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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
STATE BOARD OF DENTISTRY

IN THE MATTER OF THE SUSPENSION
OR REVOCATION OF THE LICENSE OF

JOHN KALLIS, D.M.D.
LICENSE NO. 22DI01547200

TO PRACTICE DENTISTRY
IN THE STATE OF NEW JERSEY

Administrative Action

CONSENT ORDER

This matter was presented to the State Board of Dentistry (the "Board") by the Attorney General of New Jersey on March 5, 2008, by the filing of an Order to Show Cause seeking the temporary suspension of the license of John Kallis, D.M.D. ("Respondent"), Verified Complaint and supporting documents.

The Verified Complaint alleged that Dr. Kallis illegally prescribed Controlled Dangerous Substances ("CDS"). The CDS illegally prescribed by Dr. Kallis included Oxycodone, Percocet and Codeine. Many of the drugs were prescribed in the name of W.S., a former patient and friend of Respondent.¹ Additional CDS prescriptions were dispensed to W.S. through Dr. Kallis's issuing

¹Identity is redacted to preserve confidentiality.

prescriptions in the names of other individuals, and/or through the use of another dentists prescription pad.

On March 17, 2008, Respondent filed an Answer denying the allegations in the Verified Complaint. A hearing on the Order to Show Cause was held before the Board on March 19, 2008. Dr. Kallis filed written opposition and was represented by counsel throughout the temporary suspension proceeding.

The Board, having found that the proofs presented by the Attorney General were sufficient to palpably demonstrate that Respondent represented an imminent danger to the health, safety or welfare of the public, issued a written order dated March 26, 2008 temporarily suspending Dr. Kallis's license to practice dentistry effective on March 21, 2008. Dr. Kallis's dental license has remained suspended since March 21, 2008.

Specifically, Dr. Kallis admits that between April 2005 and May 2007, he issued multiple CDS prescriptions to W.S. During the same period of time Dr. Kallis wrote prescriptions to W.S.'s wife, Z.S. After 2004, Dr. Kallis did not prepare any patient record for the treatment rendered to Z.S.

Respondent further admits that he gave W.S. prescriptions written in the names of other individuals. None of the other individuals for whom prescriptions were written and given to W.S. were patients of Respondent at the time the prescriptions were written with the exception of Z.S. Respondent also admits that he wrote a limited number of CDS prescriptions for W.S. on the prescription pad of another dentist.

Having reviewed the entire record in this case, including the above admissions provided by Respondent, the Board finds that Respondent's conduct constitutes the use or employment of dishonesty, deception, misrepresentation or false pretense in violation of N.J.S.A. 45:1-21(b); gross

negligence in violation of N.J.S.A. 45:1-21(c); the engagement in acts constituting moral turpitude or conduct relating adversely to activity regulated by the Board in violation of N.J.S.A. 45:1-21(f); a violation or failure to comply with the provisions of any act or regulation administered by the Board in violation of N.J.S.A. 45:1-21(h) (specifically, the failure to maintain proper patient records required by N.J.A.C. 13:30-8.7); the indiscriminate prescribing of CDS, without good cause, or where Respondent knew or should have known that the substances were to be used for unauthorized consumption or distribution in violation of N.J.S.A. 45:1-21(m); and demonstrates the failure to be of good moral character as required pursuant to N.J.S.A. 45:6-3.

The Board has considered the matter, and finds that the entry of this Order will adequately protect the public interest, and for good cause shown,

IT IS ON THIS 15 DAY OF July 2009

ORDERED:

1. Respondent's license to practice dentistry in New Jersey and his general anesthesia permit shall be suspended for five (5) years effective March 21, 2008. Respondent's license to practice dentistry and general anesthesia permit shall be actively suspended retroactively from March 21, 2008, through and including December 31, 2009. The remainder of the suspension shall be stayed and served as a period of probation. No credit for the suspension period shall be given for any period of time during which Respondent engages in dental practice in any jurisdiction or state.

2. Respondent shall surrender his federal Drug Enforcement Administration registration and his State Controlled Drug Registration for the duration of the active suspension period, and shall make prompt arrangements with said agencies for the lawful disposal of all CDS in his possession

or under his control, and shall arrange for the lawful disposal of all non-CDS medications in his control.

3. Prior to his return to active practice, Respondent shall appear before the Board to answer any questions the Board has regarding his return to practice. The Board will make its best efforts to schedule Respondent's appearance before November 30, 2009.

4. Upon his return to active practice, Respondent shall arrange for another New Jersey licensed dentist to counter-sign all CDS prescriptions upon issuance. Respondent shall provide the name of the co-signing dentist to the Board for its approval no later than the date of his appearance before the Board required by the preceding paragraph. The co-signing dentist shall provide quarterly reports to the Board regarding Respondent's compliance with this Consent Order, and all applicable CDS rules and regulations. Respondent shall further ensure that all CDS prescriptions are issued in triplicate and provide copies of each prescription to the Board along with a copy of the patient chart on a quarterly basis. The terms of this paragraph shall continue until December 31, 2010.

