# BEFORE THE MEDICAL BOARD OF CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

In the Matter of the First Amended Accusation Against:

David Brody, M.D.

Physician's and Surgeon's Certificate No. G 56780

Respondent.

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# **DECISION**

The attached Stipulated Surrender of License and Order is hereby adopted as the Decision and Order of the Medical Board of California, Department of Consumer Affairs, State of California.

This Decision shall become effective at 5:00 p.m. on June 1, 2025.

IT IS SO ORDERED May 29, 2025.

MEDICAL BOARD OF CALIFORNIA

Case No. 800-2021-081126

Reji Varghese Executive Director

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1	ROB BONTA		
2	Attorney General of California MACHAELA M. MINGARDI		
3	Supervising Deputy Attorney General C. HAY-MIE CHO		
4	Deputy Attorney General State Bar No. 282259		
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6	Telephone: (415) 510-4433 Facsimile: (415) 703-5480 E-mail: Haymie.Cho@doj.ca.gov		
7	Attorneys for Complainant		
8	BEFORE THE		
9	MEDICAL BOARD OF CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS		
10	STATE OF C.	ALIFORNIA	
11	In the Matter of the First Amended Accusation	Case No. 800-2021-081126	
12	Against:	OAH No. 2025010194	
13	DAVID BRODY, M.D. 859 Washington Street, #203	STIPULATED SURRENDER OF	
14	Red Bluff, CA 96080-2704	LICENSE AND ORDER	
15	Physician's and Surgeon's Certificate No. G 56780		
16	Respondent.		
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18	IT IS HEREBY STIPULATED AND AG	REED by and between the parties to the	
19	above-entitled proceedings that the following matters are true:		
20	<u>PARTIES</u>		
21	1. Reji Varghese (Complainant) is the Executive Director of the Medical Board of		
22	California (Board). He brought this action solely in his official capacity and is represented in this		
23	matter by Rob Bonta, Attorney General of the State of California, by C. Hay-Mie Cho, Deputy		
24	Attorney General.		
25	2. DAVID BRODY, M.D. (Respondent), is represented in this proceeding by attorney		
26	Shannon V. Baker, whose address is: 765 University Avenue, Sacramento, CA 95825.		
27	3. On or about February 24, 1986, the Board issued Physician's and Surgeon's		
28	Certificate No. G 56780 to Respondent. That lice	nse was in full force and effect at all times	
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relevant to the charges brought in First Amended Accusation No. 800-2021-081126 and will expire on November 30, 2025, unless renewed.

# JURISDICTION

4. First Amended Accusation No. 800-2021-081126 was filed before the Board and is currently pending against Respondent. Accusation No. 800-2021-081126 was previously filed before the Board on July 20, 2024, and this Accusation and other statutorily required documents were properly served on Respondent on the same date. Respondent timely filed his Notice of Defense contesting the Accusation. The First Amended Accusation and all other statutorily required documents were properly served on Respondent on April 7, 2025. A copy of First Amended Accusation No. 800-2021-081126 is attached as Exhibit A and incorporated by reference.

# **ADVISEMENT AND WAIVERS**

- 5. Respondent has carefully read, fully discussed with counsel, and understands the charges and allegations in First Amended Accusation No. 800-2021-081126. Respondent also has carefully read, fully discussed with counsel, and understands the effects of this Stipulated Surrender of License and Order.
- 6. Respondent is fully aware of his legal rights in this matter, including the right to a hearing on the charges and allegations in the First Amended Accusation; the right to confront and cross-examine the witnesses against him; the right to present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.
- 7. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

# **CULPABILITY**

Respondent understands that the charges and allegations in First Amended
 Accusation No. 800-2021-081126, if proven at a hearing, constitute cause for imposing discipline

upon his Physician's and Surgeon's Certificate.

- 9. For the purpose of resolving the First Amended Accusation without the expense and uncertainty of further proceedings, Respondent agrees that, at a hearing, Complainant could establish a factual basis for the charges in the First Amended Accusation and that those charges constitute cause for discipline. Respondent hereby gives up his right to contest that cause for discipline exists based on those charges.
- 10. Respondent understands that by signing this stipulation he enables the Board to issue an order accepting the surrender of his Physician's and Surgeon's Certificate without further process.

