

**FILED**

**BEFORE THE BOARD OF HEALING ARTS  
OF THE STATE OF KANSAS**

OCT 18 1999

**KANSAS STATE BOARD OF  
HEALING ARTS**

In the Matter of )  
Ann K. Neuhaus, M.D. )  
Kansas License Number 04-21596 )  
\_\_\_\_\_ )

Case No. 00-HA-20

**STIPULATION AND AGREEMENT AND ENFORCEMENT ORDER**

COME NOW, the Kansas State Board of Healing Arts ("Board"), by and through Stacy L. Cook, Litigation Counsel ("Petitioner"), and Ann K. Neuhaus, M.D. ("Licensee"), and stipulate and agree to the following:

1. 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.*; K.S.A. 65-2869.
2. Licensee admits that this Stipulation and Agreement and Enforcement Order ("Stipulation") and the filing of such document are in accordance with applicable law and that the Board has jurisdiction to consider the Stipulation.
3. Licensee agrees that the Kansas Healing Arts Act is constitutional on its face and as applied in this case.
4. Licensee agrees that, in considering this matter, the Board is not acting beyond its jurisdiction as provided by law.
5. Licensee is or has been entitled to engage in the practice of medicine and surgery in the State of Kansas, having been issued license number 04-21596 on December 5, 1986. At all times relevant to the allegations set forth below, Licensee has held a current license to engage in the practice of medicine and surgery in the State of

Kansas, having last renewed her license on June 30, 1999.

6. The Board has received information, has investigated such information, and has reasonable cause to believe that Licensee has committed certain acts that violate the Healing Arts Act K.S.A. 65-2801 *et seq*; K.S.A. 65-2836. Specifically, Licensee violated federal regulations concerning controlled substances, including failure to maintain complete and accurate records of controlled substances received, dispensed, delivered or otherwise disposed of, and failure to maintain a dispensing administration log. In addition, Licensee entered into a Memorandum of Agreement with the Drug Enforcement Agency ("DEA"), which constitutes a limitation of Licensee's DEA registration.

7. The actions and conduct as described above constitute grounds for disciplinary action by the Board. K.S.A. 65-2836(q) and K.S.A. 65-2836(s). According to K.S.A. 65-2838(b), the Board has authority to enter into this Stipulation without the necessity of proceeding to a formal hearing.

8. Licensee voluntarily and knowingly waives her right to a hearing. Licensee voluntarily and knowingly waives her right to present a defense by oral testimony and documentary evidence, to submit rebuttal evidence, and to conduct cross-examination of witnesses. Licensee voluntarily and knowingly agrees to waive all possible substantive and procedural motions and defenses that could be raised if an administrative hearing were held.

9. The terms and conditions of the Stipulation 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 Stipulation shall not be binding on the

Board until an authorized signature is affixed at the end of this document. Licensee specifically acknowledges that counsel for the Board is not authorized to sign this Stipulation on behalf of the Board.

10. In consideration of the conditions, terms, covenants, and promises contained herein, the parties agree as follows:

(a) In lieu of the conclusion of formal proceedings and/or the making of findings by the Board, Licensee, by signature affixed to this Stipulation, hereby voluntarily agrees to the following disciplinary measures and limitations placed on her license to engage in the practice of medicine and surgery in the State of Kansas:

- (i) Licensee shall not purchase any controlled substances for office use other than injectable Valium or its generic equivalent;
- (ii) Licensee shall maintain a written log to document controlled substance prescriptions which are telephoned to pharmacies. Such log shall include the date, patient name, drug name, strength and quantity, pharmacy name and location, and initials of the persons who made the call. If the prescription is called in by a clinic employee, the log will indicate the date and time that the prescription was authorized by Licensee.
- (iii) Licensee shall maintain duplicate, serially-numbered written prescriptions for controlled substances. Each prescription will be numbered, and if the prescription is unusable, Licensee will maintain such prescription with the word "VOID" written across the face of it.

Copies of such prescriptions shall be maintained at the appropriate registered address along with all other controlled substance records.

- (iv) Licensee shall create a controlled substance administration log that is in compliance with DEA regulations.
- (v) Licensee shall hire a third-party pharmacist to review records at both registered locations, as provided in the paragraph 4 of the Memorandum of Agreement entered into between Licensee and the DEA. Licensee shall ensure that the reports prepared by the third-party pharmacist must also be submitted to the Board of Healing Arts. These reports shall be due within fifteen (15) days following the end of each month.
- (vi) Licensee agrees not to hire any employee who is known to have a substance abuse history. Licensee shall question new employees regarding substance abuse. Licensee shall ensure that new employees are given a drug test at the time of hire.
- (vii) Licensee shall, at her own expense, have all clinic employees, including security personnel, randomly drug tested at every six (6) months during the term of this Agreement.

