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Surgeon pulls in revenue at a price // Western Medical bills \$38 million a year for neurosurgery. But lawsuits charge Dr. Israel Chambi with operating unnecessarily.

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The chief of neurosurgery at the largest center for head trauma in Orange County has been accused repeatedly of performing unnecessary surgeries, making grave errors in the operating room and lying to patients.

Dr. Israel Chambi controls the most high-profile surgical service at Western Medical Center Santa Ana, despite 33 malpractice or wrongful-death complaints and three investigations by the Medical Board of California, an Orange County Register investigation shows.

Chambi moved to Western Medical Center in 1995 after losing his teaching post at the University of California, Irvine, after allegations of incompetence and poor judgment.

Since then, Chambi has been sued 10 times as often as the average Orange County neurosurgeon. Five of those lawsuits say surgeries for which Chambi and Western Medical billed hundreds of thousands of dollars were not medically necessary.

Chambi prevailed in 19 cases. But 10 plaintiffs won settlements or verdicts totaling more than \$3 million.

Aggrieved patients and some doctors allege that Western Medical Center has overlooked negligent and unethical behavior by Chambi because of the revenue his department generates -- more than \$38 million a year, according to a Register analysis of state health planning data.

"If a physician is a high moneymaker for a hospital, there is not going to be any scrutiny until there has to be," said Dr. James R. Doty, a Stanford University neurosurgeon who reviewed several of Chambi's problem cases as an expert witness for patients.

Similar allegations were made last year against another hospital owned by Tenet Healthcare Corp., Redding Medical Center. The Federal Bureau of Investigation alleged in court documents that Redding administrators "chose to look the other way" when told about hundreds of unnecessary surgeries performed by two high-volume heart doctors because they "produce tremendous revenue for the hospital."

Chambi's division -- like neurosurgery at other big hospitals -- is a top producer of revenue at Western Medical. In 2000, the most recent year for which state records are available, Western Medical charged an average of \$109,397 per patient -- the highest charges of any Southern California neurosurgical center.

"He is certainly a major breadwinner at Western Medical, and the hospital supports him wholeheartedly," said Dr. William G. Loudon, who handles pediatric neuro surgery at Western. "When he is out of town, the hospital census drops significantly."

Hospitals have a legal responsibility to insure the competence of staff doctors. But committees of staff doctors -- not hospital administrators -- are charged with reviewing cases with poor outcomes. Chambi's position as chief of the division gives him a lead role in monitoring quality and reviewing problems with neurosurgical cases.

Western Medical's chief executive officer, Dan Brothman, denied that Chambi's position or surgical volume make it difficult for the hospital to monitor him, saying the hospital's neurosurgeons do a "very good job" of reviewing problem cases.

"Dr. Chambi is a compassionate, caring neurosurgeon who has treated thousands of injured patients, regardless of their ability to pay. He is completely dedicated and devoted to his patients and his work," Brothman said.

Chambi said the lawsuits are not reflective of his professional skills.

"This type of litigation has nothing to do with my overall performance as a neurosurgeon," Chambi said. "A lot of times you are named in a legal case and then you are dropped and dismissed. That essentially does not mean that the treatment provided to that patient was not appropriate."

Chambi's judgment and skills are of critical importance because 21 local hospitals send neurosurgical emergencies to Western, Tenet's Orange County flagship. A patient who injures his head or spine in an accident here will likely end up on the fourth floor at Western Medical.

There, so many comatose patients line the Definitive Observation Unit that the nurses call it "Dr. Chambi's Garden."

Chambi laughed softly at that nickname.

"Most of the patients that come are in a coma," he said. "Some of these patients we can help and make them better. Other patients, despite our efforts, don't get better."

A history of COMPLAINTS

The American Board of Neurosurgery certified Chambi in 1992, while he was an assistant professor at UCI Medical Center. He was sued for the first time in Orange County later that year.

Chambi's tenure at UCI generated 13 malpractice lawsuits, records show. The Board of Regents, which insures UCI and its physicians, eventually paid \$1.1 million to settle seven of them. Five were dismissed. Chambi won one at trial.

