

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control 545 Department or Agency Alabama Medical Licensure Commission

Rule No. 545-X-3-.08

Rule Title: Conduct of Hearings in Contested Cases; Appointment and Authority of Legal Counsel;
Grounds for Suspension or Revocation of License

 New X Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? _____ YES _____

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? _____ YES _____

Is there another, less restrictive method of regulation available that could adequately protect the public? _____ NO _____

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? _____ NO _____

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? _____ NO _____

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? _____ YES _____

Does the proposed rule have an economic impact? _____ NO _____

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official
I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer James E. West, MD

Date: 9/4/14

APA-2
6/93

ALABAMA MEDICAL LICENSURE COMMISSION

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Medical Licensure Commission

RULE NO. & TITLE: 545-X-3-.08 Conduct of Hearings in Contested Cases; Appointment and Authority of Legal Counsel; Grounds for Suspension or Revocation of License

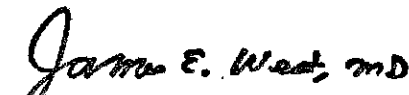
INTENDED ACTION: To amend rule 545-X-3-.08

SUBSTANCE OF PROPOSED ACTION: To make a provision for physicians that are assessed an administrative fine or cost bill to renew their medical license while making installment payments.

TIME, PLACE, MANNER OF PRESENTING VIEWS: All interested persons may submit data, views or arguments concerning the proposed new rule(s) and regulation(s) in writing to: Karen H. Silas, Executive Assistant, Alabama Medical Licensure Commission, Post Office Box 887, Montgomery, Alabama 36101-0887, by mail or in person between the hours of 8:30 a.m. and 4:30 p.m., Monday through Friday, until and including **Tuesday, November 4, 2014**. Persons wishing to obtain copies of the text of this rule and submit data, views or comments or arguments orally should contact Karen H. Silas, by telephone (334/242-4153) during said period in order to set up an appointment for a hearing respecting such oral data, views, or arguments.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: November 4, 2014

CONTACT PERSON AT AGENCY: Karen H. Silas



James E. West, M.D., Chairman

545-X-3-.08 Conduct of Hearings in Contested Cases; Appointment and Authority of Legal Counsel; Grounds for Suspension or Revocation of License.

(1) A legal counsel is an individual appointed by the Commission to act in such capacities and with such authority as is specified herein. Legal counsel shall be an attorney licensed to practice law in the state of Alabama. The legal counsel shall be compensated at a rate to be prescribed by the Commission for services actually performed pursuant to a contractual agreement entered into between the Commission and the legal counsel. Subject to the restrictions concerning participation in prosecution and conflict of interest, a legal counsel may be an employee of the Commission.

(2) The general duties of the legal counsel shall be to guide and direct the course of contested cases before the Commission, to advise the Commission on matters of law and evidence pertaining to those contested cases and to assist the Commission in the preparation of orders and decrees resulting from hearings on contested cases. Specifically, the legal counsel shall be empowered to:

(a) Advise the Commission regarding any motions contesting or challenging the legal sufficiency of a complaint, or other documents which is the basis of a contested case.

(b) Advise the Commission regarding all pre-hearing motions by all parties to a contested case.

(c) To assist the Chairman in making rulings regarding the attendance of parties and/or attorneys at hearings and conferences on matters related to the contested case.

(d) To assist the chairman on behalf of the Commission in setting submission dates, deadlines and time tables which shall be binding on the parties in all matters

related to the orderly conduct of the contested case.

(e) To assist the chairman, when the Commission is not in session, on legal matters related to a pending contested case. The Chairman may order the complainant to file a more definite statement or to amend his complaint to provide additional information. Dismissal of a complaint will only be upon the order of the Commission.

(f) To administer oaths and to certify the authenticity of documents when required in the discharge of his duties as legal counsel in a contested case.

