

**BEFORE THE  
SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY AND HEARING AID  
DISPENSERS BOARD  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**ELIZABETH A. KRONE**  
24361 El Toro Rd., #175  
Laguna Woods, CA 92637  
Hearing Aid Dispensers License No. HA 2662,

Respondent.

Case No. 1C-2012-85

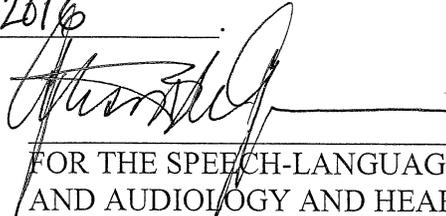
OAH No. 2015080782

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on August 15, 2016.

It is so ORDERED July 14, 2016.



FOR THE SPEECH-LANGUAGE PATHOLOGY  
AND AUDIOLOGY AND HEARING AID  
DISPENSERS BOARD  
DEPARTMENT OF CONSUMER AFFAIRS

1 KAMALA D. HARRIS  
Attorney General of California  
2 E. A. JONES III  
Supervising Deputy Attorney General  
3 WENDY WIDLUS  
Deputy Attorney General  
4 State Bar No. 82958  
California Department of Justice  
5 300 So. Spring Street, Suite 1702  
Los Angeles, CA 90013  
6 Telephone: (213) 897-2867  
Facsimile: (213) 897-9395  
7 E-mail: Wendy.Widlus@doj.ca.gov  
*Attorneys for Complainant*

8  
9 **BEFORE THE**  
**SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY AND HEARING AID**  
**DISPENSERS BOARD**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. 1C-2012-85

13 **ELIZABETH A. KRONE**  
24361 El Toro Rd., #175  
14 Laguna Woods, CA 92637  
Hearing Aid Dispensers License No. HA 2662,

OAH No. 2015080782

**STIPULATED SETTLEMENT AND**  
**DISCIPLINARY ORDER**

15 Respondent.  
16

17  
18 **IT IS HEREBY STIPULATED AND AGREED** by and between the parties to the above-  
19 entitled proceedings that the following matters are true:

20 **PARTIES**

21 1. Paul Sanchez ("Complainant") is the Executive Officer of the Speech-Language  
22 Pathology and Audiology and Hearing Aid Dispensers Board (Board). He brought this action  
23 solely in his official capacity and is represented in this matter by Kamala D. Harris, Attorney  
24 General of the State of California, by Wendy Widlus, Deputy Attorney General.

25 2. Respondent ELIZABETH A. KRONE ("Respondent") is represented in this  
26 proceeding by attorney Adam Brown, whose address is: Brown & Brown, 3848 West Carson  
27 Street, Suite 206, Torrance, CA 90503.

28 3. On or about January 23, 1989, the Board issued Hearing Aid Dispensers License No.

1 HA 2662 to Respondent. The Hearing Aid Dispensers License is currently delinquent, having  
2 expired on December 31, 2015, and renewal fees have not been paid. The Board retains  
3 jurisdiction under Business and Professions Code section 118.

#### 4 **JURISDICTION**

5 4. Accusation No. 1C-2012-85 was filed before the Board, and is currently pending  
6 against Respondent. The Accusation and all other statutorily required documents were properly  
7 served on Respondent on June 26, 2015. Respondent filed her Notice of Defense contesting the  
8 Accusation.

9 5. A copy of Accusation No. 1C-2012-85 is attached as exhibit A and incorporated  
10 herein by reference.

#### 11 **ADVISEMENT AND WAIVERS**

12 6. Respondent has carefully read, fully discussed with counsel, and understands the  
13 charges and allegations in Accusation No. 1C-2012-85. Respondent has also carefully read, fully  
14 discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary  
15 Order.

16 7. Respondent is fully aware of her legal rights in this matter, including the right to a  
17 hearing on the charges and allegations in the Accusation; the right to be represented by counsel at  
18 her own expense; the right to confront and cross-examine the witnesses against her; the right to  
19 present evidence and to testify on her own behalf; the right to the issuance of subpoenas to  
20 compel the attendance of witnesses and the production of documents; the right to reconsideration  
21 and court review of an adverse decision; and all other rights accorded by the California  
22 Administrative Procedure Act and other applicable laws.

23 8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and  
24 every right set forth above.

