

1 BEFORE THE ARIZONA MEDICAL BOARD

2 In the Matter of

Case No. MD-16-1514A

3 **STEPHEN J. GRAHAM, M.D.**

**ORDER GRANTING REQUEST FOR  
REHEARING OR REVIEW**

4 Holder of License No. 45421  
5 For the Practice of Allopathic Medicine  
6 In the State of Arizona

7 At its public meeting on February 14, 2018, the Arizona Medical Board ("Board")  
8 considered Stephen J. Graham, M.D.'s ("Respondent") Request for Rehearing or  
9 Review of the Board's Order dated December 7, 2017 in the above referenced matter.  
10 After considering all of the evidence, the Board voted to grant Respondent's Request for  
11 Rehearing or Review pursuant to A.A.C. R4-16-103(D)(4) and accept the consent  
12 agreement proposed by Respondent and attached hereto as Exhibit 1.

13 **ORDER**

14 IT IS HEREBY ORDERED that:

15 Respondent's Request for Rehearing or Review is granted. The Board's  
16 December 7, 2017 Findings of Fact, Conclusions of Law and Order for a Letter of  
17 Reprimand and Probation in Case MD-16-1514A is vacated, and the Board adopts the  
18 attached Order for Letter of Reprimand and Probation; and Consent to Same as its final  
19 order in this case.

20 DATED AND EFFECTIVE this 16<sup>th</sup> day of February 2018.

22 ARIZONA MEDICAL BOARD

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24 By Patricia E. McSorley  
25 Executive Director

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EXECUTED COPY of the foregoing mailed  
this 16<sup>th</sup> day of February, 2018 to:

Stephen J. Graham, M.D.  
Address of Record

ORIGINAL of the foregoing filed  
this 16<sup>th</sup> day of February, 2018 with:

Arizona Medical Board  
1740 West Adams, Suite 4000  
Phoenix, Arizona 85007

Mary Barber  
Board Staff

# Exhibit 1

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BEFORE THE ARIZONA MEDICAL BOARD

In the Matter of  
**STEPHEN J. GRAHAM, M.D.**  
Holder of License No. 19987  
For the Practice of Allopathic Medicine  
In the State of Arizona.

Case No. MD-16-1514A  
**ORDER FOR LETTER OF REPRIMAND  
AND PROBATION;  
AND CONSENT TO THE SAME**

Stephen J. Graham, M.D. ("Respondent") elects to permanently waive any right to a hearing and appeal with respect to this Order for Letter of Reprimand and Probation; admits the jurisdiction of the Arizona Medical Board ("Board"); and consents to the entry of this Order by the Board.

**FINDINGS OF FACT**

1. The Board is the duly constituted authority for the regulation and control of the practice of allopathic medicine in the State of Arizona.
2. Respondent is the holder of license number 19987 for the practice of allopathic medicine in the State of Arizona.
3. The Board initiated case number MD-16-1514A after review of a related matter for concerns involving hormone therapy practices at the Clinic where Respondent was identified as Medical Director.
4. In his response to the Board's investigation, Respondent stated that he knows the patients well and saw them in the gym several times a week. Respondent stated that he conducts examinations in a room provided by the gym.
5. During the course of the investigation, a Medical Consultant ("MC") reviewed seven male patients (LB, FF, CH, HH, AM, GM and JW) treated by Respondent between 2012 and 2016. All patients reviewed were treated with some combination of testosterone, Sermorelin, DHEA and Armour Thyroid. None of the patients were diagnosed by Respondent or were otherwise documented as having hypogonadism.

1           6.     The MC noted that Respondent's records were sparse, with little to no  
2 information regarding patients' past/family history, no outside medical records included  
3 and references to lab tests performed that were not included in Respondent's records.

4           7.     Respondent prescribed testosterone to Patient LB; testosterone, DHEA, and  
5 Semorelin to patient FF; Semorelin and testosterone to Patient CH; testosterone to Patient  
6 HH; testosterone, Sermorelin, DHEA and Armour Thyroid to Patient AM; testosterone,  
7 DHEA, and Armour Thyroid to Patient GM; and testosterone to Patient JW.

8           8.     Respondent's records did not contain any blood tests for patients FF and  
9 CH. For patients GM and JW, initial labs showed testosterone, DHEA and thyroid function  
10 all within normal limits. Patient LB's records include a lab test performed shortly prior to  
11 Respondent's treatment showing normal testosterone. Respondent's records for patients  
12 HH and AM each contain one lab test that occurred after initiation of treatment.

13          9.     The standard of care required Respondent to conduct adequate initial  
14 evaluations of patients with appropriate follow-up and adjustment of medications based on  
15 objective evidence and continued re-evaluations that are appropriately documented.  
16 Respondent deviated from this standard of care by initiating hormone replacement therapy  
17 for seven patients based on patient reports of vague symptomatology without appropriate  
18 supporting labs and in the case of LB, GM, and JW, lab work that contraindicated initiation  
19 of hormone replacement therapy. Respondent also deviated from this standard of care by  
20 failing to conduct and document adequate follow-up.

21          10.    There was the potential for patient harm in that all patients were at risk of  
22 side effects from the medication including, but not limited to, testicular atrophy,  
23 oligospermia, abnormal rages, osteoporosis, arthritis, hypertension, various cardiac  
24 complications and increased cancer risk.

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1           11. During a Formal Interview on this matter held during the Board's October 4,  
2 2017 Board meeting, Respondent testified that the patient care reviewed involved  
3 individuals who were friends from the gym, and therefore he did not feel it necessary to  
4 include patient history information in his documentation because the patients were well  
5 known to him. Respondent testified that he had extensive discussions with the patients  
6 about risks and benefits. Board staff clarified that written consents were available in the  
7 chart for five of the seven patients reviewed. Respondent testified that for all relevant  
8 timeframes, he has been employed with a company that provides contract medical  
9 services for federal prisons ("Respondent's Current Employer").

10           12. During that same Formal Interview, Board members agreed that  
11 Respondent's treatment of these patients was outside the standard of care. One Board  
12 member noted that Respondent's decision to treat these patients without adequate workup  
13 was particularly concerning, given the type of medications and potential side effects at  
14 issue.

15           13. Based on the evidence presented, the Board voted to issue Respondent  
16 Findings of Fact, Conclusions of Law and Order for Letter of Reprimand and Probation  
17 ("Order") for three years, with terms and conditions including requiring Respondent to  
18 complete two Continuing Medical Education ("CME") programs: the Professional/Problem-  
19 Based Ethics ("ProBE") program offered by the Center for Personalized Education for  
20 Physicians ("CPEP") for Ethics and Boundaries along with the PRoBE Plus program; and  
21 CPEP's Medical Recordkeeping Seminar with the Personalized Implementation Program  
22 ("PIP) for the Seminar. The PIP was directed to review charts related to Respondent's  
23 private care patients.

24           14. Respondent timely filed a Motion for Rehearing or Review of the Order.  
25 Respondent disclosed for the first time in his Motion that he has ceased taking private care

1 patients due to a health condition that precludes him from engaging in clinical practice or  
2 completing the CME as required by the Order. Respondent subsequently disclosed that  
3 his Current Employer, who is aware of his health condition, has offered him an  
4 accommodation that may allow him to continue to practice in a non-direct patient care  
5 setting.

#### 6 CONCLUSIONS OF LAW

7 a. The Board possesses jurisdiction over the subject matter hereof and over  
8 Respondent.

9 b. The conduct and circumstances described above constitute unprofessional  
10 conduct pursuant to A.R.S. § 32-1401(27)(e) (" Failing or refusing to maintain adequate  
11 records on a patient.").

12 c. The conduct and circumstances described above constitute unprofessional  
13 conduct pursuant to A.R.S. § 32-1401(27)(q) (" Any conduct or practice that is or might be  
14 harmful or dangerous to the health of the patient or the public.").

#### 15 ORDER

16 IT IS HEREBY ORDERED THAT:

- 17 1. Respondent is issued a Letter of Reprimand.
- 18 2. Respondent is placed on Probation with the following terms and conditions:

##### 19 a. Practice Restriction

20 Respondent's practice is restricted in that he shall practice only in such settings as  
21 deemed appropriate by his Current Employer based on his health condition.

##### 22 b. Obey All Laws

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

1                   **c. Tolling**

2                   In the event Respondent should leave Arizona to reside or practice outside the  
3 State or for any reason should Respondent stop practicing medicine in Arizona,  
4 Respondent shall notify the Executive Director in writing within ten days of departure and  
5 return or the dates of non-practice within Arizona. Non-practice is defined as any period of  
6 time exceeding thirty days during which Respondent is not engaging in the practice of  
7 medicine. Periods of temporary or permanent residence or practice outside Arizona or of  
8 non-practice within Arizona, will not apply to the reduction of the probationary period.

9                   **d. Probation Modification or Termination**

10                   Any request for modification or termination of this Order shall be made in writing  
11 and will be considered by the Board at its next regularly scheduled meeting provided it is  
12 received no less than 30 days prior to the meeting.

13                   If Respondent wishes to return to active clinical practice he must provide the Board  
14 with satisfactory evidence that he is safe to provide direct patient care. Additionally,  
15 Respondent must also agree to complete the CME as originally ordered by the Board after  
16 his October 4, 2017 Formal Interview.

17                   When considering whether to modify or terminate this Order, the Board may  
18 require, at the Respondent's expense, any combination of staff approved assessments,  
19 evaluations, treatments, examinations or interviews it finds necessary to assist in  
20 determining whether Respondent is able to safely resume such practice or whether to  
21 grant Respondent's request for modification or termination. The Board has the sole  
22 discretion to determine whether to modify or terminate this Board Order or whether to take  
23 any other action that is consistent with its statutory and regulatory authority at the time of  
24  
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1 the request including ordering Respondent to complete the original CME prior to  
2 termination.

3 3. The Board retains jurisdiction and may initiate new action against  
4 Respondent based upon any violation of this Order. A.R.S. § 32-1401(27)(r).

5 DATED AND EFFECTIVE this 16<sup>th</sup> day of February, 2018.  
6

7 ARIZONA MEDICAL BOARD

8 By Patricia E. McSorley  
9 Patricia E. McSorley  
10 Executive Director

11 **CONSENT TO ENTRY OF ORDER**

12 1. Respondent has read and understands this Consent Agreement and the  
13 stipulated Findings of Fact, Conclusions of Law and Order ("Order"). Respondent  
14 acknowledges he has the right to consult with legal counsel regarding this matter.

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

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

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

23 5. All admissions made by Respondent are solely for final disposition of this  
24 matter and any subsequent related administrative proceedings or civil litigation involving  
25 the Board and Respondent. Therefore, said admissions by Respondent are not intended

1 or made for any other use, such as in the context of another state or federal government  
2 regulatory agency proceeding, civil or criminal court proceeding, in the State of Arizona or  
3 any other state or federal court.

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

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

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

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

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

21 11. Respondent acknowledges that, pursuant to A.R.S. § 32-2501(16), he  
22 cannot act as a supervising physician for a physician assistant while his license is on  
23 probation.

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12. Respondent has read and understands the conditions of probation.

  
STEPHEN J. GRAHAM, M.D.

DATED: 01/25/2018

EXECUTED COPY of the foregoing mailed  
this 16<sup>th</sup> day of February, 2018 to:

Stephen J. Graham, M.D.  
Address of Record

ORIGINAL of the foregoing filed  
this 16<sup>th</sup> day of February, 2018 with:

Arizona Medical Board  
1740 West Adams Street, Suite 4000  
Phoenix, Arizona 85007

  
Board staff