(g) To assist the Chairman in directing that evidence relevant to the general character and reputation of the licensee be submitted in writing by affidavit or to place reasonable limitations upon the number of witnesses permitted to testify as to the character and reputation of the licensee.

(h) To render advice to the Chairman of the Commission on the conduct of all aspects of hearings on contested cases.

(i) The legal counsel is specifically authorized to represent the Commission in all matters involving the Commission in state and federal courts. The legal counsel is specifically authorized to represent the Commission in all appeals from its decisions and orders.

(3) The legal counsel shall advise the Commission on matters of evidence and law during its deliberations.

(4) When directed by the Commission, the legal counsel shall prepare the final order reflecting the decision of the Commission in each contested case. The final order shall be executed and authenticated in the manner prescribed by the Commission.

(5) When directed by the Commission, the legal counsel shall notify all parties to the hearing of the final order of the Commission and of all appellate remedies available to any party that is adversely affected by a decision of the Commission.

(6) In addition, the legal counsel shall be authorized to perform such duties and functions in each specific case as may be prescribed by the Commission, it being the intent of this rule that the legal counsel shall be the chief legal advisor to the Commission in the conduct and disposition of all contested cases, however, the Commission shall retain the authority in all cases to hear all evidence and argument and be the sole judge of the facts. The Commission shall fix the penalty or restriction, if any, to be imposed at the conclusion of a contested case. The Commission shall appoint a legal counsel in each contested case unless the case is subject to informal disposition as otherwise provided in these rules.

(7) The person appointed by the Commission to act as a legal counsel in the contested case shall not have participated in the investigation or prosecution of the licensee in the matters pertaining to the contested case. The legal counsel shall not have a manifest conflict of interest with any party in a contested case.

(8) The Chairman of the Commission shall preside during hearings with the assistance and advice of a legal counsel. All evidence and argument shall be presented before the Commission and no member of the Commission shall participate in the final decision unless he has been present during all of the hearing or unless he has considered the complete record of those proceedings which took place in his absence.

(9) The Chairman shall be responsible for the conduct of the hearing and all rulings of the Chairman shall be final and shall be deemed to be the action of the

Commission unless such rulings are challenged by a member of the Commission. All such challenges are to be considered and decided by the Commission outside the presence of the parties, attorneys and witnesses to the contested case, and only the decision of the Commission shall be entered into the record. The Chairman may impose reasonable conditions and limitations on the parties' presentation during a contested case including, but not limited to, the prescribing of reasonable limitations on argument, requiring the parties to file briefs and memoranda with the Commission, and the imposition of reasonable sanctions and penalties for misconduct of parties and attorneys before the Commission. The Chairman is specifically authorized to require that any person whose behavior is disruptive to the orderly conduct of the proceedings leave the hearing and may then order the proceedings to continue or to be postponed as circumstances shall dictate.

(10) During the conduct of any contested case the members of the Commission may direct questions to witnesses offering testimony to the Commission but the Chairman shall insure that such questions are material and relevant to the issues under inquiry.

(11) The hearing shall be conducted in so far as is practicable in the same manner as a civil action at law. In a hearing the complainant shall have the obligation to proceed first and to present such evidence touching upon the specific allegations of the complaint as will establish at least a prima facie violation of the offenses and conditions as stated in the complaint. At the conclusion of the complainant's presentation, the respondent shall have the opportunity to call witnesses on his behalf and to rebut the allegations of the complainant and/or to present evidence in mitigation

of the evidence presented by the complainant.

(12) At the conclusion of the hearing, the Commission shall hold its deliberations in executive session in consultation with the legal counsel. If the Commission finds that a physician or osteopath is guilty of any of the acts, offenses or conditions enumerated in §34-24-360, the Commission may take any of the following actions or any combination of the following action:

- (a) Enter a judgment and impose a penalty;
- (b) Suspend imposition of judgment and penalty;
- (c) Impose judgment and penalty, but suspend enforcement thereof by placing the physician or osteopath on probation, which probation shall be revocable if the Commission finds that the conditions of the probation order are not followed by the physician or osteopath.