#### 25 **CULPABILITY**

26 9. Respondent admits the truth of each and every charge and allegation in Accusation  
27 No. 1C-2012-85.

28 10. Respondent agrees that her Hearing Aid Dispensers License is subject to discipline

1 and she agrees to be bound by the Board's probationary terms as set forth in the Disciplinary  
2 Order below.

### 3 CONTINGENCY

4 11. This stipulation shall be subject to approval by the Speech-Language Pathology and  
5 Audiology and Hearing Aid Dispensers Board. Respondent understands and agrees that counsel  
6 for Complainant and the staff of the Speech-Language Pathology and Audiology and Hearing Aid  
7 Dispensers Board may communicate directly with the Board regarding this stipulation and  
8 settlement, without notice to or participation by Respondent or her counsel. By signing the  
9 stipulation, Respondent understands and agrees that she may not withdraw her agreement or seek  
10 to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails  
11 to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary  
12 Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal  
13 action between the parties, and the Board shall not be disqualified from further action by having  
14 considered this matter.

15 12. The parties understand and agree that Portable Document Format (PDF) and facsimile  
16 copies of this Stipulated Settlement and Disciplinary Order, shall have the same force and effect  
17 as the originals.

18 13. In consideration of the foregoing admissions and stipulations, the parties agree that  
19 the Board may, without further notice or formal proceeding, issue and enter the following  
20 Disciplinary Order:

### 21 DISCIPLINARY ORDER

22 **IT IS HEREBY ORDERED** that Hearing Aid Dispensers License No. HA 2662 issued to  
23 Respondent ELIZABETH A. KRONE is revoked. However, the revocation is stayed and  
24 Respondent is placed on probation for three (3) years on the following terms and conditions.

25 1. EDUCATIONAL COURSE Respondent shall take and successfully complete a  
26 minimum of 4 hours of course work in Ethics. Within sixty (60) days of the effective date of the  
27 Decision, Respondent shall submit a plan to comply with this requirement. Respondent must  
28 obtain approval of such plan by the Board prior to enrollment in any course of study.

1 Respondent shall successfully complete the required remedial education no later than the  
2 end of the first year of probation. Respondent shall furnish proof to the Board within five (5)  
3 business days of successful completion of each course. Completion of said course(s) shall not be  
4 used for continuing education units required for licensure renewal.

5 The costs of such educational course work shall be paid by the Respondent.

6 2. PRACTICE MONITOR/BILLING MONITOR Within thirty (30) days of the  
7 effective date of this Decision, Respondent shall submit to the Board or its designee for prior  
8 approval, the name and qualifications of an individual who has agreed to serve as a practice and  
9 billing monitor.

10 The practice and billing monitor shall (1) hold a current and valid California license in the  
11 same field of practice as Respondent, (2) have held said license for a minimum of three (3) years;  
12 (3) have had no disciplinary action taken against their license by the Board; and (4) be  
13 independent, with no prior or current business, professional, personal, or other relationship that  
14 could reasonably be expected to compromise the ability of the monitor to provide impartial and  
15 unbiased supervision of the Respondent. An administrative citation and fine does not constitute  
16 discipline and therefore, in and of itself, is not a reason to deny an individual as a monitor.

17 Once approved, the monitor shall submit to the Board or its designee a plan for approval by  
18 which Respondent's practice shall be monitored. The Respondent shall provide the monitor with  
19 a copy of this Decision and the related Accusation or Statement of Issues. The monitoring shall  
20 be general and not require the physical presence of the monitor during the time services are  
21 performed, but does require an occasional, unrestricted review of the work performed as well as  
22 quarterly monitoring visits at the office or place of practice. Additionally, the monitor shall have  
23 full and unrestricted access to all patient and billing records of Respondent. The monitor may  
24 evaluate all aspects of Respondent's practice regardless of Respondent's areas of deficiencies.  
25 Respondent shall obtain any necessary patient releases to enable the monitor to review all client  
26 and fiscal records, and to make direct contact with clients, if necessary. Respondent shall execute  
27 a release authorizing the monitor to divulge any information that the Board may request.

28 The approved monitor shall submit written reports to the Board on a quarterly basis, or

1 other frequency as determined by the Board, verifying that monitoring has taken place as required  
2 and include an evaluation of Respondent's performance, compliance with his or her probationary  
3 conditions, and existing laws governing the practice. It shall be the Respondent's responsibility to  
4 assure that the required reports are filed in a timely manner.

