

1 BEFORE THE ARIZONA MEDICAL BOARD

2 In the Matter of

3 **RACHEL M. SCHACHT, M.D.**

4 Applicant for Licensure # 30018  
5 For the Practice of Allopathic Medicine  
6 In the State of Arizona.

Case No. MD-15-1482A

**ORDER GRANTING PROBATIONARY  
LICENSE AND CONSENT TO THE  
SAME**

7 Rachel M. Schacht, M.D. ("Respondent") elects to permanently waive any right to a  
8 hearing and appeal with respect to this Order granting her application for licensure subject  
9 to terms and conditions for probation; admits the jurisdiction of the Arizona Medical Board  
10 ("Board"); and consents to the entry of this Order by the Board.

11 **FINDINGS OF FACT**

12 1. The Board is the duly constituted authority for the regulation and control of  
13 the practice of allopathic medicine in the State of Arizona.

14 2. Respondent is an applicant for licensure for the practice of allopathic  
15 medicine in the State of Arizona.

16 3. The Board initiated case number MD-15-1482A after Respondent submitted  
17 her application for a reinstated Arizona medical license.

18 4. Respondent previously held an Arizona medical license from January 25,  
19 2002 to October 18, 2004. The Board initiated case number MD-03-0084A based on  
20 Respondent's self-report of alcohol abuse. On October 18, 2004, Respondent's license  
21 was revoked for habitual intemperance in the use of alcohol.

22 5. In 2002 and 2003, Respondent was arrested for driving under the influence;  
23 the former resulted in dismissal and the latter resulted in probation. In July of 2005,  
24 Respondent was sentenced to one year imprisonment for violating the terms of her  
25 probation. In May of 2009, Respondent successfully petitioned the court to set aside the  
judgment, following completion of the terms of her conviction.



1 the applicant is completely rehabilitated with respect to the conduct that was the basis for  
2 the revocation or the surrender. In making its decision the board shall determine: . . . 4.  
3 That the applicant demonstrates any other standard of rehabilitation the board determines  
4 is appropriate. . . . D. An applicant for reinstatement shall comply with all initial licensing  
5 requirements prescribed by this chapter."

6  
7 **ORDER**

8 IT IS HEREBY ORDERED THAT:

9 1. Respondent's application for licensure is granted under the following  
10 probationary conditions:

11 2. Respondent shall enroll in and participate in the Board's PHP program for a  
12 period of two years.

13 a. Respondent shall not consume alcohol or any food or other  
14 substance containing poppy seeds or alcohol.

15 b. Respondent shall not take any illegal drugs or mood altering  
16 medications.

17 c. Respondent shall attend the PHP's relapse prevention group therapy  
18 sessions one time per week for the duration of this Order, unless excused by the  
19 relapse prevention group facilitator for good cause. Individual relapse therapy may  
20 be substituted for one or more of the group therapy sessions, if the PHP pre-  
21 approves substitution. The relapse prevention group facilitators or individual  
22 relapse prevention therapist shall submit monthly reports to the PHP regarding  
23 attendance and progress.

24 d. If applicable, Respondent shall attend ninety 12-step meetings or  
25 other self-help group meetings appropriate for substance abuse and approved by

1 the PHP, for a period of ninety days. Upon completion of the ninety meetings in  
2 ninety days, Respondent shall participate in a 12-step recovery program or other  
3 self-help program appropriate for substance abuse as recommended by the PHP.  
4 Respondent shall attend a minimum of three 12-step or other self-help program  
5 meetings per week. Two meetings per month must be Caduceus meetings.  
6 Respondent must maintain a log of all self-help meetings.

7 e. Respondent shall promptly obtain a primary care physician and shall  
8 submit the name of the physician to the PHP in writing for approval. The approved  
9 primary care physician ("PCP") shall be in charge of providing and coordinating  
10 Respondent's medical care and treatment. Except in an *Emergency*, Respondent  
11 shall obtain medical care and treatment only from the PCP and from health care  
12 providers to whom the PCP refers Respondent. Respondent shall promptly provide  
13 a copy of this Order to the PCP. Respondent shall also inform all other health care  
14 providers who provide medical care or treatment that Respondent is participating in  
15 PHP. "*Emergency*" means a serious accident or sudden illness that, if not treated  
16 immediately, may result in a long-term medical problem or loss of life.

