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

In the Matter of the Accusation Against,

16-2008-190969

**GEORGE E. KABACY, M.D.**

**DEFAULT DECISION  
AND ORDER**

**PHYSICIAN'S AND SURGEON'S CERTIFICATE  
No. G13766**

[Gov. Code, §11520]

**RESPONDENT.**

On or about June 12, 2008, an employee of the Medical Board of California (hereinafter "Board") sent by certified mail a copy of Accusation No. 16-2008-190969, Statement to Respondent, Notice of Defense in blank, copies of the relevant sections of the California Administrative Procedure Act as required by sections 11503 and 11505 of the Government Code, and a request for discovery, to George K. Kabacy, M.D. (hereinafter "respondent") at his address of record with the Board, 7439 Holmes IS Road SE, Lacey, WA 98503. The package was returned by the Post Office as "Undeliverable as Addressed." (The Accusation package, along with the proof of service and return notification, is attached hereto as Exhibit 1).

There was no response to the Accusation. On or about December 3, 2008, an employee of the Attorney General's Office sent by regular mail addressed to respondent at the address set forth above, a courtesy Notice of Default, advising respondent of the service of the Accusation, and providing him with an opportunity to request relief from default. (Attached hereto as Exhibit 2 is a copy of the Notice of Default and declaration of service thereof.) Respondent did not respond to the Notice of Default, and he has not filed a Notice of Defense. As a result, respondent has waived his right to a hearing on the merits to contest the allegations contained in the Accusation.

1 **FINDINGS OF FACT**

2 I.

3 Barbara Johnston is the Executive Director of the Board and the charges and  
4 allegations in the Accusation were brought and made solely in her official capacity.

5 II.

6 On or about August 14, 1967, Physician's and Surgeon's Certificate No. G13766  
7 was issued by the Board to George E. Kabacy, M.D. The certificate is delinquent, with an  
8 expiration date of May 31, 2007, and is in SUSPENDED status by virtue of a May 15, 2008 order  
9 issued pursuant to Business and Professions Code §2310(a). (A copy of the license certification  
10 and print-out of Medical Board license status is attached hereto as Exhibit 3.)

11 III.

12 On or about June 12, 2008, respondent was served with an Accusation, alleging  
13 causes for discipline against respondent. The Accusation and accompanying documents were  
14 duly served on respondent. A courtesy Notice of Default was thereafter served on respondent.  
15 Respondent failed to file a Notice of Defense.

16 IV.

17 The allegations of the Accusation are true as follows:

18 On or about February 28, 2008, the Washington Medical Quality Assurance  
19 Commission issued a Stipulated Findings of Fact, Conclusions of Law and Agreed Order  
20 regarding respondent's license to practice medicine in Washington. The Washington Medical  
21 Quality Assurance Commission revoked respondent's license based on a November 30, 2007  
22 conviction for possession of visual depictions of minors engaged in sexually explicit conduct. (A  
23 certified copy of the Stipulated Findings of Fact, Conclusions of Law and Agreed Order issued by  
24 the Washington Medical Quality Assurance Commission is attached to the Accusation, Exhibit 1  
25 hereto.)

26 On or about November 30, 2007, respondent was convicted, in the United States  
27 District Court for the Western District of Washington, of Possession of Visual Depictions of  
28

1 Minors Engaged in Sexually Explicit Conduct, in violation of 18 U.S.C. §§2252(a)(4)(B) and  
2 (b)(2). The statutory penalties for the offenses included imprisonment for up to ten years, and a  
3 term of supervision following release from prison for up to life. Respondent's guilty plea included  
4 an admission that he knowingly possessed more than eight thousand still digital images and  
5 additional digital video files, each of which depicted actual minors engaged in sexually explicit  
6 conduct. Respondent's conviction is one which requires registration as a sex offender.

