

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING  
BEFORE THE ALASKA STATE MEDICAL BOARD

In the Matter of: )  
 )  
John E. Pappenheim, M.D. )  
 )  
Respondent )  
Case No. 2017-000473

CONSENT AGREEMENT

IT IS HEREBY AGREED by the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing (Division) and John E. Pappenheim, M.D. (Respondent) as follows:

- 1) **Licensure.** Respondent is not currently licensed as a Physician in the State of Alaska and holds lapsed license number MEDS6873. This license was first issued on May 28, 2010 and lapsed on December 31, 2016.
- 2) **Admission/Jurisdiction.** Respondent admits and agrees that the Alaska State Medical Board ("Board") has jurisdiction over the subject matter of his license in Alaska and over this Consent Agreement.
- 3) **Admission/Facts.** Respondent admits to the following facts:
  - a) On October 16, 2015, Respondent was a locum tenens physician Alaska Psychiatric Institute (API) and was asked to leave for misrepresenting his hours by claiming more hours (for billing purposes) than he was in the hospital. API took action to revoke, suspend, or limit the Respondent's privileges for a disciplinary reason. Respondent did not report his change in hospital privileges to the board within 30 days as required by Alaska regulation. **This is a violation of 12 AAC 40.967(20).**
  - b) On December 31, 2016, Respondent's medical license lapsed. Respondent asserts he did not realize his license had lapsed until February 24, 2017. Respondent did not seek reimbursement for the services provided during the lapsed period. Respondent

- 1 continued to practice medicine from January 1, 2017 - February 24, 2017 without a  
2 current license. **This is a violation of AS 08.64.170(a) and 12 AAC 40.967(6).**
- 3 c) On February 1, 2017, Respondent was charged with a Driving Under the Influence  
4 (DUI) misdemeanor charge. This charge is currently awaiting hearing. A conviction of  
5 a DUI is a violation of 12 AAC 40.967(18)(B).
- 6 d) On April 19, 2017, Respondent received a substance abuse assessment from Providence  
7 Breakthrough. Respondent was diagnosed with alcohol use disorder, severe,  
8 dependence. The assessment recommended weekly counseling for substance abuse  
9 disorder, participation in the Physician's Health Committee (PHC), attend Alcoholic  
10 Anonymous (AA) meetings, and obtain an AA sponsor.
- 11 e) Alaska Statute 08.64.326(a)(8)(B) addresses a practitioner who has demonstrated an  
12 addiction to, severe dependency on, or habitual overuse of alcohol or other drugs that  
13 impairs the licensee's ability to practice safely, and 12 AAC 40.967(18)(B) address a  
14 practitioner using alcohol or other drugs that is illegal under state or federal law.  
15 However, Respondent asserts there is no evidence to suggest his ability to provide  
16 service to his patients in an effective and safe manner has ever been compromised, and  
17 the Division has received no patient complaints related to alcohol use.
- 18 f) Respondent admits that as a result of the above facts, grounds exist for possible  
19 suspension, revocation, or other disciplinary sanctions of his license pursuant to AS  
20 08.01.075, AS 08.64.170(a), AS 08.64.326(a)(7), 12 AAC 40.967(6), and 12 AAC  
21 40.967(20).
- 22 **4) Formal Hearing Process.** It is the intent of the parties to this Consent Agreement to  
23 provide for the compromise and settlement of all issues addressed in Paragraph 3 (above)  
24 that could be raised by an Accusation to revoke, suspend, or impose disciplinary sanctions  
25 against Respondent's license through a formal hearing process.
- 26 **5) Waiver of Rights.** Respondent understands he has the right to consult with an attorney of  
27 his own choosing and has a right to an administrative hearing on the facts in this case.  
28 Respondent understands and agrees that by signing this Consent Agreement, Respondent is  
29 waiving his rights to counsel and to a hearing. Further, Respondent understands and agrees  
30 that he is relieving the Division of any burden it has of proving the facts admitted above.

Respondent further understands and agrees that by signing this Consent Agreement he is voluntarily and knowingly giving up his right to present oral and documentary evidence, to present rebuttal evidence, to cross-examine witnesses against Respondent, and to appeal the Board's decision to Superior Court.

