

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

In the Matter of the Accusation	)	
Against:	)	
	)	
	)	
<b>PERCY NARANJO, M.D.</b>	)	Case No. D1-1994-33730
	)	
Physician's and Surgeon's	)	
Certificate No. A 35198	)	
	)	
Respondent	)	
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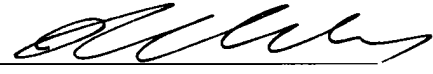
**DECISION**

The attached STIPULATED SETTLEMENT AND DISCIPLINARY ORDER is hereby adopted as the Decision and Order of the Division of Medical Quality of the Medical Board of California, Department of Consumer Affairs, State of California.

This Decision shall become effective at 5:00 p.m. on December 17, 2001

IT IS SO ORDERED November 15, 2001

MEDICAL BOARD OF CALIFORNIA

By:   
**Hazem Chehabi, M.D.**  
Chair  
Panel A  
Division of Medical Quality

1 BILL LOCKYER, Attorney General  
of the State of California  
2 MIA PEREZ-CASTILLE, State Bar No. 203178  
Deputy Attorney General  
3 California Department of Justice  
300 South Spring Street, Suite 1702  
4 Los Angeles, California 90013  
Telephone: (213) 897-7007  
5 Facsimile: (213) 897-1071

6 Attorneys for Complainant

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

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In the Matter of the Accusation and Petition to  
12 Revoke Probation Against:

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PERCY NARANJO, M.D.  
1244 Hellman Avenue, #4  
14 Long Beach, California 90813

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15

Physician and Surgeon Certificate No. A35198

16

Respondent.

17

Case No. D1-1994-33730

OAH No. L-2001030168

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

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

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PARTIES

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1. Complainant Ron Joseph is the Executive Director of the Medical Board  
22 of California. He brought this action solely in his official capacity and is represented in this  
23 matter by Bill Lockyer, Attorney General of the State of California, by Mia Perez-Castille,  
24 Deputy Attorney General.

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2. Respondent is representing himself in this proceeding and has chosen not  
26 to exercise his right to be represented by counsel.

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3. On or about April 15, 1980, the Medical Board of California issued  
28 Physician and Surgeon Certificate Number A35198 to Percy Naranjo, M.D. ("Respondent"). The

1 Physician and Surgeon Certificate was in full force and effect at all times relevant to the charges  
2 brought and will expire on January 31, 2002, unless renewed.

3 JURISDICTION

4 4. Accusation and Petition to Revoke Probation No. D1-1994-33730, was  
5 filed before the Division of Medical Quality, Medical Board of California of the Department of  
6 Consumer Affairs, ("Division"), and is currently pending against Respondent. The Accusation  
7 and Petition to Revoke Probation, together with all other statutorily required documents, was  
8 duly served on Respondent on January 22, 2001, and Respondent timely filed his Notice of  
9 Defense contesting the Accusation and Petition to Revoke Probation. A copy of Accusation and  
10 Petition to Revoke Probation No. D1-1994-33730 is attached as Exhibit A and incorporated  
11 herein by reference.

12 ADVISEMENT AND WAIVERS

13 5. Respondent has carefully read and fully understands the nature of the  
14 charges and allegations in the Accusation and Petition to Revoke Probation and the effects of this  
15 Stipulated Settlement and Disciplinary Order.

16 6. Respondent is fully aware of his legal rights in this matter, including the  
17 right to a hearing on the charges and allegations in the Accusation and Petition to Revoke  
18 Probation, the right to be represented by counsel, at his own expense, the right to confront and  
19 cross-examine the witnesses against him, the right to present evidence and to testify on his own  
20 behalf, the right to the issuance of subpoenas to compel the attendance of witnesses and the  
21 production of documents, the right to reconsideration and court review of an adverse decision,  
22 and all other rights accorded by the California Administrative Procedure Act and other applicable  
23 laws.

24 7. Respondent voluntarily, knowingly and intelligently waives and gives up  
25 each and every right set forth above.

26 CULPABILITY

27 8. Respondent understands that the charges and allegations in the Accusation  
28 and Petition to Revoke Probation, if proven at a hearing, constitute cause for imposing discipline

1 upon his Physician and Surgeon Certificate.