17 f. All prescriptions for controlled substances shall be approved by the  
18 PHP prior to being filled except in an *Emergency*. Controlled substances  
19 prescribed and filled in an emergency shall be reported to the PHP within 48 hours.  
20 Respondent shall take no *Medication* unless Respondent's Primary Care Physician  
21 ("PCP") or other health care provider to whom the PCP refers Respondent  
22 prescribes and the PHP approves the *Medication*. Respondent shall not self-  
23 prescribe any *Medication*. "*Medication*" means a prescription-only drug, controlled  
24 substance, and over-the counter preparation, other than plain aspirin, plain  
25 ibuprofen, and plain acetaminophen. "*Emergency*" means a serious accident or

1 sudden illness that, if not treated immediately, may result in a long-term medical  
2 problem or loss of life.

3 g. Respondent shall enter treatment with a PHP approved psychiatrist  
4 and shall comply with any and all treatment recommendations, including taking any  
5 and all prescribed medications. Respondent shall instruct the treating psychiatrist to  
6 submit quarterly written reports to the PHP regarding diagnosis, prognosis, current  
7 medications, recommendation for continuing care and treatment, and ability to  
8 safely practice medicine. The reports shall be submitted quarterly to the PHP, the  
9 commencement of which to be determined by the PHP. Respondent shall provide  
10 the psychiatrist with a copy of this Order. Respondent shall pay the expenses  
11 treatment and be responsible for paying for the preparation of the quarterly reports.

12 h. Respondent shall enter treatment with a PHP approved neurologist  
13 and shall comply with any and all treatment recommendations, including taking any  
14 and all prescribed medications. Respondent shall instruct the treating neurologist to  
15 submit quarterly written reports to the PHP regarding diagnosis, prognosis, current  
16 medications, recommendation for continuing care and treatment, and ability to  
17 safely practice medicine. The reports shall be submitted quarterly to the PHP, the  
18 commencement of which to be determined by the PHP. Respondent shall provide  
19 the neurologist with a copy of this Order. Respondent shall pay the expenses  
20 treatment and be responsible for paying for the preparation of the quarterly reports.

21 i. Respondent shall submit to random biological fluid, hair and nail  
22 testing for two years from the date of this Order (as specifically directed below) to  
23 ensure compliance with PHP.

24 j. Respondent shall provide the PHP in writing with one telephone  
25 number that shall be used to contact Respondent on a 24 hour per day/seven day

1 per week basis to submit to biological fluid, hair and/or nail testing to ensure  
2 compliance with PHP. For the purposes of this section, telephonic notice shall be  
3 deemed given at the time a message to appear is left at the contact telephone  
4 number provided by Respondent. Respondent authorizes any person or  
5 organization conducting tests on the collected samples to provide testing results to  
6 the PHP. Respondent shall comply with all requirements for biological fluid, hair  
7 and/or nail collection. Respondent shall pay for all costs for the testing.

8 k. Respondent shall provide the PHP with written notice of any plans to  
9 travel out of state.

10 l. Respondent provides full consent for the PHP to discuss the  
11 Respondent's case with the relapse prevention group facilitator, case managers,  
12 PCP, and all health care providers to ensure compliance with PHP.

13 m. Respondent shall appear in person before the PHP for interviews  
14 upon request, upon reasonable notice.

15 n. The relationship between the Respondent and the PHP is a direct  
16 relationship. Respondent shall not use an attorney or other intermediary to  
17 communicate with the PHP on participation and compliance issues.

18 o. Respondent shall be responsible for all costs, including costs  
19 associated with participating in PHP, at the time service is rendered or within 30  
20 days of each invoice sent to the Respondent. An initial deposit of two months PHP  
21 fees is due upon entering the program. Failure to pay either the initial PHP deposit  
22 or monthly fees 60 days after invoicing will be reported to the Board by the PHP and  
23 may result in disciplinary action up to and including revocation.