5. Respondent is assessed an aggregate civil penalty of \$35,000 pursuant to N.J.S.A. 45:1-25 for the violations described herein.

6. Respondent shall reimburse the Board's litigation and investigation costs and fees totaling \$57,448 pursuant to N.J.S.A. 45:1-25(d).

7. Respondent shall be permitted to pay the total monetary amount due under this Consent Order, \$92,448, in thirty-six (36) equal monthly installments of \$2,568, with the first payment due on February 1, 2010, and each subsequent payment due on the first day of each month thereafter. Interest on all financial assessments shall accrue in accordance with Rule of Court 4:42-11. All payments shall be made by certified check or money order payable to the State of New Jersey and shall be sent to Jonathan Eisenmenger, Executive Director, New Jersey State Board of Dentistry,

124 Halsey Street - 6th Floor, P.O. Box 45005, Newark, New Jersey 07101. In the event that a monthly payment is not received within five days of its due date, the entire balance of the civil penalty and costs shall become due and owing. Failure to remit any payment as required by this Consent Order will result in the filing of a certificate of debt.

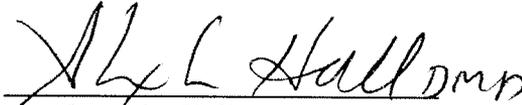
8. The entry of this Order shall not limit the authority of the Attorney General of New Jersey or any other person or agency to initiate any further action permitted by law, whether administrative, civil or criminal, in any court or other forum of competent jurisdiction in connection with any matters coming within that jurisdiction.

9. It is intended by the parties that this Order shall resolve all administrative and license issues with Respondent, which were specifically alleged as violations by the Attorney General in the Verified Complaint.

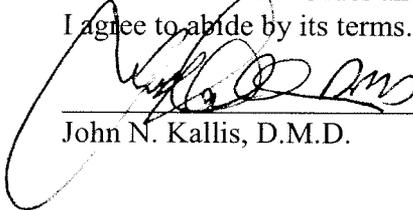
10. Dr. Kallis shall comply with the "Directives" attached hereto as Exhibit 1 which are incorporated herein by reference.

11. This Order is effective upon entry.

NEW JERSEY STATE BOARD OF DENTISTRY

By: 
Alexander Hall, D.M.D.,
Board President

I have read and understand
the above Consent Order and
I agree to abide by its terms.


John N. Kallis, D.M.D.

Consented to as to form:
DeCotiis, Fitzpatrick, Cole and Whistler, L.L.P.
Attorneys for Dr. Kallis


Alex Keosky, Esq.

**DIRECTIVES APPLICABLE TO ANY DENTISTRY BOARD LICENSEE
WHO IS SUSPENDED, REVOKED OR WHOSE SURRENDER OF LICENSURE
HAS BEEN ACCEPTED**

A practitioner whose license is suspended or revoked or whose surrender of license has been accepted by the Board, shall conduct him/herself as follows:

1. Document Return and Agency Notification

The licensee shall promptly deliver to the Board office at 124 Halsey Street, 6th floor, Newark, New Jersey 07102, the original license and current biennial registration certificate, and if authorized to prescribe drugs, the current State and Federal Controlled Dangerous Substances Registration. With respect to suspensions of a finite term, at the conclusion of the term, the licensee may contact the Board office for the return of the documents previously surrendered to the Board.

2. Practice Cessation

The licensee shall cease and desist from engaging in the practice of dentistry in this State. This prohibition not only bars a licensee from rendering professional services, but also from providing an opinion as to professional practice or its application, or representing him/herself as being eligible to practice. Although the licensee need not affirmatively advise patients or others of the revocation, suspension or surrender, the licensee must truthfully disclose his/her licensure status in response to inquiry. The disciplined licensee is also prohibited from occupying, sharing or using office space in which another licensee of this Board provides health care services. Unless otherwise ordered by the Board, the disciplined licensee may contract for, accept payment from another licensee for or rent at fair market value office premises and/or equipment. In no case may the disciplined licensee authorize, allow or condone the use of his/her provider number by the practice or any other licensee or health care provider. In situations where the licensee has been suspended for less than one year, the licensee may accept payment from another professional who is using his/her office during the period that the licensee is suspended, for the payment of salaries for office staff employed at the time of the Board action.

A licensee whose license has been revoked, suspended for one (1) year or more or permanently surrendered must remove signs and take affirmative action to stop advertisements by which his/her eligibility to practice is represented. The licensee must also take steps to remove his/her name from all prescription blanks and pads, professional listings, telephone directories, professional stationery, or billings. If the licensee's name

is utilized in a group practice title, it shall be deleted.

Prescription pads bearing the licensee's name shall be destroyed. A destruction report form shall be obtained from the Office of Drug Control (973-504-6558) and filed with that office. If no other licensee is providing services at the practice location, all medications must be removed and returned to the manufacturer (if possible), or destroyed or safeguarded. In situations where the licensee has been suspended for a period of less than one year, prescription pads and medications must be secured in a locked place for safekeeping.

