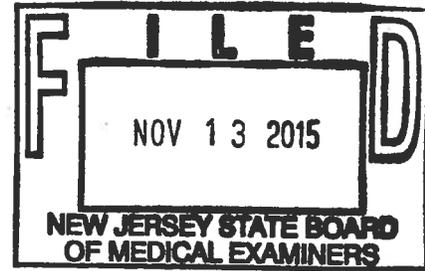


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STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
STATE BOARD OF MEDICAL EXAMINERS
OAL Docket No. BDS 12826-2014 N

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

GAUTAM SEHGAL, M.D.
LICENSE NO. 25MA03215200

TO PRACTICE MEDICINE AND SURGERY
IN THE STATE OF NEW JERSEY

ADMINISTRATIVE ACTION

FINAL CONSENT ORDER

This matter was opened to the New Jersey State Board of Medical Examiners (the "Board") by John J. Hoffman, Acting Attorney General of New Jersey (Wendy Leggett Faulk, Deputy Attorney General, appearing) on August 11, 2014, upon the filing of an Administrative Complaint against Respondent, Gautam Sehgal, M.D. The Complaint alleged, among other things, that Respondent caused several patients to undergo excessive and/or unnecessary electrodiagnostic testing ("EDX"), including nerve conduction studies and needle electromyography; failed to maintain proper patient records as required by Board regulations; falsely advertised his professional credentials; and engaged in fraudulent billing. Respondent filed an Answer to the

Complaint denying all substantive allegations, and the Board transmitted the matter to the Office of Administrative Law as a contested case. Prior to commencement of a hearing, the parties engaged in discovery. Respondent continues to deny all of the allegations set forth in the Administrative Complaint.

The allegations in the Complaint, if proven, would support the Board's finding that Respondent's EDX practices for the identified patients failed to comply with standards governing diagnostic medical testing, in violation of N.J.A.C. 13:35-2.6; that Respondent failed to maintain proper patient records for the identified patients as required by N.J.A.C. 13:35-6.5 and N.J.A.C. 13:35-7.6; that Respondent misrepresented to the public on his letterhead that he was Board Certified in Neurology when he is not, in violation of Board's advertising and solicitation regulations at N.J.A.C. 13:35-6.10(c); and that Respondent billed patients or third party insurers for EDX procedures that were not performed, in violation of N.J.A.C. 13:35-6.5(b).

The parties, the Acting Attorney General and Respondent, Gautam Sehgal, M.D., by and through counsel, Joseph Gorrell, Esq., of Brach Eichler, L.L.C., desire to resolve this matter without further proceedings and consent to each and every term of this Consent Order. The Board finds the within disposition to be adequately protective of the public health, safety and welfare.

IT IS ON THIS 13 day of November 2015, HEREBY ORDERED AND AGREED THAT:

1. Respondent's license shall be suspended for a period of two (2) years, the entirety to be stayed and served as period of probation, effective upon filing of this Order with the New Jersey State Board of Medical Examiners.

2. Respondent shall submit to a full clinical competency evaluation and

assessment at a Board-approved assessment center such as the Center for Personalized Education for Physicians ("CPEP") or the Upstate New York Clinical Competency Center at Albany Medical College ("Albany Center") within six (6) months of the date of entry of this Order. If Respondent encounters a scheduling obstacle that will prevent him from completing the assessment within six (6) months, he shall, as soon as he becomes aware of such obstacle, contact the Board and provide the date on which he will complete the assessment. The foregoing does not in any way relieve Respondent from making every effort to schedule and complete the assessment within six (6) months, and unsubstantiated scheduling obstacles will be deemed noncompliance with this term.

3. Respondent shall fully and satisfactorily complete the entirety of any recommendations resulting from the competency evaluation and assessment, including, if recommended, additional required evaluations, practice restrictions and/or professional education.

4. Respondent will ensure that all necessary releases are executed such that the Board and the Acting Attorney General are granted full access to and receive copies of all reports of Respondent's evaluation, assessment and/or recommendation(s). In addition, the Board, its agents and employees, including but not limited to the Medical Director, may communicate directly with the selected assessment center with regard to Respondent's participation or assessment, monitoring plan or educational program, and may submit to the center additional information regarding Respondent, including but not limited to the Administrative Complaint and medical records of the patients referred to herein. Any such information disclosed by the Board to the assessment center shall otherwise remain confidential, and the Board shall provide to Respondent's counsel a

copy of all such disclosures.