24 p. Respondent shall immediately provide a copy of this Order to all  
25 employers, hospitals and free standing surgery centers where Respondent currently

1 has or in the future gains or applies for employment or privileges. Within 30 days of  
2 the date of this Order, Respondent shall provide the PHP with a signed statement of  
3 compliance with this notification requirement. Respondent is further required to  
4 notify, in writing, all employers, hospitals and free standing surgery centers where  
5 Respondent currently has or in the future gains or applies for employment or  
6 privileges of a violation of this Order.

7 q. In the event Respondent resides or practices as a physician in a state  
8 other than Arizona, Respondent shall participate in the rehabilitation program  
9 sponsored by that state's medical licensing authority or medical society.  
10 Respondent shall cause the monitoring state's program to provide written quarterly  
11 reports to the PHP regarding Respondent's attendance, participation, and  
12 monitoring. The monitoring state's program and Respondent shall immediately  
13 notify the PHP if Respondent is non-compliant with any aspect of the monitoring  
14 requirements or is required to undergo any additional treatment.

15 r. The PHP shall immediately notify the Board if Respondent is non-  
16 compliant with any aspect of the monitoring requirements or this Order.

17 s. In the event of the use of drugs or alcohol by Respondent in violation  
18 of this Order, Respondent shall promptly enter into an Interim Consent Agreement  
19 for Treatment at a PHP approved facility. Following the successful conclusion of  
20 treatment, Respondent shall enter into an Interim Consent Agreement for full  
21 participation in PHP. In no respect shall the terms of this paragraph restrict the  
22 Board's authority to initiate and take disciplinary action for violation of this Order.

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1           3.     Respondent shall also comply with the following terms and conditions:

2           a.     **Practice Monitoring**

3           Respondent shall practice dermatology under the supervision of a Board-approved  
4 dermatologist who shall agree to act as Respondent's proctor and report to the Board  
5 regarding Respondent's dermatology practice on a quarterly basis. After 12 months,  
6 Respondent may petition the Board to request termination of the proctoring requirement.  
7 Her request for termination must be accompanied by a letter of recommendation from the  
8 proctor indicating that she has an adequate fund of knowledge in dermatology to practice  
9 independently.

10           b.     **Continuing Medical Education**

11           During her period of probation, Respondent shall complete no less than 40 hours of  
12 Continuing Medical Education ("CME"), no less than 20 hours of which shall be Category I  
13 CME focusing on recent updates in the practice of dermatology. These hours shall be  
14 taken in satisfaction of the CME hours required for biennial renewal of medical licensure.  
15 Respondent shall submit her proposed CME courses to the Board for pre-approval and  
16 provide the Board with satisfactory proof of attendance upon completion.

17           c.     **Obey All Laws**

18           Respondent shall obey all state, federal and local laws, all rules governing the  
19 practice of medicine in Arizona, and remain in full compliance with any court ordered  
20 criminal probation, payments and other orders.

21           d.     **Tolling**

22           In the event Respondent should leave Arizona to reside or practice outside the  
23 State or for any reason should Respondent stop practicing medicine in Arizona,  
24 Respondent shall notify the Executive Director in writing within ten days of departure and  
25 return or the dates of non-practice within Arizona. Non-practice is defined as any period of

1 time exceeding thirty days during which Respondent is not engaging in the practice of  
2 medicine. Periods of temporary or permanent residence or practice outside Arizona or of  
3 non-practice within Arizona, will not apply to the reduction of the probationary period.

