

COMMONWEALTH OF KENTUCKY
BOARD OF MEDICAL LICENSURE
CASE NO. PA-35

FILED OF RECORD

JUL 25 2016

K.B.M.L.

IN RE: THE LICENSE TO PRACTICE AS A PHYSICIAN ASSISTANT IN THE
COMMONWEALTH OF KENTUCKY HELD BY GREGORY HOSKINS,
PA-C, LICENSE NO. PA267, 121 COLBY LANE, BUSY, KENTUCKY 41723

ORDER OF REVOCATION

On July 21, 2016, the Kentucky Board of Medical Licensure (hereinafter "the Board"), acting by and through its Hearing Panel B, took up this case for final action. The members of Panel B reviewed the Complaint, filed August 28, 2015; the hearing officer's Findings of Fact, Conclusions of Law and Recommended Order Granting Summary Disposition, dated June 27, 2016; and a July 5, 2016 memorandum from the Board's counsel. The licensee, Gregory Hoskins, PA-C, did not file exceptions to the hearing officer's recommended order.

Having considered all the information available and being sufficiently advised, Hearing Panel B ACCEPTS the hearing officer's recommended findings and ADOPTS those findings and INCORPORATES them BY REFERENCE into this Order; Hearing Panel B FURTHER ACCEPTS AND ADOPTS the hearing officer's Recommended Order. (Attachment) Having considered all of the sanctions available under KRS 311.850 and the nature of the violations in this case, Hearing Panel B has determined that revocation is the appropriate sanction. Accordingly, Hearing Panel B **ORDERS**:

The license to practice as a physician assistant held by Gregory Hoskins, PA-C, is hereby REVOKED and he may not hereafter perform any act which constitutes the practice of a physician assistant, pursuant to KRS 311.840, et seq., in the Commonwealth of Kentucky.

SO ORDERED on this 25th day of July, 2016.



RANDEL C. GIBSON, D.O.
CHAIR, HEARING PANEL B

CERTIFICATE OF SERVICE

I certify that the original of the foregoing Order of Revocation was delivered to Mr. Michael S. Rodman, Executive Director, Kentucky Board of Medical Licensure, 310 Whittington Parkway, Suite 1B, Louisville, Kentucky 40222; a copy was mailed to Thomas J. Hellmann, Esq., Hearing Officer, 810 Hickman Hill Road, Frankfort, Kentucky 40601 and copies were sent via certified mail return-receipt requested to the licensee, Gregory Hoskins, PA-C, License No. PA267, 121 Colby Lane, Busy, Kentucky 41723, and his counsel, Brian Good, Esq., Elder & Good, PLLC, 159 St. Matthews Avenue, Suite 1, Louisville, Kentucky 40207, on this 25th day of July, 2016.



Sara Farmer
Assistant General Counsel
Kentucky Board of Medical Licensure
310 Whittington Parkway, Suite 1B
Louisville, Kentucky 40222
Tel. (502) 429-7150

EFFECTIVE DATE AND APPEAL RIGHTS

Pursuant to KRS 311.593(1) and 13B.120, the effective date of this Order will be thirty (30) days after this Order of Revocation is received by the licensee.

The licensee may appeal from this Order, pursuant to KRS 311.593 and 13B.140-.150, by filing a Petition for Judicial Review in Jefferson Circuit Court within thirty (30) days after this Order is mailed or delivered by personal service. Copies of the petition shall be served by the licensee upon the Board and its General Counsel or Assistant General Counsel. The Petition shall include the names and addresses of all parties to the proceeding and the agency involved, and a statement of the grounds on which the review is requested, along with a copy of this Order.

**COMMONWEALTH OF KENTUCKY
BOARD OF MEDICAL LICENSURE
CASE NO. PA-35**

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JUN 29 2016

K.B.M.L.

**IN RE: THE LICENSE TO PRACTICE AS A PHYSICIAN'S ASSISTANT IN THE
COMMONWEALTH OF KENTUCKY HELD BY GREGORY HOSKINS,
PA-C, LICENSE NO. PA267, 121 COLBY LANE, BUSY, KENTUCKY 41723**

**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND
RECOMMENDED ORDER GRANTING SUMMARY DISPOSITION**

This action is before the hearing officer on a motion for summary disposition filed by the Kentucky Board of Medical Licensure. In support of its motion the Board asserts that Mr. Hoskins pled guilty to several federal criminal charges that were the subject of the allegations contained in the Board's *Complaint*. The Board also asserts that since there's no factual dispute that Mr. Hoskins has pled guilty and is thereby subject to discipline by the Board, it is entitled to judgment as a matter of law. In response to the motion, Mr. Hoskins does not challenge the Board's factual assertions, but instead, he asserts the Board may not revoke his license for more than five years and that he may petition for reinstatement of his license two years after revocation. *Response to Motion for Summary Disposition.*