Chambi lost his teaching post in 1995 after UCI doctors reviewed two years of his charts and questioned the appropriateness of 42 cases where patients had undergone repeated surgeries, personnel documents and testimony show. In one of those cases, a patient had been operated on 13 times in 12 months. One administrator called that "incompetent."

He briefly lost his surgical privileges as well, after doctors accused him of botching a brain surgery and then lying to the patient's family.

"It is my considered opinion that Dr. Chambi represents a danger to patients," Dr. Michael Dogali, the then-chairman of neurosurgery, wrote the dean of the medical school in June 1995.

Court files show Chambi has been accused of performing surgeries that were not necessary, of performing repeated surgeries that did not heal the patient, and of performing surgeries that left patients brain-damaged or contributed to their death.

In two of the nine cases where patients got a settlement from Chambi or his hospital, other doctors were named as well. Because the cases were not tried, issues of individual liability were not settled.

Chambi declined to discuss the specifics of the accusations against him, either those made by UCI administrators or the cases filed in Superior Court. Attorneys for Chambi said he is sued more because he handles more-difficult cases.

"He takes cases other neurosurgeons won't take," said Los Angeles defense attorney Michael A. Zuk. "What you have to understand is that someone who operates a lot is going to get a variety of different outcomes."

Zuk also argued that cases where UCI or Western Medical paid a settlement after surgery by Chambi shouldn't be counted against him.

"Money wasn't paid on Dr. Chambi's behalf -- it was paid by the hospital. Then the plaintiff dropped the case against Dr. Chambi. There is no correlation between the two. The hospital is not paying on behalf of the doctor."

That a neurosurgeon would be sued is not surprising.

Neurosurgeons diagnose, evaluate and treat disorders of the brain and nervous system. Those include life-threatening illnesses such as aneurysms -- arteries that are leaking or ready to burst -- head and spinal injuries, and brain and spinal-cord cancers.

Only surgeons who perform heart- lung transplants have a specialty with higher risk, said Katie Orrico, a director of the American Association of Neurological Surgeons.

Chambi said he performs about 400 surgeries each year. That's high, but not an extraordinary number. The association says its average member does 340.

The Doctors Co. of Napa, which insures 20,000 doctors nationwide, says the average U.S. neurosurgeon is named in one lawsuit every two years.

Since 1992, Chambi has been sued six times as often as that.

In Orange County, the contrast is even starker. The 46 neurosurgeons practicing here have been sued an average of two times since 1997, court records show.

In that period, Chambi has been sued 21 times.

The state medical board investigated Chambi twice after patients or their families complained that he lied to them or performed invasive surgery without consent. No disciplinary action was taken. The medical board confirmed in February that it is investigating Chambi again but said details are confidential.

The lawsuits and investigations haven't stopped Western Medical Center from championing Chambi.

In 1998, Chambi was named chief of neurosurgery.

In 1999, Chambi and the hospital shared the cost of a full-page ad in Newsweek magazine. The ad described Chambi as "noted for his expertise in neurovascular surgery."

At the same time, allegations against its star surgeon were piling up. Western Medical was named as a defendant in 17 malpractice lawsuits against Chambi -- and paid settlements to plaintiffs in at least two of the cases.

In a 2000 trial, plaintiff's experts testified that Chambi incompetently and without consent removed the rib of Santa Ana waitress Kerry Cooper, after other surgeons had warned her about complications. She was left disfigured, disabled and in

more pain than before, medical records show. Jurors found malpractice and awarded \$1.8 million. Chambi is appealing.

In a 2002 lawsuit, Diane LaLonde of Temecula alleged that Chambi persuaded her to undergo surgery to correct neck and arm pain. LaLonde's arm was partially paralyzed by the first surgery, medical records show. So Chambi performed a second surgery.

Chambi billed LaLonde's insurance company \$14,650 for the first surgery and \$17,875 for the second. On top of that, Western Medical sent its bills for the hospital room, the nursing staff and the medical supplies: \$72,155 for the first hospital stay and \$84,344 for the second.

Less than a month later, Chambi's surgical repairs failed. A surgical screw fell out, and spinal fluid leaked into LaLonde's neck, shutting off her windpipe. She was rushed to the hospital in critical condition, records show, and had to undergo additional surgery at Western Medical to correct the damage.

