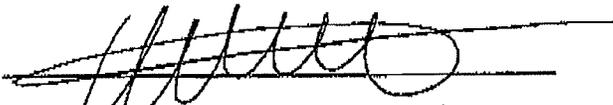




1 other purpose or administrative or regulatory proceeding or litigation in another state or  
2 federal court.

3 6. Respondent acknowledges and agrees that upon signing and returning this  
4 document (or a copy thereof) to the Board's Executive Director, he may not later revoke or  
5 amend any part of the Consent Agreement, without first obtaining Board approval.

6 REVIEWED AND ACCEPTED THIS 20<sup>th</sup> DAY OF Nov., 2015.

7 

8 Norman Gramstad, D.O., Respondent/Physician  
9

10 **JURISDICTIONAL STATEMENTS**

11 1. The Board is empowered, pursuant to A.R.S. § 32-1800 *et seq.*, to regulate the  
12 practice of osteopathic medicine in the State of Arizona, and the conduct of the persons  
13 licensed, registered, or permitted to practice osteopathic medicine in the State of Arizona.

14 2. Respondent is the holder of License No. 3181 issued by the Board for the  
15 practice of osteopathic medicine in the State of Arizona.  
16

17 **FINDINGS OF FACT**

18 1. The Board initiated cases DO-13-0175A and DO-14-0124A after receiving  
19 notification that Respondent may have been prescribing pain medication inappropriately to  
20 patients.

21 2. The Board's medical consultant investigated the matters and also performed a  
22 pharmacy audit and chart review of certain of Respondent's patients. The medical consultant's  
23 review found that Respondent did not abide by the community standards of practice for opioid  
24 prescribing.  
25



1 3. On September 20, 2014, the Board held an Investigative Hearing in cases DO-13-  
2 0175A and DO-14-0124A. Respondent appeared personally and with legal counsel. The Board  
3 also heard testimony from Respondent.

4 4. With respect to Case No. DO-14-0124A, it was alleged that Respondent  
5 continued to prescribe opioids to patient C.B., then a 39 year-old male, even after C. B. had  
6 overdosed on heroin. The Board concluded that no full physical exam was performed on C.B.,  
7 no routine labs were drawn even though the patient was reportedly an uncontrolled diabetic,  
8 no pharmacy audit was performed, only one urine drug screen was performed and it was  
9 inconsistent with the patient's stated medications in that it was positive for Xanax and the  
patient had, on at least two occasions, received an early refill of oxycodone.

10 5. With respect to Case No. DO-13-0175A, it was alleged that Respondent failed to  
11 properly monitor patient J.P. for signs of drug abuse (as she had a history of drug addiction) and  
12 that Respondent provided J.P. prescriptions for Percocet and Xanax for years, even throughout  
13 her pregnancy. In addition, the Board determined that:

- 14 a. The medical record documents a thorough physical exam with each visit,  
15 including an examination of the patient's abdomen. Even during the months  
16 the patient was pregnant, the exam was noted to be normal with no notation  
of her enlarged abdomen.
- 17 b. Respondent saw the patient regularly but there was no discussion regarding  
18 her functional status or quality of life.
- 19 c. No laboratory was documented.
- 20 d. The patient had a cervical spine X-ray and an MRI was ordered but the results  
21 were not included in the medical record.
- 22 e. There were no drug screens documented. The patient was discharged when  
23 she failed to leave a urine sample for drug screen upon request in March of  
24 2013. This was the first noted request for a drug screen.
- 25 f. There was no controlled substance contract signed.

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- 1 g. No specific medication side effects were discussed, including the risk of using  
the medication while pregnant.
- 2 h. The controlled substance amount or type was not documented until  
3 November of 2011.
- 4 i. There was no pharmacy audit included in the medical record.
- 5 j. The patient was known to be unreliable with birth control methods, as there  
6 were multiple episodes of unprotected intercourse and pregnancy tests  
7 performed prior to January 2012.
- 8 k. There was no mention of concern regarding the patient's rapid weight gain,  
9 over 40 lbs, from January 2012 through October of 2012 during her  
pregnancy.
- 10 l. In his response, Respondent noted that he was "startled" upon learning that  
11 the patient was pregnant during the time he saw her and had given birth in  
12 November of 2012.