## **CONTINGENCY**

- 11. Business and Professions Code section 2224, subdivision (b), provides, in pertinent part, that the Medical Board "shall delegate to its executive director the authority to adopt a ... stipulation for surrender of a license."
- 12. Respondent understands that, by signing this stipulation, he enables the Executive Director of the Board to issue an order, on behalf of the Board, accepting the surrender of his Physician's and Surgeon's Certificate No. G 56780 without further notice to, or opportunity to be heard by, Respondent.
- 13. This Stipulated Surrender of License and Disciplinary Order shall be subject to the approval of the Executive Director on behalf of the Board. The parties agree that this Stipulated Surrender of License and Disciplinary Order shall be submitted to the Executive Director for his consideration in the above-entitled matter and, further, that the Executive Director shall have a reasonable period of time in which to consider and act on this Stipulated Surrender of License and Disciplinary Order after receiving it. By signing this stipulation, Respondent fully understands and agrees that he may not withdraw his agreement or seek to rescind this stipulation prior to the time the Executive Director, on behalf of the Medical Board, considers and acts upon it.
- 14. The parties agree that this Stipulated Surrender of License and Disciplinary Order shall be null and void and not binding upon the parties unless approved and adopted by the Executive Director on behalf of the Board, except for this paragraph, which shall remain in full

force and effect. Respondent fully understands and agrees that in deciding whether or not to approve and adopt this Stipulated Surrender of License and Disciplinary Order, the Executive Director and/or the Board may receive oral and written communications from its staff and/or the Attorney General's Office. Communications pursuant to this paragraph shall not disqualify the Executive Director, the Board, any member thereof, and/or any other person from future participation in this or any other matter affecting or involving respondent. In the event that the Executive Director on behalf of the Board does not, in his discretion, approve and adopt this Stipulated Surrender of License and Disciplinary Order, with the exception of this paragraph, it shall not become effective, shall be of no evidentiary value whatsoever, and shall not be relied upon or introduced in any disciplinary action by either party hereto. Respondent further agrees that should this Stipulated Surrender of License and Disciplinary Order be rejected for any reason by the Executive Director on behalf of the Board, Respondent will assert no claim that the Executive Director, the Board, or any member thereof, was prejudiced by its/his/her review, discussion and/or consideration of this Stipulated Surrender of License and Disciplinary Order or of any matter or matters related hereto.

## **ADDITIONAL PROVISIONS**

- 15. This Stipulated Surrender of License and Disciplinary Order is intended by the parties herein to be an integrated writing representing the complete, final, and exclusive embodiment of the agreements of the parties in the above-entitled matter.
- 16. The parties agree that copies of this Stipulated Surrender of License and Disciplinary Order, including copies of the signatures of the parties, may be used in lieu of original documents and signatures and further, that such copies shall have the same force and effect as originals.
- 17. In consideration of the foregoing admissions and stipulations, the parties agree the Executive Director of the Board may, without further notice to or opportunity to be heard by Respondent, issue and enter the following Disciplinary Order on behalf of the Board:

## **ORDER**

IT IS HEREBY ORDERED that Physician's and Surgeon's Certificate No. G 56780, issued to Respondent DAVID BRODY, M.D., is surrendered and accepted by the Board.

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# **ACCEPTANCE**

I have carefully read the above Stipulated Surrender of License and Order and have fully discussed it with my attorney, Shannon V. Baker. I understand the stipulation and the effect it will have on my Physician's and Surgeon's Certificate. I enter into this Stipulated Surrender of License and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Medical Board of California.

DAVID BRODY, M.D.

Respondent

I have read and fully discussed with Respondent DAVID BRODY, M.D. the terms and conditions and other matters contained in this Stipulated Surrender of License and Order. I approve its form and content.