Western Medical's "rationale for turning a blind eye to defendant Chambi's documented deficiencies was the fact that ... Chambi was known to defendant hospital as 'a good producer,' i.e. he was quite facile at persuading patients that surgery was the answer to their problems," LaLonde alleges in her suit. The case is pending.

Brothman, the Western Medical CEO, said the hospital is saddened when any patient files a lawsuit, but noted that Chambi has won most of the cases filed against him in the past five years.

"What concerns us with any physician is the number of lawsuits lost, not the number of lawsuits filed."

Others view Chambi's record differently.

"You see somebody with 10 settlements in 10 years -- that's a clear-cut trend," said Dr. Ronald H. Wender, president of the state board's Division of Medical Quality. "He's doing something wrong."

aMAzonian roots

Israel Pedro Chambi Venero wanted to be a physician from a young age.

Born in Chile, he traveled with his Peruvian parents to the Amazon, where they worked as Seventh-Day Adventist missionaries.

"I used to help my mother delivering babies and doing other type of work, and that's how I became interested in medicine," Chambi said.

Chambi said he hopes to earn from his patients the type of gratitude shown to his mother when she treated a snakebite or delivered a baby.

"I was quite touched when people would come in with pain and leave with a smile. And within two days they would return with a chicken or with eggs, for reasons that my mother did not charge anything for the care. It is a feeling that I still remember."

Chambi went to medical school in Guadalajara, Mexico, then came to the United States for his surgical residency. He began his neurosurgical training at UCI but didn't stay in the program. He returned to UCI in 1989.

Today, at 54, Chambi is a compact man, built like a running back, but with soft hands, a broad smile and a full head of wavy, mahogany-colored hair. Outside the door of his private office is a painting of Jesus in white robes, reaching down as if to heal a man and a boy with a crutch.

"Since I was a little boy, I was told to trust God in whatever I do in life," Chambi testified in 1999. "And this has been my

tendency over the years. To heal from any medical condition is not just the physician. It's somebody from above that can also help. If we both work together, the outcome would be better."

Patients describe Chambi as confident and extraordinarily soothing, quickly convincing them that surgery is the answer to their problems.

For many patients, it has been.

Rod Miller, a ragtime piano player at Disneyland, saw four surgeons after radial tunnel syndrome caused his arm to swell and forced him to stop playing.

All the surgeons told him they could release pressure on his nerves -- but said he'd never play piano again.

Then he found Chambi.

"He said, 'You just need a little surgery to fix that,' " Miller recalls.

"I asked him, 'Can you guarantee that I will play the piano?' He said, 'Oh yes, I guarantee it.' I had complete trust in him, and guess what? It worked. ... He's like a blessing from God."

Other stories ended with less- successful outcomes.

"When you first meet him, you would think he is the most powerful neurosurgeon. There is nothing he cannot do. He guarantees it," agreed Helen Mason, widow of a La Habra decorator on whom Chambi performed brain surgery.

Chambi didn't fix her husband, Mason testified in 1999, and then lied to the family when other doctors warned he could die.

"I will never ever get over Dr. Chambi. He was absolutely not truthful. I think there is something wrong with that man," Helen Mason said.

surgery for a headache

Patients rely heavily on the expertise and discretion of doctors when they face diagnosis of a life-threatening illness. But what if the doctor is wrong?

Nanci Rosen, an Irvine businesswoman, awoke Dec. 15, 1995, with a severe headache.

Rosen, 40, had a history of migraines, but to be safe, her doctor sent her to Western Medical. Rosen began to feel better in the waiting room. The emergency-room doctor ordered an MRI -- a computer image of her head -- just to be sure. Hospital records show the scan was normal.

Then Chambi came into the emergency room and suggested Rosen might have an aneurysm -- a leaking blood vessel. He recommended an angiogram, which allows doctors to view the blood vessels. The radiologist found no problem, medical records show.

Chambi wrote the opposite in his own notes: "A cerebral angiogram shows ... aneurysm. ... This represents an impending rupture. Therefore the patient should have an emergency operation."

