

COMMONWEALTH OF KENTUCKY  
BOARD OF MEDICAL LICENSURE  
CASE NO. 1613

FILED OF RECORD

NOV 07 2014

K.B.M.L.

IN RE: THE LICENSE TO PRACTICE MEDICINE IN THE COMMONWEALTH OF KENTUCKY HELD BY RICHARD E. PAULUS, M.D., LICENSE NO., 29247, P.O. BOX 2051, ASHLAND, KENTUCKY 41105

**AGREED ORDER OF RETIREMENT**

Come now the Kentucky Board of Medical Licensure ("the Board"), by and through its Inquiry Panel A, and Richard E. Paulus, M.D. ("the licensee"), and, based upon their mutual desire to fully and finally resolve this pending investigation without an evidentiary hearing, hereby enter into the following **AGREED ORDER OF RETIREMENT**:

**STIPULATIONS OF FACT**

1. At all relevant times, the licensee was licensed by the Board to practice medicine within the Commonwealth of Kentucky.
2. The licensee's medical specialty is Interventional Cardiology.
3. On November 7, 2012, the Board received an anonymous grievance alleging fraud, abuse, and negligence by the licensee. The grievance specifically cited an unnecessary cardiac catheterization performed on Patient A as well as ignorance of Patient A's abnormal lab results.
4. In or around December of 2012, the Board was asked by the United States Attorney's Office for the Eastern District of Kentucky ("USAO") to defer investigation while the federal investigative agencies fully investigated the case.
5. In October 2013, the USAO provided the Board investigator with fourteen (14) names of other patients that may have undergone an unnecessary stent procedure.
6. The licensee was provided with a copy of the anonymous grievance on October 25, 2013.

7. The licensee was provided with copies of Patient A's medical charts as well as the fourteen (14) other patients' medical charts for review on January 21, 2014.
8. On or about February 7, 2014, the licensee responded, through counsel, and explained that he had determined that it was in Patient A's best interests to proceed with diagnostic coronary angiography in light of his significant chest pain and pressure, likely reduced ability to detect angina, and very significant risk factors, including poorly controlled Type 1 diabetes.
9. On or about June 18, 2014, the Board consultant reviewed Patient A's medical chart as well as the fourteen (14) other patient charts, and found that the licensee engaged in conduct which departed from or failed to conform to the standards of acceptable and prevailing medical practice within the Commonwealth of Kentucky in regard to diagnoses in all fifteen (15) charts, in regard to treatment in all fifteen (15) charts, and overall in all fifteen (15) charts.
10. The Board consultant further found that the licensee's care reached the level of gross negligence with respect to both Patient A and the other 14 patients. The Consultant stated, in part:

Summarizing these cases there is a pattern of inappropriate medical care which varies between gross negligence and malpractice.

...The prevailing scenario in these cases seemed to be a patient with few risk factors for heart disease presented with chest pain that had some typical and some atypical features, and the patient would be admitted to hospital and receive limited cardiac medications. Then, rather than receiving a cardiac stress test, would directly undergo coronary angiography. A number of these cases had rather trivial-to-mild coronary artery disease, but by report would be said to have severe disease.

...[T]here appears to be a consistent pattern of (a) patients not receiving adequate medical therapy nor the therapy being appropriately advanced; (b) angiograms being performed for uncertain or incorrect diagnoses and their results being misinterpreted; (c) stents being inappropriately placed into coronary artery lesions

not requiring stents to be placed or being placed in the wrong location; and (d) procedural complications occurring requiring one or more stents to be placed.

11. The Board consultant believed that the practice of medicine by the licensee constituted a danger to the health or welfare of patients.
12. On or about August 15, 2014, the licensee responded, through counsel, to the Board consultant's findings. The licensee denied engaging in any improper or unnecessary procedures and stated that he acted appropriately and within the standard of care in treating each of the patients. The licensee further set out his views of errors in the Board consultant's report.
13. The licensee has retired from the practice of medicine and he has not practiced medicine in approximately fifteen (15) months. He has no intent to resume the practice of medicine.

#### STIPULATED CONCLUSIONS OF LAW

The parties stipulate the following Conclusions of Law, which serve as the legal bases for this Agreed Order of Retirement:

1. The licensee's Kentucky medical license is subject to regulation and discipline by the Board.
2. While the licensee denies engaging in any unprofessional or illegal conduct, he agrees that, based upon the Stipulations of Fact, the Hearing Panel could conclude that he has engaged in conduct which violates the provisions KRS 311.595(9), as illustrated by KRS 311.597(3) and (4). Accordingly, there are legal grounds for the parties to enter into this Agreed Order of Retirement.

