November 13, 2002

## CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Martin Earl Waugh, D.O.
116 Morgan Avenue
East Haven, CT 06512

Martin Earl Waugh, D.O.
429 F Street, Suite 1A
Davis, CA 95616

## RE: In the Matter of Martin Earl Waugh, M.D.

## Dear Parties:

Enclosed please find the Determination and Order (No. 02-347) of the Hearing Committee in the above referenced matter. This Determination and Order shall be deemed effective upon the receipt or seven (7) days after mailing by certified mail as per the provisions of $\S 230$, subdivision 10 , paragraph (h) of the New York State Public Health Law.

As prescribed by the New York State Public Health Law §230, subdivision 10, paragraph (i), and §230-c subdivisions 1 through 5, (McKinney Supp. 1992), "the determination of a committee on professional medical conduct may be reviewed by the Administrative Review Board for professional medical conduct." Either the licensee or the Department may seek a review of a committee determination.

All notices of review must be served, by certified mail, upon the Administrative Review Board and the adverse party within fourteen (14) days of service and receipt of the enclosed Determination and Order.

The notice of review served on the Administrative Review Board should be forwarded to:

James F. Horan, Esq., Administrative Law Judge<br>New York State Department of Health<br>Bureau of Adjudication<br>Hedley Park Place<br>433 River Street, Fifth Floor<br>Troy, New York 12180

The parties shall have 30 days from the notice of appeal in which to file their briefs to the Administrative Review Board. Six copies of all papers must also be sent to the attention of Mr. Horan at the above address and one copy to the other party. The stipulated record in this matter shall consist of the official hearing transcript(s) and all documents in evidence.

Parties will be notified by mail of the Administrative Review Board's Determination and Order.


TTB:cah
Enclosure

## IN THE MATTER

OF
MARTIN EARL WAUGH, D.O.

DETERMINATION
AND
ORDER
BPMC \#02-347


A Notice of Referral Proceeding and Statement of Charges, both dated September 27, 2002, were served upon the Respondent, MARTIN EARL WAUGH, D.O.. DONALD CHERR, M.D., Chairperson, ERNST A. KOPP, M.D. and SISTER MARY THERESA MURPHY, duly designated members of the State Board for Professional Medical Conduct, served as the Hearing Committee in this matter pursuant to Section 230(10)(e) of the Public Health Law. STEPHEN L. FRY, ESQ., Administrative Law Judge, served as the Administrative Officer.

A hearing was held on October 25, 2002, at the Offices of the New York State Department of Health, Hedley Park Place, 433 River Street, Troy, New York. The Department appeared by DONALD P. BERENS, JR., ESQ., General Counsel, by ROBERT BOGAN, ESQ., of Counsel. The Respondent appeared pro se.

Evidence was received and transcripts of these proceedings were made.
After consideration of the entire record, the Hearing Committee issues this Determination and Order.

## STATEMENT OF CASE

This case was brought pursuant to Public Health Law Section 230(10)(p). The statute provides for an expedited hearing where a licensee is charged solely with a violation of Education Law Section 6530(9). In such cases, a licensee is charged with misconduct based upon a prior criminal conviction in New York or another jurisdiction, or upon a prior administrative adjudication regarding conduct which would amount to professional misconduct, if committed in New York. The scope of an expedited hearing is limited to a determination of the nature and severity of the penalty to be imposed upon the licensee.

In the instant case, the Respondent is charged with professional misconduct pursuant to Education Law Sections 6530(9)(b) and (d), based upon actions constituting violations of subdivisions (2), (3), (4), (9)(a)(i), (16), (17), (20), and (21). Respondent is also charged with misconduct under Education Law Section 6530(9)(a)(i) (being convicted of a crime under state law). A copy of the Notice of Referral Proceeding and Statement of Charges is attached to this Determination and Order as Appendix 1.

|  | WITNESSES |
| :--- | :--- |
| For the Petitioner: | None |
| For the Respondent: | Martin Earl Waugh, D.O. |

## FINDINGS OF FACT

The following Findings of Fact were made after a review of the entire record in this matter. Numbers below in parentheses refer to exhibits, denoted by the prefix "Ex.". These citations refer to evidence found persuasive by the Hearing Committee in arriving at a particular finding. Conflicting evidence, if any, was considered and rejected in favor of the
cited evidence. All Hearing Committee findings were unanimous, unless otherwise specified.

