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I-Team: Las Vegas Surgeon May Lose License After Testifying

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A Las Vegas surgeon who volunteered to testify against local doctors and lawyers as part of a federal investigation now faces the loss of his medical license.

Dr. John Thalgott testified in the recent trial of personal injury lawyer Noel Gage. The charges against Gage have been dropped, and now Thalgott himself is in the cross hairs of the state medical board.

We've followed the so-called medical mafia investigation for four years now. Only two indictments have been handed down so far, but we know that more than two dozen subpoenas were issued by the grand jury more than two years ago.



The State Medical Board is not threatening to take away the licenses of the dozen or so doctors suspected of profiting from the alleged conspiracy, but they are going after two doctors who agreed to testify about it.

The case is so complicated that Dr. John Thalgott finds himself lumped in with the suspected bad guys.

"That's exactly what this is. No good deed goes unpunished," said attorney George Kelesis. He knew his client, Dr. John Thalgott would take some lumps when he agreed to testify for the government against personal injury lawyer Noel Gage and Thalgott's partner Dr. Mark Kabins, but no one

thought Thalgott's personal and professional life would be so thoroughly shredded.

In a taping of "Face-to-Face with Jon Ralston," Thalgott acknowledged that, to the public, it might seem like he was a part of the so-called medical mafia conspiracy.

"I'm not caught up in any conspiracy. I went to the feds, gave them detailed information and told them about Melodie Simon," said Dr. Thalgott.

Nearly two dozen Las Vegas doctors and lawyers are believed to be targets of a four year FBI investigation of the so-called medical mafia conspiracy. Thalgott was never a target of that probe. He offered to help the FBI, allowed agents to see all of his patient files, and later agreed to testify against Noel Gage.

In return, he was repeatedly slammed in newspaper articles and columns, has seen his practice shrink by more than half, is being booted from practicing at local hospitals, and now faces a possible loss of his state medical license.

"After reading the first flood of articles, even I thought he was the leader of the group," said Kelesis.

Thalgott acknowledged on "Face-to-Face" that he made a mistake in a deposition he gave that was used in the Noel Gage prosecution, a statement in which he defended his partner Mark Kabins' handling of the Melodie Simon case. Simon was paralyzed after a back operation.

The doctor acknowledges that he met with Kabins and Gage, and with alleged middleman Howard Awand because he hoped to avoid a malpractice lawsuit, but that's it.

The FBI suspects that over the past six years, nearly two dozen local doctors and lawyers conspired against

hundreds of local injury victims and skimmed tens of millions of dollars from their settlements, in part by jacking up the hospital bills with unnecessary procedures. Thalgott did none of that, yet finds himself under the gun for agreeing to testify against the targets of the ongoing investigation. He and Kelesis wonder why the state medical board isn't pursuing the FBI targets, but, since they must appear before the medical board, they are choosing their words carefully.

As the U.S. Attorney moves forward with other possible indictments and a possible appeal of the Noel Gage case, Kelesis thinks that more punishment of Dr. Thalgott will mean his credibility as a future witness could be gutted.

"Of course it would be. A cooperating witness is being punished for cooperating. There's no other way to put it," said Kelesis.

The State Medical Board has also filed a complaint against Dr. Ben Venger, who -- like Thalgott testified for the government at the Noel Gage trial.

The U.S. Attorney has yet to decide whether to appeal the Noel Gage case. The *I-Team* has learned that the U.S. Attorney is working on additional indictments, but there's no word on when those might be made public.

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