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

12 In the Matter of the Accusation Against:

Case No. 800-2020-069589

13 **Yorai Shimon Benzeevi, M.D.**
P.O. Box 5252
Sherman Oaks, CA 91413-5252

A C C U S A T I O N

14 **Physician's and Surgeon's Certificate**
No. A 76975,

15 Respondent.
16

17 **PARTIES**

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

21 2. On or about November 2, 2001, the Board issued Physician's and Surgeon's
22 Certificate Number A 76975 to Yorai Shimon Benzeevi, M.D. ("Respondent"). The Physician's
23 and Surgeon's Certificate was in full force and effect at all times relevant to the charges brought
24 herein and will expire on November 30, 2025, unless renewed.

25 **JURISDICTION**

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

1 indicated.

2 4. Section 2004 of the Code states:

3 The board shall have the responsibility for the following:

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

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

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

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

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

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

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

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

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

18 5. Section 2220 of the Code states:

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

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

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

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

physician and surgeon.

6. Section 2227 of the Code states:

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

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

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

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

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

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

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

STATUTORY PROVISIONS

7. Section 2234 of the Code, states:

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

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

...

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

...

8. Section 2236 of the Code states:

(a) The conviction of any offense substantially related to the qualifications, functions, or duties of a physician and surgeon constitutes unprofessional conduct within the meaning of this chapter [Chapter 5, the Medical Practice Act]. The record

1 of conviction shall be conclusive evidence only of the fact that the conviction
2 occurred.

3 (b) The district attorney, city attorney, or other prosecuting agency shall notify
4 the Medical Board of the pendency of an action against a licensee charging a felony
5 or misdemeanor immediately upon obtaining information that the defendant is a
6 licensee. The notice shall identify the licensee and describe the crimes charged and
7 the facts alleged. The prosecuting agency shall also notify the clerk of the court in
8 which the action is pending that the defendant is a licensee, and the clerk shall record
9 prominently in the file that the defendant holds a license as a physician and surgeon.

10 (c) The clerk of the court in which a licensee is convicted of a crime shall,
11 within 48 hours after the conviction, transmit a certified copy of the record of
12 conviction to the board. The division may inquire into the circumstances surrounding
13 the commission of a crime in order to fix the degree of discipline or to determine if
14 the conviction is of an offense substantially related to the qualifications, functions, or
15 duties of a physician and surgeon.

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

20 9. Unprofessional conduct under Code section 2234 is conduct which breaches the rules
21 or ethical codes of the medical profession, or conduct which is unbecoming a member in good
22 standing of the medical profession, thereby demonstrating an unfitness to practice medicine.
23 (*Shea v. Board of Medical Examiners* (1978) 81 Cal.App.3rd 564, 575.).

24 REGULATORY PROVISIONS

25 10. California Code of Regulations, title 16, section 1360 states:

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

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

(1) The nature and gravity of the crime;

(2) The number of years elapsed since the date of the crime; and

1 (3) The nature and duties of the profession.

2 **COST RECOVERY**

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

9 **FIRST CAUSE FOR DISCIPLINE**

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

11 12. Respondent is subject to disciplinary action under section 2236 of the Code, in that he
12 was convicted of a crime that is substantially related to the qualifications, functions, or duties of a
13 physician. The circumstances are as follows:

14 13. On or about August 11, 2020, in a Felony Criminal Complaint, Respondent was
15 indicted in the criminal case entitled, "*The People of the State of California vs. Yorai Benny*
16 *Benzeevi, et. al.*, Case No. VCF-401053, before the Tulare County Superior Court of California
17 ("Criminal Case"). Respondent was charged with forty-five (45) counts of criminal conduct.

