

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
BOARD OF MEDICINE
DISCIPLINARY SUBCOMMITTEE

In the Matter of

FRED W. STELSON, M.D.
License No. 43-01-056585,

File No. 43-18-151222

Respondent.

CONSENT ORDER AND STIPULATION

CONSENT ORDER

On March 4, 2019, the Department of Licensing and Regulatory Affairs executed an Administrative Complaint charging Respondent with violating the Public Health Code, MCL 333.1101 *et seq.*

Respondent has admitted that the facts alleged in the Complaint are true and constitute violation(s) of the Public Health Code. The Michigan Board of Medicine Disciplinary Subcommittee (DSC) has reviewed this Consent Order and Stipulation and agrees that the public interest is best served by resolution of the outstanding Complaint.

Therefore, IT IS FOUND that the facts alleged in the Complaint are true and constitute violations of MCL 333.16221(a) and (b)(i).

Accordingly, IT IS ORDERED that for the cited violation of the Public Health Code, Respondent is placed on PROBATION for a minimum period of one (1) day, not to exceed one (1) year, commencing on the effective date of this Order. The probationary

period is reduced only while Respondent is employed as a physician in the State of Michigan. The terms of probation shall be as follows:

1. CONTINUING EDUCATION: Within 90 days of the effective date of this Order Respondent shall successfully complete and submit satisfactory evidence of completing a minimum of 10 hours of continuing education (CE) acceptable to the Board in the area of documentation for a total of at least 10 hours.

This CE shall not apply in computing Respondent's current continuing education requirements for license renewal.

Respondent shall seek and obtain pre-approval of the CE from the Board Chairperson, or their designee.

Respondent shall send requests for pre-approval and proof of the successful completion of the CE to the Department at BPL-Monitoring@michigan.gov or by mail to Department of Licensing and Regulatory Affairs, Enforcement Division, Compliance Section, P.O. Box 30670, Lansing, MI 48909.

2. COMPLIANCE WITH THE PUBLIC HEALTH CODE: Respondent shall comply with all applicable provisions of the Public Health Code and rules promulgated thereunder.
3. COSTS: Respondent shall be solely responsible for payment of all costs incurred in complying with the terms of this Order.

Respondent shall be automatically discharged from probation upon receipt by the Department of satisfactory evidence of the successful completion of the probationary terms as set forth above, PROVIDED compliance occurs within one (1) year, Respondent has paid the fine as set forth below, has complied with the terms of this Order and has not violated the Public Health Code.

Respondent shall direct any communications to the Department that are required by the terms of this order to: BPL-Monitoring@michigan.gov or by mail to

Department of Licensing and Regulatory Affairs, Enforcement Division,
Compliance Section, P.O. Box 30670, Lansing, MI 48909.

If Respondent violates any provision of this Order or fails to complete the probationary period within one year, the DSC may take disciplinary action pursuant to Mich Admin Code, R 338.1632 and MCL 333.16221(h).

Respondent is FINED two-thousand, five-hundred dollars (\$2500.00), to be paid to the State of Michigan within 60 days of the effective date of this Order. Respondent shall direct payment to the Department of Licensing and Regulatory Affairs, Enforcement Division, Compliance Section, P.O. Box 30189, Lansing, MI 48909. The fine shall be paid by check or money order, made payable to the State of Michigan, and shall clearly display **File Number 43-18-151222.**

This Order shall be effective 30 days from the date signed by the Board, as set forth below.

MICHIGAN BOARD OF MEDICINE

By: 
Chairperson, Disciplinary Subcommittee

Dated: 1-15-2020

STIPULATION

1. The facts alleged in the Complaint are true and constitute violations of MCL 333.16221(a) and (b)(i).

2. Respondent understands and intends that by signing this Stipulation, Respondent is waiving the right, pursuant to the Public Health Code, the rules promulgated thereunder, and the Administrative Procedures Act, MCL 24.201 *et seq.*, to require the Department to prove the charges set forth in the Complaint by presentation of evidence and legal authority, and Respondent is waiving the right to appear with an attorney and such witnesses as Respondent may desire to present a defense to the charges.

3. This matter is a public record required to be published and made available to the public pursuant to the Michigan Freedom of Information Act, MCL 15.231 *et seq.*, and this action will be reported to the National Practitioner Data Bank and any other entity as required by state or federal law.

4. Michael Chafly, MD, served as conferee and supports this resolution. Dr. Chafly and the Department, took the following factors into consideration in the formulation of this Order:

- a. Respondent has not been disciplined previously by the Board.
- b. Respondent stated he has implemented new procedures for improving his paperwork and provided several examples to the Department.

