

BEFORE THE BOARD OF HEALING ARTS OF THE STATE OF KANSAS

In the Matter of) Daniel J. Lalich, M.D.) Kansas License No. Pending)

Docket No. 12-HA 00023

CONSENT ORDER

COMES NOW, the Kansas State Board of Healing Arts, ("Board"), by and through Jessica A. Bryson, Associate Litigation Counsel ("Petitioner"), and Daniel J. Lalich, M.D. ("Applicant"), by and through his counsel, Blake Reeves, Polsinelli, Shughart, P.C., and move the Board for approval of a Consent Order affecting Applicant's license to practice medicine and surgery in the State of Kansas. The Parties stipulate and agree to the following:

- 1. Applicant's last known mailing address to the Board is: 3901 Rainbow Blvd., Dept. of Pathology, MS 3045, Kansas City, KS 66160.
2. On or about January 13, 2011, Applicant submitted to the Board an application for licensure in medicine and surgery. Such application was filed with the Board on September 21, 2011.
3. The Board is the sole and exclusive administrative agency in the State of Kansas authorized to regulate the practice of the healing arts, specifically the practice of medicine and surgery. K.S.A. 65-2801 et seq. and K.S.A. 65-2869.
4. This Consent Order and the filing of such document are in accordance with applicable law and the Board has jurisdiction to enter into the Consent Order as provided by K.S.A. 77-505 and 65-2838. Upon approval, these stipulations shall

constitute the findings of the Board, and this Consent Order shall constitute the Board's Final Order.

5. The Kansas Healing Arts Act is constitutional on its face and as applied in the case. Applicant agrees that, in considering this matter, the Board is not acting beyond its jurisdiction as provided by law.
6. Applicant voluntarily and knowingly waives his right to a hearing. Applicant voluntarily and knowingly waives his right to present a defense by oral testimony and documentary evidence, to submit rebuttal evidence, and to conduct cross-examination of witnesses. Applicant voluntarily and knowingly agrees to waive all possible substantive and procedural motions and defenses that could be raised if an administrative hearing were held.
7. The terms and conditions of the Consent Order are entered into between the undersigned parties and are submitted for the purpose of allowing these terms and conditions to become an Order of the Board. This Consent Order shall not be binding on the Board until an authorized signature is affixed at the end of this document. Applicant specifically acknowledges that counsel for the Board is not authorized to sign this Consent Order on behalf of the Board.
8. The Board has received information and investigated the same, and has reason to believe that there may be grounds pursuant to K.S.A. 65-2836(a), to take action with respect to Applicant's license under the Kansas Healing Arts Act, K.S.A. 65-2801, *et seq.*

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11. On or about April 16, 2007, Applicant submitted an application for a postgraduate permit.

12. In Section VI of the application, Applicant answered “no” to disciplinary questions #1 through # 19. Exhibit 1.

13.

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14. Applicant acknowledges that if formal hearing proceedings were conducted and Applicant presented no exhibits, witnesses or other evidence, the Board has sufficient evidence to prove that Applicant has violated the Kansas Healing Arts Act with respect to the above allegations. Applicant further waives his right to dispute or otherwise contest the allegations contained in the above paragraphs in any further proceeding before this Board.

15. A protective order is hereby entered to protect all confidential information under
confidential
16. Applicant's acts, if proven, constitute misrepresentation in applying for or
securing an original license, as set forth in K.S.A. 65-2836(a).
17. Pursuant to K.S.A. 65-2836, the Board may revoke, suspend, limit, censure, place
under probationary conditions, or deny Applicant's license, and pursuant to
K.S.A. 65-2863a the Board has the authority to impose administrative fines for
violations of the Kansas Healing Arts Act.
18. According to K.S.A.65-2838(b) and K.S.A. 77-505, the Board has authority to
enter into this Consent Order without the necessity of proceeding to a formal
hearing.
19. All pending investigation materials in KSBHA Investigative Case Number 12-
00032 regarding Applicant, were fully reviewed and considered by the Board
members who serve on the Board's Disciplinary Panel. Disciplinary Panel No. 26
authorized and directed Board counsel to seek settlement of this matter with the
provisions contained in this Consent Order.
20. Applicant further understands and agrees that if the Board finds, after due written
notice and an opportunity for a hearing, that Applicant has failed to comply with
any of the terms of this Consent Order, the Board may immediately impose any
sanction provided for by law, including but not limited to suspension or
revocation of Applicant's license to practice medicine and surgery in the State of
Kansas. Applicant hereby expressly understands and agrees that, at any such
hearing, the sole issue shall be whether or not Applicant has failed to comply with