(b) This Order constitutes disciplinary action and limitations on Licensee's license to practice medicine and surgery in the State of Kansas. These limitations shall remain in effect until the DEA terminates all provisions of the Memorandum of Agreement entered into between Licensee and the DEA on March 19, 1999. In order to eliminate the

limitations contained herein, Licensee must provide proof to the Board that all provisions of the Memorandum of Agreement with the DEA have been terminated.

(c) Licensee's failure to comply with the provisions of the Stipulation shall be deemed a violation of a Board Order, which is grounds for additional disciplinary action.

(d) Nothing in this Stipulation shall be construed to deny the Board jurisdiction to investigate alleged violations of the 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 Stipulation, or to initiate formal proceedings based upon known or unknown allegations of violations of the Healing Arts Act.

(e) Licensee hereby releases the Board, its employees and agents, from any and all claims, including but not limited to, those damages, actions, liabilities and causes of action, both administrative and civil, including the Kansas Act for Judicial Review and Civil Enforcement of Agency Actions, K.S.A. 77-601 *et seq.* This release shall forever discharge the Board of any and all claims or demands of every kind and nature that Licensee has claimed to have had at the time of this release or might have had, either known or unknown, suspected or unsuspected, and Licensee shall not commence to prosecute, cause or permit to be prosecuted, any action or proceeding of any description against the Board, its employees or agents, arising out of acts leading to the execution of this Stipulation or the content of this Stipulation.

(f) Licensee further understands and agrees that upon signature by Licensee, this document shall be deemed a public record, and shall be reported to all reporting entities requiring disclosure of this Stipulation.

(g) This Stipulation, 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.

(h) Licensee 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 Licensee is not present. Licensee 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.

(i) Licensee, by signature to this document, waives any objection to the participation of the Board members in the consideration of this offer of settlement and agrees not to seek the disqualification or recusal of any Board member in any future proceeding on the basis that the Board member has received investigative information from any source which otherwise may not be admissible or admitted as evidence.

(j) Licensee acknowledges that she has read this Stipulation and fully understands the contents.

(k) Licensee acknowledges that this Stipulation has been entered into freely and voluntarily.

(l) All correspondence or communication between Licensee and the Board relating to this Stipulation shall be by certified mail addressed to the Kansas State Board of Healing Arts, Attn: Stacy L. Cook, 235 S. Topeka Blvd., Topeka, Kansas 66603-3068.

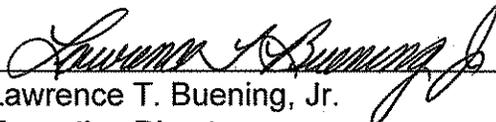
(m) Licensee shall obey all federal, state and local laws and rules governing the

practice of medicine and surgery in the State of Kansas that may be in place at the time of execution of the Stipulation or may become effective subsequent to the execution of this document.

(n) Upon execution of this Stipulation by affixing a Board authorized signature below, the provisions of this Stipulation shall become an Order under K.S.A. 65-2838. This Stipulation shall constitute the Board's Order when filed with the Office of the Executive Director for the Board and no further Order is required.

IN WITNESS WHEREOF, the parties have executed this agreement on this 16<sup>th</sup> day of October, 1999.

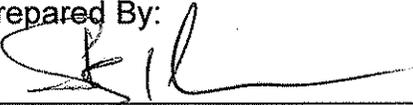
KANSAS STATE BOARD OF HEALING ARTS

  
\_\_\_\_\_  
Lawrence T. Buening, Jr.  
Executive Director

Oct 16, 1999  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Ann K. Neuhaus, M.D.

9/24/99  
\_\_\_\_\_  
Date

Prepared By:   
\_\_\_\_\_

Stacy L. Cook, #16385  
Litigation Counsel  
Kansas State Board of Healing Arts  
235 S. Topeka Boulevard  
Topeka, Kansas 66603-3065  
(913) 296-7413

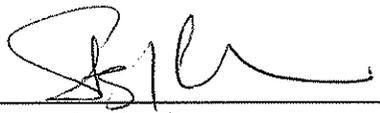
**CERTIFICATE OF SERVICE**

I, Stacy L. Cook, Litigation Counsel, Kansas Board of Healing Arts, hereby certify that I served a true and correct copy of the **STIPULATION AND AGREEMENT AND ENFORCEMENT ORDER** by United States mail, postage prepaid, on this 18th day of October, 1999, to the following:

Ann K. Neuhaus, M.D.  
205 W. 8<sup>th</sup> Street  
Lawrence, Kansas 66044

and the original was hand-delivered to:

Lawrence T. Buening, Jr.  
Executive Director  
Kansas State Board of Healing Arts  
235 S. Topeka Boulevard  
Topeka, Kansas 66603-3068

  
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Stacy L. Cook