

ARIZONA MEDICAL BOARD

FISCAL YEAR 2004-2005 ANNUAL REPORT



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TABLE OF CONTENTS

Letter to the Governor, Janet Napolitano Page 2

ARIZONA MEDICAL BOARD

Board Membership Page 3

Board Reorganization Page 7

Board Accomplishments Page 8

Licensing Page 9

Regulation Page 10

Budget Page 12

LETTER TO THE GOVERNOR

JANET NAPOLITANO

Governor

Janet Napolitano

Members of the Arizona Medical Board

Tim B. Hunter, M.D., FACR
Chair/Physician Member

William R. Martin, III, M.D.
Vice Chair/Physician Member

Douglas D. Lee, M.D.
Secretary/Physician Member

Patrick N. Connell, M.D., FACEP
Physician Member

Ronnie R. Cox, Ph.D.
Public Member

Robert P. Goldfarb, M.D., FACS
Physician Member

Ingrid E. Haas, M.D.
Physician Member

J. Becky Jordan
Public Member

Ram R. Krishna, M.D.
Physician Member

Lorraine L. Mackstaller, M.D.
Physician Member

Sharon B. Megdal, Ph.D.
Public Member

Dona Pardo, Ph.D., R.N.
Public Member/R.N.

Executive Staff

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Executive Director

Amanda J. Diehl, M.P.A., C.P.M.
Deputy Executive Director

Bernadette E. Phelan, Ph.D.
Assistant Director

Roger Downey
Public Information Officer

Dear Governor Napolitano:

On behalf of the Arizona Medical Board, I submit to you the 2005 Annual Report. In December 2004, I became the Executive Director of an agency that has made tremendous strides in the past few years. I set a number of goals to build on those accomplishments: fair and impartial investigations while shortening the time to complete them; streamlining the licensing process; and keeping the lines of communication open with the citizens, licensees, and stakeholders.

The Agency guides its employees with a management philosophy that emphasizes and promotes ethics, honesty, credibility, accountability and compassion. The Agency has improved the physical environment to be more pleasant and productive.

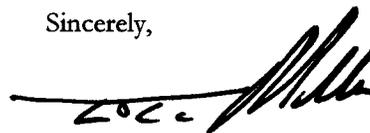
The Agency is working to strengthen ties with the community, licensees, governmental entities and stakeholders. And to further enhance our rapport with licensees, we plan to replace our IT system. The Agency is currently reviewing potential database applications and working with ADOA to secure an updated application that will increase its transparency and availability to all who are interested.

Community services are also providing information and forms on the website on important issues such as advanced care directives. Stakeholders appreciate our efforts to attend their meetings and sit on committees where the Agency can lend its advice in resolving public health issues.

Communication channels with governmental entities work best when the Agency stays in routine contact, so I provide your office and the Legislature with regular updates on the Agency's progress.

The Board is dedicated to meeting its charge to protect the health and safety of Arizona citizens.

Sincerely,



Timothy C. Miller
Executive Director

ARIZONA MEDICAL BOARD MEMBERSHIP

Tim B. Hunter, M.D., FACR, the Board's Chair, is a tenured professor and Vice-Chairman of the Department of Radiology at the University of Arizona. Previously, he served as chief of staff of University Medical Center and was the founder and first director of the Tucson Breast Center. Featured in "Who's Who in Medicine and Healthcare," Dr. Hunter, along with two other physicians, was awarded a patent for a digital mammography apparatus. A prolific author and speaker, Dr. Hunter is a Fellow of the American College of Radiology (FACR). Dr. Hunter received his medical degree at Northwestern University in Chicago. He completed his internship at Wayne County General Hospital in Eloise, Michigan; his residency in diagnostic radiology at the University of Michigan; and his fellowship at the University of Arizona in Tucson.



