BEFORE THE
ACUPUNCTURE BOARD
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against:
CHAO PANG, L.Ac.
745 E. Valley Blvd. # 226, San
Gabriel, CA 91776
Acupuncturist No. AC 10529,

Complainant alleges:

PARTIES
1. Janelle Wedge (Complainant) brings this Accusation solely in her official
capacity as the Executive Officer of the California Acupuncture Board (Board).
2. On or about September 21, 2005, the Board issued Acupuncturist license
number AC 10529 to Chao Pang (Respondent).

JURISDICTION
3. This Accusation is brought before the Board under the authority of the
following laws. All section references are to the Business and Professions Code unless otherwise
indicated.
4. Section 4955 of the Code states:
"The board may deny, suspend, or revoke, or impose probationary conditions upon, the license of any acupuncturist if he or she is guilty of unprofessional conduct. "Unprofessional conduct shall include, but not be limited to, the following:

"(a) Using or possessing any controlled substance as defined in Division 10 (commencing with Section 11000) of the Health and Safety Code, or dangerous drug or alcoholic beverage to an extent or in a manner dangerous to himself or herself, or to any other person, or to the public, and to an extent that the use impairs his or her ability to engage in the practice of acupuncture with safety to the public.

"(b) Conviction of a crime substantially related to the qualifications, functions, or duties of an acupuncturist, the record of conviction being conclusive evidence thereof.

"(c) False or misleading advertising.

"(d) Aiding or abetting in, or violating or conspiring in, directly or indirectly, the violation of the terms of this chapter or any regulation adopted by the board pursuant to this chapter.

"(e) Except for good cause, the knowing failure to protect patients by failing to follow infection control guidelines of the board, thereby risking transmission of blood-borne infectious diseases from licensee to patient, from patient to patient, and from patient to licensee. In administering this subdivision, the board shall consider referencing the standards, regulations, and guidelines of the State Department of Health Services developed pursuant to Section 1250.11 of the Health and Safety Code and the standards, regulations, and guidelines pursuant to the California Occupational Safety and Health Act of 1973 (Part 1 (commencing with Section 6300) of Division 5 of the Labor Code) for preventing the transmission of HIV, hepatitis B, and other blood-borne pathogens in health care settings. As necessary, the board shall consult with the Medical Board of California, the California Board of Podiatric Medicine, the Dental Board of California, the Board of Registered Nursing, and the Board of Vocational Nursing and Psychiatric Technicians, to encourage appropriate consistency in the implementation of this subdivision."
"The board shall seek to ensure that licensees are informed of the responsibility of licensees and others to follow infection control guidelines, and of the most recent scientifically recognized safeguards for minimizing the risk of transmission of blood-borne infectious diseases.

"(f) The use of threats or harassment against any patient or licensee for providing evidence in a disciplinary action, other legal action, or in an investigation contemplating a disciplinary action or other legal action.

"(g) Discharging an employee primarily for attempting to comply with the terms of this chapter.

"(h) Disciplinary action taken by any public agency for any act substantially related to the qualifications, functions, or duties of an acupuncturist or any professional health care licensee.

"(i) Any action or conduct that would have warranted the denial of the acupuncture license.

"(j) The violation of any law or local ordinance on an acupuncturist's business premises by an acupuncturist's employee or a person who is working under the acupuncturist's professional license or business permit, that is substantially related to the qualifications, functions, or duties of an acupuncturist. These violations shall subject the acupuncturist who employed the individuals, or under whose acupuncturist license the employee is working, to disciplinary action.

"(k) The abandonment of a patient by the licentiate without written notice to the patient that treatment is to be discontinued and before the patient has had a reasonable opportunity to secure the services of another practitioner.

"(l) the failure to notify the board of the use of any false, assumed, or fictitious name other than the name under which he or she is licensed as an individual to practice acupuncture."

5. Section 4961 of the Code states:

"(a) Every person who is now or hereafter licensed to practice acupuncture in this
state shall register, on forms prescribed by the Acupuncture Board, his or her place of
practice, or, if he or she has more than one place of practice, all of the places of practice.
If the licensee has no place of practice, he or she shall notify the board of that fact. A
person licensed by the board shall register within 30 days after the date of his or her
licensure.