any of the terms or conditions set forth in this Consent Order. The Board acknowledges that at any such hearing, Applicant retains the right to confront and examine all witnesses, present evidence, testify on his own behalf, contest the allegations, present oral argument, appeal to the courts, and all other rights set forth in the Kansas Administrative Procedures Act, K.S.A. 77-501 *et seq.*, and the Kansas Healing Arts Act, K.S.A. 65-2801 *et seq.*

21. Nothing in this Consent Order shall be construed to deny the Board jurisdiction to investigate alleged violations of the Kansas Healing Arts Act, or to investigate complaints received under the Risk Management Law, K.S.A. 65-4921 *et seq.*, that are known or unknown and are not covered under this Consent Order, or to initiate formal proceedings based upon known or unknown allegations of violations of the Kansas Healing Arts Act.
22. Applicant hereby releases the Board, its individual members (in their official and personal capacity), attorneys, employees and agents, hereinafter collectively referred to as "Releasees", from any and all claims, including but not limited to those alleged damages, actions, liabilities, both administrative and civil, including the Kansas Judicial Review Act, K.S.A. 77-601 *et seq.* arising out of the investigation and acts leading to the execution of this Consent Order. This release shall forever discharge the Releasees of any and all claims or demands of every kind and nature that Applicant has claimed to have had at the time of this release or might have had, either known or unknown, suspected or unsuspected, and Applicant shall not commence to prosecute, cause or permit to be prosecuted, any action or proceeding of any description against the Releasees.

23. Applicant further understands and agrees that upon signature by Applicant, this document shall be deemed a public record and shall be reported to any entities authorized to receive disclosure of the Consent Order.
24. This Consent Order, when signed by both parties, constitutes the entire agreement between the parties and may only be modified or amended by a subsequent document executed in the same manner by the parties.
25. Applicant agrees that all information maintained by the Board pertaining to the nature and result of any complaint and/or investigation may be fully disclosed to and considered by the Board in conjunction with the presentation of any offer of settlement, even if Applicant is not present. Applicant further acknowledges that the Board may conduct further inquiry as it deems necessary before the complete or partial acceptance or rejection of any offer of settlement.
26. Applicant, by signature to this document, waives any objection to the participation of the Board members, including the Disciplinary Panel and General Counsel, in the consideration of this offer of settlement and agrees not to seek the disqualification or recusal of any Board member or General Counsel in any future proceedings on the basis that the Board member or General Counsel has received investigative information from any source which otherwise may not be admissible or admitted as evidence.
27. Applicant acknowledges that he has read this Consent Order and fully understands the contents.
28. Applicant acknowledges that this Consent Order has been entered into freely and voluntarily.

29. All correspondence or communication between Applicant and the Board relating to the Consent Order shall be by certified mail addressed to the Kansas State Board of Healing Arts, Attn: Compliance Coordinator, 800 SW Jackson, Lower Level-Suite A, Topeka, Kansas 66612.
30. Applicant shall obey all federal, state and local laws and rules governing the practice of medicine and surgery in the State of Kansas that may be in place at the time of execution of the Consent Order or may become effective subsequent to the execution of this document.
31. Upon execution of this Consent Order by affixing a Board authorized signature below, the provisions of this Consent Order shall become a Final Order under K.S.A. 65-2838. This Consent Order shall constitute the Board's Order when filed with the office of the Executive Director for the Board and no further Order is required.
32. The Board may consider all aspects of this Consent Order in any future matter regarding Applicant.
33. Applicant understands that a Temporary License shall be issued based upon Applicant's signing this Consent Order, paying the temporary license fee, and abiding by the terms of this Consent Order. Applicant further understands that the Temporary License is only effective until a conference hearing is held by the Board on ratification of this Consent Order and that if the Board fails to ratify this Consent Order, the Temporary License shall immediately expire at the conclusion such hearing. If the Board ratifies this Consent Order, Applicant shall be issued a permanent licensure under the terms of this Consent Order.