William R. Martin, III, M.D., the Board's Vice Chair, is an Orthopedic Surgeon at Copper State Orthopedics, Ltd., Phoenix, Arizona. In addition to his busy private practice, he helps to provide Orthopedic services for Children's Rehabilitative Services (CRS), the Veteran's Administration (VA) Hospital, and the American Indian population. Dr. Martin is a founding member of the Dr. Charles E. Gavin Memorial Foundation and serves on the Board of Directors of many public and private organizations.



Dr. Martin has been a member of the National Association for the Advancement of Colored People since 1973. He is a member of the American Academy of Orthopaedic Surgeons, the American Medical Association, the Arizona Medical Association, the Arizona Orthopaedic Asso-

ciation, the Maricopa County Medical Society, and the Western Orthopaedic Association. Dr. Martin received his medical degree from Loyola University of Chicago in Maywood, Illinois.

Douglas D. Lee, M.D., the Board's Secretary, is a Board certified anesthesiologist practicing in Flagstaff, Arizona. He graduated from the University of Arizona School of Medicine, completed an internship at the National Naval Medical Center in Bethesda, Maryland and a residency at the Naval Regional Medical Center in San Diego, California. From 1980 to 1981, Dr. Lee was a United States Marine General Medical Officer in Okinawa, Japan, and he was also a reservist called to serve in the Desert Shield/Desert Storm 1st Marine Division from 1990 to 1991.



In addition to his professional experience, Dr. Lee is a member of the Arizona Society of Anesthesiologists and a member of the American Board of Anesthesiologists. He previously served as the Chairman of Anesthesia for the Flagstaff Medical Center (FMC), President of the FMC Medical Staff, and President of the Arizona Society of Anesthesiologists. He currently serves as a Staff Anesthesiologist at FMC and Managing Partner of Forest County Anesthesia, PC. He is also a Board Member of the FMC Ambulatory Surgery Center and a member of the FMC Credentials Committee.

ARIZONA MEDICAL BOARD MEMBERSHIP

Patrick N. Connell, M.D., has recently retired from an active urban emergency department practice. He currently is working part time in the Pediatric Emergency Department at Maricopa Medical Center, and as a volunteer physician in Central America. Dr. Connell has worked with the American College of Emergency Physicians as a member of their Practice Management Committee and assisted in policy development for the College.



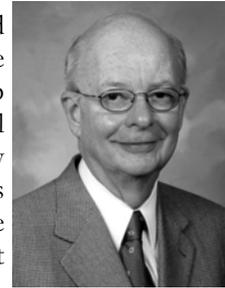
He is a past president of the Arizona College of Emergency Physicians and has served on their Board for ten years. Dr. Connell has been a Fellow of the American College of Emergency Physicians since 1983. Dr. Connell received his medical degree at the University of Arizona and performed his residency in surgery at University Hospital in Tucson. .

Ronnie R. Cox, Ph.D., is a faculty member in the College of Liberal Arts and Sciences at Arizona State University. Among his numerous leadership positions, he was former chair of the African American Advisory Council to the Governor of Arizona, chairperson for the Arizona State Black Faculty, Staff, and Student Caucus, and board member of the Maricopa County Appellate



Nominating Committee. An Honor Graduate, Officers Candidate School (OCS), Dr. Cox holds the rank of colonel in the United States Army Reserves. He received his Master of Science Degree in education management from the University of North Carolina, Chapel Hill, and his doctorate in education-business/finance from the University of Tennessee, Knoxville.

Robert P. Goldfarb, M.D., FACS, graduated from Tulane University, School of Medicine and practices in a Tucson, Arizona Neurosurgery-Neurology specialty group practice and serves as President of the group practice. Dr. Goldfarb also is the Neurosurgical Consultant to the University of Arizona Athletic Teams and is a Clinical Associate Professor in the Department of Surgery, College of Medicine at the University of Arizona. Dr. Goldfarb completed his Internship at Michael Reese Hospital and Medical Center in Chicago and his Residency in Neurological Surgery at the University of Illinois Hospitals and Presbyterian-St. Luke's Hospital in Chicago. He is certified by the American Board of Neurological Surgery and is a Fellow of the American College of Surgeons. He has previously served as Chief of the Medical Staff at Tucson Medical Center and is currently a Member of the Board of Trustees at El Dorado Hospital and a member of several professional societies including the American Association of Neurological Surgeons (Harvey Cushing Society), Congress of Neurological Surgeons, American Medical Association, North American Spine Society, Arizona Medical Association, and the Pima County Medical Society.



