

# Medical Memo

STATE BOARD OF MEDICAL EXAMINERS

A report on Board activities prepared as an information service for physician and surgeon licensees

PREPARED BY THE STATE BOARD OF MEDICAL EXAMINERS / 1020 N STREET, SACRAMENTO, CALIFORNIA 95814 NUMBER 2, 1973

## Hospital Contracts Must Be Approved By Medical Board

Various provisions of the Business and Professions Code proscribe the practice of medicine by unlicensed persons or legal entities (e.g. hospitals). Court decisions and attorney general opinions indicate that certain contracts between physicians or professional medical corporations and unlicensed entities may constitute the unlawful practice of medicine if the revenue retained by the unlicensed entity represents a portion of the professional fee.

The Board of Medical Examiners, in its continuing effort to enforce the Medical Practices Act (Division 2 of the Business and Professions Code), passed the following resolution on contracts on June 4, 1973:

### Resolution

In reviewing an application for a certificate of registration of a professional medical corporation, or in reviewing an annual statement submitted by a professional medical corporation which reveals the existence of a gross contract between a hospital or other unlicensed entity and a hospital-based physician (e.g., radiologist, pathologist, emergency service physician), it shall be the policy of this Board that the application or statement must be accompanied by a notarized statement or a statement under penalty of perjury with supporting evidence

## MEMEL APPOINTED PUBLIC MEMBER

Governor Ronald Reagan has announced the appointment of Sherwin L. Memel, of Los Angeles, to the State Board of Medical Examiners.

Memel replaces S. Stephen Nakashima of San Jose, whose term on the board has expired. Memel is of counsel to the law firm of Manatt, Phelps and Rothenberg of Century City, and a businessman. He earned his B.A. degree and law degree at the University of California at Los Angeles.

A recognized expert in health law, he will represent the public on the board. He has served as executive director and legal counsel for numerous health and hospital organizations.

showing that the amount retained by the licensed physician reflects the professional component, and the amount retained by the hospital or other unlicensed entity, is commensurate with the expenses, direct or indirect, incurred by the hospital or unlicensed entity in connection with the furnishing of facilities and services.

Paul Dugan, M.D., President of the Board, said that the adoption of the resolution would help resolve many of the problems and expedite the processing of applications. "It is important," Dr. Dugan stated, "that each physician, as an individual or as a corporation, with a hospital contract, submit it to the Board of Medical Examiners for approval."

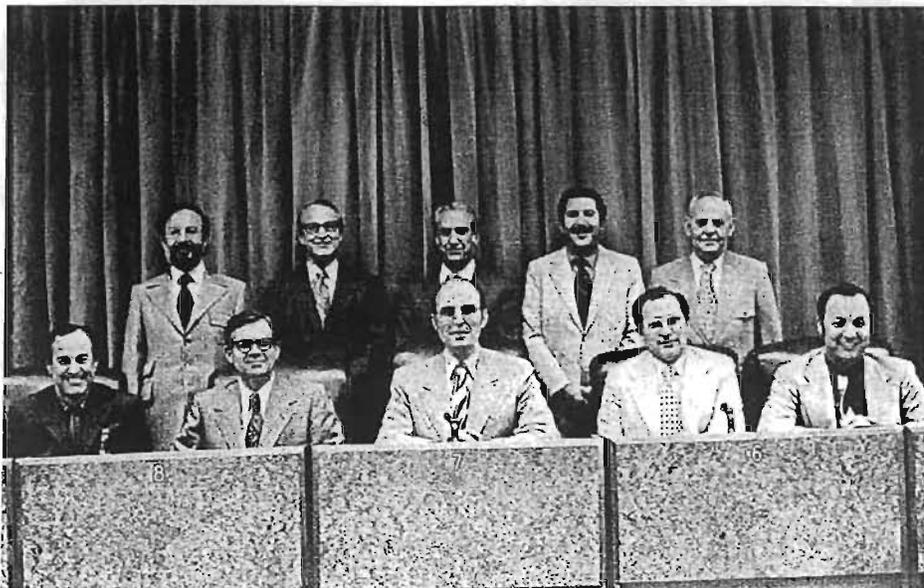
## Review Committees In Supportive Role

Under the Medical Practice Act, five district Review Committees hold hearings under the jurisdiction of the Board, reaching proposed decisions on disciplinary matters in areas which they represent.

Each of the Review Committees is assigned cases by the Board for review, hearing and development of a proposed decision. The Committee's decision is transmitted to the Board for adoption, rejection or re-assignment back for further action.

Members of the Review Committees, all appointed to four-year terms by the Governor, are as follows: *District No. 1*, Frederic F. Shidler, M.D., Menlo Park; Bertrand A. Vipond, M.D., Crescent City; Edwin B. Boldrey, M.D., Hillsborough; Dwight H. Murray, Jr., M.D., Napa; Harold H. Lindner, M.D., San Francisco; *District No. 2*, James W. Moore, M.D., Ventura; Paul D. Yates, M.D., Manhattan Beach; Alfred J. Murietta, M.D., Los Angeles; Donald F. Brayton, M.D., Beverly Hills; Gregory C. Murray, M.D., Los Angeles.

