

BEFORE THE DIVISION OF MEDICAL QUALITY  
BOARD OF MEDICAL QUALITY ASSURANCE  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

In the Matter of the Accusation )  
Against: )  
 ) NO. D-2554  
LEO F. KENNEALLY, M.D. )  
Certificate No. A-28653, )  
 )  
Respondent. )  
\_\_\_\_\_ )


DECISION

The attached Stipulation is hereby adopted by the Division of Medical Quality of the Board of Medical Quality Assurance as its Decision in the above-entitled matter.

This Decision shall become effective on June 17, 1982.

IT IS SO ORDERED May 18, 1982.

DIVISION OF MEDICAL QUALITY  
BOARD OF MEDICAL QUALITY ASSURANCE

  
MILLER MEDEARIS  
Secretary-Treasurer

1 GEORGE DEUKMEJIAN, Attorney General  
WILLIAM L. MARCUS  
2 Deputy Attorney General  
3580 Wilshire Boulevard  
3 Los Angeles, California 90010  
4 Telephone: (213) 736-2074  
5 Attorneys for Complainant

6  
7  
8 BEFORE THE  
9 DIVISION OF MEDICAL QUALITY  
10 BOARD OF MEDICAL QUALITY ASSURANCE  
11 DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

12 In the Matter of the Accusation ) NO. D-2554  
13 Against: )  
LEO F. KENNEALLY, M.D. ) STIPULATION FOR  
14 25081 Lewis and Clark Road ) SETTLEMENT  
15 Calabasas, California 91302 )  
Physician's and Surgeon's )  
16 Certificate No. A-028653, )  
17 Respondent. )  
18

19 IT IS HEREBY STIPULATED by and between the parties  
20 to the above entitled matter as follows:

21 1. The within stipulation is entered into to avoid  
22 a lengthy administrative hearing and to immediately implement  
23 the disciplinary order set forth hereinafter. All admissions,  
24 stipulations, and recitals contained in this stipulation are  
25 made solely and exclusively for the purpose of settlement of  
26 case No. D-2554, pending against respondent Leo F. Kenneally, M.D.  
27 (hereinafter "respondent"), and for no other purpose.

1           2. An accusation, case no. D-2554, is pending before  
2 the Division of Medical Quality of the Board of Medical Quality  
3 Assurance of the State of California (hereinafter "the division")

4           3. Respondent is represented in this matter by  
5 Weissburg and Aronson, Inc., through Mark Waxman, Esq., and by  
6 Henry Lewin, Esq., and has counseled with Mr. Waxman and Mr.  
7 Lewin regarding this stipulation for settlement.

8           4. Respondent is fully aware of the charges and  
9 allegations contained in the accusation in case No. D-2554 and  
10 has been fully advised with regard to his rights in this matter.

11           5. Respondent is fully aware of and freely and  
12 voluntarily waives his right to a hearing on the charges and  
13 allegations contained in said accusation, his right to  
14 reconsideration and appeal, his right to confront and cross-  
15 examine witnesses against him, and any and all other rights  
16 which may be accorded him pursuant to the California  
17 Administrative Procedure Act and the Code of Civil Procedure.

18           6. Respondent admits that:

19           On or about October 10, 1979, in case no. CR 79-  
20           190-HP, United States of America v. Leo Keneally, M.D.,  
21           United States District Court, Central District of  
22           California, respondent pled guilty to and was convicted  
23           of three misdemeanor violations of 18 United States  
24           Code section 641, for theft of government property  
25           from the Medi-Cal program.

26  
27           Respondent was, on November 12, 1979, sentenced

1 125 days in jail, 3 years' probation, and was fined  
2 \$2,000.

3 7. Pursuant to the above stipulations, admissions  
4 and recitals, respondent is subject to disciplinary action  
5 pursuant to Business and Professions Code section 2236  
6 (formerly 2383).

7 8. Pursuant to the foregoing stipulations, admissions  
8 and recitals, the division shall issue the following order:

9 Physician's and surgeon's certificate No. A-028653,  
10 heretofore issued to respondent Leo F. Kenneally, M.D., is  
11 hereby revoked. Said revocation shall be stayed and respondent  
12 placed on probation for three (3) years on the following terms  
13 and conditions:

14 A. Respondent shall, during the first year of  
15 probation, provide care and treatment in his field of  
16 specialty to an average of at least 9 indigent or  
17 Medi-Cal patients per month at no charge.

