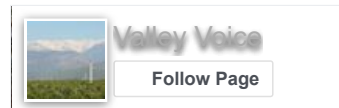


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Former HCCA CEO sentenced for crimes running Tulare and Inyo hospitals, avoids jail

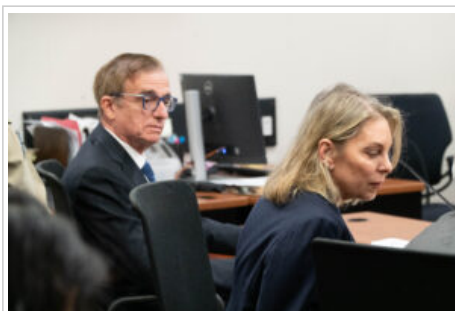


Posted on November 14, 2024 by Tony Maldonado Jr

Former Tulare hospital executive Dr. Yorai "Benny" Benzeevi will avoid jail time and serve 463 days of probation in Los Angeles County after pleading no contest to six felonies and two misdemeanors.

The charges stemmed from acts undertaken when he and his company, Healthcare Conglomerate Associates, managed Tulare Regional Medical Center and the Southern Inyo Hospital.

A negotiated plea deal, which Judge Michael Sheltzer upheld, required Benzeevi to complete 420 hours of community service, 120 days of house arrest, pay \$2m restitution to the Tulare Local Healthcare District, and pay \$400k restitution to the Southern Inyo Healthcare District.



Dr. Yorai 'Benny' Benzeevi and his attorney Nina Marino after a November 14, 2024 sentencing hearing. Tony Maldonado/Valley Voice

Benzeevi and HCCA managed hospitals in both districts, and his charges related to crimes against both hospitals.

He had completed his community service, house arrest, and restitution requirements by the time of the sentencing hearing on November 14. He will also be required to pay upwards of \$1,000 in fines and fees before his probation ends.

Benzeevi is only serving 463 days of probation instead of two years as he was credited for 267 days of house arrest. The credit came from the time between when Benzeevi would have normally been sentenced and the November court date, Sheltzer said.

While sentencing normally would have taken place 20 days after the February hearing in which Benzeevi changed his plea, the sentencing was repeatedly delayed due to the Israel-Hamas War. [Benzeevi's funds were frozen – including funds located in Israeli banks](#) – during the case, and the funds' release was required to provide restitution to the districts. The war is slowing bureaucratic and court operations in Israel, delaying the un-freezing of his Israeli bank accounts.



Sheltzer handed down the sentence after victim impact statements were given by Xavier Avila, a Tulare Local Healthcare District board member, and Patty Drilling Phelps, a Tulare dentist and founding member of Citizens for Hospital Accountability, a grassroots group which pursued and opposed Benzeevi's management of Tulare Regional Medical Center.

Xavier Avila was able to collect a \$2m restitution check from Dr. Yorai 'Benny' Benzeevi's attorney, Nina Marino, in court on November 14, 2024. Tony Maldonado/Valley Voice

Avila and Drilling Phelps both asked the court to sentence Benzeevi to actual jail time, as did the Tulare County District Attorney's Office.

Sheltzer said that he was bound to hold up the original plea agreement, which only included probation, as Benzeevi had held up his end of the deal – and Sheltzer said he favored the deal because it gave the opportunity for immediate monetary restitution.

"The primary reasoning for this [...] was so that restitution would be paid in full," Sheltzer said. "If Dr. Benzeevi was not allowed to work, that major goal would not be accomplished. It would not serve the public purpose to put him in the four walls of a jail cell, even though I realize that perhaps some members of the community feel that would be more appropriate."

It also prevented years of additional litigation.

"I didn't honestly expect this case to settle," Sheltzer said. "I'm glad that it did."

Tulare County District Attorney Tim Ward said he was pleased with the resolution to Benzeevi's case.

"As I stated at the time of the plea, our focus was to financially restore the losses caused by the defendant while having him admit his guilt. I believe that goal has been met – \$2.4 million dollars in restitution has been returned to victims in Tulare and Inyo and the defendant is a convicted felon. However, we cannot forget the human and extremely personal toll the defendant's actions took on the community," Ward said in a press release.