1. As a condition of probation the Commission may require the physician or osteopath to submit to care, counseling, or treatment by a physician designated by the Commission. The expense of such care, counseling or treatment shall be borne by the physician or osteopath on probation.

2. The Commission may at any time modify the conditions of the probation and may include among them any reasonable condition for the purpose of the protection of the public or for the purpose of the rehabilitation of the probationer or both.

(d) Impose an administrative fine on the respondent in an amount not greater than ten thousand dollars (\$10,000.00) for each violation of § 34-24-360 or any rule or regulation of the Commission which relates to §34-24-360.

1. All administrative fines assessed by the Commission shall be due and payable

to the Commission within thirty (30) days from the date the fine is assessed. In the event that an appeal is filed subject to §34-24-357 (Code) then the fine shall be required to be paid. However the Commission shall refund the fine in the event the decision of the Commission is reversed by the reviewing court.

2. The Commission shall not renew the annual certificate of registration as set forth in Section 34-24-337 of any physician against whom an administrative fine has been assessed by the Board of Medical Examiners or the Commission until such fine is paid in full ~~provided. However, if an order of the Medical Licensure Commission or the Board of Medical Examiners allows for the payment of the fine or costs in installments and if the licensee is current with the installment payment, then the physician shall be permitted to renew his or her certificate of registration.~~ that In the event that the fine is paid more than thirty (30) days after registration is due, the licensee shall be required to pay the reinstatement fee and complete all forms as provided by these rules.

3. All administrative fines received by the Commission shall be deposited in an escrow account and held until all proceedings seeking review of the Commission's order have concluded. At the conclusion of these proceedings or after the statutory period for filing an appeal has lapsed, all fines paid to the Commission shall be deposited with the Board of Medical Examiners for use as provided by statute and by the rules and regulations of the Alabama State Board of Medical Examiners.

(e) Administrative Costs:

1. In addition to the administrative fine authorized in subsection (d), the Commission, upon application by the Board of Medical Examiners, may require a physician or osteopath found to be in violation of Section 34-24-360 to pay the costs,

fees, and expenses of the Board incurred in connection with any proceedings before the Commission. Such costs include, but are not limited to the following;

- (i) The actual cost of independent medical review and expert testimony.
- (ii) Fees and expenses of board counsel.
- (iii) Deposition costs.
- (iv) Travel expenses for board staff.
- (v) Charges incurred for obtaining documentary evidence, and such other

categories of expenses as may be prescribed in regulation published by the Board and Commission.

2. Payment of any costs, fees, or expenses ordered by the Commission shall be made and enforced in the same manner as an administrative fine, as set forth in the preceding section.

3. The following procedures shall be followed with the regard to requests for costs, fees and expenses:

i If the Board intends to seek the imposition of costs, fees and expenses, it shall give notice of such intent prior to the final hearing. Such notice may be included in the Administrative Complaint, or it may be given by separate pleading filed with the Commission, a copy of which shall be served on the licensee or his/her attorney.

ii The Board may submit to the Commission, within ten days after the conclusion of the final hearing, a complete bill of costs, fees and expenses. Such bill of costs, fees and expenses shall include verification by the provider(s) of the services for which reimbursement is requested that such costs, fees and expenses were necessary for the prosecution of the case. A copy of such bill of costs, fees and expenses shall be

served upon the licensee or his/her attorney.

iii The licensee may file written objection to the bill of costs, fees and expenses within ten days of its receipt. Such objection shall be set forth in detail the basis for such objection. If no objection is filed, the Commission may assume that the costs, fees and expenses requested are necessary and reasonable.

iv In determining whether or not to award cost, fees and expenses, the Commission shall determine whether or not such cost, fees and expenses are reasonable and necessary for the prosecution of the case. Attorney fees shall be awarded at a rate not to exceed \$150.00 per hour.

v. The Commission may include its ruling on the request for costs, fees and expenses in its final order. In the alternative, the Commission may enter a final order and reserve for a later time the issue of costs, fees and expenses. The fact that the issue of costs, fees and expenses is reserved for a later ruling shall not affect the finality of the order.