1. MARTIN EARL WAUGH, D.O., the Respondent, was authorized to practice medicine in New York State on November 10, 1988, by the issuance of license number 176768 by the New York State Education Department (Ex. 4).
2. On July 31, 2000, Respondent pled No Contest in the Yolo County Superior Court, California, to one count of an indictment charging him with unlawfully prescribing a controlled substance (Ex. 5). The criminal Information specifically charged Respondent with having willfully, unlawfully and knowingly prescribed, administered, dispensed and furnished a controlled substance to and for a person not under his treatment for a pathology or condition other than addiction to a controlled substance (Ex. 6). On October 3, 2000, Respondent was sentenced to the payment of $\$ 1,585$ in fines and fees, and to a three-year period of probation. The most significant term of probation was that Respondent was not to practice medicine unless he was reinstated by the California Board, and he was prohibited from writing any triplicate prescriptions for schedule II drugs (Ex. 6). On or about September 13, 1999, Respondent had surrendered his license pursuant to an order of the Court, which also prohibited him from prescribing any Schedule II controlled substances (Ex. 7).
3. On December 20, 2001, the Osteopathic Medical Board of the State of California ("the California Board") issued a Decision and Order approving a Stipulation, Decision and Order entered into by Respondent and the Executive Director of the Board (Ex. 7), wherein Respondent admitted to various violations of California statutes governing the practice of medicine. Among the things Respondent admitted were:
A). Possession of Dexedrine (a controlled substance) not prescribed for him
by a qualified practitioner, and which he contended was meant for a patient;
B). Prescribing controlled substances for patients, and then picking them up (or having employees pick them up) and purportedly dispensing them to patients, including patients other than those for whom they were prescribed;
C). Failing to keep a current inventory of the dangerous drugs maintained in his office;
D). Dispensing or administering controlled substances without making records showing all of the information required by law;
E). Prescribing a controlled substance to a patient who had not seen Respondent on that date, and who did not receive the medication;
F). Obtaining or attempting to obtain controlled substances by fraud, deceit, misrepresentation, subterfuge or concealment of a material fact;
G). Making a false statement in a prescription;
H). Failing to provide the Board with records for several patients, as requested;
1). Having written Schedule II prescriptions after having been prohibited by the criminal court from doing so;
J). Having been convicted of a crime [as set forth above] relating to the practice of medicine and the regulation of dangerous drugs.
K). Having obtained monetary loans from a patient, client or customer.

As a result of this stipulated agreement, Respondent agreed to a stayed revocation of his license, a one-year suspension of his license with conditions, five years of probation, with conditions, and a $\$ 20,000$ fine. There was also a provision that if Respondent did not meet the conditions related to his suspension within the period of suspension, the stay of his license revocation would be vacated and his license revoked.

## HEARING COMMITTEE CONCLUSIONS

The hearing Committee concludes that the conduct resulting in the California Board's Board's disciplinary actions against Respondent would constitute misconduct under the laws of New York State, pursuant to New York Education Law §6530 subdivisions (3) (negligence on more than one occasion), (9)(a)(i) (conviction of a crime, and (21) (filing a false report). The Hearing Committee also finds that Respondent's

# VOTE OF THE HEARING COMMITTEE <br> SPECIFICATIONS <br> <br> FIRST SPECIFICATION 

 <br> <br> FIRST SPECIFICATION}

Respondent violated New York Education Law §6530(9)(a)(i) by having been convicted of a crime in another jurisdiction.

VOTE: SUSTAINED (3-0)

## SECOND SPECIFICATION

Respondent violated New York Education Law $\S 6530(9)($ b) by having been found guilty of improper professional practice or professional misconduct by a duly authorized professional disciplinary agency of another state where the conduct upon which the finding was based would, if committed in New York state, constitute professional misconduct under the laws of New York state.

VOTE: SUSTAINED (3-0)

## THIRD SPECIFICATION

Respondent violated New York Education Law §6530(9)(d) by having had disciplinary action taken after a disciplinary action was instituted by a duly authorized professional disciplinary agency of another state, where the conduct resulting in the disciplinary action would, if committed in New York state, constitute professional misconduct under the laws of New York state.