7 **DETERMINATION OF ISSUES**

8 I.

9 Pursuant to the foregoing Findings of Fact, respondent's conduct and the action of  
10 the Washington Medical Quality Assurance Commission constitute cause for discipline within the  
11 meaning of Business and Professions Code sections 2305 and 141(a).

12 II.

13 Pursuant to the foregoing Findings of Fact, respondent's conduct and the criminal  
14 conviction requiring registration as a sex offender, respondent is subject to the provisions of  
15 Business and Professions Code section 2232, and his license must be revoked.

16 **DISCIPLINARY ORDER**

17 Physician's and Surgeon's certificate No. G13766 issued to George E. Kabacy,  
18 M.D. is hereby **REVOKED**.

19 Respondent shall not be deprived of making a request for relief from default as set  
20 forth in Government Code section 11520(c) for good cause shown. However, such showing must  
21 be made in writing by way of a motion to vacate the default decision and directed to the Division  
22 of Medical Quality, Medical Board of California at 2005 Evergreen Street, Suite 1200,  
23 Sacramento, CA 95815 within seven (7) days of the service of this Decision.

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This Decision will become effective on September 30, 2009, at 5 p.m.  
It is so ORDERED August 31, 2009

MEDICAL BOARD OF CALIFORNIA  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

By *Kimberly Kuehner*  
Barbara Johnston *per*  
Executive Director

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FILED  
STATE OF CALIFORNIA  
MEDICAL BOARD OF CALIFORNIA  
SACRAMENTO June 12, 2008  
BY Ricardo M. Acosta

1 EDMUND G. BROWN JR., Attorney General  
of the State of California  
2 JOSE R. GUERRERO  
Supervising Deputy Attorney General  
3 JANE ZACK SIMON  
Deputy Attorney General [SBN 116564]  
4 455 Golden Gate Avenue, Suite 11000  
San Francisco, California 94102  
5 Telephone: (415) 703-5544  
Facsimile: (415) 703-5480  
6

7 Attorneys for Complainant

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

11 In the Matter of the Accusation Against: ) Case No. 16-2008-190969  
12 )  
13 **GEORGE E. KABACY, M.D.** ) **A C C U S A T I O N**  
7439 Holmes IS Road SE )  
14 Lacey, WA 98503 )  
15 )  
16 Physician's and Surgeon's )  
Certificate No. G13766 )  
17 )  
18 Respondent. )

19  
20 The Complainant alleges:

21 **PARTIES**

- 22 1. Complainant Barbara Johnston is the Executive Director of the Medical  
23 Board of California (hereinafter the "Board") and brings this accusation solely in her official  
24 capacity.
- 25 2. On or about August 14, 1967, Physician's and Surgeon's Certificate No.  
26 G13766 was issued by the Board to George E. Kabacy, M.D. (hereinafter "respondent".)  
27 Respondent's certificate is delinquent, with an expiration date of May 31, 2007.

**JURISDICTION**

1  
2           3.       This accusation is brought before the Medical Board of California<sup>1</sup>,  
3 Department of Consumer Affairs (hereinafter the "Board"), under the authority of the following  
4 sections of the California Business and Professions Code (hereinafter "Code") and/or other  
5 relevant statutory enactment:

6           A.       Section 2227 of the Code provides in part that the Board may revoke,  
7 suspend for a period of not to exceed one year, or place on probation, the license of any  
8 licensee who has been found guilty under the Medical Practice Act, and may recover the  
9 costs of

10           B.       Section 2305 of the Code provides, in part, that the revocation, suspension,  
11 or other discipline, restriction or limitation imposed by another state upon a license to  
12 practice medicine issued by that state, that would have been grounds for discipline in  
13 California under the Medical Practice Act, constitutes grounds for discipline for  
14 unprofessional conduct.