"Though we advocated for time in custody, we respect the court's decisions today. We now look forward to focusing our efforts on the remaining defendant in this case."

DA asks for year in jail. Benzeevi attorney: he's suffered enough

The Tulare County District Attorney's office requested that the judge sentence Benzeevi to one year in jail and one year probation instead of two years' probation.

DA requests 365 days + probation (p. 8)

that financially benefited him and his companies. The seriousness of the crime goes far beyond any illicit benefit that Dr. Benzeevi may have received and strikes to the heart of the citizens' right to have local government place the interests of the citizenry above all. This is a serious matter, and the Court must not only look to an appropriate punishment given Dr. Benzeevi's conduct, but also consider that the punishment be substantial enough to deter other public officials from engaging in the same conduct. Therefore, the People respectfully request a sentence of 365-days and felony probation.

[View the entire document with DocumentCloud](#)

"The seriousness of the crime goes far beyond any illicit benefit that Dr. Benzeevi may have received and strikes to the heart of the citizens' right to have any local government place the interests of the citizenry above all," a filing written by Trevor Holly, Assistant District Attorney, reads. "This is a serious matter, and the Court must not only look to an appropriate punishment given Dr. Benzeevi's conduct, but also consider that the punishment be substantial enough to deter other public officials from engaging in the same conduct. Therefore, the People respectfully request a sentence of 365-days and felony probation."



Trevor Holly, an Assistant Tulare County District Attorney, spoke to the public and members of

Holly said the same in court.

the media after a November 14, 2024 sentencing hearing. Tony Maldonado/Valley Voice

"We have our public officials in charge of operating institutions and spending money for the public good," he said. "We expect more from them, and one of the things we expect is that they will not enter into contracts, where they have a financial interest in doing so."

Benzeevi's attorney, Nina Marino, told the court that Benzeevi was a good person who had been given bad advice.

"He's a good person. He had good intentions. He got bad advice. He lost his marriage, he lost all his financial security, he lost his employment, he's lost his career," she said. "I've said before he took full responsibility, he takes full responsibility. He's paid his debt to society, and we ask the court to impose the sentence indicated."

Benzeevi "has suffered, and will continue to suffer severe collateral consequences" (p. 6)

IV. COLLATERAL CONSEQUENCES

Dr. Benzeevi has been a doctor for 26 years. He now faces disciplinary proceedings before the Medical Board for his convictions in this matter. He lost his employment – that itself took nearly two years of trying to obtain - immediately upon changing his plea and has been unable to find employment in his field of emergency medicine because of his convictions. Dr. Benzeevi's career and reputation are forever tarnished despite having an unblemished career in the practice of medicine.

Because of the freeze orders on his assets combined with his inability to find employment for three years (August 12, 2020-September 12, 2023) and now since entering the pleas, he was and is essentially financially destitute and in substantial debt forcing him to rely on family charity for food and housing. This year, his wife filed for divorce.

By all accounts, Dr. Benzeevi has been punished and he continues to be punished. He has suffered and will continue to suffer severe collateral consequences because of the prosecution and convictions. This is a factor this Court should consider when imposing sentence.

[View the entire document with DocumentCloud](#)



Nina Marino and Assistant Tulare County District Attorney Trevor Holly spoke with Judge Michael Sheltzer prior to a Dr. Yorai 'Benny' Benzeevi's sentencing hearing on November 14, 2024. Tony Maldonado/Valley Voice

In a filing, Marino states that Benzeevi "relied extensively on the advice of counsel in his contractual undertakings on behalf of HCCA," and that he "dedicated his career to providing medical care to underserved communities," including in Merced, Fresno, El Centro, Madera, Visalia, Selma, Turlock, and Tulare.

The case has taken a personal toll on Benzeevi and his family, she said in the filing: he and his wife separated in 2017 "after enduring several years of racial and anti-Semitic slurs, public ridicule, insults, and threats" stemming from the case, and his wife filed for divorce in 2023, according to court records.

Additionally, Benzeevi "now faces disciplinary proceedings before the Medical Board for his convictions in this matter," and after filing his "no contest" plea, Marino states Benzeevi

lost a job at a Los Angeles-area urgent care clinic.