VOTE: SUSTAINED (3-0)


#### Abstract

\section*{HEARING COMMITTEE DETERMINATION}

The record in this case indicates that Respondent was convicted of a crime involving the unlawful prescription of a controlled substance. The illegitimate prescription or possession of a controlled substance is a criminal act in New York (See Public Health Law $\S 3304$, as well as sections 3332 and 3335 ) as it is in California (copies of the statutes under which Respondent was convicted were provided by the Department at the hearing). Respondent's conviction constituted misconduct in New York under Education Law §6530(9)(a)(i).

In addition, Respondent entered into a Stipulation with the Executive Director of the California Board, as set forth in act-finding \#3, above, which resulted in the stayed revocation and suspension of Respondent's California license. Respondent testified that he has chosen not to attempt to meet the conditions for reinstatement of his license in California because he no longer intends to practice there, and, as a result, the stay of revocation of his license will automatically expire shortly.

The conclusions reached in the Stipulation between Respondent and the California Board are binding on the Department and upon Respondent. Respondent's attempts at the hearing to "explain" the circumstances leading to the Consent Order and to delve into the underlying issues must be rejected as attempts to relitigate the issues before the California Board. Respondent agreed, when he signed the stipulation incorporated into the Board's final Order, that he "...knowingly and intelligently waived his rights to a hearing, reconsideration, appeal and to any and all other rights..." to which he was entitled by law, and he agreed to all the findings cited by the Board.


The issuance of the findings of the California Board constitutes misconduct in New York State under $\S 6530(9)(b)$ and (d) of the Education Law, in that the conduct would have
constituted violations of subdivisions (3) (negligence on more than one occasion), (9)(a)(i) (conviction of a crime), and (21) (filing a false report) ${ }^{1}$, had it been committed in New York.

Accordingly, and pursuant to Public Health Law $\S 230(10)(p)$, the only issue remaining to be decided in this proceeding is the nature and extent of the penalty to be imposed against Respondent. The Hearing Committee carefully considered the Department's request that Respondent's New York license be revoked and determined not to take that step because of Respondent's sincerely expressed desire to continue to practice medicine, especially in a military setting, where he has practiced previously and would be under the military's supervision and discipline, and in part because it is unclear from the evidence how much of the conduct which resulted in the California Order was deliberate malfeasance, as opposed to negligent failure to comply with the applicable legal provisions (the California documents contain very little in the way of factual, as opposed to conclusory, findings). The Hearing Committee feels that Respondent should be allowed to demonstrate that he could practice safely in a military setting and does not want to preclude this possibility by revoking his license.

However, the Hearing Committee feels that, given the seriousness of the findings made by the California Board and the impending revocation of his license, a three-year suspension of Respondent's license is called for. A portion of this suspension may be stayed if, and at the point that, all the conditions in the attached Order are met (these conditions parallel some of the conditions set by the California Board in its Order for
${ }^{1}$ The Hearing Committee also finds, however (although this has no bearing on the outcome of this case) that the California findings do not support the allegations in the Statement of Charges in the instant case that the Respondent's misconduct would have constituted violations of New York Education Law $\S 6530$ subdivisions (2) (practicing the profession fraudulently), (4) (gross negligence), (16) (willful or grossly negligent failure to comply with substantial legal provisions governing the practice of medicine), (17) (exercising undue influence on a patient), or (20) (moral unfitness), had it occurred here.

Respondent's continued practice of medicine). In addition, Respondent will be placed on probation for three years, under terms to be detailed in the Order.