15           C.       Section 141 of the Code

16               "(a)   For any licensee holding a license issued by a board under the  
17 jurisdiction of a department, a disciplinary action taken by another state, by any agency of  
18 the federal government, or by another country for any act substantially related to the  
19 practice regulated by the California license, may be ground for disciplinary action by the  
20 respective state licensing board. A certified copy of the record of the disciplinary action  
21 taken against the licensee by another state, an agency of the federal government, or by  
22 another country shall be conclusive evidence of the events related therein.

23               "(b)   Nothing in this section shall preclude a board from applying a  
24 specific statutory provision in the licensing act administered by the board that provides  
25 for discipline based upon a disciplinary action taken against the licensee by another state,  
26

---

27           1.   As used herein, the term "board" means the Medical Board of California. As  
used herein, "Division of Medical Quality" shall also be deemed to refer to the board.

1 an agency of the federal government, or another country."

2 D. Section 2236 of the Code provides that the conviction of any  
3 offense substantially related to the qualifications, functions, or duties of a physician and  
4 surgeon constitutes unprofessional conduct.

5 E. Section 2232 of the Code requires the revocation of the license of  
6 any physician and surgeon required to register as a sex offender pursuant to Penal Code  
7 section 290.

8 **FIRST CAUSES FOR DISCIPLINE**

9 (Discipline, Restriction, or Limitation Imposed by Another State)

10 4. On or about February 28, 2008, the Washington Medical Quality  
11 Assurance Commission issued a Stipulated Findings of Fact, Conclusions of Law and Agreed  
12 Order regarding respondent's license to practice medicine in Washington. The Washington  
13 Commission revoked respondent's license based on a November 30, 2007 conviction for  
14 possession of visual depictions of minors engaged in sexually explicit conduct.

15 Attached hereto as Exhibit A is a true and correct copy of the Stipulated Findings  
16 of Fact, Conclusions of Law and Agreed Order issued by the Washington Medical Quality  
17 Assurance Commission.

18 5. Respondent's conduct and the action of the Washington Medical Quality  
19 Assurance Commission as set forth in paragraph 5, above, constitute unprofessional conduct  
20 within the meaning of section 2305 and conduct subject to discipline within the meaning of  
21 section 141(a).

22 **SECOND CAUSES FOR DISCIPLINE**

23 (Conviction of Crime; Registration as a Sex Offender)

24 6. On or about November 30, 2007, respondent was convicted, in the United  
25 States District Court for the Western District of Washington, of Possession of Visual Depictions  
26 of Minors Engaged in Sexually Explicit conduct, in violation of 18 U.S.C. §§2252(a)(4)(B) and  
27 (b)(2). The statutory penalties for the offense included imprisonment for up to ten years, a term

1 of supervision following release from prison for up to life. Respondent's guilty plea included an  
2 admission that he knowingly possessed more than eight thousand still digital images and  
3 additional digital video files, each of which depicted actual minors engaged in sexually explicit  
4 conduct.

5                 7.         The foregoing constitutes unprofessional conduct and the conviction of a  
6 crime substantially related to the qualifications, functions or duties of a physician and surgeon,  
7 and is cause for discipline pursuant to Business and Professions Code sections 2234 and/or 2236.

8                 8.         Respondent's conviction is one which requires registration as a sex  
9 offender. Respondent is therefore subject to the provisions of section 2232 of the Code, and his  
10 license must be revoked.

11                                 PRAYER

12                                 **WHEREFORE**, the complainant requests that a hearing be held on the matters  
13 herein alleged, and that following the hearing, the Board issue a decision:

- 14                                 1.         Revoking Physician and Surgeon's Certificate Number G13766, heretofore  
15 issued to respondent George E. Kabacy, M.D.;
- 16                                 2.         Revoking respondent's authority to supervise physician assistants;
- 17                                 3.         Taking such other and further action as the Board deems necessary and  
18 proper.