"By all accounts, Dr. Benzeevi has been punished and he continues to be punished. He has suffered and will continue to suffer severe collateral consequences because of the prosecution and convictions," the filing states. "This is a factor this Court should consider when imposing sentence."

Charges pleaded, charges dropped

Benzeevi initially faced 46 felony and misdemeanor counts related to embezzlement, fraud, conflicts of interest, and violations of the Political Reform Act.

42 of those charges were dismissed with the plea deal. The remaining counts relate to:

- The use of Tulare district funds to finance a lawsuit against Dr. Abraham Betre
- The creation of a line of credit for the Southern Inyo Hospital using Tulare's funds
- Making loans to Southern Inyo through a financial entity he created and controlled
- Issuing promissory notes to Tulare secured by a deed on district property, including the Evolutions gym
- Selling \$3m in Tulare Regional hospital equipment in a leaseback transaction
- Funding the private intelligence agency Psy Group to influence the recall election of former Tulare hospital board member Dr. Parmod Kumar, a supporter of HCCA's management who Benzeevi hired as the medical director at Southern Inyo
- Participating in efforts to avoid the recognition and seating of Senovia Gutierrez, the former Tulare hospital board member who won Kumar's seat after he was recalled, and a critic of HCCA's management

If Benzeevi had been convicted on all 46 charges, he could have faced up to 44 years in prison, though under existing guidelines and California's Prop 47, that would have been incredibly unlikely.

"There's no way that any court is going to sentence you to 44 years in county jail," Sheltzer told Benzeevi during a February 9 hearing.

Impact on other cases

Benzeevi is the second leadership figure of Healthcare Conglomerate Associates to face consequences for actions taken when HCCA managed the two hospitals – Tulare Regional from 2014 to 2017, and Southern Inyo from 2016 to 2017.

Alan Germany, former CFO for HCCA and Tulare Regional, and Southern Inyo's former Chief Restructuring Officer, pleaded "no contest" to two counts: a misdemeanor count of failing to file a financial disclosure form required of public officials, and a felony count of violating Government Code 1090, a public conflict-of-interest law.

Germany was sentenced to two years of probation, 540 hours of community service, and restitution payments of \$100k to the Tulare district and \$50k to the Southern Inyo district.

Bruce Greene, HCCA's former attorney, was charged with multiple felonies and misdemeanors, initially through a criminal filing by the District Attorney's office; and, after multiple delays in the initial case, he was indicted by a grand jury in 2024, closing the initial case and opening a new one.

He has maintained his innocence and has previously refused plea deals in his case.

Holly said that while Benzeevi could be used as a witness in Greene's case, the Tulare County District Attorney's office did not make a cooperating plea agreement. It was unlikely that he would be called to do so due to potential attorney-client privilege issues.



Dr. Benny Benzeevi, left, and Bruce Greene, right, follow along as Kevin Smith, of EideBailley, presents audit findings to the Tulare Local Healthcare District Board of Directors in 2017. Tony Maldonado/Valley Voice

"60 days after sentencing, when the appellate rights have expired, either side may call him as a witness and he's under the same obligation that everyone else is," Holly said. "It all gets very complicated though, so I don't know

if anyone will call him as a witness.”

Victim impact statements



Xavier Avila spoke to ABC30 after a sentencing hearing for Dr. Yorai 'Benny' Benzeevi on November 14, 2024. Tony Maldonado/Valley Voice

Avila told the court that Benzeevi’s actions warranted a “firm response” and had significantly damaged the community, and that his actions led to the closure of the hospital – during which time Avila said he had been told of patients who showed up to an empty building at best, and lost their life at worst. [His full statement is available here.](#)

“The board is not asking that this court reject the plea presently before it, but it does strongly urge the court to sentence Dr. Benzeevi to meaningful jail time. Although the crimes to which Dr. Benzeevi is pleading no contest to are non-violent in nature, the resulting damage caused to this community is certainly an act of violence,” Avila said.

“My board is forced to fight a lingering negative perception of the district and the hospital leadership. It shocks the conscience that all this happened under the leadership of a licensed emergency medical position,” Avila said.