5 If the monitor terminates his or her monitoring or is no longer available to serve in the  
6 monitor role, Respondent must submit to the Board the name or names of a new monitor,  
7 including qualifications and supervision plan within fifteen (15) days. If a new monitor is not  
8 approved by the Board within thirty (30) days from the date of resignation of the previous  
9 monitor, Respondent shall be suspended from practice until a new monitor has been approved by  
10 the Board and necessary documents are filed with the Board.

11 All costs of monitored practice shall be paid by the Respondent.

12 3. CONSUMER RESTITUTION Respondent shall make restitution to the consumer  
13 named in the Accusation (referenced as "R.S.") for the full amount paid by consumer. Restitution  
14 must be paid in full within nine (9) months of the effective date of the Decision. Respondent  
15 shall provide the Board copies of the cancelled checks to consumer R.S. within ten (10) days of  
16 receiving said cancelled checks, or an alternate proof of payment approved in advance by the  
17 Board. The cost of providing copies of the cancelled checks or other proof of payment to the  
18 Board shall be paid by the Respondent.

19 4. SERVING AS A SUPERVISOR Respondent may not function as a supervisor for  
20 any required professional experience (RPE) candidate, or any registered assistant, or trainee, or  
21 aide during the period of probation unless approved by the Board in writing.

22 5. RECOVERY OF COSTS Respondent shall pay to the Board its costs of investigation  
23 and enforcement in the amount of \$7,250.00. This shall be payable monthly in the amount of  
24 \$242.00 per month beginning on the effective date of the Decision. The remaining payments are  
25 due no later than the 5<sup>th</sup> calendar day of each month, with full payment received by the Board no  
26 later than six (6) months prior to the end of Respondent's probation. Failure to make the monthly  
27 payment and to complete payment as set forth above shall be considered a violation of probation.

28 6. SEVERABILITY CLAUSE Each term and condition of probation is a separate and

1 distinct term and condition. If any term or condition of this Decision and Order (Decision), or  
2 any application thereof, is declared unenforceable in whole, in part, or to any extent, the  
3 remainder of this Decision, and all other applications thereof, shall not be affected. Each term  
4 and condition of this Decision shall separately be valid and enforceable to the fullest extent  
5 permitted by law.

6 7. OBEY ALL LAWS Respondent shall obey all federal, state and local laws, and all  
7 rules governing the practice of hearing aid dispensing in California. Further, Respondent shall,  
8 within five (5) days of any arrest, submit to the Board in writing a full and detailed account of  
9 such arrest, including the name and address of the arresting agency.

10 8. COMPLY WITH PROBATION PROGRAM Respondent shall fully comply with the  
11 Board's probation program, and shall, upon notice report to the Board's staff. Respondent shall  
12 contact enforcement staff regarding any questions specific to the probation order. Respondent  
13 shall not have any unsolicited or unapproved contact with victims or complainants associated  
14 with the case or persons serving the Board as expert consultants.

15 9. NAME AND CONTACT INFORMATION Respondent shall notify the Board, in  
16 writing, within five (5) days of a change of name, residence or mailing address, and telephone  
17 number.

18 ~~10. SUBMIT QUARTERLY REPORTS Respondent shall submit to the Board quarterly~~  
19 ~~reports and verification of actions signed under penalty of perjury. These reports shall certify and~~  
20 ~~document compliance with all the conditions of probation.~~

21 11. NOTICE TO EMPLOYERS When currently employed, applying for employment, or  
22 contracted to provide services as a speech-language pathologist, speech-language pathology  
23 assistant, speech-language pathology aide, audiologist, audiology aide, hearing aid dispenser, or  
24 hearing aid trainee, Respondent shall notify his or her employer of the probationary status of  
25 Respondent's license. This notification to the Respondent's current employer shall occur no later  
26 than the effective date of the Decision placing Respondent on probation. The Respondent shall  
27 notify any prospective employer of his or her probationary status with the Board prior to  
28 accepting such employment. This notification shall be by providing the employer or prospective

1 employer with a copy of the Board's Decision placing respondent on probation.

2 Respondent shall cause each employer to submit quarterly written reports to the Board.  
3 These reports shall include a performance evaluation.

4 Respondent shall notify the Board, in writing, of any change in his or her employment  
5 status, within ten (10) days of such change.