5. Within six (6) months of entry of this Order, Respondent shall attend and successfully complete a Board-approved ethics course. Respondent shall ensure that the course provider submits written confirmation to the Board attesting to Respondent's successful completion of the course. "Successful completion" requires that Respondent attend all course sessions, fully participate in the course, properly and appropriately complete all assignments, and receive an unconditional pass in the final evaluation.

6. Upon successful completion of the clinical competency assessment (including all recommendations therefrom) and the Board-approved ethics course, Respondent shall retain a Board-approved practice monitor for six (6) months. The monitor must be experienced in and fully familiar with all procedures Respondent performs in his medical practice. The monitor shall be licensed in New Jersey, and may not be someone with whom Respondent has or had a supervisory or financial relationship. Further, the monitor may not be related to Respondent. To obtain Board approval, Respondent shall promptly submit to the Board's Medical Director, Dr. Sindy Paul, a curriculum vitae of the proposed monitor, along with his/her acknowledgement that he/she has read this Consent Order and agrees to accept the responsibilities set forth herein. Approval of the monitor is at the sole discretion of the Board but shall not be unreasonably withheld.

7. Each month during the six (6) month monitoring period, the monitor shall independently select no fewer than ten (10) patient records from a copy of Respondent's daily appointment ledger and/or daily sign-in sheets. Prior to presenting the copy of daily appointments or sign-in sheets to the monitor, Respondent shall indicate thereon which patients received EDX procedures or for whom Respondent

recommends EDX procedures. The monitor shall review each selected patient record to determine the appropriateness and propriety of Respondent's care and treatment of the patient, including but not limited to: 1) EDX procedures recommended for and/or performed on the patient, 2) Respondent's interpretation of the data from EDX procedures, and 3) Respondent's billing for EDX procedures.

8. If necessary, the monitor shall have unfettered access to original and entire patient medical records. The monitor shall maintain and respect the confidentiality of patients and comply with privacy laws and regulations regarding all individually identifiable health information he/she may acquire in the necessary performance of his/her functions as a monitor. Respondent agrees that the monitor shall neither have nor incur any liability as a result of his/her good faith performance as a monitor.

9. The monitor shall submit bimonthly reports regarding Respondent's practice to the Medical Director of the Board, Sindy Paul, M.D., with a copy to Respondent and Deputy Attorney General Wendy Leggett Faulk. The report shall detail the monitoring activity performed and note any perceived improprieties, practice deviations or regulatory violations observed. The monitor shall make immediate report to the Board and to counsel of any instances where he/she makes a determination that Respondent failed to materially comply with the monitoring provisions of this Order. Respondent expressly waives any claim to privilege or confidentiality that he may have concerning reports and disclosures to the Board, and use by the Board of that information in any licensure proceedings, including any information obtained or discovered by the Board-approved monitor or any other person.

10. Respondent acknowledges that any recommendation, evaluation or report

issued by the assessment entity or the monitor may be introduced as a matter of public record during the course of any future disciplinary proceedings.

11. All costs associated with the clinical competency assessment, ethics course and monitoring required above shall be the responsibility of the Respondent and paid directly by the Respondent, including the entirety of the cost of the Board-approved monitor. Such costs shall not be passed on to patients or third party payers.

12. Pursuant to N.J.S.A. 45:1-22, Respondent is assessed a civil penalty in the amount of Twenty Thousand Dollars (\$20,000).

13. Pursuant to N.J.S.A. 45:1-25, Respondent is assessed State costs in the amount of Five Thousand Dollars (\$5,000).

14. The assessed penalty and costs shall be paid in the following three installments: 1) \$10,000 on or before November 15, 2015; \$7,500 on or before December 15, 2015; and 3) \$7,500 on or before January 15, 2016. Payment shall be made in the form of bank check, money order, certified check, wire transfer or credit card. Payment rendered in any other form will be rejected, returned and deemed unremitted. Payment shall be made payable to the "State of New Jersey" and forwarded to the attention of the Executive Director, New Jersey Board of Medical Examiners, P.O. Box 183, Trenton, New Jersey 08625-0183. For any assessment not paid in full as required herein, a Certificate of Debt shall be filed pursuant to N.J.S.A. 45:1-24 to protect the judgment and the Board may bring such other proceedings as authorized by law.