19 DATED: June 12, 2008

20  
21   
22 **BARBARA JOHNSTON**  
23 Executive Director  
24 Medical Board of California  
25 Department of Consumer Affairs  
26 State of California

27  
Complainant

40260641.wpd



# **Exhibit A**

I Certify that this is a true and correct copy of the document on file with the State of Washington, Department of Health, Administrative Clerk Office



22 April 2008  
*Valerie Zandee*  
Authorized Representative

STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
Olympia, Washington 98504

RE: George E. Kabacy, MD  
Master Case No.: M2008-59033  
Docket No.: 07-12-A-1049MD  
Document: Agreed Order

Regarding your request for information about the above-named practitioner, certain information may have been withheld pursuant to Washington state laws. While those laws require that most records be disclosed on request, they also state that certain information should not be disclosed.

The following information has been withheld: **NONE**

If you have any questions or need additional information regarding the information that was withheld, please contact:

Customer Service Center  
P.O. Box 47865  
Olympia, WA 98504-7865  
Phone: (360) 236-4700  
Fax: (360) 586-2171

You may appeal the decision to withhold any information by writing to the Deputy Secretary, Department of Health, P.O. Box 47890, Olympia, WA 98504-7890.

I Certify that this is a true and correct copy of the  
document with the State of Washington, Department  
of Health, Legislative Clerk Office  
22 April 2008  
Valerie Zudeell  
Authorized Representative



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
Olympia, Washington 98504

RE: George E. Kabacy, MD  
Docket No.: 07-12-A-1049MD  
Document: Statement of Charges

Regarding your request for information about the above-named practitioner, certain information may have been withheld pursuant to Washington state laws. While those laws require that most records be disclosed on request, they also state that certain information should not be disclosed.

The following information has been withheld: **NONE**

If you have any questions or need additional information regarding the information that was withheld, please contact:

Customer Service Center  
P.O. Box 47865  
Olympia, WA 98504-7865  
Phone: (360) 236-4700  
Fax: (360) 586-2171

You may appeal the decision to withhold any information by writing to the Deputy Secretary, Department of Health, P.O. Box 47890, Olympia, WA 98504-7890.

STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
MEDICAL QUALITY ASSURANCE COMMISSION

In the Matter of

**GEORGE E. KABACY, MD**  
Credential No. MD00030345

Respondent

Docket No. 07-12-A-1049MD

**STIPULATED FINDINGS OF FACT,  
CONCLUSIONS OF LAW AND  
AGREED ORDER**

The Medical Quality Assurance Commission (Commission), through James McLaughlin, Department of Health Staff Attorney, and Respondent, represented by counsel, Raegen N. Rasnic, stipulate and agree to the following:

**1. PROCEDURAL STIPULATIONS**

- 1.1 On January 31, 2008, the Commission issued a Statement of Charges against Respondent.
- 1.2 In the Statement of Charges, the Commission alleges that Respondent violated RCW 18.130.180(1) and (17)
- 1.3 Respondent understands that the State is prepared to proceed to a hearing on the allegations in the Statement of Charges.
- 1.4 Respondent understands that if the allegations are proven at a hearing, the Commission has the authority to impose sanctions pursuant to RCW 18.130.160.
- 1.5 Respondent has the right to defend against the allegations in the Statement of Charges by presenting evidence at a hearing.
- 1.6 Respondent waives the opportunity for a hearing on the Statement of Charges provided that the Commission accepts this Stipulated Findings of Fact, Conclusions of Law and Agreed Order. (Agreed Order)
- 1.7 The parties agree to resolve this matter by means of this Agreed Order.
- 1.8 Respondent understands that this Agreed Order is not binding unless and until it is signed and accepted by the Commission.
- 1.9 If the Commission accepts this Agreed Order, it is subject to the federal reporting requirements pursuant to Section 1128E of the Social Security Act and 45 CFR Part 61, RCW 18.130.110 and any other applicable interstate/national reporting

requirements. It is a public document and will be available on the Department of Health web site.