6) **Effect of Non-Acceptance of Consent Agreement.** Respondent and the Division agree that this Consent Agreement is subject to the approval of the Board. They agree that, if the Board rejects this Consent Agreement, it will be void, and an Accusation may be filed. If this Consent Agreement is rejected by the Board, it will not constitute a waiver of Respondent's right to a hearing on the matters alleged in an Accusation and the admissions contained herein will have no effect. Respondent agrees that, if the Board rejects this Consent Agreement, the Board may decide the matter after a hearing, and its consideration of this Consent Agreement shall not alone be grounds for claiming that the Board is biased against Respondent, that it cannot fairly decide the case, or that it has received ex parte communication.

7) **Consent Agreement, Decision, and Order.** Respondent agrees that the Board has the authority to enter into this Consent Agreement and to issue the following Decision and Order.

### **PROPOSED DECISION AND ORDER**

IT IS HEREBY ORDERED that the license reinstated to Respondent is under probation. This license shall be subject to the following terms and conditions of license probation.

#### **A. Duration of Probation**

Respondent's license shall be on probation for five (5) years from the effective date of this Order. If Respondent fully complies with all of the terms and conditions of this license probation, the probationary period will end as conditioned under this Order. The five (5) year probationary period will not be reduced by the following periods:

- (1) any absence from the state in excess of 30 continuous days.
- (2) any absence from the state in excess of 60 aggregate days in a single year.
- (3) any period during which Respondent is not a resident of the State of Alaska.

1 (4) any period in which Respondent does not hold an active license in Alaska.

2 (5) any period in which Respondent's license is suspended.

3 It will be Respondent's duty to inform the Probation Monitor in writing in advance of  
4 any absence from Alaska and/or any move from Alaska to another licensing jurisdiction.

5 **B. Violation of Agreement**

6 If Respondent fails to comply with any term or condition of this Consent Agreement,  
7 the Division may enforce this agreement by immediately suspending Respondent's license,  
8 without an additional order from the Board or without a prior hearing, for a violation of this  
9 agreement.

10 If Respondent's license is suspended under this paragraph, as provided above, he will  
11 be entitled to a hearing, on an expedited basis, regarding the issue of the suspension. If  
12 Respondent's license is suspended, he will continue to be responsible for all license  
13 requirements pursuant to AS 08.64.

14 **C. Respondent Address**

15 It is the responsibility of the Respondent to keep the Probation Monitor advised, in  
16 writing, at all times of his current mailing address, physical address, email address, telephone  
17 number, current employment and any change in employment.

18 Failure to provide notice of any changes within ten (10) calendar days will constitute  
19 grounds for suspension of his license in accordance with paragraph 'B' above.

20 **D. Compliance with Laws**

21 Respondent shall obey all Federal laws and State statutes and regulations governing his  
22 license, or relating to his fitness to practice.

23 **E. Authorization**

24 Within ten (10) calendar days of a request by the Board's agent, Respondent will sign  
25 all authorizations necessary for the release of information required by this Consent Agreement.

26 **F. Good Faith**

27 All parties agree to act in good faith in carrying out the stated intentions of this Consent  
28 Agreement.



1           **G. Address of the Board**

2           All required reports or other communication concerning compliance with this Consent  
3 Agreement shall be addressed to:

4                           Attn: Probation Monitor  
5                           Division of Corporations, Business and Professional Licensing  
6                           550 West 7<sup>th</sup> Avenue, Suite 1500  
7                           Anchorage, Alaska 99501-3567  
8                           (907) 269-8160 Fax (907) 269-8195

9           **H. Absence from Community of Residence**

10           While under license probation, Respondent shall notify the Probation Monitor in writing  
11 in advance of each and every expected absence from community of residence in excess of  
12 seven (7) days. Absences from the State of Alaska must be reported pursuant to Paragraph 'A'.

13           **I. Periodic Interview with the Board**

14           While under license probation and upon the request of the Board, or its agent,  
15 Respondent shall report in person to the Board, or its agent, to allow a review of his compliance  
16 with this probation. Respondent shall be excused from attending any interview only at the  
17 discretion of the person requesting the interview.

18           **J. Civil Fine**

19           Respondent shall pay a fine of four thousand dollars (\$4,000.00), with one thousand five  
20 hundred dollars (\$1,500) suspended for unlicensed practice and failure to notify the Board of a  
21 change in hospital privileges. The civil fine in the amount of two thousand five hundred  
22 (\$2,500) may be paid in cash, certified check, or money order payable to the "State of Alaska"  
23 or by credit card, within 90 days after this order is adopted.