2 9. Respondent admits the truth of each and every charge and allegation in the  
3 Accusation and Petition to Revoke Probation No. D1-1994-33730.

4 10. Respondent agrees that his Physician and Surgeon Certificate is subject to  
5 discipline and he agrees to be bound by the Division's imposition of discipline as set forth in the  
6 Order below.

7 CONTINGENCY

8 11. This stipulation shall be subject to the approval of the Division.  
9 Respondent understands and agrees that Medical Board of California's staff and counsel for  
10 Complainant may communicate directly with the Division regarding this stipulation and  
11 settlement, without notice to or participation by Respondent. If the Division fails to adopt this  
12 stipulation as its Order, except for this paragraph the Stipulated Settlement and Disciplinary  
13 Order shall be of no force or effect, it shall be inadmissible in any legal action between the  
14 parties, and the Division shall not be disqualified from further action by having considered this  
15 matter.

16 12. The parties agree that facsimile copies of this Stipulated Settlement and  
17 Disciplinary Order, including facsimile signatures thereto, shall have the same force and effect as  
18 the original Stipulated Settlement and Disciplinary Order and signatures.

19 13. In consideration of the foregoing admissions and stipulations, the parties  
20 agree that the Division shall, without further notice or formal proceeding, issue and enter the  
21 following Disciplinary Order:

22 DISCIPLINARY ORDER

23 14. IT IS HEREBY ORDERED that respondent shall comply with the terms  
24 of the following disciplinary order:

25 15. Within thirty (30) days of the effective date of this decision, respondent  
26 shall reimburse the Division the amount of \$500.00 for its investigative and prosecution costs.  
27 The filing of bankruptcy shall not relieve respondent of his responsibility to reimburse the Board  
28 for its investigative and prosecution costs.



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ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Division of Medical Quality, Medical Board of California of the Department of Consumer Affairs.

DATED: 7/9/01

BILL LOCKYER, Attorney General  
of the State of California



MIA PEREZ-CASTILLE  
Deputy Attorney General

Attorneys for Complainant

DOJ Docket Number: 03573160-LA2001AD0093  
Stipulation 11/9/00

**Exhibit A:**

**Accusation and Petition to Revoke Probation Case No. D1-1994-33730**

FILED  
STATE OF CALIFORNIA  
MEDICAL BOARD OF CALIFORNIA  
SACRAMENTO January 22, 2001  
BY Arden Kuyumsk ANALYST

1 BILL LOCKYER, Attorney General  
of the State of California  
2 MIA PEREZ CASTILLE, State Bar No. 203178  
Deputy Attorney General  
3 California Department of Justice  
300 South Spring Street, Suite 1702  
4 Los Angeles, California 90013  
Telephone: (213) 897-7007  
5 Facsimile: (213) 897-1071  
6 Attorneys for Complainant

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

13 In the Matter of the Petition to Revoke Probation  
14 Against:

Case No. D1-1994-33730

15 **PERCY NARANJO, M.D.**  
1244 Hellman Avenue, #4  
16 Long Beach, CA 90813

**PETITION TO REVOKE  
PROBATION**

17 Physician's and Surgeon's Certificate No.  
A35198

Respondent.

18 Complainant alleges:

19 **PARTIES**

20 1. Ron Joseph ("Complainant") brings this Petition to Revoke Probation  
21 solely in his official capacity as the Executive Director of the Medical Board of California,  
22 Department of Consumer Affairs.

23 2. On or about April 15, 1980, the Medical Board of California issued  
24 Physician's and Surgeon's Certificate Number A35198 to Percy Naranjo, M.D. ("respondent").  
25 On December 1, 1998, the Division of Medical Quality, Medical Board of California  
26 (hereinafter the "Division"), entered its Decision and Order in case number 06-1994-33730,  
27  
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1 effective January 24, 1999<sup>1</sup>, revoking Physician's and Surgeon's Certificate number A35198  
2 with revocation stayed and the imposition of a two-year term of probation. At all times relevant  
3 to the charges herein, this license has been subject to the two-year probation term in case number  
4 06-1994-33730 and it will expire on January 31, 2002, unless renewed.

