

WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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FILE COPY

STATE OF WISCONSIN
BEFORE THE MEDICAL EXAMINING BOARD

IN THE MATTER OF THE DISCIPLINARY :
 PROCEEDINGS AGAINST : FINAL DECISION AND ORDER
 : 93 MED 003
 :
 :
 KENNETH B. HATFIELD, M.D. :
 RESPONDENT. :

The parties to this action for the purpose of Wis. Stats. sec. 227.53 R:

Kenneth B. Hatfield, M.D.
3218 Sprucewood Rd.
Wilmette, IL 60091

State of Wisconsin
Medical Examining Board
1400 E. Washington Ave.
P.O. Box 8935
Madison, WI 53708-8935

Department of Regulation and Licensing
Division of Enforcement
1400 E. Washington Ave.
P.O. Box 8935
Madison, WI 53708-8935

The parties in this matter, Kenneth B. Hatfield, M.D., Respondent, personally and through his attorney, Bruce F. Ehlke, and Pamela M. Stach, Attorney for Complainant, have agreed to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Medical Examining Board. The Board has reviewed this Stipulation and finds it acceptable.

Accordingly, the Board adopts the Stipulation and makes the following:

FINDINGS OF FACT

1. Kenneth B. Hatfield, Respondent herein, of 3218 Sprucewood Rd., Willmette, IL 60091, whose date of birth is November 7, 1933, is a physician duly licensed to practice medicine and surgery in the State of Wisconsin under license #22800 which was granted on January 18, 1980. Respondent's license is currently suspended pursuant to an Interim Order issued by Medical Examining Board on March 24, 1994.
2. Respondent is a physician duly licensed to practice medicine and surgery in the State of Illinois under license #3-036-039447.

3. On May 14, 1992, the Illinois Department of Professional Regulation entered an Order indefinitely suspending Respondent's license to practice medicine in the State of Illinois and revoke Respondent's Controlled Substances License for a minimum of five years based upon a finding of unprofessional conduct as set forth in the attached Exhibit A.

4. Upon receipt of information regarding the disciplinary action in Illinois, the Wisconsin Department of Regulation and Licensing filed a formal complaint against Respondent on February 14, 1994.

5. The Respondent appealed the decision of Illinois Department of Professional Regulation to the Circuit Court of Cook County, Illinois.

6. On March 24, 1994, upon a stipulated agreement with the Respondent the Wisconsin Medical Examining Board entered an Interim Order indefinitely suspending Respondent's license to practice medicine and surgery in State of Wisconsin pending the outcome of Respondent's appeal of the Illinois Disciplinary Order. Respondent's license is currently suspended under that Interim Order.

7. On May 18, 1994, the Circuit Court of Cook County, Illinois decided the Respondent's appeal of the Illinois Department of Professional Regulation's Order and reversed the decision finding the Hearing Examiner's conclusions were not supported by the manifest weight of the evidence in the record.

8. The Illinois Department of Professional Regulation appealed the decision of Circuit Court of Cook County, Illinois.

9. On September 9, 1994, the Illinois Department of Professional Regulation and the Respondent entered into a Settlement Agreement whereby all appeals were dismissed and, his license to practice medicine in the State of Illinois was restored subject to the terms set forth in the attached Exhibit B.

10. The Respondent understands that any disciplinary action by another licensing authority, regardless of the evidentiary or other basis of the allegation, constitutes unprofessional conduct within the meaning of Wis. Stats. sec. 448.02(3) and Wis. Adm. Code Ch. MED 10.02(2)(q).

11. Respondent has complied with all terms of the revised Illinois Disciplinary Order of September 9, 1994 and his license to practice medicine in the State of Illinois was restored in full on September 9, 1995.

12. Respondent has cooperated fully with the Department of Regulation and Licensing throughout the pendency of the action in Wisconsin.

CONCLUSIONS OF LAW

1. Wisconsin Medical Examining Board has jurisdiction in these proceedings pursuant to Wis. Stats. sec. 448.2(3) and 227.44(5).

2. Having any disciplinary action taken against Respondent's license by the Illinois Department of Professional Regulation constitutes unprofessional conduct within the meaning of Wis. Stats. sec. 448.2(3) and Wis. Adm. Code Ch. MED 10.02(2)(q).

ORDER

NOW, THEREFORE, it is ordered that the Stipulation in this matter is approved.

IT IS FURTHER ORDERED that the Interim Order entered by the Board on March 24, 1994, is hereby terminated.

IT IS FURTHER ORDERED that the Respondent is hereby reprimanded.

IT IS FURTHER ORDERED that Respondent's license to practice medicine and surgery in the State of Wisconsin is hereby suspended for a period to coincide with the period of suspension served under the terms of the March 24, 1994 Interim Order and to terminate on the date this Order is adopted.

IT IS FURTHER ORDERED that in recognition of Respondent's successful completion of the terms of the disciplinary Order of the Illinois Department of Professional Regulation, no further discipline by the Wisconsin Medical Examining Board is required.

Dated this 22nd day of May, 1996

Wisconsin Medical Examining Board

BY: W. M. [Signature]
A Member of the Board

PS:deh
DOEATTY-CLG1833



Illinois Department of Professional Regulation

Nikki M. Zollar
Director

Jim Edgar
Governor

CERTIFICATION OF PROCEEDINGS

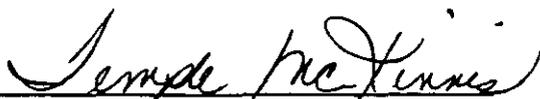
RE: DEPARTMENT OF PROFESSIONAL REGULATION

V.