In case she didn't survive, Rosen said goodbye to her 9-year-old daughter and wrote a farewell poem to her mother.

But Rosen began to question how sick she really was. From her hospital bed, she phoned some doctors she knew. At 4 a.m., she says, she told the nurses to cancel the surgery. She wanted a second opinion.

"Dr. Chambi came in at 5 a.m. and was furious with me," Rosen recalls. "He said I had to have surgery right away. He said I was a time bomb ticking."

Rosen says she was spared surgery when a second radiologist at Western Medical, Dr. Michael Lewis Black, read her films and disagreed with Chambi. Black performed a second angiogram that also showed no evidence of aneurysm.

All Rosen had was a migraine headache.

Attorney Zuk said Chambi did not make a mistake. The second angiogram presented more information, and Chambi saw that Rosen didn't need surgery, Zuk said.

Lawrence S. Eisenberg, Rosen's attorney, disagreed.

"The doctor was either negligent in his diagnosis or he misrepresented the facts in order to schedule the surgery," Eisenberg said.

Rosen sued for malpractice, fraud and misrepresentation. Chambi testified in a 2000 deposition that he paid \$7,500 to settle the case. Zuk called it a "nuisance settlement."

An 'aggressive' surgeon

Chambi said he believes in the soonest possible surgery for patients with brain tumors, bleeding in the head, or problems with circulation of cerebrospinal fluid.

In non-emergency cases, Chambi said, "My philosophy is that you leave an operation as a last resort. You try any form of conservative management" first.

But medical records, court documents and sworn testimony show that Chambi has recommended surgery when other surgeons would not.

Consider the case of Frances Kling of Fullerton.

Kling, 75, came to Chambi in November of 2000 after radiologists found a small tumor, a meningioma, in the lining of her brain. Chambi performed brain surgery less than a week later. The surgery severely damaged Kling's left temporal lobe, leaving her in a vegetative state for months. She has not fully recovered.

Three neurosurgeons who reviewed her records for the Register said such tumors are slow-growing, benign in 95 percent of cases and almost impossible to remove. All agreed the tumor was probably not the cause of her symptoms.

The doctors said the risks of brain surgery on a 75-year-old for such a benign lesion outweigh the possibility of any positive improvement. All said they would have recommended waiting six months to determine if the tumor was growing fast enough to require an invasive procedure.

"There is nothing in the operation to make her a better person," said Dr. John A. Kusske, chairman of neurosurgery at UCI Medical Center. "So why do it?"

John C. Kelly, an attorney for Chambi, said, "There was concern that it potentially was cancer. That was the doctor's clinical judgment at the time."

The Klings sued but eventually dropped the case.

"Dr. Chambi is a very, very aggressive surgeon. He does a lot of surgeries. I think some people are very critical of that," said Loudon, his Western Medical colleague.

Loudon said he, too, has had disagreements with Chambi over clinical decisions. But Loudon said he doesn't question Chambi's competence or motives.

"A lot of people don't believe he has the patient's best interest at heart. But I have operated with him, and I don't agree with that. I think in his heart he believes he is doing the right thing with these patients."

Ethics questioned

At least a half-dozen patients have charged that Chambi misrepresented the nature or results of his surgery. Similar allegations clouded Chambi's departure from UCI.

Guy Mason came home from work just before Easter 1995 with a splitting headache. Doctors at UCI Medical Center diagnosed a leaking aneurysm -- a weakened blood vessel -- in his brain, court records show.

The Masons wanted to transfer him to UCLA, where a respected neurosurgeon known to the family was ready to treat him.

Chambi came into the hospital room and told the family that transporting Mason to UCLA could cause the aneurysm to burst, killing him, Helen Mason later testified. Chambi told her it was a simple surgery that he could easily perform.

Other doctors would testify that the surgery was not simple: Mason had multiple defects in his blood vessels. Transporting Mason would not have endangered him: Aneurysm patients are often taken by helicopter to UCLA.

And Chambi's qualifications for the surgery were a matter of dispute. Dogali, the UCI neurosurgery chairman, had taken away Chambi's teaching duties in January 1995 and placed him on operative supervision after a quality-review committee looked at two years of his surgeries, UCI internal correspondence shows.

