

IN THE MATTER OF

*

BEFORE THE

ELIZABETH A. LILLY, M.D.

*

MARYLAND STATE

Respondent

*

BOARD OF PHYSICIANS

License Number: D05627

Case Number: 2013-0988

* * * * *

CONSENT ORDER

On July 17, 2014, Disciplinary Panel B of the Maryland State Board of Physicians (the "Board") charged Elizabeth A. Lilly, M.D. (the "Respondent"), License Number D05627, under the Maryland Medical Practice Act (the "Act"), Md. Code. Ann., Health Occ. ("H.O.") §§ 14-401 *et seq.* (2009 Repl.Vol. & 2013 Supp.).

The pertinent provisions of the Act under H.O. § 14-404(a) provide as follows:

§ 14-404. Denials, reprimands, probations, suspensions, and revocations – Grounds.

(a) *In general.* Subject to the hearing provisions of § 14-405 of this subtitle, a disciplinary panel, on the affirmative vote of a majority of the quorum of the disciplinary panel, may reprimand any licensee, place any licensee on probation, or suspend or revoke a license if the licensee:

(3) Is guilty of:

...

(ii) Unprofessional conduct in the practice of medicine[.]

On October 22, 2014, a conference with regard to this matter was held before Panel B of the Board's Disciplinary Committee for Case Resolution Conference ("DCCR"). As a result of the DCCR, the Respondent agreed to enter into this Consent Order, consisting of Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. At all times relevant hereto, the Respondent was and is licensed to practice medicine in the State of Maryland. The Respondent, who is board-certified in psychiatry and neurology, was originally licensed to practice on March 17, 1970. The Respondent's license is currently active and is scheduled to expire on September 30, 2016.
2. On or about June 27, 2013, the Board received two complaints from two former patients of the Respondent, Patient A and Patient B (collectively, "the Patients"), a married couple, alleging that the Respondent failed to properly manage their medical conditions and medication and that the Respondent failed to report child abuse of Patient B's son, Patient C, to the authorities. Attached to the complaint of Patient A was a copy of a Buyers Order from Car Dealership in Annapolis, Maryland, showing that the Respondent co-signed and purchased a vehicle with Patient A.
3. The Board initiated an investigation regarding both complaints. The results of the Board's investigation are summarized below.
4. The Respondent began treating Patient A on or about November 6, 2009. The Respondent treated Patient A for post traumatic stress disorder ("PTSD"), generalized anxiety disorder ("GAD"), major depressive disorder ("MDD"), and attention deficit hyperactivity disorder ("ADHD").
5. On or about July 20, 2010, Patient A referred Patient B to the Respondent. The Respondent treated Patient B for ADHD, PTSD, and MDD.

6. On or about August 25, 2010, the Respondent began to treat Patient B's two children, Patient C and Patient D.
7. In response to the Board's subpoena, the Respondent was interviewed by the Board's staff. The Respondent was asked whether she provided any financial assistance to the Patients. In response, the Respondent stated that she had given the Patients "about ... \$7,500." The Respondent further stated that she had given Patient A "money a couple of times—about four times where he and his wife came in pleading desperation and I felt sorry for them It was my own money. And I did it out of the goodness of my heart, basically. . . . Never expecting to get it back. Never expecting ever to get paid from these people."
8. On or about June 29, 2012, the Respondent wrote a personal check to Patient B in the amount of \$2,500.00.
9. On or about April 12, 2013, Patient A signed and faxed to the Respondent a Promissory Note "RE: Funding for Company" ("Promissory Note"). The Promissory Note states, in part:

In addition to having received \$2500.00 from [the Respondent], [Patient A] hereby also acknowledges an outstanding bill that was not paid by DORS (Maryland Department of Rehabilitation Services) approximately \$1000.00. In consideration for an additional \$3000, [Patient A] agrees to pay [the Respondent] the principle of \$6,500 plus 30% interest annually.

[Patient A] agrees to repay the funds within 18 months.

If [Company] compensates [Patient A], [Patient A] agrees to pay [Patient B's] outstanding balance for Court Cost of \$18,000, and also provide [the Respondent] an additional \$10,000.
10. On the day Patient A signed and faxed the Promissory Note, April 12, 2013, the Respondent wrote a personal check to Patient A in the amount of \$2,500.00.

11. On or about May 24, 2013, the Respondent wrote a personal check to Patient A in the amount of \$1,000.00.
12. The Respondent documented that on June 3, 2013, she wrote a check to Patients in the amount of \$2,000.00.
13. On June 10, 2013, the Respondent signed a Buyers Order with Patient A to purchase a vehicle priced at \$39,000.00 from Car Dealership. The vehicle was to be used exclusively by the Patients.
14. On or about June 11, 2013, the Patients and the Respondent signed an "Agreement for Professional Services and Assistance Confidentiality, Mutual Release and Global Settlement" (the "Agreement") drafted by the Patients. The Agreement, states, in part:

It is in our best interest to offer you \$200,000 from any recovery from [Lawsuit] by the two Law firms that are currently handling the case, in return [Patient B] and [Patient A] will receive \$200,000 of your assistance for legal, personal and business needs as needed.

[]

We will require a payment of \$39,000 for business expenses as evidenced by the contract for automobile.
15. On or about June 12, 2013, the Respondent wrote a check for \$39,000.00 to Car Dealership for the purchase of a vehicle for the Patients. The check was postdated June 20, 2013.
16. On or about June 25, 2013, the Respondent stopped payment on the check. The vehicle was subsequently repossessed by the Car Dealership.
17. On or about June 26, 2013, via hand-delivered letter, the Respondent terminated her physician-patient relationship with the Patients, and Patient B's children, Patient C and Patient D.

