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

11 In the Matter of the Accusation Against:

Case No. 800-2021-082484

12 **Edward Ray Verde, M.D.**
13 **Loma Linda Veterans Hospital 116A**
14 **11201 Benton Street**
15 **Loma Linda, CA 92357-0001**

A C C U S A T I O N

16 **Physician's and Surgeon's Certificate**
17 **No. G 68778,**

Respondent.

18 **PARTIES**

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

22 2. On or about June 11, 1990, the Board issued Physician's and Surgeon's Certificate
23 Number G 68778 to Edward Ray Verde, M.D. (Respondent). That Physician's and Surgeon's
24 Certificate was in full force and effect at all times relevant to the charges brought herein. The
25 license expired on October 31, 2021, and has not been renewed.

26 **JURISDICTION**

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

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

1 high number of judgments, settlements, or arbitration awards against a physician and surgeon.

2 6. Section 2227 of the Code states:

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

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

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

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

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

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

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

24 STATUTORY PROVISIONS

25 7. Section 2234 of the Code states:

26 The board shall take action against any licensee who is charged with
27 unprofessional conduct. In addition to other provisions of this article, unprofessional
28 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.

1 (2) When the standard of care requires a change in the diagnosis, act, or
2 omission that constitutes the negligent act described in paragraph (1), including, but
3 not limited to, a reevaluation of the diagnosis or a change in treatment, and the
4 licensee's conduct departs from the applicable standard of care, each departure
5 constitutes a separate and distinct breach of the standard of care.

6 (d) Incompetence.

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

10 (f) Any action or conduct that would have warranted the denial of a certificate.

11 (g) The failure by a certificate holder, in the absence of good cause, to attend
12 and participate in an interview by the board no later than 30 calendar days after being
13 notified by the board. This subdivision shall only apply to a certificate holder who is
14 the subject of an investigation by the board.

15 (h) Any action of the licensee, or another person acting on behalf of the
16 licensee, intended to cause their patient or their patient's authorized representative to
17 rescind consent to release the patient's medical records to the board or the
18 Department of Consumer Affairs, Health Quality Investigation Unit.

19 (i) Dissuading, intimidating, or tampering with a patient, witness, or any person
20 in an attempt to prevent them from reporting or testifying about a licensee.

21 8. Section 805.8 of the Code, subdivision (a)(5), states:

22 "Sexual misconduct" means inappropriate contact or communication of a
23 sexual nature."

24 **AMERICAN PSYCHIATRIC ASSOCIATION'S**
25 **PRINCIPLES OF MEDICAL ETHICS (2013)(PME)**

26 9. PME Section 1.1¹, states: *A physician shall be dedicated to providing
27 competent medical care with compassion and respect for human dignity and rights.*

28 A psychiatrist shall not gratify his or her own needs by exploiting the patient.
The psychiatrist shall be ever vigilant about the impact that his or her conduct has
upon the boundaries of the doctor-patient relationship, and thus upon the wellbeing
of the patient. These requirements become particularly important because of the
essentially private, highly personal, and sometimes intensely emotional nature of the
relationship established with the psychiatrist.

10. PME Section 2.1 states:

*A physician shall uphold the standards of professionalism, be honest in all
professional interactions and strive to report physicians deficient in character or
competence, or engaging in fraud or deception to appropriate entities.*

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[https://www.psychiatry.org/File%20Library/Practice/Ethics%20Documents/principles2013--
final.pdf](https://www.psychiatry.org/File%20Library/Practice/Ethics%20Documents/principles2013--final.pdf)

1 The requirement that the physician conduct himself/herself with propriety in his
2 or her profession and in all the actions of his or her life is especially important in the
3 case of the psychiatrist because the patient tends to model his or her behavior after
4 that of his or her psychiatrist by identification. Further, the necessary intensity of the
5 treatment relationship may tend to activate sexual and other needs and fantasies on
6 the part of both patient and psychiatrist, while weakening the objectivity necessary
7 for control. Additionally, the inherent inequality in the doctor-patient relationship
8 may lead to exploitation of the patient. Sexual activity with a current or former
9 patient is unethical.

10 11. PME Section 2.2 states:

11 The psychiatrist should diligently guard against exploiting information
12 furnished by the patient and should not use the unique position of power afforded
13 him/her by the psychotherapeutic situation to influence the patient in any way not
14 directly relevant to the treatment goals.

15 **AMERICAN MEDICAL ASSOCIATION CODE OF MEDICAL ETHICS**

16 12. The American Medical Association Code of Medical Ethics Section 9.1.2² states,
17 in pertinent part:

18 Patients are often accompanied by third parties who play an integral role in the
19 patient-physician relationship, including, but not limited to, spouses or partners,
20 parents, guardians, or surrogates. Sexual or romantic interactions between physicians
21 and third parties such as these may detract from the goals of the patient-physician
22 relationship, exploit the vulnerability of the third party, compromise the physician's
23 ability to make objective judgments about the patient's health care, and ultimately be
24 detrimental to the patient's well-being. Third parties may be deeply involved in the
25 clinical encounter and in medical decision making. The physician interacts and
26 communicates with these individuals and often is in a position to offer them
27 information, advice, and emotional support. The more deeply involved the individual
28 is in the clinical encounter and in medical decision making, the stronger the argument
against sexual or romantic contact between the physician and a key third party.
Physicians should avoid sexual or romantic relations with any individual whose
decisions directly affect the health and welfare of the patient. For these reasons,
physicians should refrain from sexual or romantic interactions with key third parties
when the interaction would exploit trust, knowledge, influence, or emotions derived
from a professional relationship with the third party or could compromise the
patient's care.