**KENNETH HATFIELD, M.D.
LICENSE NO. 036-039447/003-036-039447
DOCKET NO. 88-684 LEG
MEDICAL**

I, TEMPLE MCKINNIS, KEEPER OF RECORDS/ENFORCEMENT, DEPARTMENT OF PROFESSIONAL REGULATION and the State of Illinois, do hereby certify this to be true and a correct copy of the ORDER as it appears from the record and files in my office. IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Seal of the DEPARTMENT OF PROFESSIONAL REGULATION OF THE STATE OF ILLINOIS.

DATE: DECEMBER 17, 1992


**TEMPLE MCKINNIS
ADJUDICATIVE SERVICES/ENFORCEMENT**

SEAL

Exhibit A

IT IS FURTHER ORDERED that Respondent, Kenneth Hatfield immediately surrender said Certificates of Registration and all other indicia of licensure to the Department of Professional Regulation of the State of Illinois. Upon failure to do so, the Department shall seize said Certificates of Registration.

DATED THIS 14th DAY OF May, 1992.

DEPARTMENT OF PROFESSIONAL REGULATION of
the State of Illinois

Nikki M Zollar
NIKKI M. ZOLLAR
DIRECTOR

NMZ:vat

STATE OF ILLINOIS

DEPARTMENT OF PROFESSIONAL REGULATION

DEPARTMENT OF PROFESSIONAL REGULATION)
of the State of Illinois, Complainant)
v.) No. 88-684-LEG
KENNETH HATFIELD, M.D.)
License No. 036-039447)
Controlled Substances)
License No. 003-036-039447, Respondent)

ORDER

This matter having come before the Medical Disciplinary Board and the Controlled Substances Hearing Officer of the Department of Professional Regulation of the State of Illinois, and the Medical Disciplinary Board and the Controlled Substances Hearing Officer, having made certain Findings of Facts, Conclusions of Law and a Recommendation to the Director of the Department; and the Department having complied with all required notices and the time allowed for filing of a Motion for Rehearing before the Director of the Department having now passed;

NOW, THEREFORE, I, NIKKI M. ZOLLAR, DIRECTOR OF THE DEPARTMENT OF PROFESSIONAL REGULATION of the State of Illinois, do hereby adopt the Findings of Fact, Conclusions of Law and Recommendation of the Medical Disciplinary Board and the Controlled Substances Hearing Officer in this matter.

IT IS THEREFORE ORDERED that the Certificate of Registration, License No. 036-039447, heretofore issued to Kenneth Hatfield to carry on the practice of medicine in the State of Illinois is INDEFINITELY SUSPENDED and Controlled Substances License No. 003-036-039447 is REVOKED for a minimum of five (5) years.

STATE OF ILLINOIS

DEPARTMENT OF PROFESSIONAL REGULATION

DEPARTMENT OF PROFESSIONAL REGULATION)
of the State of Illinois. Complainant)
v.) No. 88-684-LEG
KENNETH HATFIELD, M.D.)
License No. 036-039447)
Controlled Substance)
License No. 003-036-039447. Respondent)

FINDINGS OF FACT, CONCLUSIONS OF LAW
AND RECOMMENDATION TO THE DIRECTOR

Now comes the Medical Disciplinary Board of the Department of Professional Regulation of the State of Illinois and, after conducting a hearing in this matter, a majority of its members hereby makes the following Findings of Fact, Conclusions of Law and Recommendation to the Director:

FINDINGS OF FACT

1. THAT Kenneth Hatfield, Respondent, is now a duly registered Physician and Surgeon in the State of Illinois, having been issued a Certificate of Registration, License No. 036-039447 and Controlled Substance License No. 003-036-039447, by the Department of Professional Regulation. Respondent's licenses are in active status.
2. THAT the Department filed a Complaint against the Respondent and sent notice of said Complaint to the Respondent by certified and regular mail on August 28, 1989.
3. THAT a hearing on the Complaint was held on June 13, 1990, July 11, 1990, July 12, 1990, July 20, 1990, August 14, 1990, November 7, 1990, November 28, 1990, November 29, 1990, December 12, 1990 and December 13,

1990. A quorum of the Medical Disciplinary Board was either present and listened to or reviewed the transcript of the evidence presented on that date, as evidenced by their signatures below.

4. THAT Respondent was present at the hearing and was represented by counsel, namely, Jeffrey Levens.
5. THAT the Department was represented at the hearing by its attorneys, John S. Cogblan and Ann W. Legutki.
6. THAT after the presentation of all evidence and arguments, the Medical Disciplinary Board deliberated and made its Findings of Fact, Conclusions of Law and Recommendation to the Director.
7. THAT the Medical Disciplinary Board adopts the Report and Recommendation of the Hearing Officer attached hereto and made a part hereof as to the Findings of Fact.

CONCLUSIONS OF LAW

1. THAT the Medical Disciplinary Board of the Department of Professional Regulation of the State of Illinois has jurisdiction over the subject matter and of the parties in this case.
2. THAT the Medical Disciplinary Board adopts the Report and Recommendation of the Hearing Officer attached hereto and made a part hereof as to the Conclusions of Law.

RECOMMENDATION

The Medical Disciplinary Board of the Department of Professional Regulation of the State of Illinois, after making the

above Findings of Fact and Conclusions of Law, recommends to Nikki M. Zollar, the Director of the Department of Professional Regulation, that the Certificate of Registration, License No. 036-039447, of Kenneth Hatfield be Indefinitely Suspended. The Suspension shall remain in effect until such time as the Responcent submits to a psychiatric evaluation by a physician specifically designated by the Disciplinary Board. Upon submission of the psychiatric evaluation, the Disciplinary Board will reconsider their recommendation in light of the findings of the examining physician.

DATED THIS 17th DAY OF July 19 91.