ARIZONA MEDICAL BOARD MEMBERSHIP

Ingrid E. Haas, M.D., is an obstetrician/gynecologist, actively practicing in Scottsdale. She graduated from the University of Oregon Health Services Center and completed a residency in OB/GYN from Baystate Medical Center. Dr. Haas is Board certified in OB/GYN from the American Board of Obstetrics and Gynecology and is a fellow of the American College of Obstetricians and Gynecologists. She also subspecializes in Advanced GYN Surgery/Pelviscopy.



Dr. Haas was listed in the Arizona Who's Who 1984, the Who's Who for Business and Professional Women, Best Doctors in America 2003-2004, as one of the "Top Docs in Phoenix" for the past four years in "Phoenix Magazine" and as "North Scottsdale's Favorite Doctor" by "101 North Magazine."

She is a past Board member of the Scottsdale Memorial Health Foundation. In addition to speaking and presenting at various healthcare groups, Dr. Haas holds numerous memberships, such as the American Association of Gynecologic Laparoscopists, the American Fertility Society, the Arizona Medical Association, and the Maricopa County Medical Society.

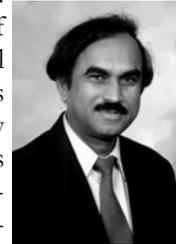
Becky Jordan served in the United States Air Force for twenty years. She retired in 1977 with the rank of major. In 1992, Ms. Jordan was elected State Representative for District 16, a seat she held for two terms. While in the State Legislature, Ms. Jordan served as chair of the Natural Resources and Agriculture Committee. During her distinguished military career, she received the USAF Commendation Medal with one Oak Leaf



Cluster, the USAF Outstanding Unit Award with three Oak Leaf Clusters, the Republic of Vietnam Campaign Medal, the Vietnam Service Medal with for Bronze Service Stars, and the Meritorious Service Medal. Other honors include the University of Arizona Alumni Association Legion Distinguished Citizen Award and the American Legion Distinguished Legislator Award. Ms. Jordan received a bachelor of arts in chemistry from Queens College in Charlotte, North Carolina, and a bachelor of science in animal science from the University of Arizona with additional postgraduate coursework in animal physiology.

Ram R. Krishna, M.D., is an orthopedic surgeon who is currently in private practice in Yuma and was formerly the chief of surgery at Yuma Regional Medical Center.

Dr. Krishna served as chair of the Yuma Regional Medical Center Board of Trustees and as president of the Yuma County Medical Society. Currently, he is a member of the Arizona Orthopedic Society and the Arizona Medical Association. Dr.



Krishna was awarded the Arizona Medical Association's Distinguished Service Award in 2000 for his exceptional work in the community.

He obtained his medical degree from Bangalore University Medical College in Bangalore, India. He did his internship, a one-year residency in general surgery and a four-year residency in orthopedics at the University of Massachusetts Medical Center.

ARIZONA MEDICAL BOARD MEMBERSHIP

Lorraine Mackstaller, M.D., began her medical career as a Registered Nurse at St. Joseph's Hospital in Phoenix, and then thirty years later earned her M.D. at the University of Arizona in Tucson. She performed her residency in internal medicine at the University of Arizona and is currently on staff at the Sarver Heart Center in Tucson. She is Board certified in internal medicine and specializes in cardiovascular disease. She has served on the Board of the American Heart Association, the Sarver Heart Center Advisory Board, the University Heart Center Board, the National Scientific Internal Medicine/Family Practice Advisory Board, the Hilton Head Health Institute, and the Arizona Commission on Women's Health. Dr. Mackstaller has taught classes at the University of Arizona College of Medicine, lectured on women's health and heart issues, and authored numerous medical journal articles. In 2003, Dr. Mackstaller received the Patients' Choice Award from the University Medical Center in Tucson.