15. Respondent shall comply with the "Directives Applicable to Any Medical Board Licensee Who Is Disciplined or Whose Surrender of Licensure Has Been Accepted," attached hereto and made a part hereof.

16. This Final Consent Order shall be a full and final disposition of all the counts of the Administrative Matter docketed at BDS 12826-2014 N. The Board retains jurisdiction to enforce the terms of this Order.

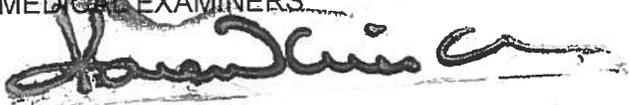
17. This Final Consent Order makes no findings of facts in favor of either party, and is neither an admission of any wrongdoing or liability by Respondent, nor a concession by the Acting Attorney General that its allegations in the Complaint are not well founded.

18. Failure by Respondent to comply with any provision of this Order may result in subsequent disciplinary proceedings pursuant to N.J.A.C. 13:45C-1.1 et seq. for failure to comply with an order of the Board. In such event, the Attorney General or the Board may commence a disciplinary proceeding seeking, among other sanctions, the suspension of Respondent's license to practice medicine.

19. The parties hereby stipulate that entry of this Order is without prejudice to further action or investigation by this Board, the Acting Attorney General, the Director of the Division of Consumer Affairs, or any other law enforcement entities, resulting from Respondent's conduct prior or subsequent to the entry of this Order.

NEW JERSEY STATE BOARD OF
MEDICAL EXAMINERS

By:



Karen Criss, C.N.M.
Board Vice President

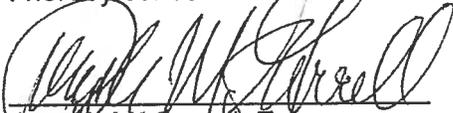
I have read and understood the within Consent Order and agree to be bound by its contents. I hereby consent to entry of this Order.



Gautam Sehgal, M.D.

Date: 11-9-15

I hereby consent to the form and entry of this Order.



Joseph M. Gorrell, Esq.
Attorney for Respondent

Date: 11/9/15

**DIRECTIVES APPLICABLE TO ANY MEDICAL BOARD LICENSEE
WHO IS DISCIPLINED OR WHOSE SURRENDER OF LICENSURE
OR CESSATION OF PRACTICE HAS BEEN ORDERED OR AGREED UPON**

APPROVED BY THE BOARD ON AUGUST 12, 2015

All licensees who are the subject of a disciplinary order or surrender or cessation order (herein after, "Order") of the Board shall provide the information required on the addendum to these directives. Failure to provide the information required may result in further disciplinary action for failing to cooperate with the Board, as required by N.J.A.C. 13:45C-1 et seq: Paragraphs 1 through 4 below shall apply when a licensee is suspended, revoked, has surrendered his or her license, or entered into an agreement to cease practice, with or without prejudice, whether on an interim or final basis. Paragraph 5 applies to licensees who are the subject of an order which, while permitting continued practice, contains probationary terms or monitoring requirement.

1. Document Return and Agency Notification

The licensee shall promptly forward to the Board office at Post Office Box 183, 140 East Front Street, 2nd floor, Trenton, New Jersey 08625-0183, the original license, current biennial registration and, if applicable, the original CDS registration. In addition, if the licensee holds a Drug Enforcement Agency (DEA) registration, he or she shall promptly advise the DEA of the licensure action. (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. Prior to the resumption of any prescribing of controlled dangerous substances, the licensee shall petition the Director of Consumer Affairs for a return of the CDS registration if the basis for discipline involved CDS misconduct. In addition, at the conclusion of the term, the licensee should contact the DEA to advise of the resumption of practice and to ascertain the impact of that change upon his/her DEA registration.)

2. Practice Cessation

The licensee shall cease and desist from engaging in the practice of medicine 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, surrender or cessation, the licensee must truthfully disclose his/her licensure status in response to inquiry.) The licensee subject to the order

is also prohibited from occupying, sharing or using office space in which another licensee provides health care services. The licensee subject to the order may contract for, accept payment from another licensee for rent at fair market value for office premises and/or equipment. In no case may the licensee subject to the order authorize, allow or condone the use of his/her provider number by any health care practice or any other licensee or health care provider. In situations where the licensee has been subject to the order 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), subject to the order for the payment of salaries for office staff employed at the time of the Board action.