*District No. 3*, William Nilssen, Jr., M.D., Weaverville; Jay O. Gibson, M.D., Chico; Herlan O. Loyd, M.D., Sacramento; George G. Snively, M.D., Sacramento; Clarence W. Winning, M.D., Red Bluff; *District No. 4*, Clarence T. Halburg, M.D., Redlands; Ralph M. King, M.D., El Cajon; Frederick M. Turnbull, Jr., M.D., Hollywood; Arthur F. Thompson, M.D., Newport Beach; John G. Fast, M.D., Riverside; *District No. 5*, James F. Donovan, M.D., Bakersfield; Robert J. Rife, M.D., Fresno; Lester T. Hibbard, M.D., Los Angeles; James F. Feldmayer, M.D., Pebble Beach; Edward A. Jackson, M.D., Merced.



MEMBERS OF THE BOARD—Board of Medical Examiner members are shown at left at a recent meeting. Front row, left to right, they are: Julius Levine, M.D., Hayward; Harold E. Wilkins, M.D., Downey, Vice President; Paul J. Dugan, M.D., Roseville, President; Tirso del Junco, M.D., Los Angeles; Gary S. Nye, M.D., Orinda, Secretary-Treasurer. Back row, left to right, they are: Sherwin L. Memel, Los Angeles; Harry A. Oberhelman, Jr., M.D., Stanford; Kay Toma, M.D., Bell; R. Theodore Nussdorf, M.D., Whittier; and John E. Vaughan, M.D., Bakersfield. James C. MacLaggan, M.D., San Diego, was not present for photo.

**BOARD BUSINESS**

**AUGUST-SEPTEMBER HEARINGS**

Georgia B. Jordan, M.D. . . . .	August 7, 1973 . . . . .	Los Angeles
Donald Y. Stewart, M.D. . . . .	August 20, 1973 . . . . .	Los Angeles
Ebbe Hartelius, M.D. . . . .	August 21-23 and September 11-12 . . . . .	Los Angeles
Alfred Kruse, Phys. Therp. . . . .	September 13, 1973 . . . . .	Los Angeles
Richard Birk, M.D. . . . .	September 18-19, 1973 . . . . .	Los Angeles
James D. Nelson, M.D. . . . .	September 18-20, 1973 . . . . .	Sacramento
William Busby, M.D. . . . .	September 18-21, 1973 . . . . .	Los Angeles

**DISCIPLINARY ACTIONS**

**(April 26, 1973-July 23, 1973)**

Zed Aydelott, M.D., Biloxi, Mississippi . . . . .	April 26, 1973	Revoked
Wiley H. Billingsley, M.D., Big Sur, California . . . . .	April 27, 1973	Revoked, stayed, probation 5 years, T & C
Thomas V. Brennan, M.D., Santa Barbara, California . . . . .	April 27, 1973	Revoked
Herma J. Cluff, P.T., Downey, California . . . . .	April 27, 1973	Revoked.
Wesley R. Lochausen, M.D., Long Beach, California . . . . .	May 6, 1973	Revoked, stayed, probation 5 years, T & C
Evan K. Perkins, M.D., Sacramento, California . . . . .	May 10, 1973	Revoked, stayed, probation 5 years, T & C
Wolfgang R. Buege, Claremont Optical Service . . . . .	May 11, 1973	Suspended 60 days, stayed, probation 2 years, T & C
Claremont, California		
Elroy E. Tatge, M.D., Gardena, California . . . . .	May 11, 1973	Writ denied, Board's Order of Revocation in full force and effect
Joseph H. Weiss, M.D., Lakewood, California . . . . .	June 11, 1973	Revoked, stayed, probation 5 years, T & C
Benjamin F. Walker, M.D., Los Angeles, California . . . . .	June 27, 1973	Revoked
Herbert H. Prillwitz, M.D., Inglewood, California . . . . .	June 28, 1973	Revoked, stayed, probation 1 year T & C
Peter Dunn, M.D., Pasadena, California . . . . .	July 23, 1973	Revoked, stayed, probation 5 years, T & C

**CLARIFICATION**

Richard Lee, M.D., Torrance, California . . . . .	Sept 18, 1972	Revoked, stayed, probation 3 years, T & C
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For additional information about accusations, decisions and other aspects of disciplinary actions, consult official records of the Board at the Department of Consumer Affairs, 1020 N St., Sacramento.



Forest J. Grunigen, M.D.

**Dr. Grunigen Retires  
As Medical Consultant**

Forest J. Grunigen, M.D., retired at the end of July. Since early 1971, he has served as the first medical consultant to the Board of Medical Examiners. The position of consultant was established to assist in investigations, evaluate the conduct of licentiates, serve as an expert witness in legal actions and inspect medical records to assure compliance with the Medical Practice Act.

Dr. Grunigen was a member of the Board from 1966 to 1971 and President in 1969. He currently serves on the Council of the California Medical Association representing the 12th District. Doctor Grunigen retired in 1966 after 32 years of private practice in Los Angeles.

"I speak for the entire Board," said Paul J. Dugan, M.D., President, "when I say Dr. Grunigen will be missed for his professional ability as a consultant, for his counsel and contributions to the medical profession in California, and, above all, for his friendship."

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STATE BOARD OF MEDICAL EXAMINERS

DEPARTMENT OF  
**Consumer  
Affairs**

Board of Medical Examiners  
1020 N Street  
Sacramento, California 95814

BOARD MEMBERS

Paul J. Dugan, M.D., President  
Harold E. Wilkins, M.D., Vice President  
Gary S. Nye, M.D., Secretary-Treasurer  
Tirso del Junco, M.D.  
Julius Levine, M.D.  
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R. Theodore Nussdorf, M.D.  
Harry A. Oberhelman, Jr., M.D.  
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John E. Vaughan, M.D.

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