(f) If a license to practice medicine or osteopathy in Alabama is suspended or revoked, the holder of that license shall not practice in Alabama during the term of the suspension or revocation.

(13) When the issue is whether or not a doctor is physically or mentally capable of practicing medicine or osteopathy with reasonable skill and safety to patients, then, upon a showing of probable cause to the Commission that the doctor is not capable of practicing medicine or osteopathy with reasonable skill and safety to patients, the Commission may order and direct the doctor in question to submit to either a physical, mental or laboratory examination or any combination of such examinations to be

performed by a physician or osteopath designated by the Commission. The expense of such examination shall be borne by the physician or osteopath who is so examined.

(14) Every physician licensed to practice medicine or osteopathy in Alabama who accepts the privilege of practicing medicine or osteopathy in Alabama by actually practicing or by the making and filing of an annual registration to practice medicine shall be deemed to have given his consent to submit to a mental, physical or laboratory examination or to any combination of such examination and to waive all objections to the admissibility of the examining physician's testimony or examination reports on the ground that they constitute privileged doctor-patient communications.

(15) The Commission shall have the power and duty to suspend, revoke or restrict any license to practice medicine or osteopathy in the State of Alabama or place on probation or fine any licensee whenever the licensee shall be found guilty on the basis of substantial evidence of any of the following acts or offenses:

(a) Fraud in applying for or procuring a certificate of qualification to practice medicine or osteopathy or a license to practice medicine or osteopathy in this State;

(b) Unprofessional conduct as defined by statute or by these rules and regulations promulgated by the Commission;

(c) Practicing medicine or osteopathy in such a manner as to endanger the health of the patients of the practitioner;

(d) Conviction of a felony; a copy of the record of conviction, certified to by the clerk of the court entering the conviction, shall be conclusive evidence;

(e) Conviction of any crime or offense which reflects the inability of the practitioner to practice medicine or osteopathy with due regard for the health or safety

of his patients; a copy of the record of conviction, certified to by the clerk of the court entering the conviction, shall be conclusive evidence;

(f) Conviction for any violation of a federal or state law relating to controlled substances; a copy of the record of conviction, certified to by the clerk of the court entering the conviction, shall be conclusive evidence;

(g) Use of any untruthful or deceptive or improbable statement concerning the licensee's qualifications or effects or results of his proposed treatment;

(h) Distribution by prescribing, dispensing, furnishing, or supplying of controlled substances to any person or patient for any reason other than a legitimate medical purpose;

(i) Gross malpractice or repeated malpractice or gross negligence in the practice of medicine or osteopathy;

(j) Division of fees or agreement to split or divide the fees received for professional services with any person for bringing or referring a patient;

(k) Performance of unnecessary diagnostic tests or medical or surgical services;

(l) Charging fees determined by the Commission to be grossly excessive or intentionally filing or causing to be filed false or fraudulent claims, as defined by the Commission, for medical or surgical services to any private or government third party payor having a legal or contractual obligation to pay such claims on behalf of a patient;

(m) Aiding or abetting the practice of medicine by any person not licensed by the Commission;

(n) Conviction of fraud in filing medicare or medicaid claims or conviction of fraud in filing claims to any third party payor; a copy of the record of conviction, certified

to by the clerk of the court entering the conviction, shall be conclusive evidence;

(o) Any disciplinary action taken by another state against a license to practice medicine or osteopathy, based upon acts by the licensee similar to acts described in this section; a certified copy of the record of the disciplinary action of the state making such an action is conclusive evidence thereof;

(p) Refusal to appear before the Board of Medical Examiners after having been formally requested to do so in writing by the Executive Director of the Board;

(q) Making any fraudulent or untrue statement to the Commission or to the Board of Medical Examiners;

(r) The termination, revocation, probation, restriction, denial, failure to renew, suspension, reduction or resignation of staff privileges of a licensee by a hospital in this or any other state when such action is related to negligence or incompetence in the practice of medicine, moral turpitude, sexual misconduct, abusive or disruptive behavior, or drug or alcohol abuse;

(s) 1. Being unable to practice medicine or osteopathy with reasonable skill and safety to patients by reason of illness, inebriation, excessive use of drugs, narcotics, alcohol, chemicals or any other substance, or as a result of any mental or physical condition.