After reviewing the Board's motion and Mr. Hoskins' response, the hearing officer finds there are no disputes as to any material facts and finds that Mr. Hoskins is in violation of the Board's statutes. Therefore, the Board is entitled to judgment as a matter of law. In support of that determination, the hearing officer submits the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. At all times relevant to the allegations of misconduct in this action Mr. Hoskins was licensed to practice as a Physician Assistant in the Commonwealth of Kentucky. *Complaint*, numbered paragraph 1; *Answer*, numbered paragraph 1.

2. On August 28, 2015, the Board issued the *Complaint* charging Mr. Hoskins with violating KRS 311.850(1)(c) and (f).

3. Under KRS 311.850(1)(c), a physician assistant is subject to discipline if he has been convicted of an act that is or would be a felony under the laws of Kentucky or of the United States.

4. Under KRS 311.850(1)(f), a physician assistant is subject to discipline if he has knowingly made, caused to be made, or aided or abetted in the making of a false statement in any document executed in connection with the practice of medicine or osteopathy.

5. In this action the Board alleged that on May 14, 2015, Mr. Hoskins was charged with, and agreed to plead guilty to, aiding and abetting others in making false statements regarding the delivery and payment for healthcare benefits under Kentucky Medicaid in violation of 18 U.S.C. §§ 1035 and 2. *Complaint*, page 4, numbered paragraphs 16 and 17.

6. In his *Answer* Mr. Hoskins admitted that he had been charged with making false statements and had entered into a guilty plea to the charges. *Answer*, numbered paragraph 1.

7. Attached to the *Motion for Summary Disposition* is the *Information* in which the U.S. Attorney charged Mr. Hoskins with aiding and abetting James Alvin Chaney, M.D., Lesa L. Chaney, Ace Clinique of Medicine, LLC, and others:

to knowingly and willfully falsify, conceal, and cover up by a trick, scheme, and devise a material fact, in that HOSKINS, a physician's assistant at the ACE CLINIQUE OF MEDICINE, LLC, not authorized by law to issue prescriptions for controlled substances, completed and issued prescriptions for controlled substances that had been pre-signed but otherwise left blank by JAMES ALVIN CHANEY, M.D., when JAMES ALVIN CHANEY, M.D., was not physically present in the clinic, in connection with the delivery of and payment for health care benefits, items and services involving Kentucky Medicaid, a health care benefit program as defined in 18 U.S.C. § 24(b).

Motion for Summary Disposition, attached Information No. 15-18.

8. As part of his guilty plea Mr. Hoskins admitted that "from July 13, 2009, through on or about June 25, 2010, [he] was employed as a physician's assistant at Ace Clinique of Medicine, LLC," and "during this time, [he] assisted Dr. James A. Chaney and Lesa L. Chaney, owners of Ace Clinique of Medicine, in their scheme to commit health care fraud." *Motion for Summary Disposition, attached Plea Agreement, page 2.*

9. Mr. Hoskins further admitted that Dr. Chaney and his wife were frequently out of town on leisure travel, that they left pre-signed prescriptions for controlled substances at the clinic, and that Dr. Chaney directed Mr. Hoskins and others to complete the prescriptions and to give them to the patients. *Id.*

10. Mr. Hoskins admitted that "the purpose of the pre-signed prescriptions was to expedite providing prescriptions for controlled substances to the large patient volume at Ace Clinique of Medicine," and that "it was well known" to Mr. Hoskins and others at the clinic "that a substantial portion of the patient population was not seeking legitimate medical treatment, but rather was addicted to controlled substances or was otherwise diverting the controlled substances for other illegal purposes." *Id.*

11. Mr. Hoskins admitted that he “completed and issued the pre-signed prescriptions with the knowledge that it is illegal and outside the bounds of accepted medical practice for a physician to provide pre-signed prescriptions for controlled substances to be distributed by non-physician personnel.” *Id.*

12. Mr. Hoskins also admitted that he “knew the patients would have the prescriptions filled, which he knew would cause claims for reimbursement to be sent to Kentucky Medicaid,” which “does not pay for prescriptions that are illegal or otherwise outside of the accepted medical practice.” *Id.*

13. The potential punishment for Mr. Hoskins’ felony offense is imprisonment for not more than five years, a fine of not more than \$250,000, and a term of supervised release of not more than three years. *Id.*

14. On April 27, 2016, the court accepted Mr. Hoskins’ guilty plea and sentenced him to probation for three years and ordered restitution in the amount of \$9,527.51, which is to be paid to the Kentucky Cabinet for Health and Family Services. *Motion for Summary Disposition*, attached *Judgment in a Criminal Case*, pages 2 and 4.