[Signature]
 CHAIRMAN, MEDICAL DISCIPLINARY BOARD

[Signature]
 MEMBER

[Signature]
 MEMBER

[Signature]
 MEMBER

MEMBER

MEMBER

MEMBER

/cah

RECEIVED

STATE OF ILLINOIS
DEPARTMENT OF PROFESSIONAL REGULATION

APR 25 1991

THE DEPARTMENT OF PROFESSIONAL
REGULATION, STATE OF ILLINOIS,

**DEPT. OF PROF. REG
ADJUDICATIVE SERVICE**

Complainant,

v.

DOCKET NO. 88-684-LEG

KENNETH HATFIELD, M.D.
License No. 036-039447,
Controlled Substance
License No. 003-036-039447,

Respondent.

HEARING OFFICER'S REPORT AND RECOMMENDATION

On June 13, 1990, Hearing Officer Frank I. Gaughan commenced the hearing in this case. Mr. Virgil Wikoff, a member of the Illinois Medical Disciplinary Board, also presided. John S. Coghlan and Ann W. Legutki represented the Department. Jeffrey B. Levens and Carol Taxman of Augustine and Kern, Ltd. represented the Respondent, Kenneth Hatfield, M.D. The hearing was continued from time to time until it concluded on December 13, 1990. The record remained open for correction of the transcript until March 27, 1991. The corrected transcript was not received as of the filing of this report.

In a thirteen count complaint, the Department charged that Kenneth Hatfield wrote prescriptions for controlled substances to two women in exchange for sexual intercourse and fellatio. The complaint alleges that he did this without examining or diagnosing these women and kept no medical records for these women. The conduct is alleged to have occurred between June 17, 1987 and June 24, 1988. The Department charged that this conduct violated Sections 22A(5), (17), (20), and (33) of the Medical Practice Act,

Illinois Revised Statutes (1987), Chapter 111, paragraphs 4400-22A(5), (17), (20), and (33) and Section 312(a) of the Illinois Controlled Substances Act, Illinois Revised Statutes, (1987) Chapter 564, paragraph 1312(a).

The Medical Practice Act provides as follows:

Section 22. A. "The Department may revoke, suspend, place on probationary status, or take any other disciplinary action as the Department may deem proper with regard to the license or visiting professor permit of any person issued under this Act to practice medicine, or to treat human ailments without the use of drugs and without operative surgery upon any of the following grounds:

5. "Engaging in dishonorable, unethical or unprofessional conduct of a character likely to deceive, defraud or harm the public;

17. "Prescribing, selling, administering, distributing, giving or self-administering any drug classified as a controlled substance (designated product) or narcotic for other than medically accepted therapeutic purposes;

20. "Immoral conduct in the commission of any act related to the licensee's practice;

33. "Violating state or federal laws or regulations relating to controlled substances."

The Controlled Substances Act provides in pertinent part:

§ 312. "(a) A practitioner, in good faith, may dispense a Schedule II controlled substance, which is a narcotic drug listed in Section 206 of this Act; or which contains any quantity of amphetamine or methamphetamine, their salts, optical isomers or salts of optical isomers; phenmetrazine and its salts; pentazocine; or which is hereafter determined to be a 'designated product,' as defined in Section 102 of this Act to any person upon an official prescription form and Schedule III, IV, or V, controlled substances to any person upon a written prescription of any practitioner, dated and signed by the person prescribing on the day when issued and bearing the name and address of the patient for whom, or the owner of the animal for which the controlled substance is dispensed, and the full name, address and registry number under the laws of the United States relating to controlled substances of the person prescribing, if he is required by those laws to be registered."

Section 102(u) of the Controlled Substances Act defines "Good Faith"

as

- (u) 'Good Faith' means the prescribing or dispensing of a controlled substance by a practitioner in the regular course of professional treatment to or for any person who is under his treatment for a pathology or condition other than that individual's physical or psychological dependence upon or addiction to a controlled substance, except as provided herein:..."

New rules for the Medical Practice Act of 1987 were not effective until June 21, 1989. However, at the time of the alleged acts, there were in effect rules which set Standards for determining what constitutes dishonorable, unethical, or unprofessional conduct. Standards were also in effect for determining what constitutes immoral conduct.

The standards pertaining to dishonorable, unethical, or unprofessional conduct are found at 68 Illinois Administrative Code, Chapter I, Subchapter b, Part 290.35(a), (1983 as amended). That section states:

Section 290.35

- a) "In determining what constitutes dishonorable, unethical or unprofessional conduct of a character likely to deceive, defraud or harm the public the Board shall consider the following standards as they relate to the person who is the subject of the proposed disciplinary action. Such standards shall include, but not be limited to:
- 1) "Being convicted of any crime an essential element of which is larceny, embezzlement, obtaining money, property or credit by false pretenses or by means of a confidence game, dishonesty, fraud, misstatement or moral turpitude;
 - 2) "Wilfully violating or knowingly assisting in the violation of any law relating to the use of habit forming drugs;
 - 3) "Wilfully preparing or signing false statements in order to induce payment for medical or ancillary services by insurance companies, medicaid or medicare intermediaries or any other third-party payor;

- 4) "Wilfully making or causing to be made any false report to the Department of Registration and Education regarding compliance with continuing medical education requirements;
- 5) "Wilfully omitting to make or file any report or record or wilfully making or filing or causing to be made or filed any false report or record pertaining to a physician's practice as required by any state agency;
- 6) "Undertaking to treat a condition when the treatment indicated or prescribed falls beyond the scope of a chiropractic physician's limited license;
- 7) "Failing to possess and apply the knowledge and use the skill and care in treating a condition that is ordinarily used by a reasonably well-qualified physician in the locality in which he practices or in similar localities in similar cases and circumstances;
- 8) "Delegating of patient care responsibility to any individual when the physician has reason to believe that the person may not be competent;
- 9) "Misrepresenting as to educational background, training, credentials, competence, or medical staff memberships;
- 10) "Failing to properly supervise subordinate health professional and paraprofessional staff under his supervision and control in patient care responsibilities; or
- 11) "Committing of any other act or omission which breaches the physician's responsibility to a patient according to accepted medical standards of practice."