"It was below average performance and did not meet the standard of care," Dogali testified in a 2000 deposition. "There were 42 specific cases (that) when reviewed individually appeared to meet the criteria of unnecessary or inappropriately performed surgery."

After Chambi was required to get other doctors' approval before operating, his number of surgeries dropped by half, Dogali testified.

Chambi did not tell Guy Mason's family about his supervision, according to sworn testimony. And he didn't get approval from his proctors to take the case.

"He held back information," Helen Mason said.

After the operation, UCI's chief neurosurgical resident, Dr. Peter Balousek, worried that Chambi had not sealed the leaking blood vessel, testimony shows. Dogali asked for an angiogram to determine whether Mason's life was in danger.

Chambi refused to order the angiogram and the dean of the school had to intervene, according to testimony.

The test showed an untreated aneurysm that could burst at any time -- just as Balousek had said.

But Chambi continued to tell the family there were no more aneurysms, Helen Mason testified.

"He talked about his father being a missionary ... and that he himself had a strong faith, and we just had to have faith at this point and my dad's fate was in God's hands," Mason's daughter, Janine Mason Barone, testified.

Chambi also tried to block Mason's transfer to UCLA, again telling Helen Mason and her daughters that Guy Mason might die in transit.

After hospital administrators intervened, Mason was safely transferred to UCLA.

UCLA neurosurgeons read Mason's films -- and agreed with Dogali and Balousek that Mason still had dangerous defects in his blood vessels, court files show.

On the operating table, while surgeons were trying to repair the remaining defects, an untreated aneurysm burst, causing permanent brain damage, according to the family's lawsuit. Mason never regained full brain function and died in 2001.

In their complaint, the Masons blamed Chambi, alleging that his operation was ineffective and his misrepresentations delayed Mason's treatment at UCLA.

"It is my opinion that the surgery he conducted was completely ineffective and injurious to Mr. Mason," Doty, the Stanford neurosurgeon, said in a sworn declaration for the plaintiffs.

Chambi denied that.

"My treatment was effective and correct and lifesaving based upon the surgical results and his postoperative care," Chambi said in a sworn declaration.

The Board of Regents settled with the Masons for \$350,000, records show.

Chambi sued the Regents for settling. He lost the case, appealed and lost again.

UCI's medical executive committee suspended Chambi's surgical privileges April 17, 1995, a few days after the Mason operation, documents show. Chambi fought back and won reinstatement six weeks later. A review committee did not agree that Chambi had fallen below the standard of care.

But Dogali did not renew Chambi's appointment as an assistant professor, and his job at UCI ended June 30. Chambi applied for privileges at other hospitals, including Western Medical Center and Hoag Hospital in Newport Beach.

He also sued UCI for wrongful termination, taking the fight to the Court of Appeal after he lost at trial.

"The time has come for Dr. Chambi to take his medicine, and accept the trial court's remedy for his actions," the Court of Appeal ruled last year.

Ensuring Quality care

Chambi did not get privileges at Hoag.

"There was a perception among the neurosurgeons that he had a lot of issues -- inappropriate surgeries and a huge number of malpractice cases," said Doty, who was then chief of neurosurgery at Hoag.

Doty asked for a list of all malpractice cases filed against Chambi and the outcomes. Chambi withdrew his application, Doty said.

Things went better for Chambi at Western Medical Center.

The hospital says it granted him privileges July 31, 1995.

Western's rules require doctors applying for privileges to disclose previous problems.

Chambi said he could not recall if he disclosed the suspension of his privileges at UCI. He denied that he was ever singled out for operative supervision at UCI.

Western Medical administrators say they did not learn about Chambi's suspension at UCI, the non-renewal of his faculty post, or the lawsuits and settlements when he applied for privileges.

"None of this came up during the credential verification process," Western Medical said in a written statement.

The hospital continues to support him.

"Why Dr. Chambi has been sued so many times I don't know," said Dr. Michael Fitzgibbons, Western Medical's chief of staff. "I'm not here to defend him or that process. All I know is what he does here at the hospital. Dr. Chambi is competent to do the surgeries he has privileges to do. We have not identified a pattern of problems that would indicate that his standards are different than anybody else's."