## ORDER

## IT IS HEREBY ORDERED THAT:

1. The medical license of MARTIN EARL WAUGH, D.O., is SUSPENDED for THREE (3) YEARS. The suspension will be stayed upon provision of satisfactory written verification to the to the Board, c/o the Director of New York State Office of Professional Medical Conduct ("OPMC"), Hedley Park Place, 433 River Street, Troy, New York 12180-2299, of the meeting of the following conditions:
A). Respondent will submit to an in-depth medical/psychiatric examination, to be conducted by a qualified psychiatrist to be chosen by the Executive Secretary of the State Board for Professional Medical Conduct. The Executive Secretary shall contact Respondent concerning the date, time and location of the ordered evaluation, and shall provided the evaluator with such documentation as it may possess as to the circumstances leading to this Decision and Order, including the transcript of this hearing.
B). Respondent will execute any and all releases as may be requested by OPMC to effectuate the provision of documents to the evaluator, and provide releases as may be requested by OPMC or the evaluator to enable documentation to be obtained from the State of California, or such other sources as may be requested, sufficient to enable the evaluator to make a full and educated assessment of Respondent's history and current condition.
C). The evaluation will assess Respondent's psychiatric status, as well as his propensity for the improper use of controlled substances and/or abuse of alcohol. The assessment will include a recommendation as to whether Respondent can safely continue the practice of medicine in New York State at this time, and, if so, under what circumstances. The results of the evaluation will be forwarded to the Executive Secretary. If the evaluator concludes that it would not be safe for

Respondent to practice medicine at this time, the suspension will continue for the full term. If Respondent is cleared to practice medicine only under specified conditions, he will be required, as detailed below, to follow any recommendations of the evaluator as conditions of probation, irrespective of whether the suspension is stayed.
2). Respondent's license is placed on PROBATION for a period of THREE (3) years. The probation will be monitored by OPMC, which may delegate all or part of any monitoring which may be required to an appropriate agency, such as the Committee for Physicians'
Health. The terms of probation are as follows:
A). Respondent will follow all recommendations of the evaluator referred to in the preceding paragraphs, including any recommendations for psychiatric, drug abuse or other treatment, and irrespective of whether his suspension is still in effect.
B). Respondent shall practice only in a setting where his performance will be subject to supervision and monitoring, such as in a clinic, hospital or the military (this probation requirement was imposed by a 2-1 vote of the Hearing Committee members).
C). During the period of probation, Respondent shall remain drug free, except for drugs prescribed for Respondent by another physician for legitimate medical purposes.
D). Respondent shall submit written descriptive notification to OPMC of any changes in employment and practice, professional and residential addresses or telephone numbers within or without New York State, and any and all investigations, charges, convictions or disciplinary actions by any local, state or federal agency, institution or facility during the probationary period, within 30 days of each event;
E). Should Respondent commence practice in New York pursuant to this decision, he shall notify the Director of OPMC, in writing, 30 days in advance at the address listed above. Once he commences practice in New York, if Respondent ceases to be engaged in or intends to leave the active practice of medicine in New York State for a period of thirty (30) consecutive days or more, he shall again notify the Director of this fact and of his return thereafter to practice in this state. Once he commences practice in New York, his probation shall be tolled during any period when he is not practicing in New York and shall resume upon his return to practice in New York State.
F). Respondent shall conduct himself in all ways in a manner befitting his professional status, and shall conform fully to the moral and professional standards of conduct and obligations imposed by law and by her profession. Respondent shall maintain legible and complete medical records that accurately reflect the evaluation and treatment of patients.
G). Respondent shall comply with all terms, conditions, and restrictions to which he is subject pursuant to the Order and shall assume and bear all costs related to compliance.
H). If Respondent is cleared to practice in this state pursuant to this decision, and if there is full compliance with every term and condition set forth herein, Respondent may practice as a physician in New York State; provided, however, that on receipt of evidence of non-compliance or any other violation of the terms) and conditions) of probation, a violation of probation proceeding and/or such other proceeding as may be warranted, or reinstatement of her suspension, may be initiated against Respondent pursuant to New York Public Health Law Sections 230 or any other applicable laws.

The ORDER shall be effective upon service on the Respondent or the Respondent's attorney by personal service or by certified or registered mail.