15. In his *Answer* Mr. Hoskins admitted that, as alleged in the *Complaint*, he previously had entered into several agreed orders with the Board that addressed his earlier violations of the Board’s statutes governing the conduct of physician assistants. *Answer*, numbered paragraph 2.

16. In September 2001 he entered into a five-year agreed order of probation after the Board discovered that he had called in prescriptions for controlled substances for himself and family members without the approval of his supervising physician and after he had entered into a

contractual relationship with the Kentucky Physician Health Foundation ["the Foundation"] based upon an Axis I diagnosis of Opiate Dependence. *Complaint*, page 1, numbered paragraph 2.

17. On February 13, 2002, Mr. Hoskins entered into another agreed order surrendering his license after he had notified the Board he wanted to terminate his relationship with the Foundation, but on May 21, 2004, he entered into the *Agreed Order of Reinstatement with Indefinite Restriction*, which authorized him to resume practice as a Physician Assistant under the supervision of a physician. *Complaint*, page 2, numbered paragraph 4.

18. On February 9, 2009, Mr. Hoskins entered into the *Second Amended Agreed Order of Indefinite Restriction*, which approved his request to practice as a physician assistant with Ace Clinique of Medicine in Hazard, Kentucky. *Complaint*, page 3, numbered paragraph 11.

19. On August 11, 2009, the Board granted Mr. Hoskins' request to terminate the *Second Amended Agreed Order* in favor of a confidential letter of agreement. *Id.*, page 3, numbered paragraph 12.

20. The hearing officer notes that in his *Plea Agreement* Mr. Hoskins admitted that approximately five months after the Board approved his request to practice as a physician assistant with Ace Clinique, he entered into the conspiracy with the Chaney's to illegally distribute controlled substances and to commit health care fraud.

CONCLUSIONS OF LAW

1. The Board has jurisdiction over this action pursuant to KRS 311.591 and KRS 311.850(2).

2. The administrative action was conducted in accordance with the provisions of KRS Chapter 13B and KRS 311.591. KRS 311.850(2).

3. Under KRS 13B.090(7), the Board had the burden to prove by a preponderance of the evidence the allegations against Mr. Hoskins.

4. Pursuant to KRS 13B.090(2), the hearing officer may issue a recommended order without conducting an administrative hearing "if the hearing officer determines there are no genuine issues of material fact in dispute and judgment is appropriate as a matter of law."

5. There are no genuine issues of material fact regarding Mr. Hoskins' conduct that resulted in his entry of guilty plea to criminal offenses, and there is no dispute that his conduct violated the Board's statutes. Therefore, the Board has met its burden of proof and is entitled to judgement as a matter of law under KRS 13B.090(2).

6. The preponderance of the evidence shows that Mr. Hoskins violated KRS 311.850(1)(c) due to the fact he entered a guilty plea to a felony offense under the laws of the United States.

7. The preponderance of the evidence shows that Mr. Hoskins violated KRS 311.850(1)(f), by aiding and abetting the Chaney's in submitting false claims to Kentucky Medicaid seeking reimbursement for patients' prescriptions that were illegal and otherwise outside the scope of the accepted medical practice.

8. For those violations the Board is authorized under KRS 311.850(1) to "revoke, suspend, deny, decline to renew, limit, or restrict the license of a physician assistant, or may fine, reprimand or place a physician assistant on probation for no more than five (5) years."

9. In his *Response to Motion for Summary Disposition* Mr. Hoskins asserts that under KRS 311.607(1), he will be permitted to petition the Board for a license to practice two years after the effective date of a revocation order that may be issued by the Board. While that specific issue is not before the hearing officer in this action, he notes the cited provision is contained in the section of Chapter 311 related to the practice of medicine and osteopathy, and a similar provision is not contained in the section related to physician assistants.

RECOMMENDED ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law the hearing officer recommends the Board find Mr. Gregory Hoskins has violated KRS 311.850(1)(c) and (f) and take any appropriate action against Mr. Hoskins's license in accordance with KRS 311.850(1) for those violations.

NOTICE OF EXCEPTION AND APPEAL RIGHTS

Pursuant to KRS 13B.110(4) a party has the right to file exceptions to this recommended decision:

A copy of the hearing officer's recommended order shall also be sent to each party in the hearing and each party shall have fifteen (15) days from the date the recommended order is mailed within which to file exceptions to the recommendations with the agency head.