A licensee whose license has been revoked, suspended or subject to a surrender or cessation order for one (1) year or more must immediately take steps to 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 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 obtained from the Office of Drug Control (973-504-6558) must be filed. If no other licensee is providing services at the location, all medications must be removed and returned to the manufacturer, if possible, destroyed or safeguarded. (In situations where a license has been suspended for less than one year, prescription pads and medications need not be destroyed but must be secured in a locked place for safekeeping.)

3. Practice Income Prohibitions/Divestiture of Equity Interest in Professional Service Corporations and Limited Liability Companies

A licensee subject to the order 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.¹ 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 order.

¹This bar on the receipt of any fee for professional services is not applicable to cease and desist orders where there are no findings that would be a basis for Board action, such as those entered adjourning a hearing.

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 or who is ordered to cease practice 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). A disqualified licensee who is a member of a limited liability company organized pursuant to N.J.S.A. 42:1-44, shall also divest him/herself of all financial interest. Such divestiture of the licensee's interest in the limited liability company or professional service corporation shall occur within 90 days following the entry of the order rendering the licensee disqualified to participate in the applicable form of ownership. Upon divestiture, a licensee shall forward to the Board a copy of documentation forwarded to the Division of Revenue and Enterprise Services demonstrating that the interest has been terminated. If the licensee is the sole shareholder in a professional service corporation or sole member of the limited liability company, the corporation must be dissolved within 90 days of the licensee's disqualification unless it is lawfully transferred to another licensee and documentation of the valuation process and consideration paid is also provided to the Board.

4. Medical 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) immediately 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. If the licensee has a website, a notice shall be posted on the website as well.

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 record be forwarded to another health care provider, the licensee shall promptly provide the record without charge to the patient.

5. Probation/Monitoring Conditions

With respect to any licensee who is the subject of any order imposing a probation or monitoring requirement or a stay of an active suspension, in whole or in part, which is conditioned upon compliance with a probation or monitoring requirement, the licensee shall fully cooperate with the Board and 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 the 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 the 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/facility involved in the education, treatment, monitoring or oversight of the practitioner, or maintained by a 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 providing the designated sample.

6. Payment of Civil and Criminal Penalties and Costs.

With respect to any licensee who is the subject of any order imposing a civil penalty and/or costs, the licensee shall satisfy the payment obligations within the time period ordered by the Board or be subject to collection efforts or the filing of a certificate of debt. The Board shall not consider any application for reinstatement nor shall any appearance before a committee of the Board seeking reinstatement be scheduled until such time as the Board ordered payments are satisfied in full. (The Board at its discretion may grant installment payments for not more than a 24 months period.)

As to the satisfaction of criminal penalties and civil forfeitures, the Board will consider a reinstatement application so long as the licensee is current in his or her payment plans.

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 Medical 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, including the transcript and documents marked in evidence, are available for public inspection, upon request.

Pursuant to 45 CFR Subtitle A 60.8, the Board is obligated to report to the National Practitioners Data Bank any action relating to a physician which is based on reasons relating to professional competence or professional conduct:

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

Pursuant to 45 CFR Section 61.7, the Board is obligated to report to the Healthcare Integrity and Protection (HIP) Data Bank, any formal or official actions, such as revocation or suspension of a license (and the length of any such suspension), reprimand, censure or probation or any other loss of license or the right to apply for, or renew, a license of the provider, supplier, or practitioner, whether by operation of law, voluntary surrender, non-renewability, or otherwise, or any other negative action or finding by such Federal or State agency that is publicly available information.

Pursuant to N.J.S.A.45:9-19.13, if the Board refuses to issue, suspends, revokes or otherwise places conditions on a license or permit, it is obligated to notify each licensed health care facility and health maintenance organization with which a licensee is affiliated and every other board licensee in this state with whom he or she is directly associated in private medical practice.

In accordance with an agreement with the Federation of State Medical Boards of the United States, a list of all disciplinary orders are provided to that organization on a monthly basis.

Within the month following entry of an order, a summary of the order will appear on the public agenda for the next 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.

Within the month following entry of an order, a summary of the order will appear in a Monthly Disciplinary Action Listing which is made available to those members of the public 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.