The standards pertaining to immoral conduct are found at Part 290.35(c) of the same Illinois Administrative Code:

- c) "In determining what constitutes immoral conduct in practice as a physician, the Board shall consider the following standards as they relate to the person who is the subject of the proposed disciplinary action. Such standards shall include but not be limited to:
 - 1) "Taking advantage of a patient's vulnerability by committing an act or acts which violate established codes of professional behavior expected on the part of a physician;
 - 2) "Unethical conduct with a patient which results in said patient engaging in unwanted personal, financial or sexual relationships with the physician;

- 3) "Conducting human experimentation or utilizing unproven drugs, medicine, surgery or equipment to treat patients except as authorized for use in an approved research program pursuant to Rules of the Illinois Department of Public Health authorizing research programs (Hospital Licensing Requirements 1-3.2) or as otherwise expressly authorized by law;
- 4) "Any other behavior which violates established codes of physician behavior or which violates established ethical principals commonly associated with the practice of medicine."

FINDINGS OF FACT

Based on all of the evidence, including the testimony and exhibits, and based on the credibility of the witnesses, the Hearing Officer makes the following Findings of Fact:

1. At all pertinent times, Kenneth Hatfield held an active Certificate of Registration as a Physician and Surgeon and an active Controlled Substances license in the State of Illinois, License Nos. 036-039447 and 003-036-039447, respectively, issued by the Illinois Department of Professional Regulation.
2. Kenneth Hatfield was born in 1933 and has been a medical doctor since 1961. He has been licensed in Illinois since 1965.
3. Kenneth Hatfield is board certified in internal medicine by the American Board of Internal Medicine and was recertified in 1980.
4. Kenneth Hatfield is a Fellow of the American College of Chest Physicians.
5. Kenneth Hatfield has staff privileges at Ravenswood Hospital, Edgewater Hospital, Charter Barclay Hospital, and Bethany Methodist Hospital in Chicago.

6. Kenneth Hatfield is the Medical Director of the Rosewood Nursing Home in Chicago.
7. Kenneth Hatfield has an office adjacent to Ravenswood Hospital and has an active practice with a high percentage of geriatric patients.
8. Kenneth Hatfield enjoys a good reputation among his colleagues as a competent, active physician specializing in internal medicine.
9. Kenneth Hatfield keeps current with changes in his field through regular continuing medical education courses including courses at the Harvard Medical School dealing with psychopharmacology.
10. Kenneth Hatfield first met Cynthia Giammarese in early September, 1985. He gave her a ride in his automobile when he saw her hitchhiking.
11. At that meeting, she explained to Hatfield that she made a living "hitchhiking". Hatfield understood that to mean she was a prostitute. They did not have sex or exchange any money at that time, but agreed to meet at some later date.
12. Cynthia Giammarese called Hatfield and arranged a meeting for September 16, 1985.
13. On September 16, 1985, Kenneth Hatfield met with Cynthia Giammarese at a motel. He had sexual intercourse and fellatio with her. He paid her \$80.00 in cash for the sex and also purchased \$80.00 worth of items for her at a Dominick's Food Store. (Hereinafter, the term "sex" or "sexual acts" will mean sexual intercourse and/or fellatio.)

14. Kenneth Hatfield continued to meet with Cynthia Giammarese for almost one year. He always paid her money when he met with her whether or not they had sex. He always paid her money for sexual acts.
15. In February or March of 1986, Dr. Hatfield received telephone calls from some unknown person who claimed to be an attorney representing Cynthia Giammarese in a paternity action against Dr. Hatfield.
16. Dr. Hatfield found out from Cynthia Giammarese that this was a hoax she had started. Dr. Hatfield still continued to meet with and pay Cynthia Giammarese for sexual acts.
17. On August 19, 1986, Dr. Hatfield started to prescribe Valium for Cynthia Giammarese to relieve anxiety agitation.
18. The prescription was for twenty Valium 10mg tablets. Dr. Hatfield instructed Cynthia Giammarese to break the tablets in half and take only 5mg at a time.
19. Dr. Hatfield reviewed an old EKG of Cynthia Giammarese and was aware that she had been treated in 1983 for an overdose of Fastin, a diet pill. He was also aware that she had a working knowledge of pharmacology which she learned while she was involved in the illegal sale of drugs.
20. Dr. Hatfield and Dr. Greenburg characterized the 1983 overdose as a frivolous suicide attempt.
21. Dr. Hatfield never conducted a formal physical examination of Cynthia Giammarese. Any exams that Dr. Hatfield conducted of

Cynthia Giammarese were performed just prior to having sex with her.

22. On one occasion in 1985 or 1986, Dr. Hatfield conducted an exam of Cynthia Giammarese in his office. He only listened to her heart and lungs and took her blood pressure.
23. Dr. Hatfield continued to prescribe Valium for Cynthia Giammarese in 1986. He wrote some of these prescriptions at the same time he paid her for performing sexual acts with him.
24. Dr. Hatfield did not date the prescriptions when he gave them to Cynthia Giammarese.
25. On May 25, 1987, Dr. Hatfield had sex with Cynthia Giammarese, wrote her a prescription for Valium, and paid her \$100.00.
26. On June 17, 1987, Cynthia Giammarase filled a prescription for 20 Valium, 10mg. (See Department's Exhibit No. 5)
27. On July 8, 1987, Dr. Hatfield had sex with Cynthia Giammarese, wrote her a prescription for Valium, and paid her \$100.00.
28. On July 9, 1987, Cynthia Giammarese filled a prescription for 20 Valium 10mg. (See Department's Exhibit No. 6)
29. On August 11, 1987, Dr. Hatfield had sex with Cynthia Giammarese, wrote her a prescription for Valium, and paid her \$100.00.
30. On August 12, 1987, Cynthia Giammarese filled a prescription for 20 Valium 10mg. (See Department's Exhibit No. 7)
31. On July 24, 1987, Cynthia Giammarese filled a prescription for 20 Valium 10mg. (See Department's Exhibit No. 8)

