2 any insurer or producer for the purpose of obtaining a motor vehicle insurance policy,  
3 that the person to be the insured resides or is domiciled in this state when, in fact, that  
4 person resides or is domiciled in a state other than this state.

5 **COST RECOVERY**

6 13. Section 2497.5 of the Code states:

7 (a) The board may request the administrative law judge, under his or her  
8 proposed decision in resolution of a disciplinary proceeding before the board, to  
9 direct any licensee found guilty of unprofessional conduct to pay to the board a sum  
10 not to exceed the actual and reasonable costs of the investigation and prosecution of  
11 the case.

12 (b) The costs to be assessed shall be fixed by the administrative law judge and  
13 shall not be increased by the board unless the board does not adopt a proposed  
14 decision and in making its own decision finds grounds for increasing the costs to be  
15 assessed, not to exceed the actual and reasonable costs of the investigation and  
16 prosecution of the case.

17 (c) When the payment directed in the board's order for payment of costs is not  
18 made by the licensee, the board may enforce the order for payment by bringing an  
19 action in any appropriate court. This right of enforcement shall be in addition to any  
20 other rights the board may have as to any licensee directed to pay costs.

21 (d) In any judicial action for the recovery of costs, proof of the board's decision  
22 shall be conclusive proof of the validity of the order of payment and the terms for  
23 payment.

24 (e)(1) Except as provided in paragraph (2), the board shall not renew or  
25 reinstate the license of any licensee who has failed to pay all of the costs ordered  
26 under this section.

27 (2) Notwithstanding paragraph (1), the board may, in its discretion,  
28 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 those unpaid  
costs.

(f) All costs recovered under this section shall be deposited in the Board of  
Podiatric Medicine Fund as a reimbursement in either the fiscal year in which the  
costs are actually recovered or the previous fiscal year, as the board may direct.

**FACTUAL ALLEGATIONS**

14. On or about November 21, 2024, Respondent entered into a civil settlement with the  
United States Attorney's Office under certain terms and conditions, including payment of  
\$1,598,891.00 and the acknowledgement and acceptance of the facts recited below. Respondent  
agreed not to make any public statement denying or contesting these facts.

1 *Peters Management Services Organization (MSO) investment*

2 15. Between 2015 and the end of 2020<sup>1</sup>, Respondent issued prescriptions for compounded  
3 creams and other medications to certain non-local pharmacies owned or controlled by Matthew  
4 Peters<sup>2</sup> (hereinafter “Peters”), including Professional Rx Pharmacy LLC; Inland Medical  
5 Consultants, LLC;<sup>3</sup> Portland Professional Pharmacy LLC; Sunrise Pharmacy LLC; Professional  
6 205 Pharmacy, LLC; Synergy Medical Systems, LLC; Synergy RX LLC; Synergy Medical  
7 Systems LLC; Prestige Professional Pharmacy; One Way Drug LLC; Optimum Care Pharmacy,  
8 Inc.; JMSP LLC; and MPKM, LLC (“the pharmacies”).

9 16. A sales agent (herein after referred to as “sales representative 1”) promoted the  
10 pharmacies to Respondent.

11 17. In March 2016 and January 2017, Respondent invested in an investment entity  
12 created by Peters that Peters termed a “PPM.” Sales Representative 1 introduced Respondent to  
13 the investment opportunity on behalf of Peters. Respondent invested \$4000 in the PPM, by  
14 directing checks to Innovate Specialty Services LLC, to the attention of Peters. Sales  
15 Representative 1 confirmed by text on March 9, 2016 that the cost of investment would be “\$100  
16 for every 1%” Respondent received.

17 18. In approximately July 2017, Respondent and Jay Mukker DPM Inc. invested in  
18 Coastline Specialty Services LLC (the “Coastline MSO”), an entity created and controlled by  
19 Peters. Respondent and Jay Mukker DPM Inc. initially invested \$10,000, corresponding to 20  
20 shares. Sales Representative 1 explained at that time that the opportunity to invest and receive  
21 financial returns was a reward for prescriptions to the Pharmacies, including Medicare and other  
22 Federal health care program beneficiaries, including by stating to Respondent that “you are being  
23 rewarded for scripts from day 1.”

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27 <sup>1</sup> Facts alleged outside the applicable statute of limitations are stated for background  
purposes only.

28 <sup>2</sup> Matthew Peters is one of the defendants named in the federal action taken against  
Respondent. Peters founded, controlled and operated the Defendant pharmacies.