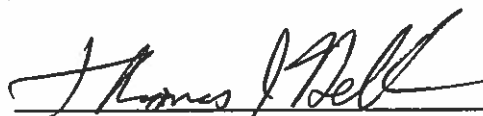
A party also has a right to appeal the Final Order of the agency pursuant to KRS 13B.140(1) which states:

All final orders of an agency shall be subject to judicial review in accordance with the provisions of this chapter. A party shall institute an appeal by filing a petition in the Circuit Court of venue, as provided in the agency's enabling statutes, within thirty (30) days after the final order of the agency is mailed or delivered by

personal service. If venue for appeal is not stated in the enabling statutes, a party may appeal to Franklin Circuit Court or the Circuit Court of the county in which the appealing party resides or operates a place of business. Copies of the petition shall be served by the petitioner upon the agency and all parties of record. The petition shall include the names and addresses of all parties to the proceeding and the agency involved, and a statement of the grounds on which the review is requested. The petition shall be accompanied by a copy of the final order.

Pursuant to KRS 23A.010(4), "Such review [by the circuit court] shall not constitute an appeal but an original action." Some courts have interpreted this language to mean that summons must be served upon filing an appeal in circuit court.

SO RECOMMENDED this 27th day of June, 2016.



THOMAS J. HELLMANN
HEARING OFFICER
810 HICKMAN HILL RD
FRANKFORT KY 40601
(502) 330-7338
thellmann@mac.com

CERTIFICATE OF SERVICE

I hereby certify that the original of this Recommendation was mailed this 27th day of June, 2016, by first-class mail, postage prepaid, to:

JILL LUN
KY BOARD OF MEDICAL LICENSURE
HURSTBOURNE OFFICE PARK STE 1B
310 WHITTINGTON PKWY
LOUISVILLE KY 40222

for filing; and a true copy was sent by first-class mail, postage prepaid, to:

BRIAN GOOD
L CHAD ELDER
ELDER & GOOD PLLC
159 ST MATTHEWS AVE SUITE 1
LOUISVILLE KY 40207

SARA FARMER
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THOMAS J. HELLMANN

PA35FC

COMMONWEALTH OF KENTUCKY
BOARD OF MEDICAL LICENSURE
CASE NO. PA-35

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AUG 28 2015

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IN RE: THE LICENSE TO PRACTICE AS A PHYSICIAN ASSISTANT IN THE
COMMONWEALTH OF KENTUCKY HELD BY GREGORY HOSKINS,
PA-C, LICENSE NO. PA267, 121 COLBY LANE, BUSY, KENTUCKY 41723

COMPLAINT

Comes now the Complainant C. William Briscoe, M.D., Chair of the Kentucky Board of Medical Licensure's Inquiry Panel A, and on behalf of the Panel which met on August 20, 2015, states for its Complaint against the licensee, Gregory Hoskins, PA-C, as follows:

1. At all relevant times, Gregory Hoskins, PA-C, was licensed by the Board to practice as a Physician Assistant in the Commonwealth of Kentucky.
2. In September 2001, the licensee entered into a five-year Agreed Order of Probation upon an investigation which showed that (1) he had called in prescriptions for controlled substances for himself and family members, without the approval of his supervising physician, and (2) he had entered into a contractual relationship with the Kentucky Physicians Health Foundation ("the Foundation") based upon an Axis I diagnosis of Opiate Dependence. The conditions of the probation, in part, required that the licensee maintain sobriety and his relationship with the Foundation and prohibited him from prescribing/dispensing controlled substances and from working with Jeffrey Prater, M.D.
3. Between September and December 2001, the licensee violated the probation by initially failing to register for mandated drug testing and then by failing to make required calls into the testing center on seven (7) occasions.

4. In December 2001, the licensee notified the Board and the Foundation that he wanted to terminate his relationship with the Foundation and to end his 8-year practice as a physician assistant. The licensee entered into an Agreed Order of Surrender on February 13, 2002. Under the terms of the Agreed Order of Surrender, any request by the licensee to reinstate his physician assistant license must be accompanied by a favorable recommendation by the Medical Director of the Foundation.
5. On or about August 13, 2003, the licensee was evaluated by Dr. Elliott at the direction of the Medical Director of the Foundation. The licensee was diagnosed with an Axis I diagnosis of Opiate Dependence, an Axis II diagnosis of Obsessive-compulsive personality, and an Axis III diagnosis of Headaches secondary to tension and anxiety.
6. On July 15, 2003, John Walsh with the Morton Center performed a substance abuse evaluation of the licensee. Mr. Walsh reported that the licensee appeared more amenable to treatment than in the past and recommended outpatient treatment with group therapy, individual therapy, and self-help meetings.
7. On September 11, 2003, the licensee entered into a contract with the Foundation.
8. In February 2004, the licensee was offered employment with the Hazard Appalachian Regional Hospital Emergency Department.
9. Dr. Elliott reviewed the licensee's employment opportunity with Hazard ARH and approved the work site except for any involvement by the licensee in providing IV narcotic medications.
10. On May 21, 2004, the licensee entered into an Agreed Order of Reinstatement with Indefinite Restriction. The licensee was permitted to practice as a physician assistant

at Hazard Appalachian Regional Hospital Emergency Department under the supervision of Larry Bartley Francis, M.D.