3. Practice Income Prohibitions/Divestiture of Equity Interest in Professional Service Corporations

A licensee shall not charge, receive or share in any fee for professional services rendered by him/herself or others while barred from engaging in the professional practice. The licensee may be compensated for the reasonable value of services lawfully rendered and disbursements incurred on a patient's behalf prior to the effective date of the Board action.

A licensee whose license is revoked, surrendered or suspended for a term of one (1) year or more shall be deemed to be disqualified from the practice, and shall be required to comply with the requirements to divest him/herself of all financial interest in the professional practice pursuant to Board regulations contained in N.J.A.C. 13:30-8.21. Such divestiture shall occur within 90 days following the entry of the Board Order. Upon divestiture, a licensee shall forward to the Board a copy of documentation forwarded to the New Jersey Department of Treasury, Commercial Reporting Division, demonstrating that the interest has been terminated. If the licensee is the sole shareholder in a professional service corporation, the corporation must be dissolved within 90 days of the licensee's disqualification.

4. Patient Records

If, as a result of the Board's action, a practice is closed or transferred to another location, the licensee shall ensure that during the three (3) month period following the effective date of the disciplinary order, a message will be delivered to patients calling the former office premises, advising where records may be obtained. The message should inform patients of the names and telephone numbers of the licensee (or his/her attorney) assuming custody of the records. The same information shall also be disseminated by means of a notice to be published at least once per month for three (3) months in a newspaper of general circulation in the geographic vicinity in which the practice was conducted. At the end of the three month period, the licensee shall file with the Board the name and telephone number of the contact person who will have access to patient records of former patients. Any change in that individual or his/her telephone number shall be promptly reported to the Board. When a patient or his/her representative requests a copy of his/her patient record or asks that the record be forwarded to another health care provider, the licensee shall promptly provide the record without charge to the patient.

5. Probation/Monitoring Conditions

A disciplined practitioner whose active suspension of license has been stayed in full or in part, conditioned upon compliance with a probation or monitoring program, shall fully cooperate with the Board or its designated representatives, including the Enforcement Bureau of the Division of Consumer Affairs, in ongoing monitoring of the licensee's status and practice. Such monitoring shall be at the expense of the disciplined practitioner.

(a.) Monitoring of practice conditions may include, but is not limited to, inspection of professional premises and equipment, and inspection and copying of patient records (confidentiality of patient identity shall be protected by the Board) to verify compliance with Board Order and accepted standards of practice.

(b.) Monitoring of status conditions for an impaired practitioner may include, but is not limited to, practitioner cooperation in providing releases permitting unrestricted access to records and other information to the extent permitted by law from any treatment facility, other treating practitioner, support group or other individual or facility involved in the education, treatment, monitoring or oversight of the practitioner, or maintained by the rehabilitation program for impaired practitioners. If bodily substance monitoring has been ordered, the practitioner shall fully cooperate by responding to a demand for breath, blood, urine or other sample in a timely manner and by providing the designated sample.

6. Reports of Reimbursement

A disciplined practitioner shall promptly report to the Board his/her compliance with each directive requiring monies to be reimbursed to patients to other parties or third party payors or to any Court.

7. Report of Changes of Address

A disciplined practitioner shall notify the Board office in writing within ten (10) days of change of address.

NOTICE OF REPORTING PRACTICES OF BOARD
REGARDING DISCIPLINARY ACTIONS

Pursuant to N.J.S.A. 52:14B-3(3), all orders of the New Jersey State Board of Dentistry are available for public inspection. Should any inquiry be made concerning the status of a licensee, the inquirer will be informed of the existence of the order and a copy will be provided if requested. All evidentiary hearings, proceedings on motions or other applications which are conducted as public hearings and the record thereof, including the transcript and documents marked in evidence, are available for public inspection upon request.

Pursuant to Public Law 101-191, the Health Insurance Portability and Accountability Act, the Board is obligated to report to the Healthcare Integrity and Protection Data Bank any adverse action relating to a dentist:

- (1) Which revokes or suspends (or otherwise restricts) a license; or
- (2) Which censures, reprimands or places on probation, or restricts the right to apply or renew a license; or
- (3) Under which a license is surrendered.

In accordance with an agreement with the American Association of Dental Examiners, a report of all disciplinary orders is provided to that organization on a monthly basis.

Within the month following entry of an order, a summary of the order may appear on the public agenda for the monthly Board meeting and is forwarded to those members of the public requesting a copy. In addition, the same summary will appear in the minutes of that Board meeting, which are also made available to those requesting a copy.

On a periodic basis the Board disseminates to its licensees a newsletter which includes a brief description of all of the orders entered by the Board. In addition, the same description may appear on the Internet Website of the Division of Consumer Affairs.

From time to time, the Press Office of the Division of Consumer Affairs may issue releases including the summaries of the content of public orders.

Nothing herein is intended in any way to limit the Board, the Division or the Attorney General from disclosing any public document.