34. In lieu of conducting a formal proceeding, Applicant, by signature affixed to this Consent Order, hereby voluntarily agrees to the following non-disciplinary action against his license to engage in the practice of medicine and surgery:

FINES

35. Applicant is hereby ordered to pay a CIVIL FINE pursuant to K.S.A. 65-2863a in the amount of \$ 500.00. The total amount of \$ 500.00 shall be due on or before November 21, 2011.

36. In the event that the Board does not receive a payment due and owing, the total amount of the levied FINE still due shall become immediately due and payable in full upon written notice by the Board to Applicant stating that payment has not been received.

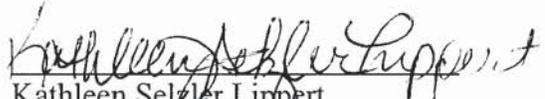
37. Applicant shall make all payments payable to the Kansas State Board of Healing Arts and send all payments to the attention of: Compliance Coordinator, Kansas State Board of Healing Arts, 800 SW Jackson, Lower Level-Suite A, Topeka, Kansas 66612.

IT IS THEREFORE ORDERED that the Consent Order and agreement of the parties contained herein is adopted by the Board as findings of fact, conclusions of law, and as a Final Order of the Board.

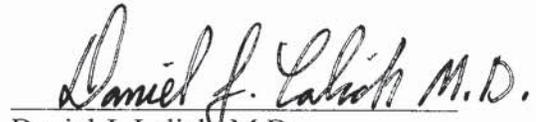
IT IS FURTHER ORDERED that upon meeting all technical requirements for licensure, Applicant shall be granted a license, pursuant to the conditions above.

IT IS SO ORDERED on this 26th day of July, 2011.

FOR THE KANSAS STATE
BOARD OF HEALING ARTS:

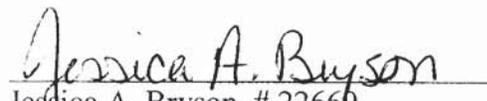

Kathleen Selzler Lippert
Executive Director

8/29/11
Date

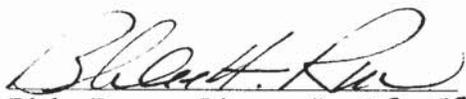

Daniel J. Lalich, M.D.
Applicant

8/24/2011
Date

PREPARED AND APPROVED BY:


Jessica A. Bryson, # 22669
Associate Litigation Counsel
Kansas Board of Healing Arts
235 S. Topeka Boulevard
Topeka, Kansas 66603-3068
785-296-8022

AGREED TO BY:


Blake Reeves, License # 19688
Attorney for Applicant
Polsinelli Shugart, P.C.
Twelve Wyandotte Plaza
120 W. 12th Street
Kansas City, MO 64103
816-374-0560

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that I served a true and correct copy of the Consent Order by United States mail, postage prepaid, on this 30th day of August, 2011, to the following:

Daniel J. Lalich, M.D.
Applicant
Polsinelli Shugart, P.C.
C/O Blake Reeves
Twelve Wyandotte Plaza
120 W. 12th Street
Kansas City, MO 64103

Blake Reeves
Attorney for Applicant
Polsinelli Shugart, P.C.
Twelve Wyandotte Plaza
120 W. 12th Street
Kansas City, MO 64103

And the original was hand-filed with:

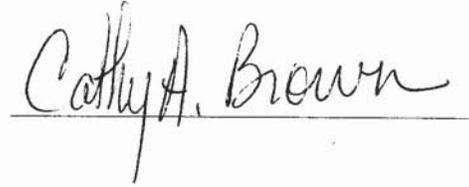
Kathleen Selzler Lippert
Executive Director
Kansas Board of Healing Arts
800 SW Jackson, Lower Level-Suite A
Topeka, Kansas 66612

And a copy was hand-delivered to:

Jessica A. Bryson
Associate Litigation Counsel
Kansas Board of Healing Arts
800 SW Jackson, Lower Level-Suite A
Topeka, Kansas 66612

Melissa Massey
Compliance Coordinator
Kansas Board of Healing Arts
800 SW Jackson, Lower Level-Suite A
Topeka, Kansas 66612

Katy Lenahan
Licensing Administrator
Kansas Board of Healing Arts
800 SW Jackson, Lower Level-Suite A
Topeka, Kansas 66612

A handwritten signature in cursive script that reads "Cathy A. Brown". The signature is written in black ink and is positioned above a solid horizontal line.