18 14. On or about February 28, 2022, in a Second Amended Felony Criminal Complaint
19 ("Second Amended Complaint"), Respondent was charged with forty-five (45) counts of criminal
20 conduct, including, without limitation, (A) Count 1, embezzlement and falsification of accounts
21 by a public officer, on or about July 14, 2015, in violation of Penal Code section 424 (felony); (B)
22 Count 2, embezzlement and falsification of accounts by a public officer, on or about March 15,
23 2016, in violation of Penal Code section 424 (felony); (C) Count 3, embezzlement and
24 falsification of accounts by a public officer, on or about July 18, 2016, in violation of Penal Code
25 section 424 (felony); (D) Count 4, embezzlement and falsification of accounts by a public officer,
26 on or about February 17, 2017, in violation of Penal Code section 424 (felony); (E) Count 5,
27 embezzlement and falsification of accounts by a public officer, on or about August 14, 2017, in
28 violation of Penal Code section 424 (felony); (F) Count 6, conflict of interest, on or about March

29, 2016, in violation of Government Code section 1090 (felony); (G) Count 7, conflict of interest, on or about January 12, 2017, in violation of Government Code section 1090 (felony); (H) Count 8, embezzlement and falsification of accounts by a public officer, on or about January 12, 2017, in violation of Penal Code section 424 (felony); (I) Count 9, conflict of interest, on or about February 15, 2016, in violation of Government Code section 1090 (felony); (J) Count 10, conflict of interest, on or about and between March 26, 2016 and January 25, 2017, in violation of Government Code section 1090 (felony); (K) Count 11, using an official position for personal gain, on or about January 25, 2017, in violation of Government Code section 91000(a) (misdemeanor); (L) Count 12, embezzlement and falsification of accounts by a public officer, on or about and between March 26, 2016 and January 25, 2017, in violation of Penal Code section 424 (felony); (M) Count 13, embezzlement and falsification of accounts by a public officer, on or about January 2, 2017, in violation of Penal Code section 424 (felony); (N) Count 14, embezzlement and falsification of account by a public officer; on or about and between January 2, 2016 and November 23, 2017, in violation of Penal Code section 424 (felony); (O) Count 15, embezzlement and falsification of accounts by a public officer, on or about and between January 2, 2016 and November 23, 2017, in violation of Penal Code section 424 (felony); (P) Count 16, embezzlement and falsification of accounts by a public officer, on or about and between January 2, 2016 and November 23, 2017, in violation of 424 (felony); (Q) Count 17, grand theft of personal property, on or about and between September 1, 2016 and June 1, 2017, in violation of Penal Code section 487(a) (felony); (R) Count 18, conflict of interest, on or about July 19, 2017, in violation of Penal Code section 1090 (felony); (S) Count 19, embezzlement and falsification of accounts by a public officer, on or about January 2, 2016 and November 23, 2017, in violation of Penal Code section 424 (felony); (T) Count 20, conflict of interest, on or about July 31, 2015, in violation of Government Code section 1090 (felony); (U) Count 21, conflict of interest, on or about July 31, 2016, in violation of Government Code section 1090 (felony); (V) Count 22, conflict of interest, on or about December 21, 2016, in violation of Government Code section 1090 (felony); (W) Count 23, conflict of interest, on or about December 28, 2016, in violation of Government Code section 1090 (felony); (X) Count 24, conflict of interest, on or about December

29, 2015, in violation of Government Code section 1090 (felony); (Y) Count 25, conflict of interest, on or about December 30, 2016, in violation of Government Code section 1090 (felony); (Z) Count 26, conflict of interest, on or about December 30, 2016, in violation of Government Code section 1090 (felony); (AA) Count 27, conflict of interest, on or about March 31, 2017, in violation of Government Code section 1090 (felony); (BB) Count 28, conflict of interest, on or about July 21, 2017, in violation of Government Code section 1090 (felony); (CC) Count 29, conflict of interest, on or about July 31, 2017, in violation of Government Code section 1090 (felony); (DD) Count 30, embezzlement and falsification of accounts by a public officer, on or about and between December 1, 2016 and November 23, 2017, in violation of Penal Code section 424 (felony); (EE) Count 31, failure to timely disclose independent expenditures, on or about and between March 1, 2017 and July 31, 2017, in violation of Government Code section 91000(a) (misdemeanor); (FF) Count 32, failure to timely file a statement of economic interest, on or about April 1, 2017 and July 31, 2017, in violation of Government Code section 91000(a) (misdemeanor); (GG) Count 33, using an official position for personal gain, on or about June 20, 2017, in violation of Government Code section 91000(a) (misdemeanor); (HH) Count 34, using an official position for personal gain, on or about and between July 26, 2017 and August 9, 2017, in violation of Government Code section 91000(a) (misdemeanor); (II) Count 36, conspiracy to commit a crime, on or about August 23, 2017, in violation of Penal Code section 182(a)(1) (felony); (JJ) Count 37, conflict of interest, on or about August 31, 2017, in violation of Government Code section 1090(a) (felony); (KK) Count 38, grand theft of personal property, on or about August 31, 2017, in violation of Penal Code section 487(a) (felony); (LL) Count 39, conspiracy to defraud another of property, on or about August 31, 2017, in violation of Penal Code section 182(a)(4) (felony); (MM) Count 40, grand theft by embezzlement of public funds, on or about and between September 11, 2017 and September 13, 2017, in violation of Penal Code sections 504 and 514 (felony); (NN) Count 41, embezzlement and falsification of accounts by a public officer, on or about and between September 11, 2017 and September 13, 2017, in violation of Penal Code section 424 (felony); (OO) Count 42, conflict of interest, on or about September 24, 2017, in violation of Government Code section 1090 (felony); (PP) Count 43, filing false or

