



# COMMONWEALTH of VIRGINIA

Department of Health Professions  
Board of Medicine

John Hasty  
Director of the Department

Warren W. Koontz, M.D.  
Executive Director of the Board

August 30, 1996

6606 West Broad Street  
4th Floor  
Richmond, Virginia 23230-1717  
(804) 662-9908  
FAX (804) 662-9943

Joseph John Palombi, M.D.  
6404-P Seven Corners Place  
Falls Church, Virginia 22044

**CERTIFIED MAIL**  
Z 356 168 134

RE: License No.: 0101-033696

Dear Dr. Palombi:

This letter is official notification that an informal conference of the Virginia Board of Medicine ("Board") will be held on Saturday, October 5, 1996 at 1:00 p.m., at the offices of the Department of Health Professions, 6606 West Broad Street, Richmond, Virginia. The conference will be conducted pursuant to Sections 54.1-2919 and 9-6.14:11 of the Code of Virginia (1950), as amended ("Code").

An Informal Conference Committee ("Committee"), composed of three members of the Board, will inquire into allegations that you may have violated certain laws governing the practice of medicine in Virginia. Specifically, you may have violated Section 54.1-2915.A(1), (2) and (3) as further defined in Section 54.1-2914.A (9) and (13) of the Code, in that:

1. Between September 7, 1993, and March 14, 1994, you inappropriately and fraudulently billed approximately twenty-two (22) of your patients for psychiatric services which were not rendered. To wit:
  - a. On approximately thirteen (13) occasions, you billed patients for 45-50 minute psychotherapy sessions, when, in fact, the appointments had been properly canceled and no fees should have been billed.
  - b. On approximately four (4) occasions, you billed patients for 45-50 minute psychotherapy sessions, when, in fact, only missed appointment fees should have been billed.
  - c. On approximately three (3) occasions, you billed patients for 25 minute office visits, when, in fact, the appointments had been properly canceled and no fees should have been billed.
  - d. On approximately two (2) occasions, you billed patients for 25-30 minute psychotherapy sessions, when, in fact, the appointments had been properly canceled and no fees should have been billed.
  - e. On approximately three (3) occasions, you billed patients for pharmacological management sessions, when, in fact, the appointments had been properly canceled and no fees should have been billed.
2. By your own admission, you were using alcohol to the point that it impaired your judgment during the time period when the above referenced billing irregularities took place.

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The following actions may be taken by this Committee:

1. If a majority of the Committee is of the opinion that a suspension or revocation of your license may be justified, the Committee shall present to the Board in writing its findings, and the Board may proceed with a formal hearing;
2. The Committee may notify you in writing that you are fully exonerated of any charge that might affect your right to practice medicine in Virginia;
3. The Committee may reprimand or censure you, or;
4. The Committee may place you on probation for such time as it may designate and direct that during such period you furnish the Committee or its chairman, at such intervals as the Committee may direct, evidence that you are not practicing in violation of the provisions of Chapter 29, Title 54.1 of the Code, which governs the practice of medicine in Virginia.


You have the right to information which will be relied upon by the Board in making a decision. Therefore, I enclose a copy of the documents which will be distributed to the members of the Committee and will be considered by the Committee when discussing the allegations with you and when deliberating upon your case. These documents are enclosed only with the original notice sent by certified mail, and must be claimed at the post office. If you have additional documents for review which are not contained in this package, please bring at least six copies with you to the meeting. You may be represented by an attorney at the informal conference. If you obtain counsel, it will be your responsibility to provide the enclosed materials to your attorney.

Should you fail to appear at the informal conference the Board may proceed to a formal administrative hearing in order to impose sanctions. Please inform this office whether you intend to appear at the conference at least ten (10) days prior to the scheduled date above. Also, please provide the Board with a telephone number where you may be reached.

I enclose for your reference copies of the relevant sections of the Administrative Process Act, which governs proceedings of this nature, as well as laws relating to the practice of medicine and other healing arts in Virginia.

Should you have any questions regarding this notice, please contact Karen W. Perrine, Deputy Executive Director, Discipline, at (804) 662-7693.

Sincerely,

  
Warren W. Koontz, M.D.  
Executive Director  
Virginia Board of Medicine

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cc: Karen E. Knapp, M.D., President  
John W. Hasty, Director, Department of Health Professions  
James L. Banning, Director, Administrative Proceedings Division  
Frank J. Trani, Senior Legal Assistant  
Informal Conference Committee  
Frank Vargofcak, Senior Investigator (94-01842)  
Kelli Moss, Senior Administrative Assistant

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**Enclosures:**

Virginia Code Sections:

54.1-2914

54.1-2915

54.1-2919

9-6.14:11

Informal Conference Package

Map