18 Respondent shall, on the first of each month and  
19 until the completion of the community service provided  
20 for by this term of probation, send a written report  
21 to a medical consultant of the Division of Medical  
22 Quality, listing the number of patients treated that  
23 month pursuant to this term of probation, their names,  
24 the date(s) treated and the treatment rendered.

25 Respondent shall keep a record of the care  
26 and treatment rendered and shall obtain prior  
27 authorization from said patients to permit a

1 representative of the Division of Medical Quality to  
2 examine the patient's chart.

3 B. Within 90 days of the effective date of this  
4 decision, and on an annual basis thereafter, respondent  
5 shall submit to the division, for its prior approval,  
6 an educational program related to family practice and  
7 medical ethics which shall not be less than 40 hours  
8 per year, for each year of probation. This program  
9 shall be in addition to the Continuing Medical Education  
10 requirements for relicensure. Following the completion  
11 of each course, the division or its designee may  
12 administer an examination to test respondent's knowledge  
13 of the course.

14 C. Respondent shall obey all federal, state and  
15 local laws, and all rules governing the practice of  
16 medicine in California.

17 D. Respondent shall submit quarterly declarations  
18 under penalty of perjury on forms provided by the division,  
19 stating whether there has been compliance with all the  
20 conditions of probation.

21 E. Respondent shall comply with the division's  
22 probation surveillance program.

23 F. Respondent shall appear in person for  
24 interviews with the division's medical consultant  
25 upon request at various intervals and with reasonable  
26 notice.

27 /

1 G. In the event respondent should leave  
2 California to reside or to practice outside the state,  
3 respondent must notify the division in writing of the  
4 dates of departure and return. Periods of residency or  
5 practice outside California will not apply to the  
6 reduction of this probationary period.

7 H. Upon successful completion of probation,  
8 respondent's certificate will be fully restored.

9 I. If respondent violates probation in any  
10 respect, the division, after giving respondent notice  
11 and the opportunity to be heard, may revoke probation  
12 and carry out the revocation of respondent's certificate  
13 or take such other action as the division may deem proper.

14 If any accusation or petition to revoke probation  
15 is filed against respondent during probation, the division  
16 shall have continuing jurisdiction until the matter is  
17 final, and the period of probation shall be extended  
18 until the matter is final.

19 9. Should the division, for any reason, fail to adopt  
20 this stipulation for settlement, the stipulations, admissions  
21 and recitals contained herein shall be of no force and effect  
22 as to either party.

23 WEISSBURG & ARONSON, INC.

24  
25 Dated: 2/25/82

26 By: Mark Waxman  
MARK WAXMAN, Esq.  
Attorneys for Respondent

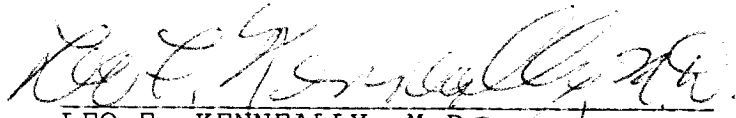
27 Dated: 2-17-82

Henry Lewin  
HENRY LEWIN, Esq.  
Attorney for Respondent

ACKNOWLEDGMENT


I have read the foregoing stipulation and have discussed it with my counsel, Mark Waxman and Henry Lewin. I fully understand the stipulation and the effect it will have on my right to practice medicine in the State of California and enter into the stipulation freely and voluntarily.

Dated: 2-10-82

  
LEO F. KENNEALLY, M.D.  
Respondent

GEORGE DEUKMEJIAN  
Attorney General

Dated: March 4 1982

By:   
WILLIAM L. MARCUS  
Deputy Attorney General  
Attorneys for Complainant

cal2wlm  
Keneallyl-26

1 GEORGE DEUKMEJIAN, Attorney General  
WILLIAM L. MARCUS  
2 Deputy Attorney General  
3580 Wilshire Boulevard  
3 Los Angeles, California 90010  
Telephone: (213) 736-2074  
4 Attorney for Complainant  
5  
6  
7

8 BEFORE THE  
9 DIVISION OF MEDICAL QUALITY  
BOARD OF MEDICAL QUALITY ASSURANCE  
10 DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

11 In the Matter of the Accusation ) NO. D-2554  
Against: )  
12 LEO F. KENNEALLY, M.D. ) ACCUSATION  
13 25081 Lewis and Clark Road )  
Calabasas, California 91302 )  
14 Physician & Surgeon )  
15 Certificate No. A-028653, )  
16 Respondent. )

17  
18 Complainant alleges that:

- 19 1. He is Robert A. Rowland, executive director of the  
20 Board of Medical Quality Assurance (hereinafter, "the board"), and  
21 files this accusation solely in his official capacity.  
22 2. At all times pertinent herein, Leo F. Kenneally, M.D.  
23 (hereinafter, "respondent"), held physician and surgeon certificate  
24 number A-028653; said certificate is currently in full force and  
25 effect.  
26 3. Business and Professions Code section 2360  
27 (hereinafter all statutory references are to the Business and



1 Professions Code unless otherwise stated) provides that every  
2 certificate may be suspended or revoked. Section 2361 provides  
3 that the Division of Medical Quality shall take action against  
4 any holder of a certificate who is guilty of unprofessional  
5 conduct. Section 2372 provides that the division may revoke,  
6 suspend, place a certificate holder on probation or take such  
7 other action in relation to discipline as the division may deem  
8 proper.

9           4. Section 2383 provides that the conviction of any  
10 offense substantially related to the qualifications, functions  
11 and duties of a physician and surgeon constitutes unprofessional  
12 conduct.

13           5. Respondent is subject to disciplinary action by  
14 authority of sections 2360, 2361 and 2372 in that respondent has  
15 been convicted of an offense within the meaning of section 2383  
16 as follows:

17           On or about October 10, 1979, in the United States  
18 District Court for the Central District of California,  
19 in case number CR 79-190-HP, "United States of America  
20 v. Leo Keneally, M.D." respondent pled guilty to and was  
21 convicted of three misdemeanor violations of 18 United  
22 States Code section 641 for theft of government property  
23 from the Medi-Cal program. On or about November 12, 1979,  
24 respondent was sentenced to 125 days in jail, 3 years'  
25 probation, and was fined \$2,000.

26           6. Section 2361, subdivision (e) provides that  
27 unprofessional conduct includes the commission of any act involving

1 dishonesty or corruption, whether the act is committed in the  
2 course of the individual's activities as a certificate holder,  
3 or otherwise, or whether the act is a felony or misdemeanor.

4 7. Respondent is subject to disciplinary action by  
5 authority of sections 2360, 2361 and 2372 in that respondent has  
6 violated section 2361, subdivision (e) as follows:

7 A. Between November 17, 1976, and June 3, 1977,  
8 respondent submitted 1276 claims to Medi-Cal claiming  
9 pap smears had been performed in his office and billing  
10 Medi-Cal for \$10 for each claim.

11 B. Respondent was paid \$7.80 for each of the 1276  
12 claims, a total of \$9,952.80.

13 C. As respondent well knew at the time he signed the  
14 1276 claims and caused them to be submitted, none of said  
15 services reflected in said claims was performed in his  
16 office and all were performed by an outside laboratory.

17 D. On or about the following dates respondent  
18 submitted claims in the indicated amounts for office  
19 visits by the indicated patients:

<u>PATIENT</u>	<u>DATE OF CLAIM</u>	<u>DATE OF VISIT</u>	<u>AMOUNT</u>
20 Rosa B.	4-14-77	3-18-77	\$40
21 Sharyl B.	5-19-77	4-19-77	\$40
22 Andrea B.	12-22-76	12-3-76	\$40
23 Sharon B.	6-3-77	5-10-77	\$40
24 Victoria C.	12-22-76	12-1-76	\$40
25 Gaydell C.	6-3-77	5-16-77	\$40
26 Bertha D.	6-3-77	4-22-77	\$40
27			

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

PATIENT

Rosa E.	4-14-77	3-22-77	\$40
Joyce F.	6-3-77	4-25-77	\$40
Lorraine H.	12-14-76	11-24-76	\$40
Carletta J.	4-14-77	3-26-77	\$40
Patricia L.	5-19-77	5-7-77	\$40
Gail L.	12-8-76	10-22-76	\$40
Virginia M.	5-19-77	4-23-77	\$40
Edith M.	2-1-77	12-3-76	\$40
Elvia M.	4-14-77	4-6-77	\$40
Glenna M.	1-11-77	11-10-76	\$40
Linda O.	12-22-76	11-13-76	\$40
Delores O.	4-14-77	3-1-77	\$40
Joyce O.	6-3-77	5-11-77	\$40
Annie P.	2-1-77	12-28-76	\$40
Felicitas R.	1-18-77	12-10-76	\$40
Eva R.	6-3-77	4-8-77	\$40
Amparo S.	1-26-77	1-3-77	\$40
Benita S.	5-19-77	4-19-77	\$40
Helen S.	5-19-77	5-9-77	\$40
Cynthia S.	1-21-77	11-20-76	\$40
Maria V.	6-3-77	5-7-77	\$40
Beverly W.	1-21-77	1-4-77	\$40

E. Respondent was paid \$34.50 by Medi-Cal for each of the 29 claims listed in subparagraph D, hereinabove, for a total of \$1,000.50.