24           All payments required by this Consent Agreement shall be addressed to:

25                           Angela Birt, Chief Investigator  
26                           Division of Corporations, Business and Professional Licensing  
27                           550 West 7<sup>th</sup> Avenue, Suite 1500  
28                           Anchorage, Alaska 99501-3567

29           **K. Psychotherapy Counseling**

30           Respondent shall be required to undergo psychiatric and/or psychological therapy with  
31 a psychiatrist, psychologist, or counselor licensed in the State of Alaska, approved by the Board  
32 or its agent, and provided with a copy of this Consent Agreement.

The Board may consider releasing Respondent from the therapy requirement upon receipt of a written statement from Respondent's therapist that his rehabilitation has progressed to the point that continued therapy is no longer necessary to assist in maintaining a drug-free and sober lifestyle. However, the Board will not release Respondent from the therapy requirement until satisfied that doing so is consistent with the public interest.

Respondent's therapist shall submit reports to his probation monitor on a quarterly basis, as specified in paragraph L, indicating that:

- (1) Respondent is continuing in therapy as required by his therapist; and
- (2) Respondent does not pose a danger to the public, Respondent's patients, or Respondent. **All costs are the responsibility of the Respondent.**

#### **L. Quarterly Reports**

Quarterly reports are due for each year of probation and the entire length of probation as follows:

<u>Period Covered</u>	<u>Due Date(s)</u>
January 1 - March 31	between April 1 and April 7
April 1 - June 30	between July 1 and July 7
July 1 - September 30	between October 1 and October 7
October 1 - December 31	between January 1 and January 7

Failure to submit complete and timely reports shall constitute a violation of probation.

#### **M. Consume No Alcohol or Controlled Drugs**

While under license probation, Respondent shall consume no alcohol or controlled drugs whatsoever, including foods, medicines, and other substances containing controlled drugs or alcohol. However, if Respondent is hospitalized and receiving inpatient care, or is receiving outpatient care for a medical/dental condition that cannot be adequately treated without medicines containing controlled drugs, Respondent must inform his treating health care provider of his history of alcohol use. Respondent may then take drugs on his health care provider's written prescription, in the prescribed dosage for the prescribed duration, and for the prescribed purpose. The Board's agent will be notified of any prescription for controlled drugs at the time Respondent's receives it, and a copy of the prescription will be promptly sent to the Division. Further, Respondent shall not self-medicate with any other prescription drug. If a

1 condition exists which requires the use of such a drug, it must be prescribed by Respondent's  
2 health care provider. **All costs are the responsibility of the Respondent.**

### 3 **N. AA Meetings**

4 While under license probation, Respondent shall attend at least three (3) Alcoholics  
5 Anonymous (AA) meetings per week. Respondent shall keep a calendar or other record  
6 indicating the dates of attendance at such meetings and shall obtain the signature or initials of  
7 the leader of each meeting verifying Respondent's attendance at the meetings.

8 Such records shall be presented by Respondent to the Probation Monitor upon request.  
9 Respondent must also obtain a sponsor and within 10 calendar days disclose the sponsor's  
10 name to the Probation Monitor.

### 11 **O. Health Care Provider Support Group**

12 Respondent shall participate regularly in the Alaska Physician Health Committee  
13 (PHC). The program will submit quarterly evidence, as specified in Paragraph L, of  
14 participation in the group. **All costs of compliance with this paragraph are the**  
15 **responsibility of the Respondent.**

### 16 **P. Self-Evaluation Report**

17 While under license probation, Respondent shall submit quarterly reports, as specified  
18 in paragraph L, to the Probation Monitor regarding his method of handling stress, mental and  
19 physical health, professional responsibilities and activities, and personal activities.

### 20 **Q. Drug Tests**

21 While under license probation, Respondent shall submit to random substance testing  
22 (urinalysis, blood, breath, and/or hair tests), as may be ordered by the Board or Board's agent.  
23 All urinalysis shall be provided in a controlled (witnessed) setting, and shall be subjected to a  
24 comprehensive screening for drugs and alcohol. The test method is at the discretion of the  
25 Division.

26 Respondent must obtain the random screening test no later than 2 hours after being  
27 instructed to do so. Failure to respond as instructed is a violation of this Consent Agreement.  
28 If Respondent is not able to provide the relevant samples within the 2 hours, Respondent will  
29 immediately notify the Board's agent, and has the burden of showing why compliance was not  
30 possible. **All costs are the responsibility of the Respondent.**

1           **R. Personal Health Care Provider**

2           While under license probation, Respondent shall be under the care of a health care  
3 provider licensed in Alaska, identified to, and approved by the Board. The health care provider  
4 shall be provided with a copy of this Consent Agreement. Within 10 calendar days,  
5 Respondent shall advise the Probation Monitor in writing of any change of Respondent's health  
6 care providers. Respondent may not receive medical care from his spouse, significant other,  
7 family members and relatives, or associates.