"(b) An acupuncturist licensee shall post his or her license in a conspicuous
location in his or her place of practice at all times. If an acupuncturist has more than one
place of practice, he or she shall obtain from the board a duplicate license for each
additional location and post the duplicate license at each location.

"(c) Any licensee that changes the location of his or her place of practice shall
register each change within 30 days of making that change. In the event a licensee fails to
notify the board of any change in the address of a place of practice within the time
prescribed by this section, the board may deny renewal of licensure. An applicant for
renewal of licensure shall specify in his or her application whether or not there has been a
change in the location of his or her place of practice and, if so, the date of that change.
The representative shall be prima facie evidence of reasonable costs of investigation and
prosecution of the case. The costs shall include the amount of investigative and
enforcement costs up to the date of the hearing, including, but not limited to, charges
imposed by the Attorney General. board may accept that statement as evidence of the
change of address."

6. Section 731, subdivision (a), of the Code states:

"Any person licensed, certified, registered, or otherwise subject to regulation
pursuant to this division [Division 2, Healing Arts, commencing with section 500 of the
Business and Professions Code] who engages in, or who aids or abets in, a violation of
Section 266h, 266i, 315, 316, or 318 of, or subdivision (a) or (b) of Section 647 of, the
Penal Code occurring in the work premises of, or work area under the direct professional
supervision or control of, that person, shall be guilty of unprofessional conduct. The
license, certification, or registration of that person shall be subject to denial, suspension,
or revocation by the appropriate regulatory entity under this division."

**COST RECOVERY**

7. Business and Professions Code section 125.3 states that:

"(a) Except as otherwise provided by law, in any order issued in resolution of a disciplinary proceeding before any board within the department or before the Osteopathic Medical Board upon request of the entity bringing the proceedings, the administrative law judge may direct a licentiate 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.

"(b) In the case of a disciplined licentiate that is a corporation or a partnership, the order may be made against the licensed corporate entity or licensed partnership.

"(c) A certified copy of the actual costs, or a good faith estimate of costs where actual costs are not available, signed by the entity bringing the proceeding or its designated "(d) The administrative law judge shall make a proposed finding of the amount of reasonable costs of investigation and prosecution of the case when requested pursuant to subdivision (a). The finding of the administrative law judge with regard to costs shall not be reviewable by the board to increase the cost award. The board may reduce or eliminate the cost award, or remand to the administrative law judge if the proposed decision fails to make a finding on costs requested pursuant to subdivision (a).

"(e) If an order for recovery of costs is made and timely payment is not made as directed in the board's decision, the board may enforce the order for repayment in any appropriate court. This right of enforcement shall be in addition to any other rights the board may have as to any licentiate to pay costs.

"(f) In any action for recovery of costs, proof of the board's decision shall be conclusive proof of the validity of the order of payment and the terms for payment.

"(g)(1) Except as provided in paragraph (2), the board shall not renew or reinstate the license of any licentiate who has failed to pay all of the costs ordered under this section.

(2) Notwithstanding paragraph (1), the board may, in its discretion, conditionally
renew or reinstate for a maximum of one year the license of any licentiate who demonstrates financial hardship and who enters into a formal agreement with the board to reimburse the board within that one-year period for the unpaid costs.

"(h) All costs recovered under this section shall be considered a reimbursement for costs incurred and shall be deposited in the fund of the board recovering the costs to be available upon appropriation by the Legislature.

"(i) Nothing in this section shall preclude a board from including the recovery of the costs of investigation and enforcement of a case in any stipulated settlement.

"(j) This section does not apply to any board if a specific statutory provision in that board's licensing act provides for recovery of costs in an administrative disciplinary "(k) Notwithstanding the provisions of this section, the Medical Board of California shall not request nor obtain from a physician and surgeon, investigation and prosecution costs for a disciplinary proceeding against the licentiate. The board shall ensure that this subdivision is revenue neutral with regard to it and that any loss of revenue or increase in costs resulting from this subdivision is offset by an increase in the amount of the initial license fee and the biennial renewal fee, as provided in subdivision (e) of Section 2435."