Drilling Phelps said that Benzeevi’s actions led directly to patient harm and deaths, and that his harm must be considered in sentencing. [Her full statement is available here.](#)

“It cannot be overlooked that there was physical harm done to patients – in some cases, resulting in the ultimate sacrifice of death. There were victims who suffered and died. Let that sink in a moment. They died because of greed and the need for power, placing profits over people,” Drilling Phelps said. “There were inadequate supplies, some taken away from our hospital to Southern Inyo, inoperative equipment, lack of infection control and physical plant disrepair because money was being hoarded rather than put back into the hospital. The Medical Executive Committee was disbanded by the district board at the behest of Drs. Benzeevi and Kumar, so there would be no oversight of physicians, nor oversight of hospital care.”

“HCCA touted first-world financial success while operating a third-world hospital. Morally, these were intentionally cruel, careless and inhumane acts. The district attorney and the court examined the hospital district’s financial loss and its legal ramifications. Overlooked is the human component: the irreparable harm done to patients at the hospital while financial crimes were perpetrated,” it continues.

What’s next

Proceedings for Greene’s trial are tentatively scheduled to start on February 24, 2025. The Voice will continue to cover that case to its conclusion.

The whole story from all angles: our reporting + source documents
Click to view our in-depth page on Tulare Regional Medical Center

12 thoughts on “Former HCCA CEO sentenced for crimes running Tulare and Inyo hospitals, avoids jail”

(**Commenter ID** is a unique per-article, per-person commenter identifier. If multiple names have the same Commenter ID, it is likely they are the same person. For more information, [click here.](#))

Kevin Northcraft says:

November 14, 2024 at 6:36 pm (**Commenter ID: 2301c104**)

As both the Visalia Times Delta and the Valley Voice are reporting this evening, Benny Benzeevi was formally sentenced today in Tulaare County Superior Court.

He received no jail time for his multiple years of wrongdoing and enormous detrimental impact to our whole community. It is hard to think of this, in anyway, as justice being served.

His attorney referred to Benzeevi's "spotless record". With over 40 allegations of wrongdoing over the past several years, that statement was ludicrous. Also, the judge lied when he said that Benzeevi repaid his ill gotten gained by returning \$2 million to the district. Any reasonable estimate of what he cost the District would be at least 10 times that. Add the 500 employees he stole from, the 200+ vendors that were stiffed for their services and products, and the human suffering he caused, his restitution was laughable.

The only thing good to say about the judge's decision was that the excessively delayed matter is over.

I do want to compliment greatly the district attorney and Trevor Holley, the attorney that tried this matter, for their outstanding dedication and work. They could have said it was too complicated and that they had too limited a staff. Instead, they took the wrong doing seriously and worked continuously for many years to bring the perpetrators to some form of justice.

Reply

Kay Leighty says:

November 14, 2024 at 7:11 pm (Commenter ID: c0d6e860)

Thank you Valley Voice for your continued coverage. You are the difference!!!

Reply

Tulare Native says:

November 14, 2024 at 7:50 pm (Commenter ID: 2b91428b)

100% Just as predicted years ago. (See comments from previous Valley Voice articles on this case) DA Ward ran scared when he was up against a real attorney. He bragged to the Board of Supervisors that this was the most expensive investigation ever, and he can't even put the guy behind bars when the victims of crime he purports to protect request it. Ward needs to be voted out next term. Let's retire Ward and get a real prosecutor who respects the rights and requests of victims of crime.

Reply

Cmdr Queeg says:

November 15, 2024 at 8:55 am (Commenter ID: 76190e6b)

That's an excellent point and I also recall the predictions about how Ward would sell out the public on this case. Looks like he did. Hey Valley Voice, did Ward and all the other local elected officials ever give back the money they got from Benzeevi? I'm guessing they did not. The public should be reminded of the scoundrels who were all too happy to take apparently stolen monies.

Reply

JL Smith says:

November 15, 2024 at 1:56 am (Commenter ID: c791864c)

Sadly, the Hospital Foundation was part of the collateral damage experienced in this horrific saga. It continues to rebuild the donor relationships and trust destroyed in this madness. Time to finally move on and heal as a community.