1 forged instrument, on or about September 24, 2017, in violation of Penal Code section 115(a)
2 (felony); (QQ), Count 44, money laundering, on or about December 30, 2016, in violation of
3 Penal Code section 186.10(A) (felony); (RR), Count 45, money laundering, on or about and
4 between August 31, 2017 and September 11, 2017, in violation of Penal Code section 186.10(A)
5 (felony); and (SS), Count 46, money laundering, on or about September 13, 2017, in violation of
6 Penal Code section 186.10(A) (felony).

7 15. On or about February 9, 2024, in a Joint Submission of Factual Basis for Plea,
8 Respondent pled *nolo contendere* to Counts 6, 10, 18, 20, 37, 42, (conflict of interest, Government
9 Code section 1090), 31 (failure to timely disclose independent expenditures, Government Code
10 section 91000(a)), and 34 (using an official position for personal gain) of the Second Amended
11 Complaint. The Tulare District Attorney's Office dismissed the remaining charges, counts, and
12 enhancements in exchange for his plea.

13 16. Regarding counts 6, 10, 18, 20, 37, and 42, Government Code section 1090 states that
14 "members of the Legislature, state, county, district, judicial district, and city officers or
15 employees shall not be financially interested in any contract made by them in their official
16 capacity, or by any body or board of which they are members."

17 17. Respondent stipulated to the following factual basis in support of his plea:

18 A. Healthcare Conglomerate Associates, LLC ("HCCA") was the manager of the
19 Tulare Local Health Care District ("TLCHD"), which is a public entity located in Tulare County.
20 Respondent was the owner-operator of HCCA, which was his primary source of income.
21 Respondent also acted as the CEO of TLCHD. Due to his dual role as owner-operator of
22 TLHCD's management company and as CEO of TLHCD, Respondent was a public official
23 within the meaning of Government Code section 1090.

24 B. On March 29, 2016, in his capacity as CEO and manager of TLHCD,
25 Respondent willfully and unlawfully participated in the making of a contractual agreement
26 wherein the TLHCD agreed to pay for Respondent's lawsuit against a doctor he sued for
27 defamation for releasing confidential peer review records. The contractual agreement provided
28 that Respondent's personal legal expenses be paid by TLHCD. Respondent would have been

1 legally entitled any recovery from the lawsuit.

2 C. On March 26, 2016 through January 25, 2017, in his capacity as CEO and
3 manager of TLHCD, Respondent willfully and unlawfully participated in the making of a contract
4 that provided for a \$500,000 line of credit between TLHCD and Southern Inyo Local Healthcare
5 District ("SIH"), a public entity located in Inyo County. Respondent's company, HCCA, which
6 was also the manager of SIH, acted as the guarantor of the loan for a fee of \$3,150.00. HCCA
7 stood to financially benefit by improving the financial performance of SIH due to their
8 contractual agreement.

9 D. Respondent was also the owner-operator of VI Healthcare. On July 19, 2017,
10 in his capacity as manager of SIH, Respondent willfully and unlawfully participated in the
11 making of a contract in which SIH borrowed funds from VI Healthcare, secured by tax revenue,
12 and used part of those funds to repay debt owed to HCCA.

