

BEFORE THE
NORTH CAROLINA MEDICAL BOARD

In re:)
)
Walter Daniel Shannon, Jr., M.D.) CONSENT ORDER
)
Respondent.)

This matter is before the North Carolina Medical Board ("Board") on information concerning Walter Daniel Shannon, Jr., M.D. ("Dr. Shannon"). Dr. Shannon admits, and the Board finds and concludes, that:

STATUTORY AUTHORITY

The Board is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Article 1 of Chapter 90 of the North Carolina General Statutes and the rules and regulations promulgated thereto.

FINDINGS OF FACT

Dr. Shannon is a physician licensed by the Board on September 18, 2003, license number 200301170.

During the time relevant herein, Dr. Shannon practiced psychiatry in Kinston, North Carolina.

From June 2014 to July 2014, Dr. Shannon and his spouse and practice partner, Joanna Wolicki-Shannon, M.D. ("Dr. Wolicki-Shannon), were in the State of Hawaii for six weeks. While in

Hawaii, Dr. Shannon kept his Kinston practice open. Dr. Shannon continued to treat his psychiatric patients through telemedicine. If a patient needed a prescription or a medication refill, handwritten prescriptions were either mailed overnight from Hawaii to North Carolina, called in by office staff, or in some instances, prescription blanks were pre-signed by Dr. Shannon or Dr. Wolicki-Shannon to be filled in later by an office manager.

Area pharmacists became concerned about Dr. Shannon authorizing prescriptions while he was in Hawaii. These same pharmacists were also concerned about Dr. Shannon's prescribing practices.

As a result of the concerns reported to the Board, the Board commissioned a review of several of Dr. Shannon's patient charts. The reviewer opined that Dr. Shannon failed to address aberrant behavior of three patients. The aberrant behavior suggested the patients were suffering from substance use disorders or diverting their medications. Urine drug screens, showing the patient had either tested positive for illegal substances or non-prescribed medications, or the patient was not taking his or her prescribed medications, were not addressed by Dr. Shannon.

In many instances, Dr. Shannon billed Patients A through C for complex, comprehensive office visits under the CPT code

99215. This code should be used for patients where the physician documents at least two of the following: 1) a comprehensive history; 2) a comprehensive exam; and 3) high-complexity medical decision-making. In the Board's reviewer's opinion, Dr. Shannon's documentation did not justify use of this billing code. On some occasions, Dr. Shannon documented an office visit for the purpose of refilling a medication, yet Patient A through C were billed for a complex office visit under code 99215.

In March 2015, Dr. Shannon surrendered his United States Drug Enforcement Administration ("DEA") registration to prescribe controlled substances.

CONCLUSIONS OF LAW

Dr. Shannon's conduct, as described above, constitutes unprofessional conduct including, but not limited to, departure from, or the failure to conform to, the standards of acceptable and prevailing medical practice within the meaning of N.C. Gen. Stat. § 90-14(a)(6), which is grounds for the Board to annul, suspend, revoke, condition or limit Dr. Shannon's license to practice medicine and surgery issued by the Board or to deny any application for a license he may make in the future.

PROCEDURAL STIPULATIONS

Dr. Shannon acknowledges and agrees that the Board has jurisdiction over him and over the subject matter of this case.

Dr. Shannon knowingly waives his right to any hearing and to any judicial review or appeal in this case.

Dr. Shannon acknowledges that he has read and understands this Consent Order and enters into it voluntarily.

The Board has determined it to be in the public interest to resolve this matter as set forth below.

Dr. Shannon desires to resolve this matter without the need for more formal proceedings.

ORDER

NOW, THEREFORE, with Dr. Shannon's consent, it is ORDERED that:

1. Dr. Shannon is hereby SUSPENDED for a period of TWELVE (12) MONTHS from the date of this Consent Order. The Suspension is hereby STAYED, except for a period of thirty (30) days, for which Dr. Shannon shall serve an active suspension. For purposes of this Consent Order, Dr. Shannon's active suspension shall be deemed already served by evidence of the fact that Dr. Shannon did not actively practice for a period of over thirty days while the Board investigated.

2. Dr. Shannon shall pay a \$3,000 FINE within nine (9) months from the date of this Consent Order.

3. Within six (6) months of the date of this Consent Order, Dr. Shannon shall enroll and successfully complete the ProBe course on ethics.

4. Prior to seeking reinstatement of his DEA privileges, Dr. Shannon shall participate in remedial training in Suboxone prescribing with attention to treatment and documentation of aberrant urine drug screens. Within thirty days of completing the remedial training, Dr. Shannon shall provide evidence of such completion to the Board's Compliance Coordinator.

5. Within six months from the date of this Consent Order, Dr. Shannon shall complete ten hours of Category I Continuing Medical Education in medical record-keeping. The course(s) shall be approved by the Board's Chief Medical Officer prior to Dr. Shannon taking the course(s). Within thirty days of completing the course(s), Dr. Shannon shall provide evidence of such completion to the Board's Compliance Coordinator.

6. Dr. Shannon shall obey all laws. Likewise, he shall obey all rules and regulations involving the practice of medicine.

7. Dr. Shannon shall notify the Board in writing of any change in his residence or practice addresses within ten (10) days of the change.

8. Dr. Shannon shall meet with the Board or members of the Board for an interview at such times as requested by the Board.

9. Upon an *ex parte* determination of probable cause by the Board that Dr. Shannon failed to comply with any of the

terms and conditions of this Consent Order, that determination shall constitute grounds for the immediate summary suspension of his North Carolina medical license pursuant to N.C. Gen. Stat. 150B-3(c). Should Dr. Shannon's medical license be summarily suspended by means of this provision of this Consent Order, Dr. Shannon shall be entitled to a hearing within ninety (90) days pursuant to the applicable provisions of the Medical Practice Act with the issue to be decided at such hearing being whether Dr. Shannon violated the terms and conditions of this Consent Order. Furthermore, if Dr. Shannon fails to comply with any of the terms and conditions of this Consent Order that failure shall constitute unprofessional conduct within the meaning of N.C. Gen. Stat. § 90-14(a)(6) and shall be additional ground for the Board to suspend or revoke his license or to deny any application he might make in the future or then have pending for a license.

10. This Consent Order shall take effect immediately upon its execution by both Dr. Shannon and the Board, and it shall continue in effect until specifically ordered otherwise by the Board.

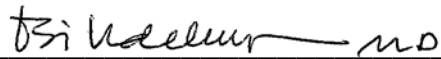
11. Dr. Shannon hereby waives any requirement under law or rule that this Consent Order be served on him.

12. Upon execution by Dr. Shannon and the Board, this Consent Order shall become a public record within the meaning of

Chapter 132 of the North Carolina General Statutes and shall be subject to public inspection and dissemination pursuant to the provisions thereof. Additionally, it will be reported to persons, entities, agencies, and clearinghouses as required by and permitted by law including the Federation of State Medical Boards.

By Order of the North Carolina Medical Board this the 29th day of April, 2016.

NORTH CAROLINA MEDICAL BOARD

By: 
Pascal O. Udekwu, M.D.
President

Consented to, this the 28th day of April, 2016.

Walter Daniel Shannon Jr. M.D.
Walter Daniel Shannon, Jr., M.D.

State of North Carolina

County of Lenoir

I, Kimberly H. Pike, a Notary Public for the above named County and State, do hereby certify that Walter Daniel Shannon, Jr. M.D. appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal

This the 28th day of April, 2016.

Kimberly H. Pike
Notary Public



My Commission expires: March 30, 2020