DATED:

May 8, 2025

SHANNON V. BAKER

Attorney for Respondent

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# **ENDORSEMENT** The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted for consideration by the Medical Board of California of the Department of Consumer Affairs. DATED: May 19, 2025 Respectfully submitted, **ROB BONTA** Attorney General of California MACHAELA M. MINGARDI Supervising Deputy Attorney General C. Hay-Mis Cho C. HAY-MIE CHO Deputy Attorney General Attorneys for Complainant SF2024401425

# Exhibit A

First Amended Accusation No. 800-2021-081126

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1	ROB BONTA		
2	Attorney General of California MACHAELA M, MINGARDI Supervising Deputy Attorney General C. HAY-MIE CHO Deputy Attorney General State Bar No. 282259 455 Golden Gate Avenue, Suite 11000 San Francisco, CA 94102-7004 Telephones (ALS) 510 4423		
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6	Telephone: (415) 510-4433 Facsimile: (415) 703-5480		
7	Attorneys for Complainant		
8	BEFORE THE  MEDICAL BOARD OF CALIFORNIA  DEPARTMENT OF CONSUMER AFFAIRS  STATE OF CALIFORNIA		
9			
10			
11			
12	In the Matter of the First Amended Accusation Against:	Case No. 800-2021-081126	
13	DAVID BRODY, M.D.	OAH Case No. 2025010194	
14	859 Washington Street, #203 Red Bluff, CA 96080	FIRST AMENDED ACCUSATION	
15	Physician's and Surgeon's Certificate		
16	No. G 56780,	. •	
17	Respondent.		
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20	<u>PARTIES</u>		
21	1. Reji Varghese (Complainant) brings this First Amended Accusation solely in his		
22	official capacity as the Executive Director of the Medical Board of California, Department of		
23	Consumer Affairs (Board).		
24	2. On or about February 24, 1986, the Medical Board issued Physician's and Surgeon's		
25	Certificate Number G 56780 to David Brody, M.D. (Respondent). The Physician's and		
26	Surgeon's Certificate was in full force and effect at all times relevant to the charges brought		
27	herein and will expire on November 30, 2025, unless renewed.		
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(DAVID BRODY, M.D.) FIRST AMENDED ACCUSATION NO. 800-2021-081126

#### JURISDICTION

- 3. This First Amended Accusation is brought before the Board, under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.
  - 4. Section 802.1 states as follows:
  - (a)(1) A physician and surgeon, osteopathic physician and surgeon, a doctor of podiatric medicine, and a physician assistant shall report either of the following to the entity that issued his or her license:
  - (A) The bringing of an indictment or information charging a felony against the licensee.
  - (B) The conviction of the licensee, including any verdict of guilty, or plea of guilty or no contest, of any felony or misdemeanor.
  - (2) The report required by this subdivision shall be made in writing within 30 days of the date of the bringing of the indictment or information or of the conviction.
  - (b) Failure to make a report required by this section shall be a public offense punishable by a fine not to exceed five thousand dollars (\$5,000).
- 5. Section 2227 of the Code provides that a licensee who is found guilty under the Medical Practice Act may have his or her license revoked, suspended for a period not to exceed one year, placed on probation and required to pay the costs of probation monitoring, or such other action taken in relation to discipline as the Board deems proper.
  - 6. 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.
  - (b) Gross negligence.
- (c) Repeated negligent acts. To be repeated, there must be two or more negligent acts or omissions. An initial negligent act or omission followed by a separate and distinct departure from the applicable standard of care shall constitute repeated negligent acts.
- (1) An initial negligent diagnosis followed by an act or omission medically appropriate for that negligent diagnosis of the patient shall constitute a single negligent act.

- (2) When the standard of care requires a change in the diagnosis, act, or omission that constitutes the negligent act described in paragraph (1), including, but not limited to, a reevaluation of the diagnosis or a change in treatment, and the licensee's conduct departs from the applicable standard of care, each departure constitutes a separate and distinct breach of the standard of care.
  - (d) Incompetence.
- (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.
  - (f) Any action or conduct that would have warranted the denial of a certificate.
- (g) The failure by a certificate holder, in the absence of good cause, to attend and participate in an interview by the board no later than 30 calendar days after being notified by the board. This subdivision shall only apply to a certificate holder who is the subject of an investigation by the board.
- (h) Any action of the licensee, or another person acting on behalf of the licensee, intended to cause their patient or their patient's authorized representative to rescind consent to release the patient's medical records to the board or the Department of Consumer Affairs, Health Quality Investigation Unit.
- (i) Dissuading, intimidating, or tampering with a patient, witness, or any person in an attempt to prevent them from reporting or testifying about a licensee.
- 7. Section 2266 of the Code states: The failure of a physician and surgeon to maintain adequate and accurate records relating to the provision of services to their patients constitutes unprofessional conduct.

