



New York State Board for Professional Medical Conduct

Corning Tower • Empire State Plaza • Albany, NY 12237 • (518) 474-8357

Barbara A. DeBuono, M.D., M.P.H.
Commissioner of Health

Charles J. Vacanti, M.D.
Chair

October 8, 1996

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

August L. Reader, M.D.
8635 West 3rd Street
Los Angeles, California 90048

RE: License No. 134607
Effective Date: 10/15/96

Dear Dr. Reader:

Enclosed please find Order #BPMC 96-241 of the New York State Board for Professional Medical Conduct. This Order and any penalty provided therein goes into effect upon receipt of this letter or seven (7) days after the date of this letter, whichever is earlier.

If the penalty imposed by the Order is a surrender, revocation or suspension of this license, you are required to deliver to the Board the license and registration within five (5) days of receipt of the Order.

Board for Professional Medical Conduct
New York State Department of Health
Empire State Plaza
Tower Building-Room 438
Albany, New York 12237-0756

Sincerely,

Charles Vacanti, M.D.
Chair
Board for Professional Medical Conduct

Enclosure

cc: James R. Lahana, Esq.
Davis Wright Tremaine Law Offices
31255 Cedar Valley Drive, Suite 206
Westlake Village, California 91362

Marta Sachey, Esq.

STATE OF NEW YORK : DEPARTMENT OF HEALTH
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

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IN THE MATTER :
OF : ORDER
AUGUST L. READER, M.D. : BPMC #96-241

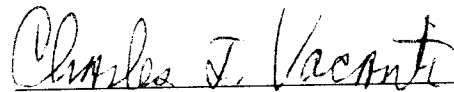
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Upon the Application of AUGUST L. READER, M.D. (Respondent) for Consent Order, which Application is made a part hereof, it is ORDERED, that the Application and the provisions thereof are hereby adopted and so ORDERED, and it is further

ORDERED, that this Order shall take effect as of the date of the personal service of this Order upon Respondent, upon receipt by Respondent of this Order via certified mail, or seven days after mailing of this Order by certified mail, whichever is earliest.

SO ORDERED,

DATED: 4 October 1996



Charles J. Vacanti, M.D.
Chairperson
State Board for Professional
Medical Conduct

STATE OF NEW YORK : DEPARTMENT OF HEALTH
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

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IN THE MATTER : APPLICATION
OF : FOR
AUGUST L. READER, M.D. : CONSENT
: ORDER
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STATE OF CALIFORNIA)
COUNTY OF *Los Angeles*) ss.:

AUGUST L. READER, M.D., being duly sworn, deposes and says:

1. I was licensed to practice as a physician in the State of New York on June 16, 1978 having been issued License No. 134607 by the New York State Education Department.
I am currently not registered with the New York State Education Department to practice medicine in New York State.
2. I understand that the New York State Board for Professional Medical Conduct has charged me with one specifications of professional misconduct as set forth in the Statement of Charges, annexed hereto, made a part hereof and marked as "Exhibit A."

3. I hereby admit guilt to the specification of professional misconduct set forth in the Statement of Charges. However, I specifically deny any violation of California Business and Professions Code §§650, 2261 and 2734. ² (ah) (MS)
4. I hereby agree to the penalty of a Censure and Reprimand.
5. I hereby agree that I shall maintain my registration to practice medicine in New York State with the New York State Education Department whether I am within or without New York State.
- a. No later than ninety days from the effective date of the Order issued pursuant to this Application, I shall submit written verification to the Director of the Office of Professional Medical Conduct (OPMC), Corning Tower Building, 4th Floor, Empire State Plaza, Albany, New York 12237 that I have registered with the New York State Education Department.
- b. No later than thirty days after the expiration of any current registration, I shall submit written verification to the Director of OPMC, as aforesaid, that I have renewed my registration with the New York State Education Department.
6. I shall comply with all provisions to which I am subject contained in this Application and pursuant to the Order of the State Board for Professional Medical Conduct issued pursuant to this Application and shall assume and bear all costs related to compliance. Upon receipt of evidence of noncompliance with or a violation of any of

these provisions, the Director of OPMC and/or Board may initiate a misconduct proceeding against me and/or any other proceeding as may be authorized by law.

7. I hereby make this Application to the State Board for Professional Medical Conduct and request that it be granted.

8. I understand that, in the event that the Application is not granted by the State Board for Professional Medical Conduct, nothing contained herein shall be binding upon me or construed to be an admission of any act of misconduct alleged or charged against me, such Application shall not be used against me in any way, and shall be kept in strict confidence during the pendency of the professional misconduct disciplinary proceeding; and such denial by the State Board for Professional Medical Conduct shall be made without prejudice to the continuance of any disciplinary proceeding and the final determination by a committee on Professional Medical Conduct pursuant to the provisions of the Public Health Law.