3. Pursuant to KRS 311.591(6) and 201 KAR 9:082, the parties may fully and finally resolve this pending investigation without an evidentiary hearing by entering into an informal resolution such as this Agreed Order of Retirement.

#### AGREED ORDER OF RETIREMENT

Based upon the foregoing Stipulations of Fact and Stipulated Conclusions of Law, and based upon the parties' mutual desire to fully and finally address this pending investigation, without an evidentiary hearing, the parties hereby enter into the following **AGREED ORDER OF RETIREMENT**:

1. In accordance with the licensee's stated intent and in lieu of revocation, the license to practice medicine within the Commonwealth of Kentucky held by Richard E. Paulus, M.D., is **RETIRED**, effective immediately upon the date of filing of this Agreed Order of Retirement and continuing for an indefinite period;
2. Beginning immediately and continuing throughout the indefinite period of this Agreed Order of Retirement, the licensee **SHALL NOT** perform any act, within the Commonwealth of Kentucky, which constitutes the "practice of medicine or osteopathy" as that term is defined by KRS 311.550(10) – the diagnosis, treatment, or correction or any and all human conditions, ailments, diseases, injuries, or infirmities by any and all means, methods, devices, or instrumentalities;
3. The licensee expressly agrees and understands that as an express condition for the entry of this Agreed Order of Retirement, neither Panel of the Board will consider a petition for a license to again practice medicine in the Commonwealth of Kentucky from the licensee for a minimum period of two (2) years from the date of filing of this Agreed Order of Retirement.

- a. The provisions of KRS 311.607 shall apply to any petition filed by the licensee.
  - b. The burden shall be upon the licensee to satisfy the Panel that he is presently of good moral character and is qualified both physically and mentally to resume the practice of medicine, without undue risk or danger to his patients or the public.
  - c. The licensee expressly agrees and understands that the Panel may require the licensee to undergo evaluations and/or assessments, at the licensee's expense, to assist the Panel in considering any petition for reinstatement.
4. The licensee expressly agrees and understands that if a Panel should, in the future, grant the petition for reinstatement, it shall do so contingent upon the licensee entering into an Order of Probation or Order of Indefinite Restriction, for a period of time to be determined by the Panel with terms and conditions fixed by the Panel, based upon the information available to the Panel at that time.
  5. The licensee expressly agrees that if he should violate any term or condition of this Agreed Order of Retirement, the licensee's practice will constitute an immediate danger to the public health, safety, or welfare, as provided in KRS 311.592 and 13B.125. The parties further agree that if the Board should receive information that he has violated any term or condition of this Agreed Order of Retirement, the Panel Chair is authorized by law to enter an Emergency Order of Suspension or Restriction immediately upon a finding of probable cause that a violation has occurred, after an *ex parte* presentation of the relevant facts by the Board's General Counsel or Assistant General Counsel. If the Panel Chair should issue such an Emergency Order, the parties agree and stipulate that a violation of any term or condition of this Agreed Order of Retirement would render the licensee's practice an immediate danger to the health, welfare and safety of patients and the general public, pursuant to

KRS 311.592 and 13B.125; accordingly, the only relevant question for any emergency hearing conducted pursuant to KRS 13B.125 would be whether the licensee violated a term or condition of this Agreed Order of Retirement; and

6. The licensee understands and agrees that any violation of the terms of this Agreed Order of Retirement would provide a legal basis for additional disciplinary action, pursuant to KRS 311.595(13), and may provide a legal basis for criminal prosecution.


SO AGREED on this 6 day of November, 2014.

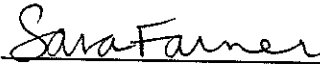
FOR THE LICENSEE:

  
RICHARD E. PAULUS, M.D.

*J. Guthrie True*  
*Kenneth Williams, Jr.*  
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J. GUTHRIE TRUE  
KENNETH WILLIAMS, JR.  
COUNSEL FOR THE LICENSEE

FOR THE BOARD:

  
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C. WILLIAM BRISCOE, M.D.  
CHAIR, INQUIRY PANEL A

  
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