#### COST RECOVERY

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

## **DEFINITIONS**

9. Alprazolam, known by the trade name Xanax, is a psychotropic triazolo analogue of the 1,4 benzodiazepine class of central nervous system-active compounds. Xanax is used for the management of anxiety disorders or for the short-term relief of the symptoms of anxiety. It is a

dangerous drug as defined in section 4022 of the Code and a Schedule IV controlled substance and narcotic as defined by section 11057, subdivision (d), of the Health and Safety Code.

- 10. Amitriptyline, known by the trade name Elavil, is a dangerous drug as defined in section 4022 of the Code. It is an antidepressant with sedative effects. Lower dosages of amitriptyline are recommended for elderly patients.
- 11. Aripiprazole, known by the trade name Abilify, is an antipsychotic medication. It works by changing the actions of chemicals in the brain. Aripiprazole is used to treat the symptoms of psychotic conditions such as schizophrenia and bipolar disorder (manic depression).
- 12. Carisoprodol, known by the trade name SOMA, is a muscle-relaxant and sedative. It is a dangerous drug as defined in section 4022 of the Code, and a Schedule IV controlled substance as defined by section 11057 of the Health and Safety Code.
- 13. Clonazepam, known by the trade name Klonopin, is an anticonvulsant of the benzodiazepine class of drugs. It is a dangerous drug as defined in section 4022 of the Code, and a Schedule IV controlled substance as defined by section 11057 of the Health and Safety Code. It produces central nervous system depression and should be used with caution with other central nervous system depressant drugs.
- 14. Diazepam, known by the trade name Valium, is a psychotropic drug for the management of anxiety disorders or for the short-term relief of the symptoms of anxiety. It is a dangerous drug as defined in section 4022 and a Schedule IV controlled substance as defined by section 11057 of the Health and Safety Code. Diazepam can produce psychological and physical dependence and it should be prescribed with caution particularly to addiction-prone individuals (such as drug addicts and alcoholics) because of the predisposition of such patients to habituation and dependence.
- 15. Fluoxetine, known by the trade name Prozac, is an antidepressant, and a dangerous drug within the meaning of Business and Professions code section 4022 and a Schedule IV controlled substance as defined by section 11057 of the Health and Safety Code. Prozac is an antidepressant agent chemically unrelated to tricyclic, tetracyclic, or other available antidepressant agents.

- 16. Olanzapine, known by the trade name Zyprexa, is a psychotropic agent that belongs to the thienobenzodiazepine class. It is a dangerous drug as defined by section 4022 of the Code. Olanzapine is indicated for the management of the manifestations of psychotic disorders, the treatment of schizophrenia, and the short term treatment of the acute manic episodes associated with Bipolar I disorder.
- 17. Ziprasidone, known by the trade name Geodon, is a Schedule I atypical antipsychotic, approved for the treatment of schizophrenia, bipolar mania, and acute agitation in individuals with schizophrenia. It is a dangerous drug as defined in section 4022 of the Business and Professions Code.

## **FACTUAL ALLEGATIONS**

# Respondent's Treatment of Patient 1

- 18. On or about May 7, 2015, Respondent commenced treating Patient 1, a then 39-year-old female, through the Contra Costa County health services. Patient 1 allegedly had complaints of depression, was at significant risk of suicide or self-harm, and had possible psychotic or dissociative symptoms.
- 19. In or about August 2017, Respondent subsequently left his position with the county medical system and went into private practice. Respondent continued to treat Patient 1 in his private practice. Respondent has no medical records of his treatment of Patient 1 from August 2017 through July 2022. Medical records from a pharmacy show that Respondent prescribed controlled substances to Patient 1 beginning in 2015.
- 20. While in private practice, Respondent began prescribing carisoprodol after another treatment provider told Patient 1 that the physician could not continue prescribing the drug to her for Patient 1's complaints of chronic pain related to lupus, rheumatoid arthritis, and/or fibromyalgia.
- 21. From August 2017 through July 2022, there were no records that Respondent consulted with any other physicians, such as rheumatology specialists, or referred to

<sup>&</sup>lt;sup>1</sup> The patient is identified by a number to protect their privacy. The patient's name will be disclosed in discovery.

contemporary information about the treatment of rheumatological conditions for Patient 1. There was also no evidence that Respondent supplemented the history provided by Patient 1 about her condition by review of previous treatment records.

