

DEPARTMENT OF INDUSTRIAL RELATIONS  
DIVISION OF WORKERS' COMPENSATION  
OFFICE OF THE ADMINISTRATIVE DIRECTOR  
1515 Clay Street, Suite 1700  
Oakland, California 94612  
Tel (510) 286-7100 Fax (510) 286-0687



June 11, 2024

Reshealth Diagnostics, Inc.  
214 Main St., Ste. 300  
El Segundo, CA 90245

### **NOTICE OF PROVIDER SUSPENSION – WORKERS' COMPENSATION**

Dear Reshealth Diagnostics, Inc.:

The Administrative Director of the Division of Workers' Compensation (DWC) is required by Labor Code section 139.21(a)(1)(D) to suspend you from participation in the California workers' compensation system because you are controlled by an individual [Eric Jay Schames] who has been convicted of a felony or misdemeanor described in subparagraph (A) of Labor Code section 139.21(a). Per Labor Code section 139.21(a)(3), an entity is controlled by an individual if: (1) the individual is or was an officer or director of the entity; (2) is or was a shareholder with a 10 percent or greater interest in the entity; or (3) held de facto ownership of the entity or de facto control consistent with the rights and duties of an officer or director of the entity. See *Villanueva v. Teva Foods* (2019) WCAB Case No. ADJ9332041, 84 Cal. Comp. Cases 198 [significant panel decision]. Enclosed are copies of the documents relied upon by the Administrative Director as the basis for taking this action.

Your suspension will start 30 calendar days after the date of mailing of this notice, unless you submit a written request for a hearing, which will stay the suspension pending the outcome of the hearing. Your request must be made within 10 calendar days of the date of mailing of this notice. If you do not request a hearing within the 10-day time limit, you will be suspended from participation in the California workers' compensation system pursuant to California Code of Regulations, title 8, section 9788.2(b).

Your request for a hearing must contain:

- Your current mailing address;
- The legal and factual reasons as to why you do not believe Labor Code section 139.21(a)(1) is applicable to you;
- Your original signature or the original signature of your legal representative; and
- A valid email address for subsequent service of pleadings and/or correspondence.

The scope of the hearing is limited to whether or not Labor Code section 139.21(a)(1) is applicable to you. The Administrative Director is required to suspend you unless you provide proof in the hearing that Labor Code section 139.21(a)(1) does not apply.

June 11, 2024  
Reshealth Diagnostics, Inc.

Your original request for a hearing and one copy of the request must be filed with the Administrative Director. Additionally, you must also serve one copy of the request for a hearing on the DIR Anti-Fraud Unit. This may be completed either by regular mail or via email to: [AntiFraudUnit@dir.ca.gov](mailto:AntiFraudUnit@dir.ca.gov).

The mailing address for the Administrative Director is:

Hearing Request  
Administrative Director  
Division of Workers' Compensation  
1515 Clay Street, Suite 1700  
Oakland, CA 94612

And/or if needed:

Hearing Request  
Department of Industrial Relations  
Office of the Director – Anti-Fraud Unit  
1515 Clay Street, Suite 701  
Oakland, CA 94612

The original and all copies of the request for hearing must have a proof of service attached. A sample proof of service, containing all necessary elements, can be found on the DWC website at <https://www.dir.ca.gov/dwc/DWCPPropRegs/Provider-Suspension-Procedure/Provider-Suspension-Procedure.htm>, under the category "Court Forms," and then "Proof of Service." The Administrative Director is required to hold your hearing within 30 days of the receipt of your written request. The hearing will be conducted by a hearing officer appointed by the Administrative Director. You will be notified shortly after the receipt of your request of the date and time of the hearing.

For more information about the suspension procedure, please refer to Provider Suspension Regulations, California Code of Regulations, title 8, sections 9788.1 - 9788.4, which can be found on the DWC website at <https://www.dir.ca.gov/dwc/DWCPPropRegs/Provider-Suspension-Procedure/Clean-Version/Text-of-Regulations.doc>.

Sincerely,

/S/ George Parisotto  
George Parisotto  
Administrative Director  
Division of Workers' Compensation

June 11, 2024  
Reshealth Diagnostics, Inc.

Encls:

- Indictment: *The People of the State of California v. Eric Jay Schames, et al.*, Superior Court of the State of California, County of San Diego, CT No. SCD255522, DA No. ADY535. Filed 12/09/2015
- Plea of Guilty/No Contest – Felony: *People vs. Eric Jay Schames*, Superior Court of the State of California, County of San Diego, CT No. SCD255522, DA No. ADY535, dated 2/09/2021
- Reshealth Diagnostics, Inc. CA Secretary of State Business Search, dated 5/07/2024
- Reshealth Diagnostics, Inc. CA Secretary of State Articles of Incorporation of a General Stock Corporation. Filed 6/03/2013
- Reshealth Diagnostics, Inc. CA Secretary of State Statement of Information. Filed 7/29/2013
- Reshealth Diagnostics, Inc. CA Secretary of State Resignation of Agent for Service of Process. Filed 9/27/2018
- Declaration of Louis Andrew in Support of Notice of Provider Suspension, dated 5/08/2024
- Proof of Service (Certificate of Service by Mailing)