## DATED: Rochester, New York

7 Noomber, 2002


DONALD CHERR, M.D.
Chairperson
ERNST A. MOP, M.D. SISTER MARY THERESA MURPHY

## APPENDIX 1

# IN THE MATTER <br> OF <br> MARTIN EARL WAUGH, D.O. 

notice of
REFERRAL
PROCEEDING

TO: MARTIN EARL WAUGH, D.O. 116 Morgan Avenue
East Haven, CT 06512

MARTIN EARL WAUGH, D.O.
429 F Street, Suite 1A
Davis, CA 95616

## PLEASE TAKE NOTICE THAT:

An adjudicatory proceeding will be held pursuant to the provisions of N.Y. Pub. Health Law § 230(10)(p) and N.Y. State Admin. Proc. Act Sections 301-307 and 401. The proceeding will be conducted before a committee on professional conduct of the State Board for Professional Medical Conduct (Committee) on the $25^{\text {th }}$ day of October 2002, at $10: 00$ in the forenoon of that day at the Hedley Park Place, $5^{\text {th }}$ Floor, 433 River Street, Troy, New York 12180.

At the proceeding, evidence will be received concerning the allegations set forth in the attached Statement of Charges. A stenographic record of the proceeding will be made and the witnesses at the proceeding will be sworn and examined.

You may appear in person at the proceeding and may be represented by counsel. You may produce evidence or sworn testimony on your behalf. Such evidence or sworn testimony shall be strictly limited to evidence and testimony relating to the nature and severity of the penalty to be imposed upon the licensee. Where the charges are based on the conviction of state law crimes in other jurisdictions, evidence may be offered that would show that the conviction would not be a crime in New York state. The Committee also may limit the number of witnesses whose testimony will be received, as well as the length of time any witness will be permitted to testify.

If you intend to present sworn testimony, the number of witnesses and an estimate of the time necessary for their direct examination must be submitted to the New York State Department of Health, Division of Legal Affairs, Bureau of Adjudication, Hedley Park Place, $5^{\text {th }}$ Floor, 433 River Street, Troy, New York, ATTENTION: HON. TYRONE BUTLER, DIRECTOR, BUREAU OF ADJUDICATION, (hereinafter "Bureau of

Adjudication") as well as the Department of Health attorney indicated below, on or before October 15, 2002.

Pursuant to the provisions of N.Y. Public Health Law §230(10)(p), you shall file a written answer to each of the Charges and Allegations in the Statement of Charges no later than ten days prior to the hearing. Any Charge of Allegation not so answered shall be deemed admitted. You may wish to seek the advice of counsel prior to filing such an answer. The answer shall be filed with the Bureau of Adjudication, at the address indicated above, and a copy shall be forwarded to the attorney for the Department of Health whose name appears below. You may file a brief and affidavits with the Committee. Six copies of all such papers you wish to submit must be filed with the Bureau of Adjudication at the address indicated above on or before October 15, 2002, and a copy of all papers must be served on the same date on the Department of Health attorney indicated below. Pursuant to Section 301(5) of the State Administrative Procedure Act, the Department, upon reasonable notice, will provide at no charge a qualified interpreter of the deaf to interpret the proceedings to, and the testimony of, any deaf person.

The proceeding may be held whether or not you appear. Please note that requests for adjournments must be made in writing to the Bureau of Adjudication, at the address indicated above, with a copy of the request to the attorney for the Department of Health, whose name appears below, at least five days prior to the scheduled date of the proceeding. Adjournment requests are not routinely granted. Claims of court engagement will require detailed affidavits of actual engagement. Claims of illness will require medical documentation. Failure to obtain an attorney within a reasonable period of time prior to the proceeding will not be grounds for an adjournment.

The Committee will make a written report of its findings, conclusions as to guilt, and a determination. Such determination may be reviewed by the Administrative Review Board for Professional Medical Conduct.

## SINCE THESE PROCEEDINGS MAY RESULT IN A DETERMINATION <br> THAT SUSPENDS OR REVOKES YOUR LICENSE TO PRACTICE MEDICINE IN NEW YORK STATE AND/OR IMPOSES A FINE FOR <br> EACH OFFENSE CHARGED, YOU ARE URGED TO OBTAIN AN ATTORNEY TO REPRESENT YOU IN THIS MATTER.

DATED: Albany, New York
Sepet. 27,2002

Pred Dan Duck
PETER D. VAN BURAN
Deputy Counsel
Bureau of Professional Medical Conduct

Inquiries should be addressed to:
Robert Bogan
Associate Counsel
New York State Department of Health
Office of Professional Medical Conduct
433 River Street - Suite 303
Troy, New York 12180
(518) 402-0828

## STATE OF NEW YORK : DEPARTMENT OF HEALTH

 STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCTIN THE MATTER<br>OF<br>MARTIN EARL WAUGH, D.O.<br>\section*{STATEMENT}<br>OF<br>CHARGES

MARTIN EARL WAUGH, D.O., the Respondent, was authorized to practice medicine in New York state on November 10, 1988 by the issuance of license number 176768 by the New York State Education Department.