32. Dr. Hatfield does not know when that prescription (Department's Exhibit No. 8) was written and believes that Cynthia Giammarese must have been hoarding the prescriptions.
33. On September 14, 1987, Dr. Hatfield had sex with Cynthia Giammarese, wrote her a prescription for Valium, and paid her \$100.00. The amount of the prescription was reduced from 20 tablets to 10 tablets of Valium, 10mg.
34. On September 15, 1987, Cynthia Giammarese filled a prescription for ten 10mg tablets of Valium. (See Department's Exhibit No. 9)
35. On October 27, 1987, Dr. Hatfield had sex with Cynthia Giammarese, wrote her a prescription for twenty 10mg tablets of Valium and paid her \$90.00.
36. On October 27, 1987, Cynthia Giammarese filled a prescription for twenty 10mg tablets of Valium. (See Department's Exhibit No. 10)
37. On January 1, 1988, Dr. Hatfield had sex with Cynthia Giammarese, wrote her prescriptions for Valium and Placidyl, and paid her \$120.00.
38. On January 1, 1988, Cynthia Giammarese was depressed because of the holiday season. She was having trouble sleeping because she claimed to be having flashbacks about her parents' deaths. Her parents were gunned down in 1973 in what was termed a "gangland style" killing.
39. On January 2, 1988, Cynthia Giammarese filled prescriptions for 20 Valium 10mg and 5 Placidyl 500mg. (See Department's Exhibits Nos. 11 and 13)

40. On March 16, 1988, Dr. Hatfield had sex with Cynthia Giammarese, wrote her prescriptions for Valium and Didrex, and paid her \$80.00.
41. Cynthia Giammarese was approximately 5 feet tall and weighed about 250 pounds.
42. On March 16, 1988, Cynthia Giammarese filled prescriptions for 20 Valium 10mg and 60 Didrex 50mg. (See Department's Exhibits Nos. 14 and 15)
43. On April 23, 1988, Dr. Hatfield had sex with Cynthia Giammarese, wrote her a prescription for Valium, and paid her money.
44. On May 6, 1988, Cynthia Giammarese filled a prescription for 20 Valium 10mg. (See Department's Exhibit No. 16)
45. On May 30, 1988, Dr. Hatfield had sex with Cynthia Giammarese, wrote her a prescription for Valium, and paid her money.
46. On June 23, 1988, Dr. Hatfield did not have sex with Cynthia Giammarese, but still wrote her a prescription for Valium and paid her \$30.00.
47. On June 24, 1988, Cynthia Giammarese filled a prescription for 20 Valium 10mg. (See Department's Exhibit No. 17)
48. Dr. Hatfield never dated any of the prescriptions referred to in paragraphs 25 through 37, 39, and 40 and paragraphs 42 through 47.
49. On June 23, 1988, Dr. Hatfield wrote an undated prescription for Denise Kruegel for fifteen 10mg tablets of Valium. Denise Kruegel was a friend of Cynthia Giammarese and Dr. Hatfield had prescribed for Kruegel on one other occasion.

50. On June 24, 1988, Denise Kruegel filled a prescription for 15 Valium 10mg. (See Department's Exhibit No. 18)
51. On December 13, 1988, Dr. Hatfield admitted to Illinois Department of Professional Regulation investigators Terri Lanuti and David Harris that he prescribed drugs for Cynthia Giammarese in exchange for sexual favors.
52. On December 13, 1988, Dr. Hatfield admitted to Illinois Department of Professional Regulation investigators Terri Lanuti and David Harris that he prescribed drugs for Denise Kruegel in exchange for sex with her.
53. Dr. Hatfield did not keep or make any medical notes or records pertaining to Denise Kruegel.
54. Dr. Hatfield did not keep or make any medical notes or records pertaining to Cynthia Giammarese.
55. Valium contains Diazepam and is a Schedule IV Controlled Substance.
56. Placidyl contains ethchlorvynol and is a Schedule IV Controlled Substance.
57. Didrex contains benzphetamine and is a Schedule III Controlled Substance.
58. Valium is used for the relief of the symptoms of anxiety agitation.
59. Placidyl is a sedative and is used to aid sleeping.
60. Didrex is an anorectic and is used for weight reduction.

61. Dr. Dale Loomis is a licensed physician in the State of Illinois. He specializes in psychiatry and is well qualified to render expert opinions. His testimony was candid and credible.
62. Dr. Loomis' opinion is that Dr. Hatfield's conduct in regards to treating and prescribing for Cynthia Giammarese did not meet the accepted medical standards of practice and violated established ethical principles commonly associated with the practice of medicine.
63. Dr. Sheldon S. Greenberg is a licensed physician in the State of Illinois. He specializes in psychiatry and is also qualified to render an expert opinion. His testimony was not as credible as Dr. Loomis' testimony.
64. Dr. Greenberg's opinion is that Dr. Hatfield's conduct in regards to treating and prescribing for Cynthia Giammarese did meet the accepted medical standards of practice and did not violate established ethical principles commonly associated with the practice of medicine.
65. Both Dr. Loomis and Dr. Greenberg agreed that the medications prescribed by Dr. Hatfield for Cynthia Giammarese were appropriate for someone in her condition. However, they disagreed as to whether or not the treatment and prescriptions were appropriate when put in the context of Dr. Hatfield's relationship with Cynthia Giammarese.