...

COST RECOVERY

13. 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

² <https://code-medical-ethics.ama-assn.org/ethics-opinions/romantic-or-sexual-relationships-key-third-parties>

1 enforcement of the case, with failure of the licensee to comply subjecting the license to not being
2 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be
3 included in a stipulated settlement.

4 **FIRST CAUSE FOR DISCIPLINE**

5 **(Gross Negligence)**

6 14. Respondent Edward Ray Verde, M.D. is subject to disciplinary action under section
7 2234, subdivision (b), of the Code in that he committed gross negligence in connection with his
8 care and treatment of Patient A³. The circumstances are as follows:

9 15. In or around 2020, Respondent, a psychiatrist, provided care and treatment to Patient
10 A, an adult male and his long-time patient (who Respondent had been treating for a least one
11 decade). Patient A was diagnosed with schizophrenia, paranoid subtype. Respondent treated
12 Patient A with prescription medications for this disorder⁴.

13 16. During the relevant time period, Patient A was significantly impaired. Patient A's
14 wife accompanied him to his medical appointments with Respondent. Patient A was unable to
15 care for himself emotionally and physically and his wife served as his caregiver.

16 17. In or around 2020, Respondent became romantically involved with Patient A's wife.⁵
17 On or about March 5, 2020, Respondent saw Patient A and noted that Patient A's wife had been
18 informed that she would need to apply for conservatorship because Patient A was gravely
19 disabled.

20 18. On or about August 27, 2020, Respondent self-reported his inappropriate relationship
21 with Patient A's wife to his employer, Loma Linda Veterans Affairs. The facility opened an
22 investigation into the matter, Patient A was notified about the relationship between Respondent
23 and Patient A's wife, and Patient A's treatment was transferred to another physician.

24 19. On or about August 31, 2020, Respondent retired from his position at Loma Linda

25 ³ The patient is identified by letter in this Accusation to address privacy concerns.

26 ⁴ Respondent had been regularly prescribing alprazolam to the patient from in or around
June of 2017 through in or around May of 2020.

27 ⁵ Each of Respondent and Patient A's wife have a different recall regarding the timing of
28 their romantic relationship. According to Respondent, their romantic relationship began in or
around 2020. On the other hand, Patient A's wife believes that their romantic involvement began
in or around late 2019.

1 Veterans Affairs and from the practice of medicine.

2 20. On or about August 28, 2024, an investigator with the Department of Consumer
3 Affairs interviewed Respondent. During the interview, Respondent admitted to having a sexual
4 relationship with Patient A's wife.

5 21. During the time Respondent treated Patient A, including, without limitation, in or
6 around 2019-2020, Respondent had an inappropriate romantic and sexual relationship with
7 Patient A's wife. Physicians should refrain from sexual or romantic interactions with key third
8 parties such as Patient A's wife. Sexual contact with these individuals (e.g., Respondent and
9 Patient A's wife) that occurs concurrent with the patient-physician relationship (Respondent and
10 Patient A) is an extreme departure from the standard of care. Respondent committed gross
11 negligence by engaging in a romantic or sexual relationship with a key third party, namely, the
12 wife of Patient A.

13 **SECOND CAUSE FOR DISCIPLINE**

14 **(General Unprofessional Conduct)**

15 22. Respondent Edward Ray Verde, M.D. is subject to disciplinary action under section
16 2234 of the Code in that Respondent committed general unprofessional conduct, which breaches
17 the rules or ethical code of the medical profession or conduct which is unbecoming to a member
18 in good standing of the medical profession, and which demonstrates an unfitness to practice
19 medicine. The circumstances are as follows:

20 23. Unprofessional conduct is conduct which breaches rules or ethical codes of a profession
21 or conduct which is unbecoming a member in good standing of a profession. (*Shea v. Board of*
22 *Medical Examiners* (1978) 81 Cal.App.3rd 564, 575.).

23 24. Respondent committed unprofessional conduct by engaging in a romantic and sexual
24 relationship with Patient A's wife.

25 25. The allegations of the First Cause for Discipline, inclusive, are incorporated herein
26 by reference as if fully set forth.

27 **PRAYER**


28 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,

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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 68778, issued to Respondent Edward Ray Verde, M.D.
2. Revoking, suspending or denying approval of Respondent Edward Ray Verde, M.D.'s authority to supervise physician assistants and advanced practice nurses.
3. Ordering Respondent Edward Ray Verde, 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: OCT 01 2024


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

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