Sharon B. Megdal, Ph.D., serves as Director of the Water Resources Center, as well as Professor and Specialist of the Department of Agricultural and Resource Economics at the University of Arizona. Her work focuses on water resources management and policy. She has been a member of the Arizona Corporation Commission and served as the Chair of the Arizona Joint Select Committee on State Revenues and Expenditures. In 1997 Dr. Megdal completed a six-year term on the Arizona State Transportation Board, serving as the board's Chair during the last year of her term. Dr. Megdal has been a member of the



Board of Trustees of TMC Healthcare and the Board of the Arizona Hospital and Healthcare Association. She served as Co-Chair of the Governor's Transportation Vision 21 Task Force and was a member of the Governor's Water Management Commission and the Arizona Water Quality Appeals Board. Dr. Megdal received her doctor of philosophy degree in economics from Princeton University, with a specialization in public sector economics and econometrics.

Dona Pardo, R.N., Ph.D., has over thirty years experience in nursing education and has taught in diploma, associate degree, baccalaureate degree and continuing education programs. She recently retired from the University of Arizona after 21 years of service during which she taught baccalaureate nursing students, headed the Continuing Education program in the College of Nursing, and just prior to retirement was the Administrator, Continuing Education for the Arizona Health Sciences Center. In her last position, she was responsible for Continuing Education for physicians and nurses. Dr. Pardo is currently Director of Nursing Education for Medical Directions, Inc. (MDI), a company that provides innovative education solutions to healthcare professionals and healthcare organizations. She is also an active member of the community as a Board Member for Compass Healthcare, and founding Foundation Director and current Treasurer for Tucson Nurses Foundation, a non-profit organization established to formally celebrate Nurses Week in the Tucson area. Dr. Pardo earned her master's degree in nursing from the University of Texas Health Sciences Center at San Antonio and holds a doctorate in higher education from the University of Arizona.



BOARD REORGANIZATION

The Arizona Medical Board hired a new Executive Director in December 2004. Since January, 2005 the Executive Team has focused on improving the investigative process by improving the quality of investigations and reducing the backlog of cases.

The Board currently has eleven full-time investigators – the largest number of professional investigators in recent history of the Board. Formal weekly training is conducted for all investigators. The focus remains on conducting investigations that are fair, accurate, and thorough.

A new Chief Medical Consultant joined the staff in April. A second full-time consultant and a new part-time consultant will begin work in September, joining two other part-time consultants. The new Chief Medical Consultant contributed to process improvements and has focused on improving the process for case review by medical consultants.

The increasing investigative caseload is overloading a complicated, aging and difficult to use database system. Document management and the need to implement on-line licensing

requires a comprehensive and expandable software system that is user-friendly and easy to maintain. The Board is currently working with the Enterprise Procurement Services (EPS) and the Government Information Technology Agency (GITA) in its effort to replace its existing IT system.

The Board took steps to improve its community outreach efforts in March. It hired a Public Information Officer to help maintain a positive relationship with the media, to produce a newsletter for licensees, and to make public speaking appearances.

The Board has contracted with the Department of Administration for business operations and human resources functions. By doing so the Board was able to reduce the number of employees in these areas from five to two.

BOARD ACCOMPLISHMENTS

The Arizona Medical Board has a national reputation for excellence, and licensees agree. They, along with consumer watchdog groups, consistently give the Board a high rating.

◆ *LICENSING.*

The Board can process an initial medical license application or a license renewal in two days from when the physician submits all the required paperwork.

The average time spent acquiring the paperwork in a routine application is 54 days – shorter than many other states.

◆ *RESOLUTION OF CASE BACKLOG.*

The Board and its staff have focused their efforts on reducing the backlog of cases, and shortening the average time it takes to open new investigations and complete them.