11. On February 9, 2009, the licensee entered into a Second Amended Agreed Order of Indefinite Restriction, after the Panel Chair approved the licensee's request to practice as a physician assistant at Ace Clinique of Medicine in Hazard, Kentucky and at Appalachian Regional Hospital and its clinics under the supervision of James D. Chaney, D.O.
12. On August 11, 2009 the Panel granted the licensee's request to terminate the Second Amended Agreed Order in favor of a confidential Letter of Agreement.
13. On August 9, 2012, the Panel granted the licensee's request to terminate the confidential Letter of Agreement.
14. On or about October 2, 2014, the licensee was charged by Indictment in Criminal Action Number 6:14-CR:37-GFVT in the United States District Court for the Eastern District of Kentucky. The licensee was charged as a co-defendant along with James Alvin Chaney, M.D., Lesa L. Chaney, and Ace Clinique of Medicine, LLC.
15. The licensee was charged with one count of knowingly and intentionally conspiring to distribute and unlawfully dispense Schedule II controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §846; one count of knowingly and intentionally conspiring to distribute and unlawfully dispense Schedule III controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §846; two counts of aiding and abetting to knowingly and intentionally distribute and unlawfully dispense Schedule II controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §2; two counts of aiding and abetting to knowingly and intentionally distribute and unlawfully

dispense Schedule III controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §2; and one count of having knowingly opened, leased, rented, used, and maintained a place whether permanently or temporarily for the purposes of distributing and unlawfully dispensing controlled substances in violation of 21 U.S.C. §856(a).

16. On or about May 14, 2015, the licensee was charged by Information in Criminal Action Number 15-CR-18-GFVT with aiding and abetting another to knowingly and willingly falsify, conceal, and cover up by a trick, scheme and device a material fact in connection with the delivery of and payment for health care benefits, items, and services involving Kentucky Medicaid, a health care benefit program, all in violation of 18 U.S.C. §§ 1035 and 2.
17. On or about the same day, May 14, 2015, the licensee entered into a plea agreement with the United States and pled guilty to the charged offense in Criminal Action 15-CR-18-GFVT. In exchange for the plea, the United States will move to dismiss the charges pending against the licensee in Criminal Action Number 14-CR-37-GFVT at the sentencing.
18. Pursuant to the Plea Agreement signed by the licensee on May 14, 2015, the licensee admits the following facts:

From July 13, 2009 through on or about June 25, 2010, the [licensee] was employed as a physician's assistant at Ace Clinique of Medicine, LLC. During this time, the [licensee] assisted Dr. James A. Chaney and Lesa L. Chaney, owners of Ace Clinique of Medicine, in their scheme to commit health care fraud.

The Chaney's were frequently out of town on leisure travel. During their absences, Dr. Chaney and Lesa Chaney would leave pre-signed prescriptions for controlled substances with Roy Combs to distribute to the staff of Ace Clinique of Medicine. Other than Dr. Chaney's signature, the prescription would be blank. Dr. Chaney directed the [licensee] and others to complete the prescriptions for controlled substances and give it to the patients. The [licensee], as well as other staff, would then

fill out the prescriptions, adding the patient's name, date, the type of controlled substance to be provided, and the quantity. The purpose of the pre-signed prescriptions was to expedite providing prescriptions for controlled substances to the large patient volume at Ace Clinique of Medicine. It was well known to the [licensee] and others at Ace Clinique of Medicine that a substantial portion of the patient population was not seeking legitimate medical treatment, but rather was addicted to controlled substances or was otherwise diverting the controlled substances for other illegal purposes. The [licensee] completed and issued the pre-signed prescriptions with the knowledge that it is illegal and outside the bounds of accepted medical practice for a physician to provide pre-signed prescriptions for controlled substances to be distributed by non-physician personnel.

The recipients of the pre-signed prescriptions had the prescriptions filled. The [licensee] knew the patients would have the prescription filled, which he knew would cause claims for reimbursement to be sent to Kentucky Medicaid. Kentucky Medicaid does not pay for prescriptions that are illegal or otherwise outside of the accepted medical practice.