8. Section 4959 of the Code states:

"(a) The board may request the administrative law judge, under his or her proposed decision in resolution of a disciplinary proceeding before the board, to direct any licensee found guilty of unprofessional conduct to pay to the board a sum not to exceed actual and reasonable costs of the investigation and prosecution of the case.

"(b) The costs to be assessed shall be fixed by the administrative law judge and shall not in any event be increased by the board. When the board does not adopt a proposed decision and remands the case to an administrative law judge, the administrative law judge shall not increase the amount of any costs assessed in the proposed decision."

"(c) When the payment directed in the board's order for payment of costs is not made by the licensee, the board may enforce the order for payment in the superior court in
the county where the administrative hearing was held. This right of enforcement shall be
in addition to any other rights the board may have as to any licensee directed to pay costs.

“(d) In any judicial action for the recovery of costs, proof of the board's decision
shall be conclusive proof of the validity of the order of payment and the terms for
payment.

“(e) All costs recovered under this section shall be considered a reimbursement
for costs incurred and shall be deposited in the Acupuncture Fund.”

FIRST CAUSE FOR DISCIPLINE

(Law Violation by a Person Working on the Premises)

9. Respondent is subject to disciplinary action under section 4955,
subdivision (j). He violated this section when individuals under his license at three different
businesses he owned or operated worked as illegal massage technicians and solicited for
prostitution in violation of local and state laws

10. The facts and circumstances involving these three business are as follows:

GUANG LONG ACUPUNCTURIST IN THE CITY OF LA HABRA

11. On or about December 8, 2006 La Habra police received a citizen’s
complaint that illegal activities other than massage appeared to be occurring at the property
identified as 412 West Whittier Boulevard in La Habra. The citizen complainant referenced some
advertisements on the internet by the business, which were in the erotic section of the
“Craigslist” web page. The ads contained pictures of women dressed in underwear or bathing
suits, often in suggestive poses.

12. A phone number was listed in the craigslist ad. The police investigated the
number and found that it was registered in the name of Jine Yu through MPower
Communications Corp-CA wireless. Several persons interviewed by the police said they called
this number and were directed to 412 W. Whittier Boulevard to receive massage services.

13. Through further police investigation the police discovered that a La Habra
business license, number 23626, was registered in the name of Guang Long Acupuncturist, at
412 West Whittier Blvd. According to the information on the license, the owner of the business
was Respondent.

14. Through further investigation police identified several possible employees of this business. Based on preliminary background checks police found that two of these persons had prior arrests for prostitution.

15. Police then conducted several surveillances at 412 West Whittier Boulevard over several weeks. At these surveillances police saw several males come to the business. Each male would walk up to the door of the business and place one or more cell phone calls. After these calls were placed the front door of the business would open and the male subject on the phone would enter the business.

16. Respondent was never seen at the business.

17. An inspection warrant was obtained for the business on February 6, 2007. At that time police found no sign or other notices identifying the business anywhere on the outside of the business.

18. In addition, no license for acupuncture was displayed at the property in violation of California Business and Professions Code Section 4961. Furthermore, there weren’t any business, massage and/or acupuncture licenses with the City of La Habra displayed on the property in violation of La Habra Municipal Code Sections 5.04.210 and 5.28.090 (G).

19. No equipment was present for the provision of acupuncture services including no needles, disinfectants, sterilizers, herbal medicines, and latex gloves.

20. No patient or business records were located at the property.

21. A Verizon invoice was found in one of the rooms, The invoice was located inside the desk and billed to Tommy Ung at “Accupuncture Clinic” located at 412 West Whittier Boulevard. There were three other unopened pieces of mail addressed to “the Acupuncture Clinic.”

22. The police interviewed several male customers of the business. One told the police that he had received manual sexual stimulation by a woman providing the massage. Another male told the police that the woman providing the massage asked him if he wanted manual sexual stimulation. When he told the woman he did not have money for the service the
woman told him “next time.” Another male client told detectives that he had received a massage at the business.