CONCLUSIONS OF LAW

Based on the Findings of Fact, the Hearing Officer makes the following Conclusions of Law:

1. The Department did not prove by clear and convincing evidence that on or about June 17, 1987, Dr. Hatfield wrote a prescription to Cynthia Giammarese in exchange for sex and that Dr. Hatfield did not examine Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33) and Chapter 564, paragraph 1312(a).
2. The Department proved by clear and convincing evidence that on or about July 9, 1987 (specifically July 8, 1987), Dr. Hatfield wrote an undated prescription for twenty Valium, 10mg., Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33) and Chapter 564, paragraph 1312(a).
3. The Department did not prove by clear and convincing evidence that on or about July 24, 1987, Dr. Hatfield wrote a prescription to Cynthia Giammarese in exchange for sex and that Dr. Hatfield did not examine Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33), and Chapter 564, paragraph 1312(a).
4. The Department proved by clear and convincing evidence that on or about August 12, 1987 (specifically August 11, 1987), Dr.

Hatfield wrote an undated prescription for 20 Valium, 10mg. to Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33), and Chapter 564, paragraph 1312(a).

5. The Department proved by clear and convincing evidence that on or about September 15, 1987 (specifically September 14, 1987), Dr. Hatfield wrote an undated prescription for 10 Valium, 10mg. to Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33), and Chapter 564, paragraph 1312(a).
6. The Department proved by clear and convincing evidence that on or about October 27, 1987, Dr. Hatfield wrote an undated prescription for 20 Valium, 10mg., to Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33), and Chapter 564, paragraph 1312(a).

7. The Department proved by clear and convincing evidence that on or about January 2, 1988 (specifically January 1, 1988), Dr. Hatfield wrote an undated prescription for 20 Valium, 10mg., to Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33), and Chapter 564, paragraph 1312(a).
8. The Department proved by clear and convincing evidence that on or about January 2, 1988 (specifically January 1, 1988), Dr. Hatfield wrote an undated prescription for 5 Placidyl, 500 mg., to Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(3), (17), (20), and (33), and Chapter 564, paragraph 1312(a).
9. The Department proved by clear and convincing evidence that on or about March 16, 1988, Dr. Hatfield wrote an undated prescription for 20 Valium, 10mg., to Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33), and Chapter 564, paragraph 1312(a).

10. The Department proved by clear and convincing evidence that on or about March 16, 1988, Dr. Hatfield wrote an undated prescription for 60 Didrex, 50mg., to Cynthia Giammarese in exchange for sex; that he did not conduct an appropriate physical examination of Cynthia Giammarese and that he maintained no medical records for Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33), and Chapter 564, paragraph 1312(a).
11. The Department did not prove by clear and convincing evidence that on or about May 6, 1988, Dr. Hatfield wrote a prescription to Cynthia Giammarese in exchange for sex and that Dr. Hatfield did not examine Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33) and Chapter 564, paragraph 1312(a).
12. The Department did not prove by clear and convincing evidence that on or about June 24, 1988, Dr. Hatfield wrote a prescription to Cynthia Giammarese in exchange for sex and that Dr. Hatfield did not examine Cynthia Giammarese in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33) and Chapter 564, paragraph 1312(a).
13. The Department did not prove by clear and convincing evidence that on or about June 24, 1988, Dr. Hatfield wrote a prescription to Denise Kruegel in exchange for sex and that Dr. Hatfield did not examine Denise Kruegel in violation of the Illinois Revised Statutes (1987), Chapter 111, paragraph 4400-22(a)(5), (17), (20), and (33) and Chapter 564, paragraph 1312(a).

ADDITIONAL FINDINGS

The Hearing Officer cannot accept Dr. Hatfield's opinion and conclusion that the treatment and prescriptions given to Cynthia Giammarese were separate and distinct from the payments of money in exchange for sex. The relationship between Dr. Hatfield and Cynthia Giammarese was based on prostitution. It did not develop into a relationship of love, friendship, and companionship as Dr. Hatfield suggests. From the first time Dr. Hatfield met Cynthia Giammarese until he ended the relationship in 1988, he knew she was a prostitute and always paid her for sex. On those occasions when he did not have sex with her, he still paid her and the relationship continued. Gradually, over time, in addition to paying her money, he wrote prescriptions for Valium, Placidyl, and Didrex. The prescriptions were usually written on occasions when he had sex with her and became part of the payment for sex. The exams Dr. Hatfield conducted were so close in time to the sexual acts that the Hearing Officer considers the "exams" to be nothing more than foreplay.

The Hearing Officer does believe that Dr. Hatfield's prescribing for Cynthia Giammarese would have been appropriate if the care was rendered within the accepted medical standards of practice, such as an office setting in a patient-physician relationship. However, Dr. Hatfield prescribed these controlled substances for a prostitute in exchange for sex. That conduct is not acceptable.

The Hearing Officer believes the testimony of Terri Lanuti concerning the interview of Dr. Hatfield on December 13, 1988. However, after observing Dr. Hatfield during the hearing and listening to his answers to questions, the Hearing Officer cannot find that the admission by Dr.

Hatfield that he gave prescriptions to Denise Kruegel in exchange for sex, is sufficient to prove the charge in Count XIII of the Complaint by clear and convincing evidence.

RECOMMENDATION

Based on the Findings of Fact, Conclusions of Law, and Additional Findings, the Hearing Officer recommends to the Medical Disciplinary Board and to the Director of the Illinois Department of Professional Regulation that the Certificate of Registration as a Physician and Surgeon issued to Kenneth Hatfield, License Number 036-039447 be disciplined for the violations set forth above and that said disciplinary action be consistent with that authorized by the Medical Practice Act.

