

BEFORE THE BOARD OF HEALING ARTS  
OF THE STATE OF KANSAS

MAR 12 1994

**KANSAS STATE BOARD OF  
HEALING ARTS**

IN THE MATTER OF )  
 )  
WILLIAM M. KNARR, D.O. )  
Kansas License No. 05-19184 )  
\_\_\_\_\_ )

Case No. 92-00073  
92-00205

**STIPULATION AND AGREEMENT  
AND ENFORCEMENT ORDER**

COMES NOW, the Kansas State Board of Healing Arts (hereinafter "Board") by and through Kevin K. LaChance, Associate Counsel, and William M. Knarr, D.O. (hereinafter "Licensee"), by and through Thomas E. Wright, Counsel for Licensee, and stipulate and agree as follows:

1. The Board is the sole and exclusive regulatory agency in the state of Kansas regarding the practice of the healing arts, specifically the practice of osteopathic medicine and surgery. K.S.A. 65-2801, et seq; K.S.A. 65-2870.

2. Licensee is or has been entitled to engage in the practice of osteopathic medicine and surgery in the State of Kansas, having been issued license number 05-19184 on June 19, 1981. At all time relevant to the allegations set forth below, Licensee has held a current license to engage in the practice of osteopathic medicine and surgery in the State of Kansas, having last renewed his license on July 29, 1993.

3. Information provided to the Board indicates that Licensee may have committed acts which, if proven to be true, would constitute violations of the Healing Arts Act, K.S.A. 65-

2801 et seq. The Board instructed that a Petition to Revoke, Suspend, or Otherwise Modify Licensee's license be filed. The charges alleged against Licensee are detailed in the Third Amended Petition to Revoke, Suspend, or Otherwise Limit Licensure, filed September 3, 1993.

4. Such acts or conduct as set forth above could constitute grounds for disciplinary action by the Board pursuant to provisions of the Healing Arts Act. Under the provisions of K.S.A. 65-2838(a), the Board has jurisdiction to impose appropriate discipline if a licensee of the Board has engaged in any commissions or omissions to bring licensee within the purview of K.S.A. 65-2836. Under the provisions of K.S.A. 65-2838(b), the Board has authority to enter into this **STIPULATION AND AGREEMENT ENFORCEMENT ORDER** (hereinafter "**STIPULATION**").

5. It is the intent and purpose of this **STIPULATION** to provide for settlement of all issues without the necessity of proceeding to a formal hearing. K.S.A. 65-2828(b). The Board and Licensee acknowledge that if a full adjudicative hearing were held with regard to this matter, Board counsel and Licensee's counsel would each present evidence and witnesses in a contested case hearing in accordance with the Kansas Healing Arts Act and the Kansas Administrative Procedure Act. Licensee voluntarily and affirmatively waives his right to a hearing pertaining to any matter under the jurisdiction of the Board regarding his license to engage in the practice of osteopathic medicine and surgery.

Licensee voluntarily and knowingly waives his right to present a defense by oral testimony and documentary evidence, to submit rebuttal evidence, to conduct such cross-examination of witnesses as may be desired and to waive any and all substantive procedural motions and defenses that could be raised if an administrative hearing would be held.

The terms and conditions of the **STIPULATION** are entered into between the undersigned parties and is submitted for the purpose of allowing these terms and conditions to become an Order of the Board. Licensee specifically acknowledges that counsel for the Board is not authorized to sign for nor bind the Board.

6. In consideration of the conditions, terms, covenants, and promises contained herein, the parties agree as follows:

(a) The Board is the duly authorized administrative agency of the State of Kansas with appropriate statutory authority to regulate the practice of the healing arts to include the practice of osteopathic medicine and surgery in the State of Kansas.

(b) Licensee admits that this **STIPULATION** and its filing are in accordance with the requirements of law; that the Board has jurisdiction to consider the **STIPULATION** and is lawfully constituted to consider this matter to include consideration of this **STIPULATION**. Licensee further notes that the Kansas Healing Arts Act is constitutional on its face and as applied in this case. Licensee further acknowledges that the Board, acting in this

matter, is not acting beyond the jurisdiction referred to by any provision of law.

(c) In lieu of formal proceedings and/or findings by the Board, Licensee, by signature attached to this **STIPULATION**, hereby voluntarily agrees to the conditions placed on his license to engage in the practice of osteopathic medicine and surgery in the State of Kansas.

(d) Applicant hereby agrees to disciplinary measures against his license to engage in the practice of osteopathic medicine and surgery in the State of Kansas based on the following specific conditions:

(i) The Board asserts the counts as alleged are true. Licensee admits to the following counts contained in the Third Amended Petition to Revoke, Suspend or Otherwise Limit Licensure to the following extent:

A. Count I - Licensee admits that evidence provided may show that he deviated from the appropriate standard of care to a degree which constituted ordinary negligence with regard in the following particulars:

(1) MM -

(a) failing to appropriately chart the patient's initial sonogram;

(b) failing to request proper consultation on a timely basis;

(c) failing to dictate a History and Physical in a timely manner.