1.10 If the Commission rejects this Agreed Order, Respondent waives any objection to the participation at hearing of any Commission members who heard the Agreed Order presentation.

## 2. FINDINGS OF FACT

Respondent and the Program stipulate to the following facts:

2.1 On October 27, 1992, the state of Washington issued Respondent a credential to practice as a physician and surgeon. Respondent's credential expired on May 10, 2007.

2.2 On or about November 30, 2007, Respondent was convicted, in the United States District Court for the Western District of Washington, of Possession of Visual Depictions of Minors Engaged in Sexually Explicit Conduct, in violation of 18 U.S.C. §§ 2252(a)(4)(B) and (b)(2). The statutory penalties for this offense are imprisonment for up to ten (10) years, a term of supervision following release from prison of up to life, a fine of up to two hundred fifty thousand dollars (\$250,000.00), and a one hundred dollar (\$100.00) mandatory assessment.

2.3 Respondent's guilty plea to the charge that resulted in the above conviction included his admission that he knowingly possessed more than eight thousand (8,000) still digital images and additional digital video files, each of which depicted actual minors engaged in sexually explicit conduct.

## 3. CONCLUSIONS OF LAW

The State and Respondent agree to the entry of the following Conclusions of Law:

3.1 The Commission has jurisdiction over Respondent and over the subject matter of this proceeding.

3.2 Respondent has committed unprofessional conduct in violation of RCW 18.130.180(1) and (17).

3.3 The above violations provide grounds for imposing sanctions under RCW 18.130.160.

**4. AGREED ORDER**


Based on the Findings of Fact and Conclusions of Law, Respondent agrees to entry of the following Agreed Order:

4.1 Respondent's credential to practice as a physician and surgeon in the state of Washington is hereby **REVOKED** with no right to seek reinstatement of his credential for a period of at least ten (10) years from the effective date of this Agreed Order.


4.2 The effective date of this Agreed Order is the date the Adjudicative Service Unit places the signed Agreed Order into the U.S. mail. If required, Respondent shall not submit any fees or compliance documents until after the effective date of this Agreed Order.

**5. ACCEPTANCE**

I, GEORGE E. KABACY, MD, Respondent, have read, understand and agree to this Agreed Order. This Agreed Order may be presented to the Commission without my appearance. I understand that I will receive a signed copy if the Commission accepts this Agreed Order.

  
\_\_\_\_\_  
GEORGE E. KABACY, MD  
RESPONDENT

2-8-08  
DATE

  
\_\_\_\_\_  
RAEGEN N. RASNIC, WSBA#25480  
ATTORNEY FOR RESPONDENT

2-12-08  
DATE

6. ORDER

The Commission accepts and enters this Stipulated Findings of Fact, Conclusions of Law and Agreed Order.

DATED: Feb 28, 2008.

STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
MEDICAL QUALITY ASSURANCE COMMISSION

John M. Tobin  
PANEL CHAIR

PRESENTED BY:

Jim McLaughlin  
JAMES MCLAUGHLIN, WSBA #27349  
DEPARTMENT OF HEALTH STAFF ATTORNEY

2/28/08  
DATE

FOR INTERNAL USE ONLY: PROGRAM NO. 2006-12-0058MD

STIPULATED FINDINGS OF FACT,  
CONCLUSIONS OF LAW AND AGREED ORDER  
DOCKET NO. 07-12-A-1049MD

PAGE 4 OF 4

AO-REV. 2-07

STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
MEDICAL QUALITY ASSURANCE COMMISSION

FILED

JAN 31 2008

Adjudicative Clerk/Comde

In the Matter of

**GEORGE E. KABACY, MD**  
Credential No. MD00030345

Respondent

Docket No. 07-12-A-1049MD

**STATEMENT OF CHARGES**

The Health Services Consultant of the Medical Quality Assurance Commission (Commission), on designation by the Commission, makes the allegations below, which are supported by the evidence contained in program file number 2006-12-0058MD.