The Hearing Officer further recommends that the Controlled Substance License issued to Kenneth Hatfield, License Number 003-036-039447, be revoked for a minimum of five (5) years.

Respectfully submitted this 25th
day of April, 1991.

By: Frank I. Gaughan
Frank I. Gaughan
Hearing Officer
Illinois Department of
Professional Regulation

D. That this court shall and hereby does retain jurisdiction of this matter for the enforcement of this order.

E. That defendants' oral motion for stay of this Court's order of reversal of the Director's decision is granted. The court retains jurisdiction in over this stay order.

ENTER: _____

JUDGE EDWIN M. BERMAN

MAY 18 1994

Hon. Edwin M. Berman
Circuit Court-1.

Augustine and Kern, Ltd.
218 North Jefferson
Suite 202
Chicago, Illinois 60661
312-468-1111

SETTLEMENT AGREEMENT

IT IS HEREBY AGREED by and between the plaintiff, Kenneth Hatfield, M.D., and the defendants, Nikki M. Zollar, Director of the Illinois Department of Professional Regulation and the Illinois Department of Professional Regulation, in case no. 92 CH 4907, brought in the Circuit Court of Cook County, Illinois, that this action be resolved as follows:

1. That Plaintiff has voluntarily submitted to Defendants a report from Sheldon S. Greenberg, M.D., a licensed psychiatrist, board-certified in psychiatry and addiction medicine, whose qualifications have been reviewed by and are acceptable to Defendants, stating that Plaintiff has been in counseling with him for more than a year, and finding that he is capable of accepting and conforming to standards of professional conduct which may be set by the Medical Disciplinary Board, and that no symptoms or pathology exist which would render Plaintiff medically incapable of the practice of medicine.

2. That Defendants agree the report referred to in paragraph 1 of this Agreement is confidential; shall not be used by Defendants with respect to any other matter, whether past, present, or future; and shall be released only upon order of a court of law with jurisdiction to so order.

3. That Plaintiff has submitted to Defendants proof of

completion of more than 414 hours of continuing medical education during the past 2½ years, including 177.75 hours in 1993, and more than 104 hours thus far in 1994.

4. That, in lieu of the discipline imposed in Director Zollar's Order dated May 14, 1992, which is the subject matter of Plaintiff's challenge, Plaintiff agrees to accept and comply with the terms and conditions outlined in Paragraph 5 of this agreement.

5. That the Defendants agree that in lieu of the discipline imposed in Director Zollar's Order dated May 14, 1992, the following discipline shall be imposed:

A. The Certificate of Registration, License No. 036-039447, heretofore issued to Kenneth Hatfield to carry on the practice of medicine in the State of Illinois is SUSPENDED from May 14, 1992, until the date on which Director Zollar signs this Settlement Agreement.

B. The Controlled Substances License No. 003-036-039447, heretofore issued to Kenneth Hatfield is SUSPENDED from May 14, 1992, until the date on which Director Zollar signs this Settlement Agreement.

C. Restoration of Plaintiff's licenses shall occur only upon payment of any applicable fees.

D. Following restoration of Kenneth Hatfield's licenses, his controlled substances license shall be placed on probation for a period of one (1) year from the date Director

Zollar signs this Settlement Agreement, subject to the following conditions:

i. Kenneth Hatfield shall submit quarterly reports stating his current place of employment, the names of his supervisors, if any, and describing his controlled substances prescribing practices.

ii. The quarterly reports shall be submitted to and subject to review by the Probation Unit at 100 West Randolph Street, Suite 9-300, Chicago, Illinois 60601.

6. That Plaintiff, Kenneth Hatfield, agrees to dismiss with prejudice his action pending in the Circuit Court of Cook County, Illinois, County Department, Chancery Division, No. 92 CH 4907.

7. That Defendants agree to dismiss Appeal No. 1-94-2147, their appeal of Case No. 92 Ch 4907, with prejudice.

8. That Plaintiff and his heirs, assigns, executors, and administrators release and forever discharge the State of Illinois, Illinois Department of Professional Regulation, Nikki M. Zollar, the current and former members of the State Medical Disciplinary Board, their current, future or former officers, agents, employees, insurers, heirs, assigns, executors, administrators and successors in office, from any and all claims for damages, costs, loss of business, expenses and compensation or other relief on account of, or in any way arising out of any and all known and unknown injuries

or deprivations of civil or constitutional rights or state law claims arising out of the subject matter of the aforementioned lawsuit and related proceedings.

9. That Plaintiff and his heirs, assigns, executors, and administrators release and forever discharge the State of Illinois, Illinois Department of Professional Regulation, Nikki M. Zollar, the current and former members of the State Medical Disciplinary Board, their current, future or former officers, agents, employees, insurers, heirs, assigns, executors, administrators and successors in office, of and from all claims, demands, actions, causes of action or suits at law, for their attorneys' fees and any costs or expenses incurred in the aforementioned lawsuit and related proceedings, whether said fees arise by reason of any statute, rules or procedure, by common law, by contract or otherwise.

10. That the parties enter into this Settlement Agreement for reasons of peace and administrative economy, with the understanding by all parties hereto that this Settlement Agreement shall not constitute an admission by any of the parties, or any of the attorneys, of the truth of the allegations contained in the aforementioned cause of action and underlying administrative proceedings. Plaintiff has denied and continues to deny the allegations which were the subject of the discipline imposed in Director Zollar's order dated May 14, 1992.