8           Respondent will also obtain a primary pharmacist, who must be licensed and practicing  
9 in the State of Alaska, and subject to prior approval by the Board.

10          Respondent shall have all prescriptions filled by his primary pharmacist with the  
11 exception of emergencies, which will promptly be reported to the Probation Monitor.

12          **All costs are the responsibility of the Respondent.**

13           **S. Restriction on Remote Employment**

14          While under license probation, Respondent shall work only in communities that have  
15 adequate facilities for Respondent to comply with the urinalysis, blood, and breath tests, and  
16 other requirements as set forth in this Consent Agreement.

17          Respondent shall give the Probation Monitor prior written notice of each change of  
18 employment or residence within ten (10) calendar days of occurrence.

19           **T. Employer Reports**

20          Within ten (10) calendar days of the effective date of this Consent Agreement, and for  
21 the duration of probation, Respondent must provide his employer with a copy of the Consent  
22 Agreement and understands that the Probation Monitor will be free to discuss with  
23 Respondent's employer the subject matter of this Consent Agreement.

24          Respondent's supervisor shall report quarterly to the Probation Monitor as to Respondent's  
25 employment performance and attendance. The report shall include a statement of whether  
26 Respondent is suspected of violating any condition of this license probation.

27           **U. Hospital Privileges**

28          Within ten (10) calendar days of the effective date of this Consent Agreement,  
29 Respondent shall notify the Chief of Staff and Administrator of any hospital in which  
30 Respondent has privileges of the terms of his probation, provide them a copy of this Consent

1 Agreement, and shall cause reports of Respondent's progress and performance to be submitted  
2 to the Board on a quarterly basis, unless ordered to do otherwise by the Board.  
3

4 **V. Reprimand**

5 It is hereby ordered that a public reprimand be issued against licensee, John E.  
6 Pappenheim, M.D., for unlicensed practice and failure to notify the Alaska State  
7 Medical Board of a change in hospital privileges, which constitutes violations of  
8 AS 08.64, listed above.

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IT IS HEREBY FURTHER ORDERED that this Decision and Order shall take effect immediately upon its adoption by the Board and is a public record of the Board and the State of Alaska. The State may provide a copy of it to any person or entity, professional licensing board, federal, state, or local government, or other entity making a relevant inquiry.

The action taken by the Board in this Consent Agreement will be reported to the Federation of State Medical Boards, the National Practitioner Data Bank, and other entities as required by law.

DATED this 15<sup>th</sup> day of June 2017, at Anchorage, Alaska.

CHRIS W. HLADICK, COMMISSIONER

By:

  
Angela G. Birt, Chief Investigator for  
Janey L. Hovenden, Director  
Division of Corporations, Business and  
Professional Licensing

I, John E. Pappenheim, have read the Consent Agreement, understand it, and agree to be bound by its terms and conditions.

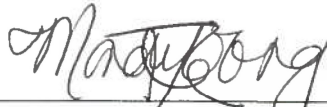
DATED: June 20<sup>th</sup>, 2017

  
John E. Pappenheim

SUBSCRIBED AND SWORN TO before me this 20<sup>th</sup> day of

June, 2017, at Juneau, Alaska.



  
Notary Public in and for Alaska.

Mandy Serene Toong  
Notary Printed Name  
My commission expires: December 1, 2020

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING  
BEFORE THE ALASKA STATE MEDICAL BOARD

In the Matter of: )  
John E. Pappenheim, M.D. )  
Respondent )  
Case No. 2017-000473 )

ORDER

The Medical Board for the State of Alaska, having examined the Consent Agreement and Proposed Decision and Order, Case No. 2017-000473, regarding Dr. John E. Pappenheim, Medical License number MEDS6873, adopted the Consent Agreement and Decision and Order in this matter.

This Consent Agreement takes effect immediately upon signature of this Order in accordance with the approval of the Board.

The Division may enforce the Consent Agreement by immediately suspending Respondent's license, without an additional order from the Board or without a prior hearing, for a violation of the Consent Agreement.

DATED this 3rd day of August, 2017, at  
Anchorage, Alaska.

ALASKA STATE MEDICAL BOARD

By: [Signature]  
Board President