### 5 JURISDICTION

6 3. This Petition to Revoke Probation is brought before the Division under the  
7 authority of the following sections of the Business and Professions Code ("Code").

8 4. Section 2227 of the Code provides that a licensee who is found guilty  
9 under the Medical Practice Act may have his or her license revoked, suspended for a period not  
10 to exceed one year, placed on probation and required to pay the costs of probation monitoring, or  
11 such other action taken in relation to discipline as the Division deems proper.

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

16 "(1) Have his or her license revoked upon order of the division.

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

19 "(3) Be placed on probation and be required to pay the costs of probation  
20 monitoring upon order of the division.

21 "(4) Be publicly reprimanded by the division.

22 "(5) Have any other action taken in relation to discipline as the division or an  
23 administrative law judge may deem proper.

24 "(b) Any matter heard pursuant to subdivision (a), except for warning letters,  
25 medical review or advisory conferences, or other matters made confidential or privileged  
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27 1. The effective date of probation was originally December 31, 1998. Due to respondent's  
28 brief absence from California jurisdiction at this time, the effective date of probation was tolled  
until January 24, 1999.

1 by existing law, is deemed public, and shall be made available to the public by the  
2 board.”

3 5. Section 125.3 of the Code provides, in pertinent part, that the Division  
4 may request the administrative law judge to direct a licentiate found to have committed a  
5 violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the  
6 investigation and enforcement of the case.

7 **CAUSE FOR REVOCATION OF PROBATION**

8 6. Respondent’s probation is subject to revocation for his violation of the  
9 terms of the Division’s disciplinary order effective January 24, 1999, which stayed the  
10 revocation of Physician’s and Surgeon’s Certificate number A35198 and placed the license on  
11 probation for two years. The circumstances are as follows:

12 A. By order dated December 1, 1998, the Division entered its  
13 Decision in case number 06-1994-33730, effective January 24, 1999, revoking Physician’s and  
14 Surgeon’s Certificate number A35198 with revocation stayed and the imposition of a two-year  
15 term of probation.

16 B. Included in the probation order was term and condition number 1  
17 which provides that “Within ninety [90] days of the effective date of this decision, respondent  
18 shall, at his own expense, enroll in The Physician Assessment and Clinical Education program . .  
19 (hereinafter the “PACE Program”) and shall undergo assessment, clinical training and  
20 examination. . . . The respondent shall undertake whatever clinical training and treatment of any  
21 medical or psychological condition as may be recommended by the PACE program. . . [A]t the  
22 completion of the PACE program, respondent shall submit to an examination of its contents and  
23 substance. Respondent shall complete the PACE program no later than six months after his  
24 initial enrollment . . . If respondent fails to successfully complete the PACE program within the  
25 time limits set forth above, respondent shall be suspended from the practice of medicine until  
26 successful completion has been achieved . . . .”

27 C. Respondent has violated term and condition number 1 by failing to  
28 complete all phases of the PACE program. Specifically, respondent failed to complete the

1 required clinical training and examination portions.

2 **DISCIPLINE CONSIDERATIONS**

3 7. To determine the degree of discipline, if any, to be imposed on  
4 Respondent, Complainant alleges that on or about December 1, 1998, in a prior disciplinary  
5 action entitled In the Matter of the Accusation Against Percy Naranjo, M.D., before the Medical  
6 Board of California, in Case Number 06-1994-33730, respondent's license was placed on  
7 probation for two years for gross negligence, repeated negligent acts, incompetence, prescribing  
8 without medical indication, and excessive prescribing. That decision is now final and is  
9 incorporated by reference as if fully set forth.

10 **PRAYER**

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


13 1. Revoking or suspending Physician's and Surgeon's Certificate Number  
14 A35198, issued to respondent;

15 2. Revoking, suspending or denying approval of respondent's authority to  
16 supervise physician's assistants, pursuant to section 3527 of the Code;

17 3. Ordering respondent to pay the Division of Medical Quality the reasonable  
18 costs of the investigation and enforcement of this case, and, if placed on probation, the costs of  
19 probation monitoring;

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

21  
22 DATED: January 22, 2001.

23  
24  
25   
26 RON JOSEPH  
27 Executive Director  
28 Medical Board of California  
Department of Consumer Affairs  
State of California  
Complainant