6 12. NOTICE TO EMPLOYEES If Respondent is an employer or supervisor,  
7 Respondent shall, upon or before the effective date of this Decision, post or circulate a notice  
8 which actually recites the offenses for which the Respondent has been disciplined and the terms  
9 and conditions of probation, to all employees. Within fifteen (15) days of the effective date of  
10 this decision, Respondent shall cause his/her employees to report to the Board in writing,  
11 acknowledging the employees have read the Accusation and decision in the case and understand  
12 Respondent's terms and conditions of probation. The Respondent shall notify any prospective  
13 employee of his or her probationary status with the Board prior to offering employment. This  
14 notification shall include a copy of the Board's Decision placing Respondent on probation.

15 13. INTERVIEWS WITH BOARD REPRESENTATIVES Respondent shall appear  
16 in person for interviews with the Board, or its designee, upon request at various intervals and with  
17 reasonable notice. The cost of travel to the interviews shall be paid by the Respondent.

18 14. PROBATION COSTS Respondent shall pay the costs associated with probation  
19 monitoring each and every year of probation. Such costs shall be payable to the Speech-  
20 Language Pathology and Audiology and Hearing Aid Dispensers Board at the end of each fiscal  
21 year (June 30). Failure to pay such costs shall be considered a violation of probation. The filing  
22 of bankruptcy by Respondent shall not relieve respondent of the responsibility to repay probation  
23 monitoring costs.

24 15. TOLLING FOR OUT-OF-STATE PRACTICE, OUT-OF-STATE RESIDENCE  
25 In the event that Respondent should leave California to reside or to practice outside the State for  
26 any reason, Respondent shall notify the Board or its designee in writing within ten (10) days of  
27 the dates of departure and return to California. Respondent's probation is tolled, and the term of  
28 probation shall be extended for the period of time Respondent is out of state. While out of state,

1 Respondent will be required to comply with the following conditions of probation: quarterly  
2 reports, restitution, cost recovery, and maintain a current and valid license. All requirements of  
3 probation shall resume upon receipt of written notice to the Board of the resumption of practice in  
4 California.

5 16. TOLLING OF PROBATION FOR IN-STATE NON-PRACTICE Respondent,  
6 during the period of probation, shall engage in the practice of hearing aid dispensing in California  
7 for a minimum of sixty-four (64) hours per calendar month. Respondent is required to  
8 immediately notify the probation monitor or Board designee in writing if he or she works less  
9 than sixty-four (64) hours in any month. This time shall not be counted towards the satisfaction  
10 of the probationary period, and the term of probation shall be extended for the period of time  
11 Respondent is not engaged in practice the minimum required hours. Non-practice is defined as  
12 any period of time exceeding thirty (30) days in which respondent is not engaging in any  
13 activities defined in Sections 2538.11 and 2538.14 of the Business and Professions Code. During  
14 any period where Respondent is practicing less than the required minimum hours, Respondent  
15 will be required to comply with the following conditions of probation as directed by the Board:  
16 quarterly reports, restitution, cost recovery, educational course, maintain a current and valid  
17 license. As directed by the Board, and if listed as a condition of this Decision, Respondent may  
18 also be required to comply with the condition to abstain from drugs and alcohol and submit to  
19 tests and samples.

20 Tolling of probation shall not exceed two (2) years or it may be considered a violation of  
21 probation.

22 For purposes of this term and condition, non-practice due to Board ordered suspension  
23 shall not be considered a period of non-practice.

24 17. VOLUNTARY LICENSE SURRENDER During Respondent's term of probation,  
25 if he or she wishes to cease practice, Respondent may request in writing to surrender the  
26 license(s) to the Board. The Board shall evaluate the request based on the factual circumstances  
27 surrounding that particular request, and notify Respondent, in writing, whether it has been  
28 granted. Upon formal acceptance of the license surrender, Respondent's license will no longer be

1 subject to the terms and conditions of probation. Respondent shall return the pocket license(s)  
2 and wall certificate(s) to the Board within ten (10) days of the effective date of the surrender.

3 Surrender of Respondent's license shall be considered a disciplinary action and shall  
4 become a part of Respondent's license history with the Board. If Respondent re-applies for a  
5 license, the application shall be treated as a petition for reinstatement of a revoked license. If  
6 reinstatement is approved, Respondent must meet all current requirements for licensure including,  
7 but not limited to, filing a current application, meeting all current educational and experience  
8 requirements, and taking and passing any and all examinations required of new applicants.