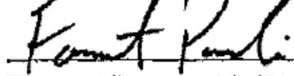
c. Respondent stated that he has increased his usage of MAPS.

d. Dr. Chafly discussed with Respondent that he is not allowed to accept unused/unwanted medications from patients without the proper DEA certifications. Respondent stated that he no longer accepts medication returns and refers patients to the appropriate disposal sites.

5. A Department representative may discuss this matter with the DSC and recommend acceptance of the resolution set forth in this Order.

6. This proposal is conditioned upon acceptance by the DSC. Respondent and the Department expressly reserve the right to further proceedings without prejudice should the Order be rejected.

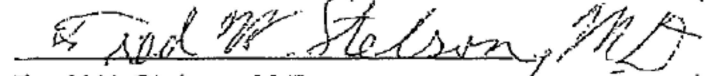
AGREED TO BY:



Forrest Pasanski, Director
Enforcement Division
Bureau of Professional Licensing

Dated: 12-17-19

AGREED TO BY:



Fred W. Stelson, M.D.
Respondent

Dated: 12/20/19

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ADMINISTRATIVE COMPLAINT

The Michigan Department of Licensing and Regulatory Affairs, by Cheryl Wykoff Pezon, Director, Bureau of Professional Licensing, complains against Respondent Fred W. Stelson, as follows:

1. The Michigan Board of Medicine is an administrative agency established by the Public Health Code, MCL 333.1101 et seq. Pursuant to MCL 333.16226, the Board's Disciplinary Subcommittee (DSC) is empowered to discipline persons for violations of the Public Health Code.
2. Respondent is currently licensed to practice medicine in the state of Michigan. Respondent also holds an active controlled substance license.
3. At times relevant to this Complaint, Respondent practiced from an office in Livonia, Michigan.
4. Dexmethylphenidate (e.g., Focalin) is a central nervous system stimulant and a schedule 2 controlled substance
5. Methylphenidate (e.g., Ritalin) is a central nervous system stimulant and a schedule 2 controlled substance. It is commonly abused and diverted.

6. From January 2018 through May 2018, Respondent treated patients N.O.¹ and DO for a variety of mental health conditions, including anxiety, and Attention Deficit Hyperactivity Disorder.

Investigative Interview

7. On or about October 2, 2018, Respondent was interviewed by a Department investigator.

8. Respondent stated that patients have given controlled substances to him for destruction. Respondent did not provide the paperwork that is required for this activity, pursuant to 21 C.F.R. 1317.

Expert Overview of Respondent's Practice

9. The Department subpoenaed two (2) medical records of patients being treated by Respondent.

10. An expert reviewed the individual medical files Respondent produced and discovered the following deficiencies consistently across both files:

- (a) Respondent's records were largely illegible.
- (b) Respondent did not provide the needed documentation to support diagnoses of AD/HD.
- (c) Respondent did not obtain needed laboratory exams.

¹ Initials are used to protect the patient's identity.

Individual Patient Examples

11. The expert discovered the following deficiencies in the individual medical files Respondent produced, in addition to those noted above:

Patient DO

- (a) Respondent does not appear to address DO's history of heart palpitations prior to prescribing powerful stimulants, such as methylphenidate and dexamethylphenidate.
- (b) Respondent does not provide documentation to support a diagnosis of AD/HD.

Patient NO

- (c) Respondent does not provide documentation to support a diagnosis of AD/HD.

COUNT I

Respondent's conduct constitutes a violation of a general duty, consisting of negligence or failure to exercise due care, whether or not injury results, or any conduct, practice, or condition that impairs, or may impair, the ability to safely and skillfully engage in the practice of the health profession in violation of MCL 333.16221(a).

COUNT II

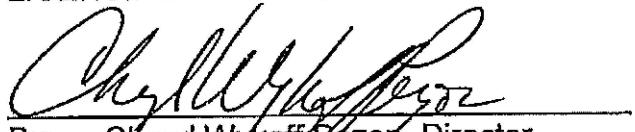
Respondent's conduct fails to conform to minimal standards of acceptable, prevailing practice for the health profession in violation of MCL 333.16221(b)(i).

RESPONDENT IS NOTIFIED that, pursuant to MCL 333.16231(8), Respondent has 30 days from the date of receipt of this Complaint to answer it in writing and to show compliance with all lawful requirements for retention of the license. Respondent shall submit the written answer to the Bureau of Professional Licensing, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, MI 48909.

Respondent's failure to submit an answer within 30 days is an admission of the allegations in this complaint. If Respondent fails to answer, the Department shall transmit this complaint directly to the Board's Disciplinary Subcommittee to impose a sanction pursuant to MCL 333.16231(9).

Dated: 03/04/19

MICHIGAN DEPARTMENT OF
LICENSING AND REGULATORY AFFAIRS


By: Cheryl Wykoff-Pezon, Director
Bureau of Professional Licensing