(2) SE -

- (a) prematurely injecting patient with Marcaine per the pudendal method.

Licensee denies all other allegations remaining in Count I.

B. Count II - Licensee admits that paragraphs one through five of Count II are true statements supported by evidence, and that the evidence presented constitutes a violation of K.S.A. 65-2836(b) as interpreted by K.S.A. 65-2837(b)(17). Licensee specifically denies paragraphs six and seven of the count.

C. Count III - Licensee specifically denies the allegations of Count III.

D. Count IV - Licensee admits that on or around August 7, 1991, his privileges at Bethany Medical Center were restricted by Bethany Medical Center, and that such action constituted sanctions and/or disciplinary actions by a health care facility for acts or conduct similar to acts or conduct which would constitute grounds for disciplinary action under the provisions of K.S.A. 65-2836(s). Licensee specifically denies that the other allegations constitute grounds for disciplinary action.

E. Count V - Licensee specifically denies the allegations of Count V.

F. Count VI - Licensee admits to the allegations of Count VI to the extent that, while there may have been a payment lapse for his malpractice coverage, Licensee contends that he tendered his application for renewal in a timely fashion, the insurer took two weeks to provide a rate quote, and Licensee paid the insurance within two days of receiving the rate quote.

G. Count VII - Licensee admits to the allegations of Count VII to the extent that, while there may have been a payment lapse for his healthcare stabilization fund coverage, Licensee contends that he tendered his application for renewal in a timely fashion, the insurer took two weeks to provide a rate quote, and Licensee paid the insurance within two days of receiving the rate quote.

H. Count VIII - Licensee admits that the Board has jurisdiction over his extraterritorial activities as a practitioner of the healing arts, and may have some proof that such events as alleged occurred, but that, in regards to this count, due to the difficulty of proving or denying the specifications of the count for either party, administrative action should be deferred to the state agency with geographical jurisdiction over the acts in question. The Board is specifically authorized to share its factual investigative information with the aforementioned state agency.

I. Count IX - Licensee admits that the Board has jurisdiction over his extraterritorial activities as a practitioner of the healing arts, and may have some proof that such events as alleged occurred, but that, in regards to this count, due to the difficulty of proving or disproving the specifications of the count for either party, administrative action should be deferred to the state agency with geographical jurisdiction over the acts in question. The Board is specifically authorized to share its

factual investigative information with the aforementioned state agency.

J. Count X - Licensee admits that the alleged loss occurred, and that, as "captain of the ship", he may bear responsibility for the alleged loss, but that he was not the actor who caused the loss, nor did he act in some affirmative manner to facilitate the loss. Due to the difficulty of proving or disproving the allegations of this count for either party, administrative action should be deferred to the state agency with geographical jurisdiction over the acts in question. The Board is specifically authorized to share its factual investigative information with the aforementioned state agency.

K. Count XI - Licensee admits the allegations of count XI to the extent that he admits the allegations of Count I.

L. Count XII - Licensee specifically denies the allegation of Count XII.

(ii) Licensee agrees that his license to practice osteopathic medicine and surgery in the state of Kansas will be suspended for a period of at least two (2) years effective the date an authorized Board signature is placed on this **STIPULATION**.

(iii) Licensee agrees that if he applies for termination of the suspension of his license after the two (2) year period, such application will be taken under consideration by the Board utilizing the eight factors enumerated by the Kansas Supreme Court in Kansas State Board of Healing Arts v. Vakas. The factors

to be considered will be: (1) The present moral fitness of Licensee, (2) the demonstrated consciousness of the wrongful conduct and disrepute which the Licensee's conduct has brought the profession, (3) the extent of Licensee's rehabilitation, (4) the nature and seriousness of Licensee's original misconduct, (5) Licensee's conduct subsequent to this Stipulation, (6) the time elapsed since the original misconduct, (7) Licensee's character, maturity and and experience at the time of the original misconduct, and (8) Licensee's present competence in medical skills. Licensee agrees that he must take and pass a SPEX test within the preceding six months prior to Board consideration of his application for termination of suspension of licensure. Further, Licensee understands he must maintain and renew his license on an annual basis. Licensee acknowledges that, if he fails to renew his license on an annual basis in accordance with statute and regulation, he will be required to reinstate his license according to statute and regulation and the Board may consider the factors and denied counts listed above in determining whether or not his license should be reinstated. Said reinstatement consideration shall be separate and distinct from any requests for termination of suspension of Licensee's license. Licensee acknowledges that prior to any status change of his license, Licensee must comply with all requirements of all applicable statutes, rules and regulations pertaining to reinstatement of revoked licenses and renewal of licenses to practice the healing arts in the State of Kansas.



(iv) Licensee agrees that he will either divest himself of any and all ownership interests in any and all Kansas health care facilities or convey away by lease all right to occupy any and all Kansas health care facilities within a certain agreed amount of time from the date of execution of this document with a Board authorized signature. Further, that during the time that his license is suspended he will neither acquire nor attempt to acquire any ownership interest of any kind in any health care facility in the state of Kansas. The term "health care facility" includes, but is not limited to, clinics, medical offices, hospitals, laboratories, surgical centers, health maintenance organizations, etc. Licensee agrees that he will only enter health care facilities in the state of Kansas as a patient or as a non-health care providing visitor of a patient in the health care facility, or as a lessor fulfilling his contractual obligations in a lessor/lessee relationship pursuant to the first sentence of this subparagraph. Licensee agrees that he will not participate in the health care field in the state of Kansas in any manner whatsoever to include, but not limited to, employment by another health care provider, serving as an officer or director of any corporation, or buying, obtaining, or in any manner acquiring an interest in any professional association, partnership or sole proprietorship, or providing any services in any managerial capacity therein. Licensee specifically agrees that he will provide no professional or other services listed under the exceptions to the practice of

the healing arts found under K.S.A. 65-2872(d), (e), (f), (g), (h), (i), (j), and (o).

(v) Licensee agrees to place his medical records in the care of either another licensee or a records holding facility at his own cost in order to comply with K.A.R. 100-24-1. Licensee has an affirmative duty to notify the Board of the specific measures he takes in compliance with the previous requirement in order for the Board to respond to questions received from patients regarding their medical records.

Licensee's agreement to the above terms pertaining to his license are evidenced by his signature affixed to this document.

(e) Nothing in this agreement shall be construed to deny the Board jurisdiction to investigate alleged violations of the Healing Arts Act or to investigate complaints received under the Risk Management Law, K.S.A. 65-4921 et seq, that are unknown and are not covered under the conditions of this **STIPULATION** or subsequent acts which are unknown to the Board or to initiate formal proceedings based upon known or unknown allegations of violations of the Healing Arts Act.

(f) This **STIPULATION** constitutes the entire agreement between the parties and may only be modified and/or amended by a subsequent document executed in the same manner by the parties.

(g) Licensee acknowledges that he has read this **STIPULATION** and fully understands its Contents.

(h) Licensee hereby releases the Board, its employee agents,

from all claims to mean those damages, actions, liabilities and causes of actions, both administrative and civil, including the Kansas Act for Judicial Review and Civil Enforcement of Agency Actions; K.S.A. 77-601 et seq. This release shall discharge the Board of any and all claims or demands of every kind and nature that Licensee has claimed to have had at the time of this release or might have had, either known or unknown, suspected or unsuspected, and Licensee shall not commence to prosecute, cause or permit to be prosecuted, any action or proceeding of any description against the Board, its employees or agents, arising out of acts leading to the execution of this **STIPULATION** or the Contents of this **STIPULATION**.

(i) Licensee acknowledges that his **STIPULATION** has been entered in freely and voluntarily given.

(j) Licensee acknowledges that this document shall be deemed a public record only when fully executed by both Licensee and Board and shall only at such time be reportable to the National Practitioner Databank, Federation of State Medical Boards, and other reporting agencies.

10. Upon execution of this **STIPULATION** by the affixing of a Board authorized signature below, the provisions of this **STIPULATION** shall become an Order of the Board and shall be deemed a proper and lawful Enforcement Order under K.S.A. 65-2838. This **STIPULATION** shall constitute the Board's Order when filed with the Office of the Executive Director for the Board and no further Order

is required.

IN WITNESS WHEREOF, the parties have executed this agreement on the 12<sup>TH</sup> day of March, 1994.

KANSAS STATE BOARD OF HEALING ARTS

Lawrence T. Buening, Jr.  
Lawrence T. Buening, Jr.  
Executive Director

March 12, 1994.  
Date

William Malcolm Knarr, D.O.  
William Malcolm Knarr, D.O.

3/9/94  
Date

Prepared and Approved By:

~~Kevin K. LaChance~~  
091440 MAR 29 1994  
Kevin K. LaChance, #15058  
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235 S. Topeka Boulevard  
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STIPULATION AND AGREEMENT AND ENFORCEMENT ORDER  
William M. Knarr, D.O.

CERTIFICATE OF SERVICE

I, Kevin K. LaChance, Associate Counsel, Kansas State Board of Healing Arts, hereby certify that I served a true and correct copy of the **STIPULATION AND AGREEMENT AND ENFORCEMENT ORDER** by United State Mail, postage prepaid, on this 14<sup>TH</sup> day of MARCH,

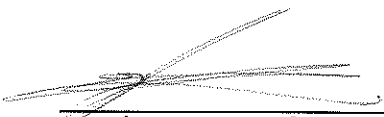
1994 to the following:

William Malcolm Knarr, D.O.  
720 Central  
Kansas City, Kansas 66102

Thomas E. Wright  
Wright, Henson, Somers, Sebelius  
Commerce Bank Building  
100 S.E. 9th Street, Second Floor  
P.O. Box 3555  
Topeka, Kansas 66601-3555

and the original was hand-delivered to:

Lawrence T. Buening, Jr.  
Executive Director  
Kansas State Board of Healing Arts  
235 S. Topeka Boulevard  
Topeka, Kansas 66603-3068

  
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Kevin K. LaChance