1           19. Respondent and Jay Mukker DPM Inc. purchased an additional 10 shares in Coastline  
2 MSO in October 2017. Peters explained to Respondent that Peters was awarding Respondent the  
3 opportunity to purchase additional shares based on the number and value of prescriptions  
4 (including for Federal health care program beneficiaries) that Respondent had directed and would  
5 continue to direct to the Pharmacies. To that effect, Peters stated in an October 18, 2017 email  
6 that the shares would be offered due to Respondent's "size" and that the Coastline MSO "can  
7 offer you more shares as a performance increase." Peters explained in that email that the monthly  
8 payout that Respondent received from the Coastline MSO would double as a result of the  
9 increased shares in the Coastline MSO. As time went on, Peters again told Respondent that Peters  
10 and the Coastline and Bayview MSOs could offer additional shares for purchase on the basis of  
11 prescriptions "performance" with respect to the Pharmacies.

12           20. Based on Forms K-1 submitted to the Internal Revenue Service, Respondent and Jay  
13 Mukker DPM Inc. received distributions of \$43,655 from the Coastline MSO in 2017, ending  
14 with a capital account balance of \$21,177. In 2018, Respondent began with that capital account of  
15 \$21,177 in Coastline MSO, invested an additional \$5,000 in capital, and received \$74,860 in  
16 withdrawals and distributions. The capital account balance was \$6,639 at the end of 2018.

17           21. In approximately September 2018, Respondent and Jay Mukker DPM Inc., invested  
18 \$20,000 to purchase 40 shares in Bayview Specialty Services LLC (the "Bayview MSO"),  
19 another entity created and controlled by Peters. Sales Representative 1 and Peters stated  
20 prescriptions (including for Federal health care program beneficiaries) that Respondent had  
21 directed and would continue to direct to the Pharmacies.

22           22. Based on Forms K-1 submitted to the Internal Revenue Service, Respondent and Jay  
23 Mukker DPM Inc., received \$40,000 in distributions from Bayview MSO in 2018 and ended the  
24 year with a capital account balance of \$23,431. In 2019, Respondent and Jay Mukker DPM Inc.  
25 began with a \$23,431 capital account, invested no additional capital, and received \$117,400 in  
26 withdrawals and distributions.

27           23. Respondent was not familiar with differences between the Pharmacies and did not  
28 direct prescriptions to any specific Pharmacy among them. Rather, Respondent prescribed to the

1 Pharmacies collectively through a fax number or electronic portal corresponding to any and all of  
2 the Pharmacies, with a prescription pad customized to Respondent that was furnished by Peters  
3 and Sales Representative 1.

4 24. The investment returns from the Coastline and Bayview MSOs caused Respondent to  
5 send prescriptions to the Pharmacies rather than send them to other pharmacies not affiliated with  
6 Peters.

7 25. Respondent was aware that Sales Representative 1 called upon other Fresno, CA  
8 physicians (hereinafter referred to as "Dr. A, Dr. B, Dr. C, and Dr. D"). Along with Sales  
9 Representative 1, he told them that they would benefit by their investment in the Coastline MSO  
10 and Bayview MSO. Respondent received monthly data from Peters and other individuals  
11 affiliated with Pharmacies showing these physicians' prescriptions to the Pharmacies. Using this  
12 data, Respondent communicated to these doctors whether their prescription volume to the  
13 Pharmacies met the expectation of Peters and whether it would enable the doctors to receive  
14 additional shares. Peters made the decision as to who received shares.

15 26. For example, in the spring of 2018, Dr. A had Respondent inform Sales  
16 Representative 1 that Dr. A would like to purchase additional shares in the Coastline MSO.  
17 Cognizant that the opportunity to purchase shares was contingent on prescribing enough to be  
18 approved by Peters, on May 31, 2018, Respondent asked Sales Representative 1, "What place  
19 would you say he is at in the US in writing prescriptions? You said I was 4<sup>th</sup> so what would he  
20 be?" Respondent then stated to Sales Representative 1, "I think he wants us to buy more shares in  
21 it. Please talk to Matt." Sales Representative 1 then replied that Dr. A would be allowed to  
22 purchase 6 more shares, and that "He had 158 scripts last month" whereas Respondent had 280,  
23 so "He shouldn't complain" because "It's not like Walgreens or CVS is doing anything for him."  
24 Respondent replied: "Completely true and that's where a businessman appreciates that and a fool  
25 doesn't."