23. Several individual employees were interviewed. One admitted that a massage business was operated at the property.

24. Detective Bancroft with the La Habra Police Department interviewed Respondent on February 7, 2007. Respondent admitted to Detective Bancroft that he owned the business at 412 West Whittier Boulevard. When the officer told Respondent that it was his opinion that his business was a front for a massage establishment and a house of prostitution, Respondent did not comment.

WELLBEING HEALTH THERAPY IN COVINA

25. Wellbeing Health Therapy was set up as an acupuncture business with Respondent as the responsible acupuncturist. Respondent had a lease to the premises d.b.a. “Health Center” for 19506 E. Cienega Avenue in Covina. Respondent leased the location December 2005 through November 2006 for the purpose of operating an “Accupuncture (sic) and or Accupressure” business.

26. On March 7, 2006 at 19506 E. Cienega Avenue in Covina, based on a request by another police department, an undercover police officer went to this business and received a massage and a prostitution violation.

27. The 19506 E. Cienega Avenue address was also was site of a prostitution violation on November 29, 2005, seven days before Respondent leased the E. Cienega location.

28. The business did not have a county business license.

29. When the prostitution violation signal was given by the undercover officer police went into the business to facilitate the arrest.

30. A receptionist started yelling in a foreign language when she saw a police officer show his badge.

31. When police entered the massage room police observed a female attempting to put her clothes on and the undercover detective.

32. A male customer told police that he knew about the business from an ad in
the newspaper.

33. An employee told police that Chao Pang was the acupuncturist on site.

Police called and asked him if this was “Doctor Pang,” the person in charge of Wellbeing Health Center. Respondent said yes. After the police officer told him that he was a police officer Respondent said that he does not speak English.

34. An inspection of the business found no patient files, assessment forms, or medical forms. Police found one box of acupuncture needles in the office area and an empty needle box in the plastic cabinets inside one of the massage rooms.

35. Police found a box containing plastic “Saran” wrap.

36. A purse of one of the employees present contained a false lipstick container with condoms hidden inside and the purse was on the Property in the front office area of the business.

37. A citation was issued for operating without a massage technician license, a violation of LACC 7.54.210 and prostitution, a violation of 647(b) of the Penal Code.

38. The Los Angeles County District Attorney did not, however, file charges against this individual.

AO ACCUCARE IN THE CITY OF STANTON

39. On or about April 20, 2006 Orange County Sheriff Investigator K. Bieker was surveying the Internet and periodical sites for advertisements for fronts for prostitution. The investigator noticed in the Adult Services section of the Orange County Register an ad for “Relaxing and Soothing Massage at 12258 Beach Boulevard in Stanton. Shower available 714-899-5109.”

40. The investigator called this number on April 20, 2006 and spoke with a female with an Asian accent. The female told the investigator that the correct address is 12235 Beach Boulevard number six (6) in Stanton and that the business is “AO Accucare.” She further told the investigator that the price of a massage is $50.00

41. The investigator called the city of Stanton regarding a business license for this address and was told that there was no record of a business, massage, or massage technician
license, at that address location.

42. The investigator walked into the business at 12235 Beach Boulevard number six (6) and met with an Asian female later identified as Yuan Liu. When he asked her for a business card she gave the investigator a post it note with the number 714-521-8209 on it.

43. The investigator did see what appeared to be an Acupuncturist License with the name “Chao Dang” on it. The investigator tried calling the number he was given but was told it was disconnected.

44. On the same date, April 25, 2006, he returned to the business posing as a customer. He spoke with Yuan Liu and told her that he wanted a one hour massage. A receptionist told him that the cost was $50.00 and the investigator gave her a $100.00 bill. He was not asked to sign any roster or questionnaire and he was not examined or questioned by anyone. The investigator then disrobed and covered himself with a towel.

45. As he was walking toward the massage room, an Asian female, later identified as “Linda,” walked with him into the massage room. She had his $50.00 change and he told her to set it next to his clothes. He laid down on the massage table and covered his buttocks with a towel. Linda gave him a full body massage. Linda at one point climbed on the table and stratled his back.