F. As respondent well knew at the time he signed the

1 29 claims and caused them to be submitted to Medi-Cal, none  
2 of the 29 patients described hereinabove visited his office  
3 on the date claimed.

4 G. Respondent thereby, by his conduct as alleged  
5 hereinabove, submitted claims to Medi-Cal for \$13,920 for  
6 services which he did not provide and was paid \$10,953.30  
7 for services which he did not provide.

8 H. Respondent submitted the claims described  
9 hereinabove to Medi-Cal, knowing they were false and  
10 fraudulent, with the intent to defraud Medi-Cal of  
11 \$13,920.

12 I. Respondent performed abortions on the patients  
13 described hereinabove at subparagraph D of paragraph 7,  
14 and charged the amounts described below for the abortion  
15 and related services, including an initial examination,  
16 pregnancy test, pap smear, therapeutic abortion,  
17 medication and sterile tray:

<u>PATIENT</u>	<u>DATE OF ABORTION</u>	<u>AMOUNT CHARGED</u>
Rosa B.	3-21-77	\$318.50
Sharyl B.	4-21-77	318.50
Andrea B.	12-7-76	318.50
Sharon B.	3-14-77	318.50
Victoria C.	12-4-76	324.50
Gaydell C.	5-19-77	324.50
Bertha D.	4-28-77	324.50
Rosa E.	3-25-77	324.50
Joyce F.	4-29-77	318.50

	<u>PATIENT</u>	<u>DATE OF ABORTION</u>	<u>AMOUNT CHARGED</u>
1			
2	Lorraine H.	11-30-76	\$318.50
3	Carlatta J.	3-29-77	318.50
4	Patricia L.	5-12-77	324.50
5	Gail L.	10-30-76	318.50
6	Virginia M.	4-28-77	318.50
7	Edith M.	12-7-76	324.50
8	Elvia M.	4-9-77	318.50
9	Glenna M.	11-13-77	318.50
10	Linda O.	11-16-76	324.50
11	Delores O.	3-3-77	324.50
12	Joyce O.	5-14-77	318.50
13	Annie P.	12-30-76	318.50
14	Felicitas R.	12-14-76	318.50
15	Eva R.	4-12-77	318.50
16	Amparo S.	1-7-77	318.50
17	Benita S.	4-12-77	318.50
18	Helen S.	5-11-77	324.50
19	Cynthia S.	11-23-76	324.50
20	Maria V.	5-11-77	324.50
21	Beverly W.	1-6-77	318.50

22 J. Respondent submitted claims for the above amounts  
23 to Medi-Cal on the dates described hereinabove for the  
24 same services for which he charged private patients,  
25 during the same period of time, \$100.

26 K. Respondent thereby billed Medi-Cal for \$218.50  
27 to \$224.50 more per patient than he charged private

1 patients, in willful violation of section 51480,  
2 subdivision (a), of title 22 of the California Administrative  
3 Code.

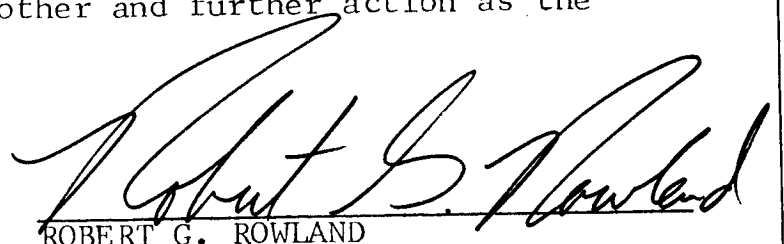
4 L. Respondent was paid \$242.34 for each of the  
5 above-listed 29 procedures and thereby received \$4,127.86  
6 more than that to which he was entitled.

7 WHEREFORE, complainant prays that a hearing be held on  
8 the matters alleged hereinabove and, following said hearing,  
9 the Division issue a decision:

10 1. Revoking or suspending physician and surgeon  
11 certificate number A-028653, heretofore issued to respondent  
12 Leo F. Kenneally, M.D., by the Board; and

13 2. Taking such other and further action as the  
14 Division may deem proper.

15  
16 DATED: June 4, 1980



ROBERT G. ROWLAND  
Executive Director  
Board of Medical Quality Assurance

17  
18  
19 Complainant  
20  
21  
22  
23  
24  
25  
26  
27