

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

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NEW JERSEY BOARD OF
CHIROPRACTIC EXAMINERS

By: Christopher Salloum
Deputy Attorney General
Attorney ID No. 047842013
Tel. (973) 648-2779

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

IN THE MATTER OF THE SUSPENSION OR :
REVOCATION OF THE LICENSE OF :
: ADMINISTRATIVE ACTION
Michael Carlesimo, D.C. :
License No. 38MC00594200 : CONSENT ORDER
:
TO PRACTICE CHIROPRACTIC IN THE :
STATE OF NEW JERSEY :

This matter was opened to the New Jersey State Board of Chiropractic Examiners ("Board") upon receipt of information that on or about November 6, 2014, the Superior Court of New Jersey, Law Division, entered Final Judgment by Consent ("Consent Judgment") against Respondent, Michael Carlesimo, D.C., for myriad violations of the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 et seq. ("Fraud Act") and other related statutory and regulatory provisions.

The Consent Judgment was predicated upon the execution of a Stipulation of Settlement in which the Respondent admitted to all of the allegations against him in the sixteen-count Complaint of

the Plaintiff-Intervenor, Commissioner of the New Jersey Department of Banking and Insurance, in Allstate New Jersey Ins. Co. et al. v. Lajara et al., Docket No. UNN-L-4091-08, (N.J. Super. Ct. Law Div.) ("Complaint").

The Complaint details the Respondent's involvement in a "broad, multi-faceted scheme to defraud" several insurance carriers. The unlawful acts alleged in the Complaint, and, thus, admitted to by the Respondent, include, but are not limited to, the following: unlawful provision of chiropractic and other healthcare services by unlicensed and unsupervised personnel in violation of, among other provisions, N.J.A.C. 13:44e-2.2(a); providing and billing for healthcare services through practice structures and relationships that were designed to enable the unlawful splitting of fees paid by insurance carriers for services allegedly rendered by Respondent in violation of N.J.A.C. 13:44e-2.6; making prohibited payments of referral fees in violation of N.J.A.C. 13:44e-2.6; engaging in and concealing prohibited self-referrals in violation of N.J.S.A. 45:9-22.5 and N.J.A.C. 13:44e-3.9; engaging in and concealing assignments of medical benefits to non-providers of healthcare services in violation of N.J.S.A. 39:6A-4; providing purported chiropractic services through two professional corporations that were designed to appear to be owned by Respondent, when such purported ownership was, in fact, a sham, and the professional corporations were, in fact, owned and controlled by individuals who do not hold chiropractic licenses in violation

of N.J.A.C. 13:44e-2.15; providing patients unnecessary purported chiropractic services and referring patients for unnecessary diagnostic testing in violation of N.J.A.C. 13:44e-2.7A(c) and (e); submitting claims that contain excessive fees in violation of N.J.A.C. 13:44E-2.11(A); improperly and fraudulently testing patients and/or misreading test results and/or misrepresenting patients' symptoms in order to justify further, unnecessary treatments and/or testing for the purposes of generating additional billing. The Respondent's purposeful commission of the above-mentioned acts, the Complaint averred, constituted several violations of the Fraud Act.

Respondent's conduct, as set forth in detail in the Complaint, provides a basis for discipline against his license to practice chiropractic in this State pursuant to N.J.S.A. 45:1-21(b), (e), (h), (k), and (n).

Respondent, being desirous of resolving this matter without the necessity of further formal proceedings, and agreeing to waive any right to same, and the Board finding the within disposition to be adequately protective of the public health, safety, and welfare, and for other good cause shown, and all parties agreeing to the terms of this Order,

IT IS on this 22 day of OCTOBER, 2015,

ORDERED:

1) Respondent's license to practice chiropractic in the State of New Jersey is hereby permanently revoked;

2) Respondent shall not apply for reinstatement of his license to practice chiropractic in the State of New Jersey;

3) Respondent shall immediately cease and desist from the practice of chiropractic in the State of New Jersey;

4) Respondent shall immediately return his original New Jersey chiropractic license to Lisa Tadeo, Executive Director, State Board of Chiropractic Examiners, 124 Halsey Street, Newark, New Jersey 07101;

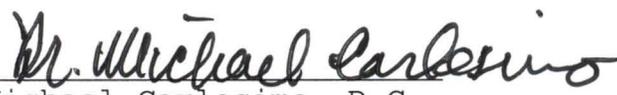
5) The Directives of the Board applicable to any Chiropractic Board licensee who is suspended, revoked or whose surrender of licensure has been accepted are incorporated by reference as though fully set forth herein, attached hereto.

NEW JERSEY STATE BOARD OF CHIROPRACTIC EXAMINERS

By: _____

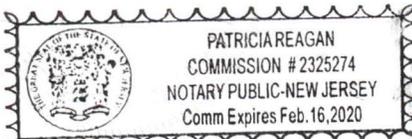

David Allen, D.C.
President

I have read the within Consent Order and agree to be bound by its terms. I understand that I may seek the advice of legal counsel, and I decline to do so. I understand the meaning and effect of this Order and I further understand that it has serious legal consequences. Consent is hereby given to the Board to enter this Order.


Michael Carlesimo, D.C.

10.14.2015
Date





**DIRECTIVES APPLICABLE TO ANY CHIROPRACTIC 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 with or without prejudice 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. 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 chiropractic 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 provides health care services. 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 eligibility to practice is represented. The licensee must also take steps to remove his/her name from professional listings, telephone directories,

professional stationery, or billings. If the licensee's name is utilized in a group practice title, it shall be deleted.

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 who is a shareholder in a professional service corporation organized to engage in the professional practice, 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 within the meaning of the Professional Service Corporation Act. (N.J.S.A. 14A:17-11). A disqualified licensee shall divest him/herself of all financial interest in the professional service corporation pursuant to N.J.S.A. 14A:17-13(c). Such divestiture shall occur within 90 days following the disqualification to own shares in the corporation. Upon divestiture, a licensee shall forward to the Board a copy of documentation forwarded to the Secretary of State, 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 medical 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 medical record or asks that that 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.

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 Chiropractic Examiners 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 chiropractor:

- (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 Federation of Chiropractic Licensing Boards of the United States, 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.

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.