- 22. In fact, there was no record of a history of Patient 1's rheumatological conditions, such as rheumatoid arthritis, lupus, and fibromyalgia. There were no records of any physical examination findings in connection with Respondent's treatment of Patient 1's rheumatological conditions.
- 23. Prescription records show that from August 2017 through June 2022, Respondent prescribed to Patient 1 the antidepressants amitriptyline and fluoxetine; the benzodiazepine anxiolytics alprazolam, clonazepam, and diazepam; and the antipsychotic medications aripiprazole, olanzapine, and ziprasidone. No documentation evidences that Respondent completed an adequate psychiatric evaluation to determine the indication for these psychiatric medications, or completed adequate psychiatric evaluations at follow up visits to determine whether the medications were safe, effective, and continued to be medically indicated.
- 24. As of November 21, 2022, Patient 1 had been diagnosed with severe recurrent major depression with psychotic features, post-traumatic stress disorder, seizure disorder, atypical dissociative disorder, and is status post multiple head traumas and memory loss.
- 25. Respondent's materials include no medical records prior to June 2022 establishing a history of the patient's symptoms, documentation of objective findings of a psychiatric disorder, a recorded assessment of the patient, and an adequate description of how the symptoms and objective findings led to a particular diagnosis. The decision to prescribe the controlled substances while in private practice does not appear to be based on an adequate history and examination to establish an appropriate medical indication for their use.
- 26. Respondent's records for his care and treatment of Patient 1 from July 2022 forward do not contain sufficient information about Patient 1's treatment to be considered complete and adequate. They do not contain information about objective observations regarding mental status examinations or physical examinations, and do not contain sufficient information about

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Respondent's impressions to understand the medical decision-making process regarding the care and treatment of Patient 1.

## Respondent's Federal Indictment

- 27. On or about June 12, 2024, Respondent and a co-defendant were indicted for Conspiracy to Distribute Controlled Substances in violation of 21 U.S.C. § 846, Distribution of Controlled Substances in violation of 21 U.S.C. § 841(a) and (b)(1)(C), Conspiracy to Commit Health Care Fraud in violation of 18 U.S.C. § 1349, Conspiracy to Obstruct Justice in violation of 18 U.S.C. § 1512(k), and Aiding and Abetting in violation of 18 U.S.C. § 2, in a federal criminal proceeding entitled United States v. Ruthia He and David Brody, N.D. Cal. Case No. 3:24-cr-00329-CRB, in the U.S. District Court for the Northern District of California. The circumstances are as follows:
- A. Okay Health, Inc. was allegedly a Delaware corporation incorporated on or about February 26, 2020. In approximately April 2021, Respondent's co-defendant, the founder of Okay Health, Inc., submitted a certificate of amendment of incorporation to rename the corporation Done Global, Inc. (Done Global).
- B. Done Health, P.C. (Done), a California corporation, was allegedly incorporated on or about August 7, 2020, solely by Respondent, but his co-defendant owned, controlled, and operated Done. Respondent was also allegedly the clinical president of Done, a self-proclaimed "digital health company" operating on a subscription-based model, in which individuals paid a monthly fee to Done to receive online diagnoses, treatment, and refills of medication for attention deficit hyperactivity disorder (ADHD). Done allegedly had a network of physicians and nurses, including Respondent, who Done paid to diagnose its subscribing members with ADHD and to issue prescriptions for controlled substances. Since the beginning of the COVID-19 pandemic, Done allegedly arranged for the prescription of over 40 million pills of Adderall and other stimulants and obtained over \$100 million in revenue.
- Through Done, Respondent and his co-defendant allegedly received payment for signing prescriptions that were not for a legitimate medical purpose in the usual course of professional practice between approximately February 2020 and January 2023. They also

## PRAYER

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

- 1. Revoking or suspending Physician's and Surgeon's Certificate Number G 56780, issued to Respondent Dayid Brody, M.D.;
- 2. Revoking, suspending or denying approval of Respondent David Brody, M.D.'s authority to supervise physician assistants and advanced practice nurses;
- 3. Ordering Respondent David Brody, M.D., to pay the Board the costs of the investigation and enforcement of this case, and if placed on probation, the costs of probation monitoring; and
  - 4. Taking such other and further action as deemed necessary and proper.

DATED: APR 0 7 2025

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

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