◆ *REDEFINING THE PROCESS.*

When a complaint is opened, an investigator conducts a thorough analysis and makes a recommendation on the resolution of a case.

The chief medical consultant reviews the opinion of the outside medical consultant and makes his recommendation.

The Staff Investigational Review Committee checks for accuracy, thoroughness and fairness before the case is ready for resolution.

◆ *REBUILDING STAFF.*

A change in executive staff has brought with it a new emphasis and commitment to hiring and training experienced staff.

When the Arizona Medical Board takes serious disciplinary action against physicians, it does so because the action is warranted to protect the public’s health and safety - not to compete with other states.

Year	Public Citizen Individual Year Ranking	Public Citizen Composite 3 Year Ranking	FSMB Individual Year Ranking
2004	11th	6th	15th
2003	4th	1st	4th
2002	6th	3rd	4th
2001	1st	5th	1st

Public Citizen Health Research Group is a Washington D.C.-based consumer advocacy organization that promotes research-based, system-wide changes in health care policy.

The Federation of State Medical Boards is a national organization representing the 70 state medical boards of the United States and its territories. Acting on behalf of its membership, the Federation’s mission is to continually improve the quality, safety and integrity of health care in the United States through the development and promotion of high standards for physician licensure and practice.

LICENSING

The Arizona Medical Board now has more than 17,500 physicians licensed to practice medicine. More than 10,000 have Arizona office addresses.

Arizona began licensing medical doctors in 1903, nine years before Arizona became a state. The Board licensed 198 physicians the first year. The first Arizona doctors each paid a fee of \$2.00.

The doctors names were entered into *The Great Register*, the official record book of licensed Arizona physicians.

Over the passage of time, fees and the way records are kept have changed. Information on licensed physicians is maintained in databases in the Board's computers. The money generated

by license fees supports the Arizona Medical Board's licensing, investigative, budgetary and administrative functions.

The Board conducts primary source verifications on educational and training programs and performs national queries to determine if a physician has any professional conduct issues in other states. Although providing the proper documents is the responsibility of each applicant, Board Staff help physicians with the verification process to reduce the overall timeframe for licensure.

Licenses Issued		
	FY 04	FY 05
Licenses Issued	1,196	1,281
Resident Permits Issued	1,096	1,195
Miscellaneous Licenses Issued	60	133
Dispensing Certificates Issued	366	462
Average Number of Days to Issue a License <i>(Date of receipt of fully completed application to final issue)</i>	2	2
Customer Satisfaction Rating	99%	99%

REGULATION

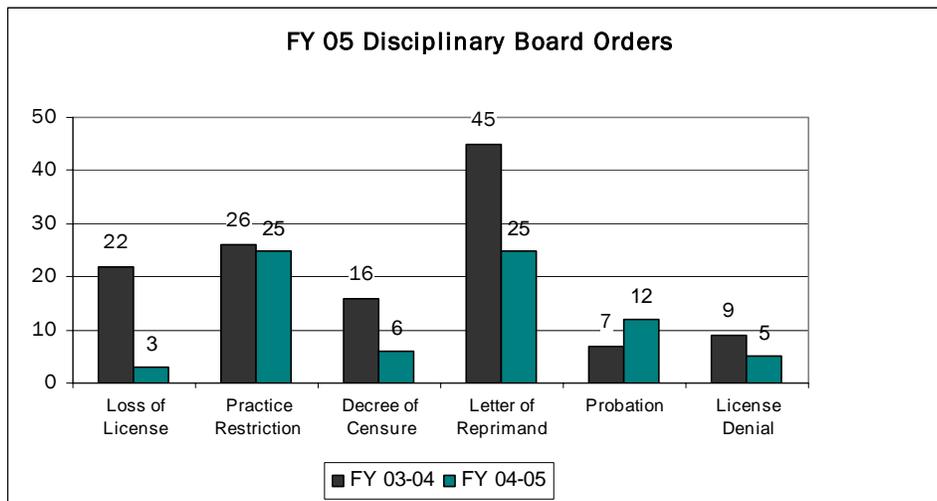
A complaint lodged against a physician triggers a process that the Arizona Medical Board has restructured to ensure a fair and impartial investigation, while striving for a timely resolution.