18. In her letter terminating her physician-patient relationship, the Respondent wrote that she had “suffer[ed] abusive actions by [the Patients] that have caused [her] extreme duress.” The Respondent further wrote that “over the past month,” the Patients’ “harassment of [her] has included but not been limited to making multiple, repeated, and unwanted phone calls to [the Respondent’s] office in an effort to pressure [the Respondent] into (1) participating in a business deal wherein [the Respondent] would give [the Patients] cash and a car totaling a value of Two Hundred Thousand Dollars (\$200,00.00), (2) giving [the Patients] about Eight Thousand Dollars (\$8,000.00) of [the Respondent’s] own personal money, (3) forgiving about Twenty-Four Thousand Dollars (\$24,000.00) of expenses for [Patient B’s] medical treatment and expenses for medical testimony in legal proceedings, and (4) guaranteeing continuation of future treatment, in exchange for speculative litigation settlement payouts.”
19. Between June 10, 2013 and June 26, 2013, the Respondent continued to see the Patients on at least six occasions for treatment, including on June 11, 2013, June 12, 2013, June 13, 2013, June 17, 2013, June 18, 2013 and June 19, 2013.
20. According to the American Psychiatric Association, *The Principles of Medical Ethics with Annotations Especially Applicable to Psychiatry*, a psychiatrist “shall be ever vigilant about the impact that his or her conduct has upon the boundaries of the doctor-patient relationship and thus upon the well-being of the patient. These requirements become particularly important because of the

essentially private, highly personal and sometimes intensely emotional nature of the relationship established with a psychiatrist.”¹

21. Providing the patient money runs the serious risk of exploitation of the therapeutic relationship. It generally results in the contamination of the treatment process to the disadvantage of the patient as it creates a dual relationship. The most important role of the doctor is that of a treating psychiatrist to the patient. Preservation of optimal conditions for the development of a sound working relationship between a doctor and his/her patient should take precedence over all other conditions.

CONCLUSION OF LAW

Based on the foregoing Findings of Fact, Disciplinary Panel B finds as a matter of law that the Respondent’s conduct constitutes unprofessional conduct in the practice of medicine, in violation of H.O. § 14-404(a)(3)(ii).

ORDER

Based on the foregoing Findings of Fact and Conclusion of Law, it is, by Disciplinary Panel B, hereby

ORDERED that the Respondent’s license is **REPRIMANDED**; and it is further

ORDERED that the Respondent shall, at her own expense, successfully complete a Board approved one-on-one ethics tutorial that focuses on boundary violations within six (6) months of the date Disciplinary Panel B executes this Consent Order. The Respondent shall submit written documentation to Disciplinary Panel B regarding the particular ethics tutorial she proposes to fulfill this condition. The panel

¹ American Psychiatric Association, *The Principles of Medical Ethics with Annotations Especially Applicable to Psychiatry*, §1.1 (2013).

reserves the right to require the Respondent to provide further information regarding the tutorial she proposes, and further reserves the right to reject her proposed tutorial and require submission of an alternative proposal. The panel will approve a tutorial only if it deems the curriculum and the duration of the tutorial adequate to satisfy its concerns. The Respondent shall be responsible for submitting written documentation to the panel of her successful completion of the tutorial. The Respondent understands and agrees that she may not use any continuing medical education credits earned through this condition to fulfill any requirements mandated for licensure renewal.

In the event that the Respondent fails to comply with the terms and conditions of this Consent Order, the Board, after notice, opportunity for a hearing and determination of violation, may impose any other disciplinary sanctions it deems appropriate, including but not limited to, revocation, suspension, or probation, said violation being proven by a preponderance of the evidence; and it is further

ORDERED that the Consent Order is considered a **PUBLIC DOCUMENT** pursuant to Md. Code. Ann., Gen. Prov. §4-101 *et. seq.* (2014).

11/18/2014
Date

Christine A. Farrelly
Christine A. Farrelly
Executive Director
Maryland State Board of Physicians

CONSENT

I, Elizabeth A. Lilly, M.D. acknowledge that I have had the opportunity to be represented by counsel before entering this Consent Order. By this Consent and for the purpose of resolving the issues raised by Disciplinary Panel B, I agree and accept to be bound by the foregoing Consent Order and its conditions.

I acknowledge the validity of this Consent Order as if entered into after the conclusion of a formal evidentiary hearing in which I would have had the right to counsel, to confront witnesses, to give testimony, to call witnesses on my own behalf, and to all other substantive and procedural protections provided by the law. I agree to forego my opportunity to challenge these allegations. I acknowledge the legal authority and jurisdiction of Disciplinary Panel B to initiate these proceedings and to issue and enforce this Consent Order. I affirm that I am waiving my right to appeal any adverse ruling of a disciplinary panel of the Board that I might have filed after any such hearing.

I sign this Consent Order voluntarily and without reservation, and I fully understand and comprehend the language, meaning and terms of the Consent Order.

11-14-14
Date

Elizabeth A. Lilly M.D.
Elizabeth A. Lilly, M.D.
Respondent

NOTARY

STATE OF MARYLAND

CITY/COUNTY OF Anne Arundel

I HEREBY CERTIFY that on this 14th day of November 2014, before me, a Notary Public of the foregoing State and City/County, personally appeared Elizabeth A. Lilly and made oath in due form of law that signing the foregoing Consent Order was her voluntary act and deed.

AS WITNESSETH my hand and notarial seal.



Notary Public

John P. McLane, Jr.
NOTARY PUBLIC
Anne Arundel County, State of Maryland
My Commission Expires June 28, 2015

My commission expires: