RE: Stephen P. Markus, MD
Master Case No.: M2018-94
Document: Statement of Charges

Regarding your request for information about the above-named practitioner; attached is a true and correct copy of the document on file with the State of Washington, Department of Health, Adjudicative Clerk Office. These records are considered Certified by the Department of Health.

Certain information may have been withheld pursuant to Washington state laws. While those laws require that most records be disclosed on request, they also state that certain information should not be disclosed.

The following information has been withheld: NONE

If you have any questions or need additional information regarding the information that was withheld, please contact:

Customer Service Center
P.O. Box 47865
Olympia, WA 98504-7865
Phone: (360) 236-4700
Fax: (360) 586-2171

You may appeal the decision to withhold any information by writing to the Privacy Officer, Department of Health, P.O. Box 47890, Olympia, WA 98504-7890.
STATE OF WASHINGTON
MEDICAL QUALITY ASSURANCE COMMISSION

In the Matter of the License to Practice as a Physician and Surgeon of:

STEPHEN P. MARKUS, MD
License No. MD.MD.00021837

No. M2018-94

STATEMENT OF CHARGES

Respondent.

The Executive Director of the Medical Quality Assurance Commission (Commission) is authorized to make the allegations below, which are supported by the evidence contained in file number 2017-3445.

1. ALLEGED FACTS

1.1 On July 25, 1984, the state of Washington issued Respondent a license to practice as a physician and surgeon. Respondent's license is currently active. Respondent is not board certified.

1.2 From on or about July 2014 through at least May 2017, Respondent entered into agreements to be the Medical Director for multiple outpatient substance use disorder clinics in Washington.

1.3 The agreements set forth the following Medical Director duties and responsibilities: make recommendations on random urinalysis screenings; participate in administrative decision making and recommend policies and procedures; organize and coordinate physician services and services provided by other professionals as they relate to individual care; monitor all evaluations and recommendations including treatment and lab results; ensure agency compliance with law, regulations and contracts; laboratory services; and evaluate potential for withdrawal and order medications when appropriate for safe detoxification, including referral to a medical facility.

1.4 In exchange for Respondent's services, the agreements set forth a payment of $1,500 to $10,000 per month, plus an additional $350 per initial patient interview and an additional $130 per follow-up interview.

1.5 Several facilities for which Respondent served as medical director were owned by John Dorman. John Dorman had implemented a urinalysis testing scheme at
outpatient substance use disorder clinics he owned and operated which involved the following:

a. Contracting with a specific laboratory for definitive urine drug screens (UDS).

b. Contracting with a specific physician to act as the center’s medical director, to order the UDS.

c. Requiring all clients in intensive outpatient treatment undergo two UDS each week, regardless of any determination of medical necessity.

d. Sending each urine sample to a laboratory for definitive testing of a large number of substances regardless of any prior medical history to maximize insurance reimbursements.

1.6 In approximately September of 2015, John Dorman brought the owner and the director of a chemical dependency treatment center to Respondent’s office to discuss contracting with Respondent as medical director to implement this scheme. At this meeting, Respondent provided a proposed medical director services agreement to them. This scheme would increase profits for the treatment center.

1.7 In response to the Commission’s Investigator, Respondent indicated he had no knowledge of any such scheme. Respondent claimed that the facilities with which he contracted were using his signature without his knowledge to authorize unnecessary urine drug screens.

1.8 Medical directors are responsible for the medical care and treatment of patients in the healthcare facility or institution for which they have agreed to be the medical director. Respondent was responsible for setting laboratory testing policies and being aware that all policies are being followed correctly.

1.9 Respondent either knowingly participated in the scheme to order and bill unnecessary urine drug screens, or as medical director should have known of the scheme. Alternatively, if he did not know, he was deficient in his duty as medical director for the facilities with which he contracted.

2. ALLEGED VIOLATIONS

2.1 Based on the Alleged Facts, Respondent has committed unprofessional conduct in violation of RCW 18.130.180(1), (4), and (13).
**RCW 18.130.180 Unprofessional conduct.** The following conduct, acts, or conditions constitute unprofessional conduct for any license holder under the jurisdiction of this chapter:

(1) The commission of any act involving moral turpitude, dishonesty, or corruption relating to the practice of the person's profession, whether the act constitutes a crime or not. If the act constitutes a crime, conviction in a criminal proceeding is not a condition precedent to disciplinary action. Upon such a conviction, however, the judgment and sentence is conclusive evidence at the ensuing disciplinary hearing of the guilt of the license holder of the crime described in the indictment or information, and of the person's violation of the statute on which it is based. For the purposes of this section, conviction includes all instances in which a plea of guilty or nolo contendere is the basis for the conviction and all proceedings in which the sentence has been deferred or suspended. Nothing in this section abrogates rights guaranteed under chapter 9.96A RCW;

(4) Incompetence, negligence, or malpractice which results in injury to a patient or which creates an unreasonable risk that a patient may be harmed. The use of a nontraditional treatment by itself shall not constitute unprofessional conduct, provided that it does not result in injury to a patient or create an unreasonable risk that a patient may be harmed;

(13) Misrepresentation or fraud in any aspect of the conduct of the business or profession;

2.2 The above violations provide grounds for imposing sanctions under RCW 18.130.160.

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3. NOTICE TO RESPONDENT

The charges in this document affect public health and safety. The Executive Director of the Commission directs that a notice be issued and served on Respondent as provided by law, giving Respondent the opportunity to defend against these charges. If Respondent fails to defend against these charges, Respondent shall be subject to discipline and the imposition of sanctions under Chapter 18.130 RCW.

DATED: June 4, 2019.

STATE OF WASHINGTON
MEDICAL QUALITY ASSURANCE COMMISSION

[Signature]
MELANIE DE LEON
EXECUTIVE DIRECTOR

ROBERT W. FERGUSON
ATTORNEY GENERAL

[Kristin G. Brewer, WSBA No. 38494]
KRISTIN G. BREWER, WSBA NO. 38494
SENIOR COUNSEL

STATEMENT OF CHARGES
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