46. After about thirty to forty minutes she instructed him to turn over. When he turned over, he held up the towel and then she covered his genitals with the towel. She massaged his arms and chest down to the pubic area. At this point, Linda put her hand on his genitals which were covered by a towel. She then asked him, “You want?” Based on the investigator’s experience this meant she was asking him if he wanted to be masturbated. He told her that he did.

47. In an act of furtherance, Linda walked around the massage table and put oil on her hands. She removed the towel and she began to masturbate his genitals. Then he ran her hand over his penis three to four times in an attempt to masturbate him. To stop what she was doing, the investigator sat up and asked her if “forty” dollars was enough, as he lifted up four fingers on his right hand. She appeared to wink and slightly nod her head. She kept her hand on
his penis during this conversation and then she ran hand over his penis two to three more times.

48. The investigator stopped her by moving her hand away. He tried to get out of the situation by pointing to her crotch and telling her that he wanted to have sex. She stepped away and said no.

49. The investigator told her that it was okay. She covered his genitals with a towel and then continued to massage his back and neck for a few minutes before she told me that she was finished. During this time he asked her when she worked again and she told me that she might work tomorrow and Friday. He told her that if I came back tomorrow he would want sex. She pointed to her crotch and she said, “tomorrow.” He asked her how much and asked her if one hundred dollars would be enough. She said she did not know.

50. The investigator left. He made a query of the California Acupuncture website to see if there was a Chao Dang or an acupuncturist using 12235 Beach Boulevard. The results showed there was no match for the name or the address.

51. A second Sheriff Investigator, C. Wax, also on April 25, 2006 went to the business at 12235 Beach Boulevard posing as a customer.

52. He met Yuan Liu and asked for a massage giving her a $100.00 bill. He was not asked to sign any type of registration or complete a medical questionnaire.

53. He was told to undress, which he did. While waiting he noticed a massage table, numerous towels, lotions, massage oils, a box of tissues and a warmer.

54. Liu entered the room and placed change in the amount of $50.00 next to his clothes. Liu poured oil on him and massaged him and while doing so lightly brushed his genitals.

55. After about forty minutes, Liu asked “Is this OK?” Investigator Wax said yes and Liu walked to the head of the massage table and poured some lotion into her right hand. She walked to his right side and, next to his waist, reached out and started to masturbate him. He sat up and asked her how much this would cost. She told him that “it’s included” and in an act of furtherance started to masturbate him again. The investigator then sat up and said he did not want to be masturbated. He told Liu that he would like to come back and see her in the future.
On April 26, 2006, Investigator Bieker attempted to go to the business but
the business was closed.

On May 3, 2006, the Investigator called 714-899-5109 and spoke with a
female who had an Asian accent. She told the investigator that the business was open.

Investigator Bieker went to the business a second time posing as a
customer. He met at the reception desk an Asian female identified as Han. He said he wanted an
hour-long massage. He was told the massage would be $55.00 and he gave her a $100.00 bill. He
removed his clothes.

Han then entered the room and began to give him a massage. During the
course of this massage she ran her hand over his penis three to four times. He sat up and asked
her pointing to the change if this was enough. She appeared to nod her head. He laid back down
and she ran her hand over his penis two to three more times.

To get her to stop the investigator pointed to her crotch and told her that he
really wanted to have sex. She shook her head no. Then he pointed to her mouth and asked her
for oral sex. She said no. She put her hand on his penis again and he asked her if she could just
continue with the massage.

The female got a paper towel and wiped off his genitals. She said if he
wanted it, it was okay and she said she would help him. He was not sure what she was talking
about. He told her okay and she poured on his genitals again. To avoid further contact he sat up
and covered his genitals with a towel. She walked up next to him, looked into his eyes and said
told him that she liked the color of his eyes. She said that she hoped he wasn’t mad. She then
tried to kiss him on the lips which he refused to do. She again tried to kiss him. He asked her
when she worked and she said Wednesday, Thursday or Friday. He told her that he would like to
come back and see her again. She pointed to her crotch and she told me that she could not have
sex or oral sex at the massage parlor. She pointed to his crotch and she simulated masturbation,
as she told him that she helps customers that need it.