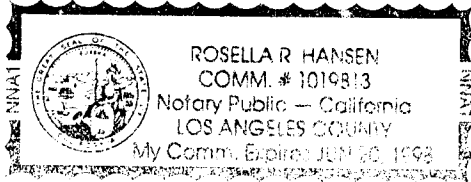
9. I am making this Application of my own free will and accord and not under duress, compulsion, or restraint of any kind of manner.

August L. Reader
AUGUST L. READER, M.D.
Respondent

Sworn to before me this

30th day of September, 1996.

Rosella R. Hansen
NOTARY PUBLIC

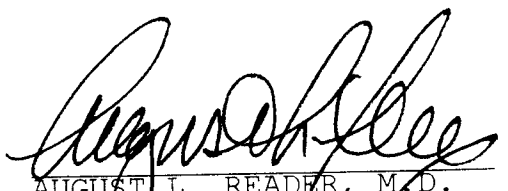


STATE OF NEW YORK : DEPARTMENT OF HEALTH
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

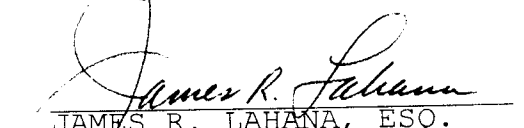
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IN THE MATTER : APPLICATION
OF : FOR
AUSUST L. READER, M.D. : CONSENT
: ORDER
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The undersigned agree to the attached application of the Respondent and to the proposed penalty based on the terms and conditions thereof.

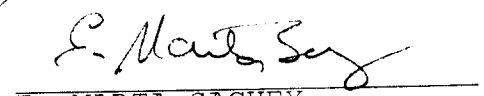
DATE: 9/30/96


AUGUST L. READER, M.D.
Respondent

DATE: 9-25-96


JAMES R. LAHANA, ESQ.
Attorney for Respondent

DATE: 10-1-96


E. MARTA SACHEY
ASSOCIATE COUNSEL
Bureau of Professional
Medical Conduct

DATE: October 3, 1994

Anne Saile
ANNE F. SAILE
ACTING DIRECTOR
Office of Professional
Medical Conduct

DATE: 4 October 1996

Charles J. Vacanti
CHARLES J. VACANTI, M.D.
CHAIRPERSON
State Board for Professional
Medical Conduct

STATE OF NEW YORK : DEPARTMENT OF HEALTH
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

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IN THE MATTER : STATEMENT
OF : OF
AUGUST L. READER, M.D. : CHARGES

-----X

AUGUST L. READER, M.D., the Respondent, was authorized to practice medicine in New York State on June 16, 1978 by the issuance of license number 134607. Respondent is not currently registered with the New York State Education Department to practice medicine in New York State.

FACTUAL ALLEGATIONS

1. The Medical Board of California, pursuant to a Stipulation and Order effective October 6, 1995 entered into with Respondent, publicly reprimanded Respondent as a resolution to charges in Accusation No. 03-92-21086 and on the conditions that Respondent cooperate with and be available to the Board in any investigation of one Paxton Beale and enterprises controlled by him, including, inter alia, testifying at any subsequent administrative, civil or criminal proceeding if requested by the Board and that Respondent pay \$1,300.00 in investigative costs.

2. The conduct underlying the California Board's imposition of disciplinary action upon Respondent, as set forth in Accusation No. 03-92-21086, consisted of, inter alia, the unlawful referring of patients in exchange for compensation in violation of California Business and Professions Code §§650 and 2234(e) and the obtaining of fictitious name permits from the Board by making false or misleading statements in violation of California Business and Professions Code §§2261 and 2234(a)(e).

3. The conduct underlying the California Board's imposition of disciplinary action upon Respondent would, if committed in New York State, constitute professional misconduct under N.Y. Educ. Law §6531 18 (directly or indirectly receiving or agreeing to receive any fee or other consideration from a third party for the referral of a patient or in connection with the performance of professional services) and/or §6530 20 (moral unfitness in the practice of medicine) and or §6531 21 (willfully making or filing a false report).

SPECIFICATION

Respondent is charged with professional misconduct under N.Y. Educ. Law §6530 19 d) (McKinney Supp. 1996) by reason of having his license to practice medicine revoked, suspended or having other disciplinary action taken, or having his application

for a license refused, revoked or suspended or having voluntarily or otherwise surrendered his license after a disciplinary action was instituted by a duly authorized professional disciplinary agency of another state, where the conduct resulting in the revocation, suspension or other disciplinary action involving the license or refusal, revocation or the surrender of the license would, if committed in New York State, constitute professional misconduct under the laws of New York State, in that Petitioner charges the facts in Paragraphs 1 through 3.

DATED: _____, 1946
Albany, New York

PETER D. VAN BUREN
Deputy Counsel
Bureau of Professional
Medical Conduct