2. When the issue is whether or not a doctor is physically or mentally capable of practicing medicine or osteopathy with reasonable skill and safety to patients, then, upon a showing of probable cause to the Commission that the doctor is not capable of practicing medicine or osteopathy with reasonable skill and safety to patients, the Commission may order and direct the doctor in question to submit to either a physical,

mental or laboratory examination, or any combination of such examinations, to be performed by a physician or osteopath designated by the Commission or by the Board of Medical Examiners. The expense of such examination shall be borne by the physician or osteopath who is so examined.

3. Every physician licensed to practice medicine or osteopathy in the State of Alabama who accepts the privilege of practicing medicine or osteopathy in Alabama by actually practicing or by the making and filing of an annual registration to practice medicine shall be deemed to have given his or her consent to submit to a mental, physical or laboratory examination, or to any combination of such examinations, and to waive all objections to the admissibility of the examining physician's testimony or examination reports on the ground that they constitute privileged doctor-patient communications.

4. Upon certification by the Board of Medical Examiners that a physician or osteopath has failed to comply with an order of the Board of Medical Examiners issued pursuant to Ala. Code Section 34-24-360 (19) (d) the Commission shall summarily suspend such physician's or osteopath's license. Such suspension shall continue in effect until such time as the physician or osteopath complies with the order of the Board or the order is withdrawn by the Board or the order is terminated by the Commission after a hearing.

5. All reports, records, and documents obtained by the Board pursuant to an order authorized by section 34-24-360 (19) (d) and introduced as evidence in any hearing conducted by the Commission are privileged and confidential and shall not be public records nor available for court subpoena or for discovery proceedings.

6. A physician or osteopath whose license to practice medicine has been suspended by the Commission under the authority of subparagraph 4. above may obtain judicial review in accordance with the provisions of Sections 41-22-20 and 34-24-367.

(t) 1. Being unable to practice medicine or osteopathy with reasonable skill and safety to patients by reason of a demonstrated lack of basic medical knowledge or clinical competency.

2. Upon certification by the Board of Medical Examiners that a physician or osteopath has failed to comply with an order of the Board of Medical Examiners issued pursuant to Ala. Code Section 34-24-360 (20) (a) the Commission shall summarily suspend such physician's or osteopath's license. Such suspension shall continue in effect until such time as such physician or osteopath complies with the order of the Board or the order is withdrawn by the Board or the order is terminated by the Commission after a hearing.

3. A physician or osteopath whose license to practice medicine has been summarily suspended under the authority of subparagraph 2. above may obtain judicial review in accordance with the provisions of Sections 41-22-20 and 34-24-367.

4. Any physician or osteopath whose certificate of qualification and license to practice medicine has been restricted by the Board of Medical Examiners under the authority of Ala. Code Section 34-24-360 (20) (e) may request a hearing before the Commission. At such hearing it shall be the burden of the Board to demonstrate to the reasonable satisfaction of the Commission that the restriction or restrictions are consistent with the findings of the examination or evaluation ordered by the Board

pursuant to Ala. Code Section 34-24-360 (20) (b). All such hearings shall be conducted on an expedited basis and any restrictions ordered by the Board shall not be stayed by the Commission during the pendency of the hearing. The Commission may consider, in any hearing resulting from a decision of the Board to impose a restriction or restrictions on the certificate of qualification and license to practice medicine of the physician or osteopath in question, the results of all examinations or evaluations of basic knowledge or clinical competency upon which the Board relied and such other evidence as the Commission deems relevant to the issues presented. In rendering a decision the Commission is authorized to affirm the restriction or restrictions, to modify the restriction or restrictions, or to order the removal of the restriction or restrictions.