9 18. MAINTAIN A VALID LICENSE Respondent shall, at all times while on  
10 probation, maintain an active current license with the Board, including any period during which  
11 suspension or probation is tolled.

12 Should Respondent's license, by operation of law or otherwise, expire, upon renewal or  
13 reinstatement, Respondent's license shall be subject to any and all terms of this probation not  
14 previously satisfied. The period of time a licensee does not hold a current active license shall not  
15 be counted towards satisfaction of the probationary period.

16 For purposes of this term and condition, a licensee shall be considered to hold a current  
17 active license during the time the license is under a Board ordered suspension.

18 19. VIOLATION OF PROBATION If Respondent violates probation in any respect,  
19 the Board may seek to revoke probation and carry out the disciplinary order that was stayed. The  
20 Respondent shall receive prior notice and the opportunity to be heard. If a Petition to Revoke  
21 Probation, an Accusation, a Petition to Vacate Stay or other formal disciplinary action is filed  
22 against Respondent during probation, the Board shall have continuing jurisdiction and the period  
23 of probation shall be extended until the matter is final. No petition for modification or  
24 termination of probation shall be considered while there is an accusation or petition to revoke  
25 probation pending against Respondent.

26 20. COMPLETION OF PROBATION Respondent's license will be fully restored  
27 upon successful completion of probation.

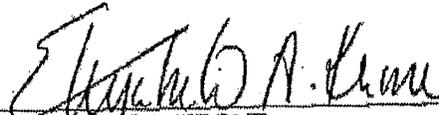
28 //

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**ACCEPTANCE**

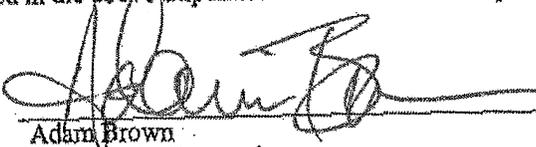
I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Adam Brown. I understand the stipulation and the effect it will have on my Hearing Aid Dispensers License. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board.

DATED: 2/17/16

  
ELIZABETH A. KRONE  
Respondent

I have read and fully discussed with Respondent ELIZABETH A. KRONE the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: 2/18/16

  
Adam Brown  
Attorney for Respondent

**ENDORSEMENT**

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board.

Dated: 2/19/16

Respectfully submitted,

KAMALA D. HARRIS  
Attorney General of California  
E. A. JONES III  
Supervising Deputy Attorney General

  
WENDY WIDLUS  
Deputy Attorney General  
Attorneys for Complainant

LA2014614251  
01094183.docx

**Exhibit A**

**Accusation No. 1C-2012-85**

1 KAMALA D. HARRIS  
Attorney General of California  
2 E. A. JONES III  
Supervising Deputy Attorney General  
3 WENDY WIDLUS  
Deputy Attorney General  
4 State Bar No. 82958  
California Department of Justice  
5 300 So. Spring Street, Suite 1702  
Los Angeles, CA 90013  
6 Telephone: (213) 897-2867  
Facsimile: (213) 897-9395  
7 E-mail: Wendy.Widlus@doj.ca.gov  
Attorneys for Complainant  
8

9 **BEFORE THE**  
**SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY AND HEARING AID**  
**DISPENSERS BOARD**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:  
13 **ELIZABETH A. KRONE**  
24361 El Toro Rd., #175  
14 Laguna Woods, CA 92637  
Hearing Aid Dispenser License No. HA 2662,  
15 Respondent.

Case No. 1C-2012-85

**A C C U S A T I O N**

16  
17  
18 Complainant alleges:

19 **PARTIES**

20 1. Paul Sanchez (Complainant) brings this Accusation solely in his official capacity as  
21 the Executive Officer of the Speech-Language Pathology and Audiology and Hearing Aid  
22 Dispensers Board, Department of Consumer Affairs.

23 2. On or about January 23, 1989, the Speech-Language Pathology and Audiology and  
24 Hearing Aid Dispensers Board issued Hearing Aid Dispenser License Number HA 2662 to  
25 Elizabeth A. Krone (Respondent). The Hearing Aid Dispenser License was not in full force and  
26 effect at all times relevant to the charges brought herein. Respondent's Hearing Aid Dispenser  
27 License Number HA 2662 is expired.