Later on this date, May 3, 2006, Investigators Bieker and Wax then served
a search warrant upon the premises with other police officers.
63. During the search the investigator discovered the following documents: the Acupuncture Board license of Chao Pang AC 10529 issued 9-21-5; receipt for a business license application dated March 15, 2006 using the name AO Acupuncture at 12235 Beach Boulevard number six (6). The owner of the business was listed as Hong Guang Service Inc. ("Dr. Chao Pang"). The investigator queried the Acupuncture Board. Information was located for Chao Pang that listed his address at 745 E. Valley Boulevard number two hundred and twenty-six (226) in the city of San Gabriel.

64. The business contained three separate rooms that were set up for massage services. These rooms contained traditional oils, a massage table, lotion, oil, rubbing alcohol, towel warmer. The investigator located some acupuncture needles in a drawer inside massage room 2. The electrical stimulation device was not operational since it did not have a power cord and was missing the batteries.

65. One of the employees at the premises gave the investigator a telephone number in order to reach the owner of the business. The investigator called this number and the number was the same number listed on the business license for the owner, "Hong Guang Service Inc. (Dr. Chao Pang)."

66. The lease signed for the premises identified the business as an "Acupuncture treatment office."

67. As a result of the investigation the Orange County District Attorney on September 14, 2006 charged respondent and Yuan Liu and Hong Gong AO, as owner, operator, manager and licensee with operating a massage establishment without licensed technicians.

68. In addition, two other persons, Wei Han, Yuan Liu and Jingling Zhou were charged with acting as massage technicians without valid massage technician licenses.

69. Yuan Liu and Wei Han were also charged with violating Penal Code Section 647(b), engaging in prostitution.

70. In addition Yuan Liu was charged with violating Section 315 of the Penal Code, keeping a house of ill repute.

71. On March 1, 2007, Han Wei pled guilty to the amended complaint, a
violation of Penal Code 415(2), based on a violation occurring on April 25, 2006. She was placed on informal probation with certain terms and conditions and ordered to pay a fine of $120.00 and was required to take an AIDS Education Prevention course with testing included.

72. Yuan Liu pled guilty to a violation of Penal Code 415(2) and ordered to be placed on three years informal probation. She also was required to take an AIDS Education Prevention course with testing included.

73. Zhou Jingling failed to appear in Superior Court and a bench warrant was issued.

74. Charges were dismissed against Respondent.

75. As a result of these violations of law by individuals working at Respondent’s places of business Respondent engaged in unprofessional conduct and is subject to discipline.

**SECOND CAUSE FOR DISCIPLINE**

(Aiding and Abetting Violation of Penal Code 647(b) In Work Premises)

76. Complainant repeats paragraphs 11 through 72 and incorporates same as if fully included herein.

77. Respondent is subject to disciplinary action under section 731. He aided and abetted violations of Penal Code section 647(b) by allowing his acupuncture license and businesses to be used as fronts for houses of prostitution.

78. As a result Respondent engaged in unprofessional conduct and is subject to discipline.

**THIRD CAUSE FOR DISCIPLINE**

(Failure to Register Place of Practice)

79. Complainant repeats paragraphs 11 through 72 and incorporates same as if fully included herein.

80. Respondent is subject to disciplinary action under section 4961 because he failed to register, on forms prescribed by the Acupuncture Board, all of his places of practice with the Board.
81. As a result Respondent engaged in unprofessional conduct and is subject to discipline.

**PRAYER**

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

1. Revoking or suspending Acupuncturist Number AC 10529, issued to Chao Pang;

2. Ordering Chao Pang to pay the Acupuncture Board the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 4959;

3. Taking such other and further action as deemed necessary and proper.

DATED: **SEP 9 2008**

[Signature]

** PANELLE WEDGE**  
Executive Officer  
Acupuncture Board  
Department of Consumer Affairs  
State of California  
Complainant