5. A physician or osteopath adversely affected by a decision of the Commission resulting from a hearing under the preceding subparagraph (4.) may obtain judicial review in accordance with the provisions of Sections 41-22-20 and 34-24-367.

6. The Commission may, within its discretion, revoke or suspend the license to practice medicine of a physician or osteopath who fails to abide by or who violates a restriction or restrictions imposed by the Board, or as modified by the Commission, on the certificate of qualification and license to practice medicine of the physician or osteopath in question, or it may impose administrative fines or other penalties as authorized by Sections 34-24-361 and 34-24-381.

(u) Excessive prescribing, dispensing, furnishing or supplying of a schedule II controlled substance. A physician or osteopath violates this section if he or she prescribes, orders, dispenses, administers, supplies or otherwise distributes any Schedule II amphetamine or Schedule II amphetamine like anorectic drug or Schedule

II sympathomimetic amine drug or compound thereof, or any salt, compound, isomer, derivative or preparation of the foregoing which are chemically equivalent thereto, or other nonnarcotic Schedule II stimulant drug, which drugs or compounds are classified under schedule II of the Alabama Uniform Controlled Substances Act, Section 20-2-24, to any person except for the therapeutic treatment of:

1. Narcolepsy.

2. Hyperkinesis.

3. Brain dysfunction of sufficiently specific diagnosis or etiology which clearly indicates the need for these substances in treatment or control.

4. Epilepsy.

5. Differential psychiatric evaluation of clinically significant depression; provided, however, that such treatment shall not extend beyond a period of 30 days unless the patient is referred to a licensed practitioner specializing in the treatment of depression.

- 6.(I) Clinically significant depression shown to be refractory to other therapeutic modalities; provided, however, that such treatment shall not extend beyond a period of 30 days unless the patient is referred to a licensed practitioner specializing in the treatment of depression; or for the clinical investigation of the effects of such drugs or compounds, in which case an investigative protocol must be submitted to and reviewed and approved by the State Board of Medical Examiners before the investigation has begun.

- (ii) A physician prescribing, ordering or otherwise distributing the controlled substances listed above in the manner permitted by this section shall maintain a complete record which must include documentation of the diagnosis and reason for

prescribing, the name, dose, strength, and quantity of the drug, and the date prescribed or distributed. The records required under this subsection shall be made available for inspection by the certifying board or its representative upon request. Those Schedule II stimulant drugs enumerated above shall not be dispensed or prescribed for the treatment or control of exogenous obesity.

(v) Failure to maintain for a patient a medical record which meets the minimum standards stated in the rules and regulations promulgated by the Commission.

(w) The violation of §34-24-57, Code of Alabama, 1975, in that the licensee, who, during the preceding three (3) year period has had two or more final judgments or settlements, or has had a total of three or more final judgments or settlements, or both, resulting from a claim or action for damages for personal injuries caused by an error, omission or negligence in the performance of medical professional services, or in the performance of medical professional services without consent.

(x) Practicing medicine or osteopathy in violation of the provisions of the Infected Health Care Worker Management Act, Act 93-846.

(y) Failure to comply with any rule of the Board of Medical Examiners or Medical Licensure Commission.

Author: Alabama Medical Licensure Commission

Statutory Authority: Code of Alabama 1975, § 34-24-57, 34-24-360, 34-24-381, 34-24-382.

History: Approved for Publication: October 27, 1993. Adopted: January 26, 1994. Effective Date: March 3, 1994. Amendment approved for publication Nov. 20, 2002. Adopted February 26, 2003. Filed March 4, 2003; effective April 8, 2003.

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2014.