

COMMONWEALTH OF KENTUCKY  
BOARD OF MEDICAL LICENSURE  
CASE NO. 1845

JUL 03 2018

K.B.M.L.

IN RE: THE LICENSE TO PRACTICE MEDICINE IN THE COMMONWEALTH OF KENTUCKY HELD BY PETER M. STEINER, M.D., LICENSE NO. 32156, 105 CRESCENT AVENUE, LOUISVILLE, KENTUCKY 40206

**AMENDED EMERGENCY ORDER OF SUSPENSION**

The Kentucky Board of Medical Licensure (“the Board”), acting by and through the Chair of its Inquiry Panel B, considered an Indictment returned June 25, 2018 in United States District Court, Western District of Kentucky, in addition to the Indictment returned February 28, 2018, in Jefferson Circuit Court, Criminal Division, and an LMPD Metro Narcotics Investigative report, dated June 9, 2017, and having considered this information and being sufficiently advised, the Chair of Inquiry Panel B enters the following AMENDED EMERGENCY ORDER OF SUSPENSION, in accordance with KRS 311.592(1) and 13B.125(1):

**FINDINGS OF FACT**

Pursuant to KRS 13B.125(2) and based upon the information available to him, the Chair of Inquiry Panel B concludes there is probable cause to make the following Findings of Fact, which support this Amended Emergency Order of Suspension:

1. At all relevant times, Peter M. Steiner, M.D. (“the licensee”), was licensed by the Board to practice medicine in the Commonwealth of Kentucky.
2. The licensee’s medical specialty is psychiatry.
3. On or about June 8, 2017, an FBI agent and DEA Diversion Investigator executed a search warrant on the licensee at his practice address, 6500 Glenridge Park Place, Louisville, Kentucky. Upon their arrival and contact with the licensee, the licensee

was observed holding a McDonald's bag and placing the bag into a trash can next to his chair. After the licensee removed two "thick" white envelopes from the credenza, they were immediately recovered from his hand and discovered to contain an undetermined amount of US currency, a list of patient names and amounts and checks. The McDonald's bag was recovered from the licensee's trash can and found to contain a double bagged ziplock bag of marijuana.

4. On or about February 28, 2018, the licensee was indicted on one (1) count of tampering with physical evidence, when, believing that an official proceeding may be pending or instituted against himself, he destroyed, mutilated, concealed, removed or altered the physical evidence which he believed was about to be produced or used in such official proceeding, with the intent to impair its verity or availability in the official proceeding, in violation of KRS 524.100, a Class D felony.
5. On or about February 28, 2018, the licensee was indicted on one (1) count of illegal possession of a controlled substance, by knowingly and unlawfully having in his possession an amount of a controlled substance classified as a Schedule I hallucinogen known as marijuana, in violation of KRS 218A.1422, 502.020, a Class B misdemeanor.
6. On or about June 25, 2018, the licensee was indicted in United States District Court, Western District of Kentucky, Case No. 3:18-CR-84-JHM, on one (1) felony count of conspiracy to distribute Schedule II, III, and IV controlled substances without a legitimate medical purpose and outside the usual course of professional medical practice, in violation of 21 U.S.C. §§ 841(a)(1), 841(b)(1)(C), 841(b)(1)(E)(i), 841(b)(2) and 846.

7. On or about June 25, 2018, the licensee was indicted in United States District Court, Western District of Kentucky, Case No. 3:18-CR-84-JHM, on thirteen (13) felony counts of unlawful distribution of Schedule II controlled substances without a legitimate medical purpose and outside the usual course of professional medical practice, in violation of 21 U.S.C. §§ 841(a)(1) and 841(b)(1)(C).
8. On or about June 25, 2018, the licensee was indicted in United States District Court, Western District of Kentucky, Case No. 3:18-CR-84-JHM, on twelve (12) felony counts of unlawful distribution of Schedule III controlled substances without a legitimate medical purpose and outside the usual course of professional medical practice, in violation of 21 U.S.C. §§ 841(a)(1) and 841(b)(1)(E)(i).

#### CONCLUSIONS OF LAW

Pursuant to KRS 13B.125(2) and based upon the information available to him, the Chair of Inquiry Panel B finds there is probable cause to support the following Conclusions of Law, which serve as the legal bases for this Amended Emergency Order of Suspension:

1. The licensee's Kentucky medical license is subject to regulation and discipline by this Board.
2. KRS 311.592(1) provides that the Board may issue an emergency order suspending, limiting, or restricting a physician's license at any time an inquiry panel has probable cause to believe that a) the physician has violated the terms of an order placing him on probation; or b) a physician's practice constitutes a danger to the health, welfare and safety of his patients or the general public.
3. There is probable cause to believe that the licensee has violated KRS 311.595(9), as illustrated by KRS 311.597(1)(a) and (4).