26 27. At the request of Sales Representative 1 and Peters, Respondent told Dr. A and Dr. B  
27 that additional prescriptions were needed to justify their investment and the financial returns. For  
28 example, in August 2018, prior to the operation of the Bayview MSO, Dr Mukker discussed with

1 Sales Representative 1 that Dr. A would like to purchase shares in the Bayview MSO. Replying  
2 that Dr. A was not prescribing enough at the time to justify the desired level of investment, Sales  
3 Representative 1 texted Respondent regarding Dr. A, stating that "It's a game of numbers[.] If he  
4 doesn't write he can't have shares." That month, Respondent told Dr. A that Sales Representative  
5 1 had said that he would be allowed to invest in more shares in the Bayview MSO if he increased  
6 his prescription level to the Pharmacies and discussed prescription data he received from Sales  
7 Representative 1 with Dr. A.

8 28. On November 1, 2019, when monthly payouts from the Bayview MSO were \$5,000  
9 less than expected for himself and for Dr. B, Respondent emailed Peters to ask "about the  
10 remaining 5k for the month." Respondent then stated that "[Dr. B] and myself have held up our  
11 end of the bargain and kept up with supporting the company and prescribing a lot of the  
12 compounding to our patients." Respondent then requested that he and Dr. B "be made whole."

13 29. Across the duration of the Coastline MSO and Bayview MSO, Sales Representative 1  
14 continued to tell Respondent and the other physicians to prescribe compounded drugs saying that  
15 their prescriptions volume was too low to justify their investment.

16 30. At their request, Respondent attempted to introduce two additional physicians,  
17 practicing in Texas, to Sales Representative 1, but was informed soon thereafter that their  
18 practices did not generate enough prescription volume to justify their intended investments. In  
19 October 2020, Respondent told Sales Representative 1 that that was not fair because the  
20 pharmacies made money on the volume of prescriptions, but the two physicians did not receive  
21 shares and that he felt bad because he had introduced them to Sales Representative 1, writing to  
22 Sales Representative 1: "u made money while [the two physicians] didn't make anything out of  
23 the deal and I felt really bad because I introduced them to you." Respondent then wrote "Because  
24 of that, I can't and stopped writing those prescriptions" (*sic*) to the Pharmacies.

25 *Billing of Peripheral Venous Studies*

26 31. From January 1, 2017 to November 22, 2023, Respondent and Jay Mukker DPM Inc.,  
27 submitted or caused to be submitted claims for reimbursement to Medicare for non-invasive  
28

1 peripheral venous studies. These studies are associated with Current Procedural Terminology  
2 (“CPT”) code 93965.

3 32. Beginning in 2017, CMS policy did not allow reimbursement for the non-invasive  
4 peripheral venous studies associated with code 93965. Respondent and Jay Mukker DPM Inc.  
5 continued furnishing those services, however. Respondent and Jay Mukker DPM Inc. billed these  
6 services to Medicare using the CPT code 99214, which identifies a physician evaluation and  
7 management service.

8 33. Respondent arranged for the creation of medical records for patients receiving non-  
9 invasive peripheral venous studies from Jay Mukker DPM Inc. which suggested that those  
10 patients had been evaluated and treated by a physician, when the patients had not received the  
11 degree of physician involvement and professional services to meet the coding and billing  
12 requirements for those services.

13 **FIRST CAUSE FOR DISCIPLINE**

14 (Unprofessional Conduct)

15 34. Respondent is subject to disciplinary action under Code sections 2410 and 2234 in  
16 that Respondent engaged in conduct which breaches the rules or ethical code of the medical  
17 profession, or conduct which is unbecoming a member in good standing of the medical  
18 profession, and which demonstrates an unfitness to practice medicine. The circumstances are set  
19 forth in paragraphs 14 through 33, which are incorporated herein by reference.

20 **SECOND CAUSE FOR DISCIPLINE**

21 (False Statements)

22 35. Respondent is subject to disciplinary action under Code sections 2261 and 2262,  
23 Penal Code section 550, and Insurance Code section 1871.4, in that Respondent falsified medical  
24 records and filed fraudulent insurance claims. The circumstances are set forth in paragraphs 14  
25 through 33, which are incorporated herein by reference.

26 **THIRD CAUSE FOR DISCIPLINE**

27 (Receipt of Funds as Inducement for Referring Patients )  
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