**1. ALLEGED FACTS**

1.1 On October 27, 1992, the state of Washington issued Respondent a credential to practice as a physician and surgeon. Respondent's credential expired on May 10, 2007.

1.2 On or about November 30, 2007, Respondent was convicted, in the United States District Court for the Western District of Washington, of Possession of Visual Depictions of Minors Engaged in Sexually Explicit Conduct, in violation of 18 U.S.C. §§ 2252(a)(4)(B) and (b)(2). The statutory penalties for this offense are imprisonment for up to ten (10) years, a term of supervision following release from prison of up to life, a fine of up to two hundred fifty thousand dollars (\$250,000.00), and a one hundred dollar (\$100.00) mandatory assessment.

1.3 Respondent's guilty plea to the charge that resulted in the above conviction included his admission that he knowingly possessed more than eight thousand (8,000) still digital images and additional digital video files, each of which depicted actual minors engaged in sexually explicit conduct. Some of the images depicted sado-masochistic conduct, including bondage or bestiality involving minors, and some of the images depicted pre-pubescent minors and/or minors under the age of twelve (12) years. The guilty plea specifically described two (2) of the images. One (1) image is described in the guilty plea as depicting a child with an estimated age of three (3) to four (4) years, naked, with her legs spread, and an adult male penis



touching her vagina. The second described image depicted a very young girl, with no breast development, laying with her legs spread apart, and an adult male inserting his penis into her vagina.

## 2. ALLEGED VIOLATIONS

2.1 Based on the Alleged Facts, Respondent has committed unprofessional conduct in violation of RCW 18.130.180(1) and (17), which provide:

**RCW 18.130.180 Unprofessional conduct.** The following conduct, acts, or conditions constitute unprofessional conduct for any license holder or applicant under the jurisdiction of this chapter:

(1) The commission of any act involving moral turpitude, dishonesty, or corruption relating to the practice of the person's profession, whether the act constitutes a crime or not. If the act constitutes a crime, conviction in a criminal proceeding is not a condition precedent to disciplinary action. Upon such a conviction, however, the judgment and sentence is conclusive evidence at the ensuing disciplinary hearing of the guilt of the license holder or applicant of the crime described in the indictment or information, and of the person's violation of the statute on which it is based. For the purposes of this section, conviction includes all instances in which a plea of guilty or nolo contendere is the basis for the conviction and all proceedings in which the sentence has been deferred or suspended. Nothing in this section abrogates rights guaranteed under chapter 9.96A RCW;

...

(17) Conviction of any gross misdemeanor or felony relating to the practice of the person's profession. For the purposes of this subsection, conviction includes all instances in which a plea of guilty or nolo contendere is the basis for conviction and all proceedings in which the sentence has been deferred or suspended. Nothing in this section abrogates rights guaranteed under chapter 9.96A RCW;

....

2.2 The above violations provide grounds for imposing sanctions under RCW 18.130.160.

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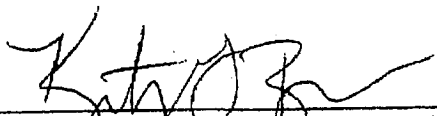
### 3. NOTICE TO RESPONDENT

The charges in this document affect the public health, safety and welfare. The Health Services Consultant of the Commission directs that a notice be issued and served on Respondent as provided by law, giving Respondent the opportunity to defend against these charges. If Respondent fails to defend against these charges, Respondent shall be subject to discipline and the imposition of sanctions under Chapter 18.130 RCW.

DATED: January 31, 2008.

STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
MEDICAL QUALITY ASSURANCE  
COMMISSION

  
ERIN OBENLAND  
HEALTH SERVICES CONSULTANT

  
KRISTIN BREWER, WSBA # 38494  
ASSISTANT ATTORNEY GENERAL

FOR INTERNAL USE ONLY:

PROGRAM NO. 2006-12-0058MD