



PRESS RELEASE

Orange County Judge Agrees to Plead Guilty to Knowingly Paying Convicted Doctor to Work on Workers' Comp Cases Despite Suspension

Wednesday, January 7, 2026

For Immediate Release

U.S. Attorney's Office, Central District of California

SANTA ANA, California – An Orange County Superior Court judge was federally charged today with defrauding California's workers' compensation program.

Israel Claustro, 50, was charged via information with one count of mail fraud, a crime that carries a statutory maximum sentence of 20 years in federal prison.

Claustro signed a plea agreement – also filed in court today – in which he agreed to plead guilty to the felony charge. Claustro is expected to make his initial appearance on January 12 in United States District Court in Santa Ana.

Claustro has agreed to resign from his position as a judge.

"Judge Claustro violated the law for his personal financial benefit," said First Assistant United States Attorney Bill Essayli. "We will not hesitate to prosecute anyone – judges included – who defraud public benefits intended to help those in need."

According to the plea agreement, Claustro – who was an Orange County prosecutor at the time of the fraud – operated Liberty Medical Group Inc., a Rancho Cucamonga-based medical corporation, despite being neither a physician nor a medical professional as required under California law.

One of Liberty’s employees was Dr. Kevin Tien Do, 60, of Pasadena, a physician who had served a one-year federal prison sentence after being convicted in 2003 of felony health care fraud. Because of this conviction, in October 2018, Do was suspended from participating in the California’s workers’ compensation program. Claustro was aware of Do’s prior criminal conviction and suspension from California’s workers’ compensation program.

According to the plea agreement, Claustro admitted that he defrauded California’s Subsequent Injuries Benefits Trust Fund (SIBTF), a special fund administered by California’s workers’ compensation program to provide additional compensation to injured workers who already had a disability or impairment at the time of a subsequent injury.

Specifically, Claustro paid Do more than \$300,000 for preparing medical evaluations, medical record reviews, and med-legal reports after Do’s suspension. Claustro caused Liberty to mail these reports to California’s SIBTF, concealing that they were prepared by Do by listing other doctors’ names on the billing forms and reports. Based on these fraudulent submitted reports, Liberty received hundreds of thousands of dollars from SIBTF.

The loss amount from Claustro’s participation in this scheme is approximately \$38,670 – the amount SIBTF paid to Liberty based on reports Claustro knew Do had drafted after his suspension from SIBTF.

In connection with this scheme, Do pleaded guilty in January 2025 to one count of conspiracy to commit mail fraud and one count of subscribing to a false tax return. Do is expected to be sentenced in the coming months.

The FBI, IRS Criminal Investigation, and the California Department of Insurance are investigating this matter.

Former Special Assistant United States Attorney Stephanie Orrick of the Orange County Office prosecuted this case.

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