19. By his conduct, the licensee has violated KRS 311.850(1)(c) and (f). Accordingly, legal grounds exist for disciplinary action against his license to practice as a physician assistant in the Commonwealth of Kentucky.
20. The licensee is directed to respond to the allegations delineated in the Complaint within thirty (30) days of service thereof and is further given notice that:
 - (a) His failure to respond may be taken as an admission of the charges;
 - (b) He may appear alone or with counsel, may cross-examine all prosecution witnesses and offer evidence in his defense.
21. NOTICE IS HEREBY GIVEN that a hearing on this Complaint is scheduled for January 12-14, 2016 at 9:00 a.m., Eastern Standard Time, at the Kentucky Board of Medical Licensure, Hurstbourne Office Park, 310 Whittington Parkway, Suite 1B, Louisville, Kentucky 40222. Said hearing shall be held pursuant to the Rules and Regulations of the Kentucky Board of Medical Licensure and pursuant to KRS Chapter 13B. This hearing shall proceed as scheduled and the hearing date shall only be modified by leave of the Hearing Officer upon a showing of good cause. .

WHEREFORE, Complainant prays that appropriate disciplinary action be taken against the license to practice as a physician assistant in the Commonwealth of Kentucky held by GREGORY HOSKINS, PA-C.

This 28th day of August, 2015.

C. William Briscoe M.D.

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

CERTIFICATE OF SERVICE

I certify that the original of this Complaint was delivered to Mr. Michael S. Rodman, Executive Director, Kentucky Board of Medical Licensure, 310 Whittington Parkway, Suite 1B, Louisville, Kentucky 40222; a copy was mailed to Thomas J. Hellman, Esq., Hearing Officer, 810 Hickman Hill Road, Frankfort, Kentucky 40601 and copies were mailed via certified mail return-receipt requested to the licensee, Gregory Hoskins, PA-C, License No. PA267, 121 Colby Lane, Busy, Kentucky 41723, and his counsel, Brian Good, Esq., Elder & Good, PLLC, 159 St. Matthews Avenue, Suite 1, Louisville, Kentucky 40207, on this 28th day of August, 2015.

Sara Farmer

Sara Farmer
Assistant General Counsel
Kentucky Board of Medical Licensure
310 Whittington Parkway, Suite 1B
Louisville, Kentucky 40222
(502) 429-7150

COMMONWEALTH OF KENTUCKY
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EMERGENCY ORDER OF SUSPENSION

The Kentucky Board of Medical Licensure ("the Board"), acting by and through its Inquiry Panel A, considered this matter at its August 20, 2015, meeting. At that meeting, Inquiry Panel A considered a Memorandum prepared by Billy Madden, Medical Investigator, dated July 30, 2015; an Indictment, filed October 2, 2014, in the United States District Court, Eastern District of Kentucky, Case No. 6:14-CR-37-GFVT; an Order Setting Conditions of Release, filed October 7, 2014; an Information, filed May 14, 2015, in the United States District Court, Eastern District of Kentucky, Information No. 6:15-CR-18-GFVT; an Arraignment and Plea filed May 14, 2015; a Plea Agreement and Order Accepting Guilty Plea both filed May 14, 2015; and correspondence from the licensee's counsel, dated August 3, 2015. The licensee, Gregory Hoskins, PA-C, was given notice of the meeting and his counsel appeared and was heard by the Panel.

Having considered this information and being sufficiently advised, Inquiry Panel A ENTERS the following EMERGENCY ORDER OF SUSPENSION, in accordance with KRS 311.852(1) and 13B.125(1):

FINDINGS OF FACT

Pursuant to KRS 13B.125(2) and based upon the information available to it, Inquiry Panel A concludes there is probable cause to make the following Findings of Fact, which support its Emergency Order of Suspension:

1. At all relevant times, Gregory Hoskins, PA-C, was licensed by the Board to practice as a Physician Assistant in the Commonwealth of Kentucky.
2. In September 2001, the licensee entered into a five-year Agreed Order of Probation upon an investigation which showed that (1) he had called in prescriptions for controlled substances for himself and family members, without the approval of his supervising physician, and (2) he had entered into a contractual relationship with the Kentucky Physicians Health Foundation ("the Foundation") based upon an Axis I diagnosis of Opiate Dependence. The conditions of the probation, in part, required that the licensee maintain sobriety and his relationship with the Foundation and prohibited him from prescribing/dispensing controlled substances and from working with Jeffrey Prater, M.D.
3. Between September and December 2001, the licensee violated the probation by initially failing to register for mandated drug testing and then by failing to make required calls into the testing center on seven (7) occasions.
4. In December 2001, the licensee notified the Board and the Foundation that he wanted to terminate his relationship with the Foundation and to end his 8-year practice as a physician assistant. The licensee entered into an Agreed Order of Surrender on February 13, 2002. Under the terms of the Agreed Order of Surrender, any request by the licensee to reinstate his physician assistant license must be accompanied by a favorable recommendation by the Medical Director of the Foundation.