28 //

1 **JURISDICTION**

2 3. This Accusation is brought before the Speech-Language Pathology and Audiology  
3 and Hearing Aid Dispensers Board (Board) under the authority of the following laws. All section  
4 references are to the Business and Professions Code unless otherwise indicated.

5 4. Section 2531.02 of the Code states:

6 "Protection of the public shall be the highest priority for the Speech-Language Pathology  
7 and Audiology and Hearing Aid Dispensers Board in exercising its licensing, regulatory, and  
8 disciplinary functions. Whenever the protection of the public is inconsistent with other interests  
9 sought to be promoted, the protection of the public shall be paramount."

10 5. Section 2533 of the Code states in pertinent part:

11 "The board may refuse to issue, or issue subject to terms and conditions, a license on the  
12 grounds specified in Section 480, or may suspend, revoke, or impose terms and conditions upon  
13 the license of any licensee for any of the following:

14 "..."

15 "(e) Committing a dishonest or fraudulent act that is substantially related to the  
16 qualifications, functions, or duties of a licensee.

17 "..."

18 "(i) The use, or causing the use, of any advertising or promotional literature in a manner  
19 that has the capacity or tendency to mislead or deceive purchasers or prospective purchasers.

20 "(j) Any cause that would be grounds for denial of an application for a license.

21 "..."

22 6. Section 651 of the Code states in pertinent part:

23 "(a) It is unlawful for any person licensed under this division or under any initiative act  
24 referred to in this division to disseminate or cause to be disseminated any form of public  
25 communication containing a false, fraudulent, misleading, or deceptive statement, claim, or image  
26 for the purpose of or likely to induce, directly or indirectly, the rendering of professional services  
27 or furnishing of products in connection with the professional practice or business for which he or  
28 she is licensed. A "public communication" as used in this section includes, but is not limited to,

1 communication by means of mail, television, radio, motion picture, newspaper, book, list or  
2 directory of healing arts practitioners, Internet, or other electronic communication.

3 “(b) A false, fraudulent, misleading, or deceptive statement, claim, or image includes a  
4 statement or claim that does any of the following:

5 “... ”

6 “(5) Contains other representations or implications that in reasonable probability will cause  
7 an ordinarily prudent person to misunderstand or be deceived.

8 “... ”

9 “(8) Includes any statement, endorsement, or testimonial that is likely to mislead or deceive  
10 because of a failure to disclose material facts.

11 “... ”

12 7. Section 2538.10 of the Code states:

13 “(a) ‘Advertise’ and its variants include the use of a newspaper, magazine, or other  
14 publication, book, notice, circular, pamphlet, letter, handbill, poster, bill, sign, placard, card,  
15 label, tag, window display, store sign, radio, or television announcement, or any other means or  
16 methods now or hereafter employed to bring to the attention of the public the practice of fitting or  
17 selling of hearing aids.

18 “(b) ‘License’ means a hearing aid dispensers license issued pursuant to this article and  
19 includes a temporary license.

20 “(c) ‘Licensee’ means a person holding a license.

21 “(d) ‘Hearing aid’ means any wearable instrument or device designed for, or offered for the  
22 purpose of, aiding or compensating for impaired human hearing.

23 “(e) ‘Fund’ means the Speech-Language Pathology and Audiology and Hearing Aid  
24 Dispensers Fund.

25 8. Section 2538.11 of the Code states in pertinent part:

26 “(a) ‘Practice of fitting or selling hearing aids,’ as used in this article, means those practices  
27 use for the purpose of selection and adaption of hearing aids, including direct observation of the  
28 ear, testing of hearing in connection with the fitting and selling of hearing aids, taking of the ear

1 mold impressions, fitting or sale of hearing aids, and any necessary post fitting counseling.

2 "...

3 9. Section 2538.14 of the Code states:

4 "Hearing aid dispenser,' as used in this article, means a person engaged in the practice of  
5 fitting or selling hearing aids to an individual with impaired hearing."