4 e. **Probation Termination**

5 Prior to the termination of Probation, Respondent must submit a written request to  
6 the Board for release from the terms of this Order. Respondent's request for release will  
7 be placed on the next pending Board agenda to determine whether Respondent is eligible  
8 for a full, unrestricted Arizona medical license, provided a complete submission is received  
9 by Board staff no less than 14 days prior to the Board meeting. Respondent's request for  
10 release must provide the Board with evidence establishing that she has successfully  
11 satisfied all of the terms and conditions of this Order. The Board has the sole discretion to  
12 determine whether all of the terms and conditions of this Order have been met or whether  
13 to take any other action that is consistent with its statutory and regulatory authority,  
14 including requiring Respondent to complete any additional testing or evaluations in order  
15 to demonstrate that she is safe to practice medicine.

16  
17 4. The Board retains jurisdiction and may initiate new action against  
18 Respondent based upon any violation of this Order.

19 DATED AND EFFECTIVE this 3<sup>rd</sup> day of June, 2016.

20  
21 ARIZONA MEDICAL BOARD

22  
23 By Patricia E. McSorley  
24 Patricia E. McSorley  
25 Executive Director

1 **CONSENT TO ENTRY OF ORDER**

2 1. Respondent has read and understands this Consent Agreement and the  
3 stipulated Findings of Fact, Conclusions of Law and Order ("Order"). Respondent  
4 acknowledges she has the right to consult with legal counsel regarding this matter.

5 2. Respondent acknowledges and agrees that this Order is entered into freely  
6 and voluntarily and that no promise was made or coercion used to induce such entry.

7 3. By consenting to this Order, Respondent voluntarily relinquishes any rights to  
8 a hearing or judicial review in state or federal court on the matters alleged, or to challenge  
9 this Order in its entirety as issued by the Board, and waives any other cause of action  
10 related thereto or arising from said Order.

11 4. The Order is not effective until approved by the Board and signed by its  
12 Executive Director.

13 5. All admissions made by Respondent are solely for final disposition of this  
14 matter and any subsequent related administrative proceedings or civil litigation involving  
15 the Board and Respondent. Therefore, said admissions by Respondent are not intended  
16 or made for any other use, such as in the context of another state or federal government  
17 regulatory agency proceeding, civil or criminal court proceeding, in the State of Arizona or  
18 any other state or federal court.

19 6. Upon signing this agreement, and returning this document (or a copy thereof)  
20 to the Board's Executive Director, Respondent may not revoke the consent to the entry of  
21 the Order. Respondent may not make any modifications to the document. Any  
22 modifications to this original document are ineffective and void unless mutually approved  
23 by the parties.

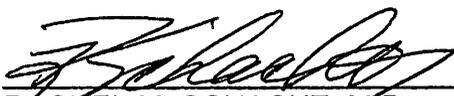
1           7.     This Order is a public record that will be publicly disseminated as a formal  
2 disciplinary action of the Board and will be reported to the National Practitioner's Data  
3 Bank and on the Board's web site as a disciplinary action.

4           8.     If any part of the Order is later declared void or otherwise unenforceable, the  
5 remainder of the Order in its entirety shall remain in force and effect.

6           9.     If the Board does not adopt this Order, Respondent will not assert as a  
7 defense that the Board's consideration of the Order constitutes bias, prejudice,  
8 prejudgment or other similar defense.

9           10.    Any violation of this Order constitutes unprofessional conduct and may result  
10 in disciplinary action. A.R.S. § § 32-1401(27)(r) ("[v]iolating a formal order, probation,  
11 consent agreement or stipulation issued or entered into by the board or its executive  
12 director under this chapter.") and 32-1451.

13           11.    *Respondent has read and understands the conditions of probation.*

14   
15 \_\_\_\_\_  
RACHEL M. SCHACHT, M.D.

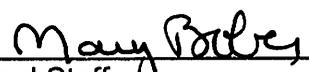
DATED: 5/5/16

16  
17 EXECUTED COPY of the foregoing mailed  
this 3<sup>rd</sup> day of June, 2016 to:

18 Rachel M. Schacht, M.D.  
19 Address of Record

20 ORIGINAL of the foregoing filed  
21 this 3<sup>rd</sup> day of June, 2016 with:

22 Arizona Medical Board  
23 9545 E. Doubletree Ranch Road  
Scottsdale, AZ 85258

24   
25 \_\_\_\_\_  
Board Staff