When an investigation finds a deviation from the standard of care, the Arizona Medical Board uses its authority to discipline those licensees who violate the law.

Disciplinary actions taken against a licensee are public, and the effect these actions can have on a physician are long-lasting. For that reason, the Board takes all complaints against physicians seriously, and the decision to issue discipline is based on a thorough, fair and accurate investigation.

In the end, the Board is bound by its charge to protect Arizona citizens from the unlawful and incompetent practice of medicine. The actions the Board takes are reflective of that mission.

Overall, the Board took disciplinary action in 76 cases (see chart below) during FY 05. In 65 other cases, the Board ordered non-disciplinary measures for physicians, in addition to the 89 cases which resulted in the issuance of Advisory Letters.



REGULATION

The Arizona Medical Board’s regulatory activity begins when a complaint is opened.

Unlike past years, the Board now opens an investigation only when a complaint meets two criteria: it has to be against an allopathic physician and the allegation—if true—must be a violation of the Medical Practice Act.

During the first half of the 2005 calendar year, the Board and its staff worked hard to chip away at a backlog of cases that totaled more than 1,300 in late 2004, while making sure that each case was thoroughly and fairly investigated.

Average Days to Complete an Investigation	
Year	Days
2004	152
2005	201*

*The average number of days to complete an investigation for cases opened during FY 05 is 107 days.

Investigations Remaining Open at Fiscal Year End	
Year	Number**
2004	1,005
2005	1,243

**In FY 04, the Board began opening a complaint for every correspondence received. That practice was discontinued in early 2005.

Compliance Monitoring is the Board’s way of knowing that its orders involving practice restrictions, limitations and probation are being followed. The “2005 Compliance” figure represents the number of physicians being monitored for these reasons. Compliance officers conduct random practice audits, review physician records and report to the Board any findings of non-compliance. Failure to obey a Board order can lead to more disciplinary action.

Compliance Monitoring	
Year	Cases Monitored
2004	180
2005 Compliance	178
2005 MAP	91

An additional statistic under Compliance Monitoring is the number of physicians who are in the Monitored Aftercare Program, or MAP, for substance abuse rehabilitation. MAP coordinators ensure that physicians comply with the program’s requirements and are safe to practice medicine. Findings of non-compliance are immediately brought to the Board’s attention.

The Board resolved 13 cases with consent agreements. Four were non-disciplinary, and nine consent agreements involved disciplinary actions.

BUDGET

The overall increase in the FY 2005 Budget Appropriation for the Arizona Medical Board represented a two and a half percent rise over FY 2004.

The Board is a 90/10 state agency, a designation that developed as a result of how such boards fund their activities.

Ninety percent of all revenue generated through licensing fees and ancillary billing are retained by the agency and the remaining ten percent is returned to the State and added into the total State budget.

Nearly half of the 2005 fiscal year budget allocation was for the salaries of Board staff, including outside medical consultants who

opine on whether or not physicians have deviated from the standard of care.

The number of fulltime employee positions rose to 60.

Money for travel, both in-state and out-of-state was decreased, but funding for Other Operating Expenditures and Equipment was increased.

The Joint Legislative Budget Committee at the Arizona Legislature approves the Board's budget plan.

Budget Appropriations		
	FY 04	FY 05
<i>Full-time employee positions</i>	58.5	60
Personnel services	2,474,100	2,371,889
Employee related expenditures	632,700	585,690
Professional and outside services	1,026,700	1,084,800
Travel in-state	65,900	32,483
Travel out-of-state	20,800	5,937
Other operating expenditures	495,000	578,794
Equipment	37,000	246,607
Indirect Cost	58,800	27,400
Total	*4,811,000	*4,933,600
*FY 04-05 JLBC Appropriations		