6 10. Section 2538.20 of the Code states:

7 "It is unlawful for an individual to engage in the practice of fitting or selling hearing aids,  
8 or to display a sign or in any other way to advertise or hold himself or herself out as being so  
9 engaged without having first obtained a license from the board under the provisions of this article.  
10 Nothing in this article shall prohibit a corporation, partnership, trust, association or other like  
11 organization maintaining an established business address from engaging in the business of fitting  
12 or selling, or offering for sale, hearing aids at retail without a license, provided that any and all  
13 fitting or selling of hearing aids is conducted by the individuals who are licensed pursuant to the  
14 provisions of this article. A person whose license as a hearing aid dispenser has been suspended  
15 or revoked shall not be the proprietor of a business that engages in the practice of fitting or selling  
16 hearing aids nor shall that person be a partner, shareholder, member, or fiduciary in a partnership,  
17 corporation, association, or trust that maintains or operates that business, during the period of the  
18 suspension or revocation. This restriction shall not apply to stock ownership in a corporation that  
19 is listed on a stock exchange regulated by the Securities and Exchange Commission if the stock is  
20 acquired in a transaction conducted through that stock exchange."

21 11. Section 2838.35 of the Code states in pertinent part:

22 "A licensee shall, upon the consummation of the sale of a hearing aid, delivered to the  
23 purchaser a written receipt, signed by or on behalf of the licensee, containing all of the following:

24 "...

25 "(b) Specifications as to the make, serial number, and model number of the hearing aid or  
26 aids sold.

27 "...

28 "(d) A statement to the effect that the aide or aides delivered to the purchaser are used or

1 reconditioned, as the case may be, if that is the fact.

2 “(e) The number of the licensee’s license and the name and license number of any other  
3 hearing aid dispenser or temporary licensee who provided any recommendation or consultation  
4 regarding the purchase of the hearing aid.

5 “(f) The terms of any guarantee or written warranty, required by Section 1793.02 of the  
6 Civil Code, made to the purchaser with respect to the hearing aid or hearing aids.”

7 12. Section 2538.48 of the Code states:

8 “It is unlawful to engage in the practice of fitting or selling hearing aids in this state without  
9 having at the time of so doing a valid, unrevoked, and unexpired license or temporary license.”

10 13. Section 2538.49 of the Code states, in pertinent part:

11 “It is unlawful for a licensed hearing aid dispenser to fit or sell a hearing aid unless he or  
12 she first does all of the following:

13 “(a) Complies with all provisions of state laws and regulations relating to the fitting or  
14 selling of hearing aids.

15 “...”

16 **CALIFORNIA CODE OF REGULATIONS**

17 14. California Code of Regulations, title 16, section 1399.132 states:

18 “For the purposes of denial, suspension, or revocation of a hearing aid dispenser’s license  
19 pursuant to Division 1.5 (commencing with Section 475) of the Business and Professions Code, a  
20 crime or act shall be considered substantially related to the qualifications, functions, and duties of  
21 a hearing aid dispenser if to a substantial degree it evidences present or potential unfitness of a  
22 hearing aid dispenser to perform the functions authorized by his license in a manner consistent  
23 with the public health, safety, or welfare. Such crimes or acts shall include, but not be limited to  
24 those involving the following:

25 “(a) Any violation of the provisions of Sections 650, 651, 651.3 and 655.2 of the code.

26 “(b) Any violation of the provisions of Chapter 7.5, Division 2 of the Business and  
27 professions code.”

28 //

1 **COST RECOVERY**

2 15. Section 125.3 of the Code states, in pertinent part, that the Board may request the  
3 administrative law judge to direct a licentiate found to have committed a violation or violations of  
4 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and  
5 enforcement of the case.

6 **FACTS**

7 16. On or about October 16, 2012, patient R.S.<sup>1</sup> reported to the Board that on June 8,  
8 2012, he bought hearing aids from Respondent at her business, Krone Hearing Aid Center  
9 (KHAC) in Laguna Woods, California. KHAC indicated in numerous ways that KHAC was an  
10 authorized Beltone dealer, including the placement of Beltone advertisements throughout the  
11 office, a Beltone display on the main counter, and business cards listing KHAC as Beltone  
12 dealers. Robin Swanson (Swanson), a KHAC employee, performed the initial fitting and selling  
13 of the hearing aids.

14 17. R.S. paid \$1000 as a deposit for his hearing aids, but did not receive any paperwork  
15 or a signed purchase order at the time he paid this deposit. Respondent assured R.S. his deposit  
16 would be refunded after United Health Care Insurance (United) paid Respondent for the hearing  
17 aids. Approximately 2 weeks later R.S. was fitted with purportedly new Rexton hearing aids.

18 18. R.S. could not hear well when using the hearing aids, and the right hearing aid  
19 repeatedly fell out of his ear. On June 26, 2012, R.S.'s daughter, D.E., called KHAC and told  
20 Swanson that R.S. could not hear clearly while using the hearing aids and that KHAC had not  
21 returned R.S.'s deposit. On or about September 28, 2012, Respondent called D.E. regarding the  
22 outstanding deposit. During that conversation D.E. mentioned KHAC displayed Beltone  
23 advertising in their Internet ads. In response, Respondent stated KHAC had been affiliated with  
24 Beltone approximately a year earlier.

25 //

26 //

27 <sup>1</sup> Patient and witness names are abbreviated herein to protect confidentiality. Full name will be provided  
28 upon receipt of a properly executed and served Request for Discovery.



1 cause for discipline exists.

2 **SECOND CAUSE FOR DISCIPLINE**

3 (Fraud-Sale of Used or Reconditioned Hearing Aids as if New)

4 27. Respondent is subject to disciplinary action under section 2533 (e) and 2538.35 (d) of  
5 the Code and California Code of Regulations, title 16, section 1399.132 subsection (b), in that she  
6 committed fraud as the unlicensed proprietor of a practice which dispensed hearing aids  
7 represented as new hearing aids when the hearing aids were actually used hearing aids. The  
8 circumstances are as follows:

9 28. Paragraphs 16 through 22 are incorporated by reference.

10 29. Respondent's business employee sold used hearing aids which were represented to  
11 the purchaser as new hearing aids, thereby committing fraud.

12 30. Respondent's acts and/or admissions as set forth in paragraphs 16 through 22, above,  
13 constitute fraud within the meaning of sections 2533 (e) and 2538.35 (d) of the Code and  
14 California Code of Regulations, title 16, section 1399.132, subsection (b). Therefore cause for  
15 discipline exists.

16 **THIRD CAUSE FOR DISCIPLINE**

17 (Misleading and Deceptive Advertisement)

18 31. Respondent is subject to disciplinary action under section 651 and 2533(e) and (i) of  
19 the Code and California Code of Regulations, title 16, section 1399.132 subsection (a), in that she  
20 committed fraud as the proprietor of a practice which dispensed hearing aids by misrepresenting  
21 the practice as an authorized dealer for a well-known hearing aid company. The circumstances  
22 are as follows:

23 32. Paragraphs 16 through 22 are incorporated by reference.

24 33. Respondent's business contained Beltone advertisements throughout the office. A  
25 Beltone display was on the main counter as were business cards listing KHAC as Beltone dealers,  
26 thereby misleading prospective clients to believe KHAC was an authorized Beltone dealer.  
27 Respondent misrepresented her business as an authorized Beltone dealer by permitting these  
28

1 deceptive advertisements to remain throughout her business premises after acknowledging her  
2 business was not associated with Beltone.

3 34. Respondent's acts and/or admissions as set forth in paragraphs 16 through 22, above,  
4 constitute fraud within the meaning of sections 651 and 2533, subdivisions (e) and (i), of the  
5 Code and California Code of Regulations, title 16, section 1399.132 subsection (a). Therefore  
6 cause for discipline exists.

7 **DISCIPLINE CONSIDERATIONS**

8 35. To determine the degree of discipline, if any, to be imposed on Respondent,  
9 Complainant alleges that Respondent's license was delinquent throughout 2012. Complainant  
10 further alleges on or about September 14, 2011, in a prior action, the Speech-Language Pathology  
11 and Audiology and Hearing Aid Dispensers Board issued Citation Number 1C-2011-104 for  
12 unlicensed practice, aiding and abetting unlicensed practice and failure to provide a refund as  
13 required by Song-Beverly Consumer Warranty Act and ordered Respondent to pay a fine of  
14 \$2,000.00. That Citation is now final and is incorporated by reference as if fully set forth.

15 //

16 //

17 //

18 //

19 //

20 //

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**PRAYER**

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

1. Revoking or suspending Hearing Aid Dispenser License Number HA 2662, issued to Elizabeth A. Krone;
2. Ordering Elizabeth A. Krone to pay the Board the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3;
3. Taking such other and further action as deemed necessary and proper.

DATED: June 26, 2015



PAUL SANCHEZ  
Executive Officer  
Speech-Language Pathology and Audiology and Hearing  
Aid Dispensers Board  
Department of Consumer Affairs  
State of California  
*Complainant*

LA2014614251  
61570916.docx