5. On or about August 13, 2003, the licensee was evaluated by Dr. Elliott at the direction of the Medical Director of the Foundation. The licensee was diagnosed with an Axis I diagnosis of Opiate Dependence, an Axis II diagnosis of Obsessive-compulsive personality, and an Axis III diagnosis of Headaches secondary to tension and anxiety.
6. On July 15, 2003, John Walsh with the Morton Center performed a substance abuse evaluation of the licensee. Mr. Walsh reported that the licensee appeared more amenable to treatment than in the past and recommended outpatient treatment with group therapy, individual therapy, and self-help meetings.
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8. In February 2004, the licensee was offered employment with the Hazard Appalachian Regional Hospital Emergency Department.
9. Dr. Elliott reviewed the licensee's employment opportunity with Hazard ARH and approved the work site except for any involvement by the licensee in providing IV narcotic medications.
10. On May 21, 2004, the licensee entered into an Agreed Order of Reinstatement with Indefinite Restriction. The licensee was permitted to practice as a physician assistant at Hazard Appalachian Regional Hospital Emergency Department under the supervision of Larry Bartley Francis, M.D.
11. On February 9, 2009, the licensee entered into a Second Amended Agreed Order of Indefinite Restriction, after the Panel Chair approved the licensee's request to practice as a physician assistant at Ace Clinique of Medicine in Hazard, Kentucky

and at Appalachian Regional Hospital and its clinics under the supervision of James D. Chaney, D.O.

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15. The licensee was charged with one count of knowingly and intentionally conspiring to distribute and unlawfully dispense Schedule II controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §846; one count of knowingly and intentionally conspiring to distribute and unlawfully dispense Schedule III controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §846; two counts of aiding and abetting to knowingly and intentionally distribute and unlawfully dispense Schedule II controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §2; two counts of aiding and abetting to knowingly and intentionally distribute and unlawfully dispense Schedule III controlled substances in violation of 21 U.S.C. §841(a)(1) and 21 U.S.C. §2; and one count of having knowingly opened, leased, rented, used, and maintained a place whether

permanently or temporarily for the purposes of distributing and unlawfully dispensing controlled substances in violation of 21 U.S.C. §856(a).

16. On or about May 14, 2015, the licensee was charged by Information in Criminal Action Number 15-CR-18-GFVT with aiding and abetting another to knowingly and willingly falsify, conceal, and cover up by a trick, scheme and device a material fact in connection with the delivery of and payment for health care benefits, items, and services involving Kentucky Medicaid, a health care benefit program, all in violation of 18 U.S.C. §§ 1035 and 2.
17. On or about the same day, May 14, 2015, the licensee entered into a plea agreement with the United States and pled guilty to the charged offense in Criminal Action 15-CR-18-GFVT. In exchange for the plea, the United States will move to dismiss the charges pending against the licensee in Criminal Action Number 14-CR-37-GFVT at the sentencing.
18. Pursuant to the Plea Agreement signed by the licensee on May 14, 2015, the licensee admits the following facts:

From July 13, 2009 through on or about June 25, 2010, the [licensee] was employed as a physician's assistant at Ace Clinique of Medicine, LLC. During this time, the [licensee] assisted Dr. James A. Chaney and Lesa L. Chaney, owners of Ace Clinique of Medicine, in their scheme to commit health care fraud.

The Chaney's were frequently out of town on leisure travel. During their absences, Dr. Chaney and Lesa Chaney would leave pre-signed prescriptions for controlled substances with Roy Combs to distribute to the staff of Ace Clinique of Medicine. Other than Dr. Chaney's signature, the prescription would be blank. Dr. Chaney directed the [licensee] and others to complete the prescriptions for controlled substances and give it to the patients. The [licensee], as well as other staff, would then fill out the prescriptions, adding the patient's name, date, the type of controlled substance to be provided, and the quantity. The purpose of the pre-signed prescriptions was to expedite providing prescriptions for controlled substances to the large patient volume at Ace Clinique of Medicine. It was well known to the [licensee] and others at Ace Clinique of Medicine that a substantial portion of the patient population was not seeking legitimate medical treatment,

but rather was addicted to controlled substances or was otherwise diverting the controlled substances for other illegal purposes. The [licensee] completed and issued the pre-signed prescriptions with the knowledge that it is illegal and outside the bounds of accepted medical practice for a physician to provide pre-signed prescriptions for controlled substances to be distributed by non-physician personnel.