13 6. At the conclusion of the Investigative Hearing, the Board requested additional  
14 information and evaluation. Respondent underwent a practice assessment and the results  
15 showed significant deficiencies. Respondent underwent the Board-ordered evaluation and  
16 assessment at The Center for Personalized Education for Physicians (CPEP) on December 8-9,  
17 2014. He was evaluated for his practice of outpatient general practice including chronic pain  
18 management in the context of an outpatient general practice. Some of the more pertinent  
19 findings include:

- 20 a. Respondent demonstrated a marginal fund of knowledge in outpatient  
21 general practice with multiple significant gaps.
- 22 b. His most significant weaknesses were in the areas of cardiology,  
23 endocrinology and pharmacology, with a "somewhat stronger" fund of  
24 knowledge in the area of chronic pain management.
- 25 c. Respondent's clinical judgment and reasoning were inadequate.
- 

1 d. His documentation in actual patient charts was inadequate and for the  
2 Simulated Patient Encounters was adequate, with need for improvement.

3 e. His overall scores on the multiple-choice question tests reflect poor  
4 performance and the need for further study in family medicine.

5 7. In August of 2014, complaint no. DO-14-0212 was filed with the Board by a  
6 pharmacist alleging that Respondent prescribed Percocet and other controlled  
7 substances (e.g. Soma) to patient A.S. and that A.S. refills his prescriptions 15 days  
8 early each month and fills them at multiple pharmacies. In addition, the complainant  
9 noted the A.S. lives in Prescott but travels to Phoenix to see Respondent.

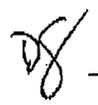
10 8. The Board's investigation revealed the following:

11 a. Patient A.S., a then 53 year old male, was first seen in Respondent's office on  
12 June 24, 2010. The patient listed his past medical history as significant for diabetes,  
13 hypertension, hyperlipidemia, rheumatoid arthritis, joint injuries and vision problems.  
14 His medications included lisinopril, hydralazine, metformin, Soma, hydrochlorothiazide,  
15 reserpine, Neurontin, Zocor and Percocet.

16 b. A physical exam revealed the patient was 6 foot and weight 290 pounds. The  
17 patient's physical exam was listed as normal yet he was given a diagnosis of low back  
18 pain, hypertension, diabetes, diabetic neuropathy, obesity and erectile dysfunction. The  
19 patient was given samples of Cialis and his medications were refilled; however, these  
20 medications are not listed and the number of tablets is not documented. The patient  
21 was counseled regarding weight loss.

22 c. In September of 2010 the patient began to complain of hand pain and was  
23 diagnosed with carpal tunnel. In January of 2011, Respondent noted he was increasing  
24 the patient's Percocet to #150 per month and increasing the Soma to #120 per month.  
25 There was no indication for the increase other than cold weather.

d. The patient returned on February 14, 2011 stating he had run out of his  
medications. Respondent refilled the patient's medications until he could obtain his

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1 normal refill in two weeks. The patient returned on February 23, 2011 again noting he had run  
2 out of his medications. Respondent refilled the patient's Soma and Percocet again and referred  
3 him to a neurologist for an EMG of both his upper and lower extremities. The patient returned  
4 on March 3, 2011 for another refill. Respondent noted the patient was taking more oxycodone  
5 than he should. He noted he gave the patient a few 5mg oxycodone to hold him over until he  
6 could get his 10mg refilled. He states he chastised the patient for taking too many meds too  
7 early. An EMG was performed in April of 2011, and the impression was the study was  
8 technically difficult due to the patient's body habitus and the patient also frequently moved  
9 during testing. The patient returned to Respondent's office on May 24, 2011 claiming that his  
10 girlfriend had stolen his narcotics but he had no police report. Respondent noted he would not  
11 refill the patient's narcotics because he was not taking care of them.

12 e. On March 3, 2014 the medical records document an anonymous telephone call  
13 stating A.S. was possibly diverting his medications. It is noted a pill count would be done and a  
14 follow-up to see if the claim might be truthful. The patient returned to the office on March 4,  
15 2014. The patient stated he could not leave a urine for drug screen at that time. Respondent  
16 noted he would not refill the patient's medication that day and the patient would return to the  
17 office the next day for a urine drug screen. There is another note also dated March 4, 2014 in  
18 which the patient's oxycodone #120 and Soma #90 were refilled. There is no mention in this  
19 record of a urine drug screen. A pharmacy audit reveals the patient was given refills of both  
20 oxycodone and Soma on March 4, 2014. The patient was seen again on April 3, 2014 and it  
21 was noted the patient's urine drug screen was normal last time. His medications were refilled  
22 again.