Reply

Katherine says:

November 15, 2024 at 9:50 am (Commenter ID: 08065884)

I agree but it's frustrating when former board members who chose to enrich themselves at the cost of the hospital and the people it serves show up to the Christmas Tree Auction. They are the reason people lost their jobs. They are the reason patient care was allowed to suffer and that hurt people who go to the hospital for help. The audacity and the lack of shame they have being there is probably one of the reasons the hospital foundation has problems recovering.

Reply

JL Smith says:

November 15, 2024 at 3:14 pm (Commenter ID: c791864c)

We have recover because of those faithful donors who still believe we deserve exceptional healthcare. Under Adventist Health, we are accomplishing just that!

Reply

Barbara Kane says:

November 15, 2024 at 10:00 am (Commenter ID: 26bc18f5)

No surprise here. Benzeevi and Greene's reputations are branded but that's probably all that will happen to both of them. The other culprits were the former Hospital Board Members that aided and abetted Benzeevi but they were allowed to walk away scot-free. Helps to be on the who's-who list of Tulare's movers and shakers. But what is a true head shaker is that some of these people who claim outrage over Benzeevi's sentence are the same people who have just helped elect a narcissistic habitual liar, perverted sex abuser, impeached ex-president, and convicted felon to be President of the United States. Benzeevi caused great harm to Tulare taxpayer's and their hospital but in no way has he ever done as much harm as Trump has done in the past and in the present and will continue to do in the future. But by all means lock Benzeevi up (and yes he truly did deserve to be) and elevate Trump up to be the President of the United States. Go figure! Getting away with just a slap on the wrist as punishment for wrongdoing has now been approved of by the "moral majority" just ask all those who voted for Trump.

Reply

Kevin Northcraft says:

November 15, 2024 at 11:31 am (Commenter ID: 1c8be112)

Wanted to add these additional comments from fellow board member Jevon Price, with my agreement and his permission.

Emergency Physician, Yorai Benzeevi's actions directly led to the financial collapse and closure of our hospital, depriving the community of critical emergency care services. This reckless shutdown significantly increased health risks, delaying life-saving treatments and leading to preventable deaths, especially for acute conditions like heart attacks and strokes. The loss of the hospital's emergency department has left tens of thousands vulnerable, highlighting the tragic, life-threatening consequences of his financial misconduct.

Reply

Tulare Native says:

November 15, 2024 at 3:51 pm (Commenter ID: 2b91428b)

Thank you for the comments and information, Mr. Northcraft. Unfortunately, this is just another example of DA Ward not effectively advocating for victims of crime. He needs to spend more time training his prosecutors to win tough cases and less time touting that he has the two youngest prosecutors in the state on his staff. Valley Voice: Please look into DA Ward's true reasons for giving Benzeevi such a sweetheart deal. While some money may have been given back to the Hospital, we the citizens of Tulare County have footed the bill for the the "most expensive investigation" in the history of the DA's Office for a poor result. For the DA to sit in court at this sentencing and argue for a year in jail when THEY are the ones who outright dismissed 42 charges is just wrong and unethical. Had they prevailed with guilty verdicts on all charged counts, they would have gotten the jail time the victims' requested. This smacks of true corruption given DA Ward's past dealings with Benzeevi. I would also like to know if Ward has returned the money Benzeevi contributed to his campaign. The Tulare County sitting Civil Grand Jury will be notified and hopefully look into the DA's office.

Reply

joe says:

November 18, 2024 at 8:38 pm (Commenter ID: c1e63362)

Benzeevi should be reported to the Medical Board now that he has been convicted. He must loose his license to practice medicine in California.

Reply

Tom says:

November 19, 2024 at 1:56 pm (Commenter ID: e4958ebb)

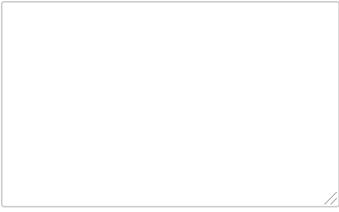
Typical Tulare County judges giving a slap on the wrist to an old white male. Typical central valley.

Reply

Use your voice

Your email address will not be published. Required fields are marked *

Comment *



Name *

Email *

Website

Post Comment