## FACTUAL ALLEGATIONS

A. On or about July 31, 2000, in the Yolo County Superior Court, California, Respondent was found guilty, based on a plea of no contest, of violating §11154(a) and 11371 of the California Health and Safety Code.

B. On or about December 20, 2001, the Osteopathic Medical Board of California, (hereinafter "California Board"), by a Stipulated Decision and Order (hereinafter "California Order"), revoked Respondent's license to practice medicine, stayed the revocation, suspended him from the practice of medicine for one (1) year or until he has complied with conditions set by the California Board, whichever occurs first, prohibited him from engaging in solo practice, and required him to pay $\$ 20,000$ costs of investigation and prosecution, based on possessing Dexedrine, a controlled substance, which had not been prescribed and which he contended was meant for a patient, prescribing controlled substances and dangerous drugs to patients including, but not limited to, Dexedrine and Adderal, both controlled substances, that on many occasions he or his employees, picked up and thereafter purportedly dispensed to patients, on other occasions, he took drugs prescribed for one patient and dispensed them to other patients, that he failed to keep a current inventory of dangerous drugs maintained in his office, that he dispensed or administered Schedule II controlled substances without making records as to each transaction, that he prescribed Adderal to a patient whom he had not seen on that date and who did not receive the prescriptions, that he obtained, or attempted to obtain, controlled substances
by fraud, deceit, misrepresentation, subterfuge or concealment, that he made a false statement in a prescription, that he failed, upon request, to provide patient records to the California Board, that he wrote prescriptions for Schedule II controlled substances when prohibited from so doing, that he was convicted of committing a crime under state law, as described in Paragraph A above, and that he obtained monetary loans from a patient and her husband and received other monetary payments from that patient.
C. The conduct resulting in the California Board disciplinary action against Respondent would constitute misconduct under the laws of New York State, pursuant to the following sections of New York State law:

1. New York Education Law $\S 6530$ (2) (practicing the profession fraudulently);
2. New York Education Law $\S 6530$ (3) (negligence on more than one occasion);
3. New York Education Law $\S 6530$ (4) (gross negligence);
4. New York Education Law $\S 6530$ (9)(a)(i) (being convicted of committing a crime under state law);
5. New York Education Law $\S 6530$ (16) (failure to comply with federal, state, or local laws, rules or regulations governing the practice of medicine);
6. New York Education Law $\S 6530$ (17) (exercising undue influence on a patient);
7. New York Education Law $\S 6530$ (20) (moral unfitness); and/or
8. New York Education Law $\S 6530$ (21) (willfully making or filing a false report).

## SPECIFICATIONS

## FIRST SPECIFICATION

Respondent violated New York Education Law §6530(9)(a)(iii) by having been convicted of committing an act constituting a crime under the law of another jurisdiction and which, if committed within New York state, would have constituted a crime under New York state law, in that Petitioner charges:

1. The facts in Paragraph A.

## SECOND SPECIFICATION

Respondent violated New York Education Law §6530(9)(b) by having been found guilty of improper professional practice or professional misconduct by a duly authorized professional disciplinary agency of another state where the conduct upon which the finding was based would, if committed in New York state, constitute professional misconduct under the laws of New York state, in that Petitioner charges:
2. The facts in Paragraphs A, B, and/or C.

## THIRD SPECIFICATION

Respondent violated New York Education Law §6530(9)(d) by having his license revoked or having other disciplinary action taken by a duly authorized professional disciplinary agency of another state, where the conduct resulting in the revocation or other disciplinary action would, if committed in New York State, constitute professional misconduct under the laws of New York state, in that Petitioner charges:
3. The facts in Paragraphs A, B, and/or C.

DATED: Sect. 27,2002
Albany, New York


PETER D. VAN BURAN Deputy Counsel Bureau of Professional Medical Conduct