23 f. On August 7, 2014 it was noted the patient's urine drug screen was negative for all  
24 prescribed medications; however, it was noted it was 33 days since his last 30 day refill.  
25 Respondent noted the patient's pharmacy board query was consistent. It appears the patient's  
medications were refilled. A pharmacy audit regarding patient A.S. from August 7, 2013 to  
August 7, 2014, was included in the medical record. The audit revealed that Respondent was  
the only provider for controlled substances during that timeframe. The patient was receiving  
Percocet 10/325 #120 per month and Soma #90 per month. The patient received oxycodone

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1 early on September 16, 2013, October 1, 2013 and October 24, 2013. The patient used four  
2 different Costco pharmacy locations and two other pharmacies.

3 g. There is a note dated August 26, 2014 from staff that they had called the patient on  
4 August 22, 2014 and August 26, 2014 for a pill count. She noted she was unable to reach the  
5 patient. There is a controlled substance agreement signed on July 8, 2014.

6 9. Further, Respondent notified the Board that as of September 18, 2015, he retired from  
7 the active practice of medicine.

8 **ORDER**

9 Pursuant to the authority vested in the Board,

10 **IT IS HEREBY ORDERED** that Norman Gramstad, D.O., holder of osteopathic medical  
11 License number 3181, agrees to the following terms:

12 1. Beginning on the date of this Consent Agreement and Order, Respondent's  
13 license to practice osteopathic medicine is restricted in that he shall no longer practice clinical  
14 medicine, i.e. Respondent shall not evaluate/examine patients, order or interpret diagnostic  
15 testing, make referrals, perform medical procedures, prescribe medications, offer medical  
16 advice or diagnose medical conditions. This Consent Agreement is not effective until signed by  
17 the Executive Director.

18 2. This clinical practice restriction shall remain in effect as long as Respondent  
19 maintains licensure in Arizona, unless otherwise ordered by the Board. Prior to seeking full  
20 reinstatement of an active license, Respondent shall: Obtain a total of one hundred twenty  
21 (120) in person Continuing Medical Education (CME) credit hours in the areas of medical record  
22 keeping, documentation, EKG interpretations, and chronic pain management to be consistent  
23 with the areas outlined in the assessment report from CPEP. This CME shall be pre-approved  
24 by the Board's Executive Director, and shall be in addition to the hours required for biennial  
25 renewal of his osteopathic medical license.

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1           3.       Should Respondent seek an unrestricted license and should the Board determine  
2 that Respondent meets the qualifications and lifts the practice restriction, Respondent's license  
3 shall immediately be placed on probation for a period of five years. During the period of  
4 probation Respondent shall obtain a Board-approved Practice Monitor. The Practice Monitor  
5 shall conduct quarterly chart reviews with Respondent to evaluate the treatment provided by  
6 Respondent and to ensure that Respondent is maintaining appropriate medical records. In  
7 addition, Respondent shall cause the Practice Monitor to provide quarterly reports to the Board  
8 regarding the status and quality of Respondent's practice and to what extent previously noted  
9 deficiencies are being adequately addressed. Subject to periodic re-evaluation by the Board,  
10 the frequency of reports may be increased or decreased as Respondent's progress warrants.  
11

12           4.       In addition, during the period of probation, Respondent shall provide to the  
13 Board a copy of his previous month's pharmacy monitoring report by the fifth (5<sup>th</sup>) day of each  
14 month. The pharmacy monitoring report may be submitted via regular mail, fax or electronic  
15 mail.  
16

17           5.       Early Termination: Should Respondent apply for and receive unrestricted license,  
18 his license shall be placed on probation consistent with the terms and conditions set forth in  
19 paragraph 3 and 4 above. Prior to the expiration of the 5 year period of probation, Respondent  
20 reserves the right to seek early termination of the probation and related terms.  
21

22           6.       Costs: Respondent shall bear all costs incurred regarding compliance with this  
23 Order, including the CME and Practice Monitor.

24           7.       Obey All Laws: Respondent shall obey all federal, state and local laws, and all  
25 rules governing the practice of medicine in the State of Arizona.

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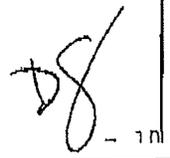
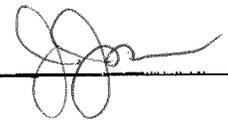


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Copies of this "Consent Agreement" filed/sent this 8<sup>th</sup> day of December November, 2015, to:

Steven Perlmutter, MD, JD  
8655 E. Via de Ventura, Ste. G-200  
Scottsdale, AZ 85258  
Attorney for Respondent

Jeanne Galvin, AAG  
Office of the Attorney General SGD/LES  
1275 West Washington  
Phoenix AZ 85007



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