4. 201 KAR 9:240 §1 provides,
  - (1) An inquiry panel or the panel's chair, acting on behalf of the inquiry panel, may issue an emergency order restricting or suspending a physician's license to practice medicine or osteopathy within the Commonwealth of Kentucky in accordance with KRS 311.592 and 13B.125.
  - (2) ...
  - (3) (a) An inquiry panel's chair may act on behalf of the inquiry panel and issue an emergency order restricting or suspending a physician's license to practice medicine or osteopathy within the Commonwealth of Kentucky if the panel chair determines that a basis for an emergency order as established in subsection (1) of this section exists and the circumstances of the specific case warrant emergency action prior to the next regularly scheduled meeting of the inquiry panel.
  
5. 201 KAR 9:240 §3 provides
  - (1) If a licensee is indicted in any state for a crime classified as a felony in that state and the conduct charged relates to a controlled substance, that licensee's practice shall be considered an immediate danger to the public health, safety or welfare, pursuant to KRS 311.592 and 13B.125.
  
  - (2) If the Board receives verifiable information that a licensee has been indicted in any state for a crime classified as a felony in the state of indictment and the conduct charged relates to a controlled substance, the inquiry panel or panel chair, acting on behalf of the inquiry panel, shall immediately issue an emergency order suspending or restricting that licensee's Kentucky license....
  
6. The Inquiry Panel Chair concludes there is probable cause to believe this licensee's practice constitutes a danger to the health, welfare and safety of his patients or the general public.
  
7. The Board may draw logical and reasonable inferences about a licensee's practice by considering certain facts about a licensee's practice. If there is proof that a licensee has violated a provision of the Kentucky Medical Practice Act in one set of circumstances, the Board may infer that the licensee will similarly violate the Medical Practice Act when presented with a similar set of circumstances. Similarly, the Board concludes that proof of a set of facts about a licensee's practice presents representative proof of the nature of that licensee's practice in general. Accordingly, probable cause to believe

that the licensee has committed certain violations in the recent past presents probable cause to believe that the licensee will commit similar violations in the near future, during the course of the licensee's medical practice.

8. The United States Supreme Court has ruled that it is no violation of the federal Due Process Clause for a state agency to temporarily suspend a license, without a prior evidentiary hearing, so long as 1) the immediate action is based upon a probable cause finding that there is a present danger to the public safety; and, 2) the statute provides for a prompt post-deprivation hearing. Barry v. Barchi, 443 U.S. 55, 61 L.Ed.2d 365, 99 S.Ct. 2642 (1979); FDIC v. Mallen, 486 U.S. 230, 100 L.Ed.2d 265, 108 S.Ct. 1780 (1988) and Gilbert v. Homar, 520 U.S. 924 (1997), 117 S.Ct. 1807 (1997). Cf. KRS 13B.125(1).

KRS 13B.125(3) provides that the Board shall conduct an emergency hearing on this emergency order within ten (10) working days of a request for such a hearing by the licensee. The licensee has been advised of his right to a prompt post-deprivation hearing under this statute.

#### **AMENDED EMERGENCY ORDER OF SUSPENSION**

Based upon the foregoing Findings of Fact and Conclusions of Law, the Chair of Inquiry Panel B hereby ORDERS that the license to practice medicine in the Commonwealth of Kentucky held by Peter M. Steiner, M.D., is SUSPENDED and Dr. Steiner is prohibited from performing any act which constitutes the "practice of medicine or osteopathy," as that term is defined by KRS 311.550(10) – the diagnosis, treatment, or correction of any and all human conditions, ailments, diseases, injuries, or infirmities by any and all means, methods, devices, or instrumentalities - until the Board's hearing panel

has finally resolved the Amended Complaint after receipt of the court documents resolving the criminal charges in the indictment discussed in this pleading or until such further Order of the Board.

The Chair of Inquiry Panel B further declares that this is an EMERGENCY ORDER, effective upon receipt by the licensee.

SO ORDERED this 3<sup>rd</sup> day of July, 2018.



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RANDEL C. GIBSON, D.O.  
CHAIR, INQUIRY PANEL B

**CERTIFICATE OF SERVICE**

I certify that the original of this Amended Emergency Order of Suspension was delivered to Mr. Michael S. Rodman, Executive Director, Kentucky Board of Medical Licensure, 310 Whittington Parkway, Suite 1B, Louisville, Kentucky 40222; a copy was mailed to Thomas J. Hellmann, Esq., Hearing Officer, 810 Hickman Hill Road, Frankfort, Kentucky 40601; and copies were mailed via certified mail return-receipt requested to the licensee, Peter M. Steiner, M.D., License No. 32156, at 105 Crescent Avenue, Louisville, Kentucky 40206, and 2840 Frankfort Avenue, Louisville, Kentucky 40206 and to his counsel, Tracy S. Prewitt, Esq., Elizabeth A. Beal, Esq., O'Bryan, Brown & Toner, PLLC, 401 South Fourth Street, Suite 2200, Louisville, Kentucky 40202 on this on this 3<sup>rd</sup> day of July, 2018.



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