

BEFORE THE  
BOARD OF NATUROPATHIC MEDICINE  
STATE OF OREGON

In the Matter of the License of:

**Joel Wallach, ND**

Licensee.

Case No. N17-07-34

**NOTICE OF LETTER OF REPRIMAND  
AND  
OPPORTUNITY FOR HEARING**

1.

The Board of Naturopathic Medicine (Board) is the state agency responsible for licensing, regulating and disciplining naturopathic physicians in the State of Oregon, pursuant to Oregon Revised Statutes (ORS) chapter 685 and Oregon Administrative Rules (OAR) chapter 850. Joel Wallach, N.D. (Licensee) is a licensed naturopathic physician in Oregon, and is subject to the jurisdiction of the Board.

2.

Pursuant to ORS 685.102(1), ORS 685.110(17), OAR 850-030-0195(4)(c), OAR 850-030-0195(5), OAR 850-040-0210(1)(d), OAR 850-040-0210(6), OAR 850-040-0195(11), the Board hereby proposes to take disciplinary action against Licensee's license to practice naturopathic medicine, on the grounds described in the following paragraphs. For each violation, the Board may impose a civil penalty up to \$5,000, a term of probation, a letter of reprimand and license limitation, suspension or revocation. Here, the Board is proposing to issue a Letter of Reprimand in this matter.

3.

On March 23, 2016, Youngevity International Corp (Youngevity) filed suit against seven (7) individuals and two (2) corporations in U.S. District Court for the Eastern District of California. The suit alleged, including but not limited to, unfair competition, false advertising, and

misappropriation of trade secrets. In response to the complaint, on or about July 13, 2016, defendants filed counter claims against Youngevity, naming Dr. Wallach as an additional plaintiff. A motion to dismiss the counterclaims was filed on or about March 9, 2017.

4.

January 19, 2017, Dr. Wallach answered ‘no’ on his 2017 renewal application for licensure to the following question:

Are you aware of any current, proposed, pending or threatened civil or criminal action against you, whether or not a charge, claim or filing with a court has actually occurred?

5.

On January 13, 2017, Diana Lee Wallach Lorretz<sup>1</sup>, Turuche Lorretz, and Dr. Wallach filed suit in U.S. District Court for the Eastern District of California against several individuals, including several associated with State and Federal government. On or about September 13, 2017, all motions were denied as moot and the case was closed.

6.

On December 21, 2017, Dr. Wallach answered ‘no’ on his 2018 renewal application for licensure to the following questions:

Since your last renewal, have you been a party to any civil proceeding, including any bankruptcy or administrative proceeding? (Either plaintiff or defendant)

7.

On September 20, 2017, the Board informed Dr. Wallach he was under investigation for his failure to disclose he was a party the civil case filed in March 2016, on his 2017 renewal application.

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8.

On December 21, 2017, Dr. Wallach answered ‘no’ on his 2018 renewal application for licensure to the following questions:

Since your last renewal, have you been investigated by a professional licensing authority or received notice that a complaint was made against you or your license with a professional licensing authority?

9.

Dr. Wallach’s failure to disclose the counterclaims filed against him in July 2016 on his 2017 renewal application is a violation of ORS 685.110 (1), as it was deceptive for Dr. Wallach to answer “no” when asked if he was aware of any current, proposed, pending or threatened civil or criminal action against him, whether or not a charge, claim or filing with a court has actually occurred.

10.

Dr. Wallach’s failure to disclose the lawsuit he and other parties filed in the U.S. District Court for the Eastern District of California in January 2017 on his 2018 renewal application is a violation of ORS 685.110 (1), as it was deceptive for Dr. Wallach to answer “no” when asked if since his last renewal if he had been a party to any civil proceeding, including any bankruptcy or administrative proceeding.

11.

Dr. Wallach’s failure to disclose that he was under investigation by the Board on his 2018 renewal application is a violation of ORS 685.110 (1), as it was deceptive for Dr. Wallach to answer “no” when asked if since his last renewal, had he been investigated by a professional

licensing authority or received notice that a complaint was made against you or your license with a professional licensing authority.

12.

For the foregoing violations, the Board proposes the following discipline: a Letter of Reprimand.

13.

### **NOTICE OF OPPORTUNITY FOR HEARING**

Licensee is entitled to a hearing as provided by the Administrative Procedures Act (ORS Chapter 183). If you want a hearing, you must file a written request for hearing with the Board within 21 days from the date this notice was mailed. You must mail any request for hearing to Oregon Board of Naturopathic Medicine, 800 NE Oregon Street, Suite 407, Portland, OR 97232. The request for hearing must be received by the Board within 21 days from the date of mailing of this notice, and must be accompanied by a written answer to the charges contained in this Notice. If a request for hearing is not received within 21 days, the right to hearing is waived.

14.

If you request a hearing, you will be notified of the time and place of the hearing. Before the hearing, you will receive information on the procedures, right of representation, and other rights of parties related to the conduct of the hearing. An administrative law judge from the Office of Administrative Hearings will preside at any hearing. ORS 183.635.

15.

An answer is required to this Notice, pursuant to OAR 850-001-0015, due to the complexity of the matters alleged above. The answer shall be made in writing to the Board and shall include an admission or denial of each factual matter alleged in this Notice, and a short plain statement of each relevant affirmative defense Licensee may have. Except for good cause,

factual matters alleged in this notice and not denied in the answer shall be presumed admitted; failure to raise a particular defense in the answer will be considered a waiver of such defense; and new matters alleged in the answer (affirmative defenses) shall be presumed to be denied by the agency and evidence shall not be taken on any issue not raised in the Notice and answer.

16.

If you fail to request a hearing within 21 days, withdraw a request for a hearing, notify the Board or administrative law judge that you will not appear or fail to appear at a scheduled hearing, the Board may issue a final order by default revoking your license. If the Board issues a default order, the contents of the Board's file automatically becomes part of the evidentiary record of this disciplinary action for the purpose of proving a prima facie case.

**NOTICE TO ACTIVE DUTY SERVICEMEMBERS:** Active duty service members have a right to stay these proceedings under the federal Service members Civil Relief Act. For more information contact the Oregon State Bar at 800-452-8260, the Oregon Military Department at 800-452-7500 or the nearest United States Armed Forces Legal Assistance Office through <http://legalassistance.law.af.mil>.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

BOARD OF NATUROPATHIC MEDICINE  
State of Oregon

*COPY – ORIGINAL SIGNED ON / ABOUT 12/8/2018*

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Mary-Beth Baptista, Executive Director