Nikki M. Zollar
9-9-94

ON BEHALF OF DEFENDANTS

Kenneth Hatfield
KENNETH HATFIELD
Plaintiff

Dated: _____

Nikki M. Zollar
NIKKI M. ZOLLAR, DIRECTOR
Illinois Department of
Professional Regulation

Dated: 9-9-97

STATE OF WISCONSIN
BEFORE THE MEDICAL EXAMINING BOARD

IN THE MATTER OF THE DISCIPLINARY	:	
PROCEEDINGS AGAINST	:	STIPULATION
	:	93 MED 003
	:	
KENNETH B. HATFIELD, M.D.,	:	
RESPONDENT.	:	

It is hereby stipulated between Kenneth B. Hatfield, M.D. personally and through his attorney Bruce F. Ehlike, and Pamela M. Stach, Attorney for the Department of Regulation and Licensing, Division of Enforcement, as follows:

1. Kenneth B. Hatfield, Respondent herein, 3218 Sprucewood Rd. Wilmette, IL is a physician duly licensed and currently registered to practice medicine and surgery in the State of Wisconsin under license number 22800 which was granted on January 18, 1980. Respondent's license is currently suspended under an Interim Order entered on March 24, 1994.
2. Respondent specializes in the area of family practice.
3. A Complaint was filed against and duly served upon Respondent on February 14, 1994.
4. Respondent has read the Complaint and understands the nature of the allegations against him.
5. Respondent is aware of and understands each of the Respondent's rights including the right to a hearing on the allegations against him at which time the state has the burden of proving these allegations by a preponderance of the evidence; the right to confront and cross examine witnesses against him; the right to call witnesses in his behalf and to compel their attendance by subpoena; the right to testify himself; the right to file objections to any proposed decisions and to present briefs or oral arguments to the officials who are to render the Final Decision; the right to petition for rehearing; and all of the rights afforded the Respondent under the United States Constitution, the Wisconsin Constitution and the Wisconsin Administrative Code.
6. Respondent freely, voluntarily and knowingly waives each and every one of the rights set forth in paragraph 5 above.
7. The Division of Enforcement recommends that the Wisconsin Medical Examining Board adopt this stipulation and issue the attached Final Decision and Order in resolution of this matter.

Answer with regard to the Complaint and, while neither voluntarily agrees to entry of the attached Final Decision and Order by the Medical Examining Board.

9. This agreement in no way prohibits the Medical Examining Board from any further action against Respondent based on acts not alleged in the present Complaint which might be violative of the Wisconsin Medical Examining Board statutes and rules.

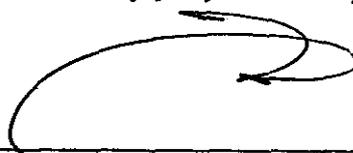
10. The parties agree to waive the Proposed Decision of the Administrative Law Judge and submit this Stipulation directly to the Medical Examining Board. All parties agree that counsel for the parties and the board advisor assigned to this case may appear before the Board in open session to argue on behalf of acceptance of this Stipulation.

11. This Stipulation and Final Decision and Order, if adopted and entered by the Medical Examining Board, shall become effective on the date of signing.

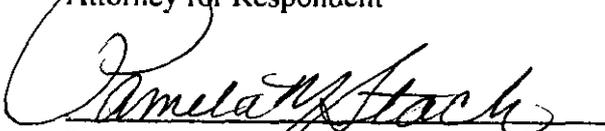
12. All costs of these proceedings incurred by either party are hereby waived.

13. In the event any terms or condition of this Stipulation and Final Decision and Order is not accepted or entered by the Medical Examining Board, then no term of this Stipulation; and Final Decision and Order shall be binding in any manner on any party to this Stipulation.

Dated: May 17, 1996

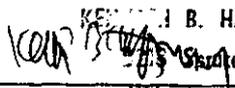

Bruce E. Ehke
Attorney for Respondent

Dated: May 20, 1996


Pamela M. Stach, Attorney
Department of Regulation
and Licensing

I, Kenneth B. Hatfield, M.D., having read the above stipulation and having discussed its contents with my attorney and understanding its terms, do hereby, freely,

Dated: May 17, 1996


KENNETH B. HATFIELD, M.D.
1300 Woodwood Rd.
Wilmette, IL 60091
Kenneth B. Hatfield, M.D.
Respondent

PS:deh
DOEATTY-CLG1832

NOTICE OF APPEAL INFORMATION

Notice Of Rights For Rehearing Or Judicial Review, The Times Allowed For Each, And The Identification Of The Party To Be Named As Respondent.

Serve Petition for Rehearing or Judicial Review on:

STATE OF WISCONSIN MEDICAL EXAMINING BOARD

1400 East Washington Avenue

P.O. Box 8935

Madison, WI 53708.

The Date of Mailing this Decision is:

May 23, 1996

1. REHEARING

Any person aggrieved by this order may file a written petition for rehearing within 20 days after service of this order, as provided in sec. 227.49 of the *Wisconsin Statutes*, a copy of which is reprinted on side two of this sheet. The 20 day period commences the day of personal service or mailing of this decision. (The date of mailing this decision is shown above.)

A petition for rehearing should name as respondent and be filed with the party identified in the box above.

A petition for rehearing is not a prerequisite for appeal or review.

2. JUDICIAL REVIEW.

Any person aggrieved by this decision may petition for judicial review as specified in sec. 227.53, *Wisconsin Statutes* a copy of which is reprinted on side two of this sheet. By law, a petition for review must be filed in circuit court and should name as the respondent the party listed in the box above. A copy of the petition for judicial review should be served upon the party listed in the box above.

A petition must be filed within 30 days after service of this decision if there is no petition for rehearing, or within 30 days after service of the order finally disposing of a petition for rehearing, or within 30 days after the final disposition by operation of law of any petition for rehearing.

The 30-day period for serving and filing a petition commences on the day after personal service or mailing of the decision by the agency, or the day after the final disposition by operation of the law of any petition for rehearing. (The date of mailing this decision is shown above.)