

**FILED**

PETER N. PERRETTI, JR.  
ATTORNEY GENERAL OF NEW JERSEY

August 14, 1989

**NEW JERSEY STATE BOARD  
OF MEDICAL EXAMINERS**

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STATE OF NEW JERSEY  
DEPARTMENT OF LAW & PUBLIC SAFETY  
DIVISION OF CONSUMER AFFAIRS  
BOARD OF MEDICAL EXAMINERS  
DOCKET NO.

IN THE MATTER OF THE SUSPENSION  
OR REVOCATION OF THE LICENSE OF

Administrative Action

STANLEY CHOI, M.D.  
LICENSE NO.

CONSENT ORDER

TO PRACTICE MEDICINE AND SURGERY  
IN THE STATE OF NEW JERSEY

This matter was opened to the New Jersey State Board of Medical Examiners upon receipt of information that Dr. Choi had been suspended from Rahway Hospital and from John F. Kennedy Medical Center/Edison in February 1988. Dr. Choi appeared before the Executive Committee of the Board on May 24, 1989 to discuss these matters. He was represented by William Gazi, Esq.

It appears that in January 1985, Dr. Choi's malpractice insurance policy lapsed due to his failure to pay an increase in the premium which was assessed by the company and which he felt was

in excess of the premium he should have been charged for that year. He was engaged in an ongoing dispute with the company about the increase, and for failing to pay the additional premium, the policy lapsed. He failed to notify either Rahway Hospital or JFK that his coverage had lapsed, apparently because he believed that he should still be insured while engaged in a dispute with the company.

It appears that in November 1985, Dr. Choi filled out his reapplication form for privileges at Rahway Hospital and falsely indicated that he had malpractice insurance. Additionally, between 1985 and 1988, Dr. Choi submitted two certificates of insurance to Rahway Hospital which had been altered as to the effective dates. When Rahway Hospital learned of the falsifications, Dr. Choi was suspended. The suspension occurred on February 5, 1988 but was rescinded by the Board of Governors on March 17, 1988. On March 12, he was reinstated at Rahway with full privileges, in recognition of his professional behavior, good rapport with his patients, and recent emotional stress and serious medical problems. The doctor had been on staff at Rahway since 1976, performing general surgery, and there had been no prior suspensions.

In late 1987, Dr. Choi was due to reapply to JFK for privileges, but did not submit the application until February 1988, at which point JFK had learned of his suspension at Rahway, and was then informed by Dr. Choi that he had been operating without coverage. He was then suspended at JFK, and in response to the hospital's inquiry, he disclosed that there had been one event which had occurred during the non-insured period which might lead

to a malpractice filing. This event did in fact result in the filing of a malpractice suit, which was later settled against both Dr. Choi and the hospital. Inasmuch as Dr. Choi had no insurance, he had to sell his house in order to pay the settlement.

It appears that on October 11, 1988, the suspension at JFK was rescinded since Dr. Choi's insurance coverage had been reinstated. His privileges were reinstated at JFK without condition on May 10, 1989.

Although the facts are not crystal clear as to chronology and exact dates, the Board finds that Dr. Choi engaged in two acts of deliberate misrepresentation and deception by altering his insurance policy and by making false statements on his reapplication form to Rahway Hospital.

Dr. Choi has admitted to providing false information to Rahway Hospital and to failure to inform either hospital of his lack of malpractice insurance. He has reluctantly admitted to an error in judgment, but maintains that he genuinely believes that he had been wronged by the insurance company and that the coverage should not have lapsed while they were disputing the issue. He was greatly concerned throughout that period with his need to continue supporting his family, and in view of the fact that many financial problems developed simultaneously for his family, he provided the false information in order to assure his continued privileges. The Board has accepted Dr. Choi's representations as to his beliefs and views of the situation, and considers his financial difficul-

ties including the sale of his home to mitigate the penalty in this matter.

It appearing that one parties have agreed to resolve this matter without the necessity of formal proceedings, and it further appearing that respondent has read and consented to the terms of the within order, and it further appearing that the Board is satisfied that the public is adequately protected by the terms of the within order, and therefore finding that good cause exists for its entry,

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IT IS THEREFORE, on this 28<sup>th</sup> day of July, 1989,

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ORDERED:

1. The license of Stanly Choi, M.D., to practice medicine and surgery in the State of New Jersey is hereby suspended for six months, all of which shall be stayed and served as probation, effective with the filing date of this order.
2. Respondent shall pay to the Board of Medical Examiners investigative costs in the amount of \$2,789.35.
3. Respondent shall pay to the Board of Medical Examiners a civil penalty of \$1,000.
4. Respondent shall enroll in the post-graduate course in Medical Ethics and Management taught at Seton Hall University, the next time this course is offered.

5. The civil penalty and costs outlined above may be paid by respondent to the Board according to a time schedule to be developed between the doctor and the Executive Director of the Board.

STATE BOARD OF MEDICAL EXAMINERS

By: Michael B. Grossman D.O.  
Michael B. Grossman, D.O.  
President

I have read and understand the  
~~terms of the within order and~~  
I consent to its entry by the  
State Board of Medical Examiners.

Stan Choi MD.

Stanley Choi, M.D.

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STATE BOARD OF MEDICAL EXAMINERS  
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