Critics say hospitals don't go looking for such patterns -- and cite the allegations of unnecessary heart surgery at Redding Medical Center as evidence.

"Hospital administrators look to who's making the money, not to who's offending the standards of the medical profession. That was borne out in the Redding case," said Jamie Court, executive director of a patients rights group called the Foundation for Taxpayer and Consumer Rights. "Peer review is typically ineffective at weeding out any bad doctor. This seems to be complicated by the fact that the head of the division is the wrongdoer. It's hard enough to break the code of silence when the physician is not the boss."

Western Medical administrators could have called for an independent review of Chambi's cases by outside neurosurgeons who have no economic interest.

But that hasn't happened.

"If (the hospital) feels they have a risk, they are obligated to look at it," said Kusske, the UCI professor. "If I was the chief of staff, I would want that done. The primary reason for that is for the safety of the patients."

Western's written rules give both CEO Brothman -- whose pay is tied to hospital performance -- and chief of staff Fitzgibbons -- whose pay is not -- the power to call for such an investigation. Fitzgibbons runs the Medical Executive Committee, which decides the physicians to be investigated. Brothman runs the hospital Governing Board, which can act if the Medical Executive Committee will not.

Brothman says he leaves physician review to the staff.

Fitzgibbons says he leaves it to the departments.

"I think these allegations (against Chambi) have not had merit. The allegations are of a malicious, personal nature. They are exaggerated and clearly emanate from individuals who are not inside the system here. They are from a competing health system," Fitzgibbons said.

In the meantime, the peer review system leaves Chambi, the head of the division of neurosurgery, as the chief monitor of quality in that section. Although Chambi's cases can be reviewed by the other surgeons in his division, critics of the system say it is not an effective process.

"It is very hard to do when it's a small group of people," said Wender, the medical board doctor. "You can have a scenario where there is a terrible complication and (the other doctors) say: 'Could have happened to me. Next.' "

Ron Joseph, executive director of the state medical board, described a phenomenon that could apply to both Redding and Western Medical.

"There's a term called rainmaker -- a person that creates so much business that they become powers unto themselves,"

Joseph said. "The charge is that (these doctors) receive deference from their colleagues."

Brothman and Fitzgibbons denied that was happening at Western Medical.

"None of us are in Dr. Chambi's pocket," Fitzgibbons said.

But Fitzgibbons expressed concern about publicizing accusations against Chambi.

"A story that says neurosurgeons here perform unnecessary surgery -- that will have a very chilling effect," Fitzgibbons said. "It will cut admissions 10 percent. It will hurt us.

"This is a dilemma. Medicine requires judgment. It's like a game, or like combat. It's real easy to judge someone after the fact. Do we want to see people who treat very, very sick people as villains, or see them as humans?"

But Fitzgibbons added: "If people are out there that you or the public thinks they need to be protected from -- you have to write that. We are dealing with human beings. Human beings unfortunately have feet of clay. They do make errors."

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See some of Dr. Israel Chambi's medical notes and curriculum vitae, letters from UCI, and other key documents for this story at www.ocregister.com/investigations.

SPECIAL INVESTIGATION

MORE INSIDE

Chambi: Ethics questioned

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GRAPHIC: Dr. Israel Chambi: "This type of litigation has nothing to do with my overall performance." One scar: LaLonde shows the back of her neck. Her arm was partially paralyzed by the first of four operations. Her bill for the first two surgeries plus costs for staff, materials and rooms during two hospital stays was \$189,024. Another: After less than a month, a surgical screw fell out and spinal fluid leaked into her neck, blocking her windpipe. Case pending: Diane LaLonde, disabled since four major spinal surgeries in a month in 2001, shares this Temecula home with her sister's family. She sued in 2002, alleging Dr. Israel Chambi persuaded her to undergo surgery to correct neck and arm pain. Boss's backing: Western CEO Dan Brothman says the doctor is "completely dedicated and devoted to his patients and his work." Back on the job: Rod Miller, a ragtime piano player at Disneyland, says Dr. Israel Chambi fixed problems with nerves in his arm. Four other surgeons told him that they could relieve some pressure but he'd never play piano again.

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