13 E. From July 31, 2015 through July 31, 2017, Respondent authorized a series of
14 promissory notes authorizing loans made from HCCA to TLHCD. These promissory notes
15 constituted contracts between HCCA and TLHCD. Respondent willfully and unlawfully
16 participated in the making of these contracts in his capacity as CEO and manager of TLHCD.

17 F. On August 31, 2017, in his capacity as CEO and manager of TLHCD,
18 Respondent participated in the making of a contract between Celtic Leasing and TLHCD ("Celtic
19 transaction") in which TLHCD would sell three million dollars of equipment and lease back the
20 equipment from TLHCD. The resolution from which TLHCD authorized Respondent to raise
21 funds on behalf of TLHCD also allowed the funds to be used to pay creditors of TLHCD.
22 Respondent's company, HCCA, was a creditor of TLHCD. Respondent authorized the payment
23 of \$2,400,000 of the funds raised by the Celtic transaction to be used to repay HCCA debt.

24 G. On March 1, 2017 through July 31, 2017, in Tulare County, Respondent made
25 independent campaign expenditures during the recall election of Tulare Local Health Care
26 District Board Member Dr. Parmod Kumar in excess of \$1,000. Such expenditures included
27 payments to a company called "Psygroup" as well as payments to campaign workers, that were
28 intended to urge the defeat of candidate Senovia Gutierrez. These expenditures qualified as

1 independent expenditures, which resulted in the creation of a de facto campaign committee under
2 Government Code section 82013 (b). Respondent failed to report these expenditures as required
3 by Government Code section 84200, Government Code section 84200.5, and Government Code
4 section 84204 resulting in a violation of Government Code section 91000(a).

5 H. On July 27, 2017 and August 9, 2017, Respondent, in his capacity as manager
6 and CEO of TLHCD, participated in the decision to not recognize Senovia Gutierrez as an elected
7 Board Member, and to not recognize the validity of the Board Meetings held on July 27, 2017 and
8 August 9, 2017. Respondent had a financial interest in this decision as, at those Board Meetings,
9 the TLHCD Board had revoked HCCA's authority to pursue financing on behalf of TLCHD that
10 could be used to repay loans to HCCA, and terminated funding for a lawsuit in which Respondent
11 was a plaintiff.

12 18. On or about November 14, 2024, the Superior Court Judge in the Criminal Case
13 sentenced Respondent as follows: Respondent was ordered to serve 120 days on an electronic
14 monitor and placed on two (2) years of felony probation, with terms and conditions, including,
15 without limitation, being required to pay, in full, the restitution amount of \$2.4 million, and
16 complete 600 volunteer hours at a healthcare facility, which may be reduced to 420 hours
17 following the completion of the first 30-days of his electronic monitor.

18 **SECOND CAUSE FOR DISCIPLINE**

19 **(Dishonesty or Corruption)**

20 19. Respondent's license is subject to disciplinary action under section 2234, subdivision
21 (e), of the Code, in that he committed dishonest and/or corrupt acts. The circumstances are as
22 follows:

23 20. The allegations of the First Cause for Discipline are incorporated herein by reference
24 as if fully set forth.

25 **THIRD CAUSE FOR DISCIPLINE**

26 **(General Unprofessional Conduct)**

27 21. Respondent's license is subject to disciplinary action under section 2234 of the Code,
28 generally, in that he engaged in unprofessional conduct that breaches the rules or ethical code of

1 the medical profession or conduct which is unbecoming to a member in good standing of the
2 medical profession. The circumstances are as follows:

3 22. The allegations of the First and Second Causes for Discipline are incorporated herein
4 by reference as if fully set forth.

5 **PRAYER**

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

8 1. Revoking or suspending Physician's and Surgeon's Certificate Number A 76975,
9 issued to Respondent Yorai Shimon Benzeevi, M.D.;

10 2. Revoking, suspending or denying approval of Respondent Yorai Shimon Benzeevi,
11 M.D.'s authority to supervise physician assistants and advanced practice nurses;

12 3. Ordering Respondent Yorai Shimon Benzeevi, M.D., to pay the Board the costs of the
13 investigation and enforcement of this case, and if placed on probation, the costs of probation
14 monitoring; and,

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

16
17 DATED: APR 24 2025



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

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