The recipients of the pre-signed prescriptions had the prescriptions filled. The [licensee] knew the patients would have the prescription filled, which he knew would cause claims for reimbursement to be sent to Kentucky Medicaid. Kentucky Medicaid does not pay for prescriptions that are illegal or otherwise outside of the accepted medical practice.

19. On or about August 20, 2015 the Board's Inquiry Panel A determined that the licensee's practices place his patients and the public at risk and in danger. As a result, the licensee was suspended from practicing as a physician assistant in the Commonwealth of Kentucky pending resolution of the Complaint.

CONCLUSIONS OF LAW

Pursuant to KRS 13B.125(2) and based upon the information available to it, Inquiry Panel A finds there is probable cause to support the following Conclusions of Law, which serve as the legal bases for this Emergency Order of Suspension:

1. The licensee's physician assistant license is subject to regulation and discipline by this Board.
2. KRS 311.852(1) provides that the Board may issue an emergency order suspending, limiting, or restricting a physician assistant's license at any time an inquiry panel has probable cause to believe that a) the physician assistant has violated the terms of an agreed order or a disciplinary order; or b) a physician assistant's practice constitutes a danger to the health, welfare and safety of his patients or the general public.
3. There is probable cause to believe that the licensee has violated KRS 311.850(1)(c) and (f). The Panel concludes there is probable cause to believe this physician

assistant's practice constitutes a danger to the health, welfare and safety of his patients or the general public.

4. The Board may draw logical and reasonable inferences about a physician assistant's practice by considering certain facts about a physician assistant's practice. If there is proof that a physician assistant has violated a provision of the Kentucky Medical Practice Act in one set of circumstances, the Board may infer that the physician assistant will similarly violate the Medical Practice Act when presented with a similar set of circumstances. Similarly, the Board concludes that proof of a set of facts about a physician assistant's practice presents representative proof of the nature of that physician assistant's practice in general. Accordingly, probable cause to believe that the physician assistant has committed certain violations in the recent past presents probable cause to believe that the physician assistant will commit similar violations in the near future, during the course of the physician assistant's practice.
5. The United States Supreme Court has ruled that it is not a violation of the federal Due Process Clause for a state agency to temporarily suspend a license, without a prior evidentiary hearing, so long as 1) the immediate action is based upon a probable cause finding that there is a present danger to the public safety; and 2) the statute provides for a prompt post-deprivation hearing. *Barry v. Barchi*, 443 U.S. 55, 61 L.Ed.2d 365, 99 S.Ct. 2642 (1979); *FDIC v. Mallen*, 486 U.S. 230, 100 L.Ed.2d 265, 108 S.Ct. 1780 (1988) and *Gilbert v. Homar*, 117 S.Ct. 1807 (1997). Cf. KRS 13B.125(1).

KRS 13B.125(3) provides that the Board shall conduct an emergency hearing on this emergency order within ten (10) working days of a request for such a hearing by

the licensee. The licensee has been advised of his right to a prompt post-deprivation hearing under this statute.

EMERGENCY ORDER OF SUSPENSION

Based upon the foregoing Findings of Fact and Conclusions of Law, Inquiry Panel A hereby ORDERS that the license to practice as a physician assistant in the Commonwealth of Kentucky held by Gregory Hoskins, PA-C, is SUSPENDED and Mr. Hoskins is prohibited from performing any act which constitutes the practice of a physician assistant, pursuant to KRS 311.840, et seq., until the resolution of the Complaint setting forth the allegations discussed in this pleading or until such further Order of the Board.

Inquiry Panel A further declares that this is an EMERGENCY ORDER, effective upon receipt by the licensee or his counsel.

SO ORDERED this 28th day of August, 2015.

C. William Briscoe MD

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

CERTIFICATE OF SERVICE

I certify that the original of this Emergency Order of Suspension was delivered to Mr. Michael S. Rodman, Executive Director, Kentucky Board of Medical Licensure, 310 Whittington Parkway, Suite 1B, Louisville, Kentucky 40222; and copies were mailed via certified mail return-receipt requested to the licensee, Gregory Hoskins, PA-C, License No. PA267, 121 Colby Lane, Busy, Kentucky 41723, and his counsel, Brian Good, Esq., Elder & Good, PLLC, 159 St. Matthews Avenue, Suite 1, Louisville, Kentucky 40207, on this 28th day of August, 2015.



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