

**IN THE MATTER OF** \* **BEFORE THE MARYLAND**  
**MAHADEVAPPA HUNASIKATTI, M.D.** \* **STATE BOARD OF**  
**Respondent** \* **PHYSICIANS**  
**License Number: D45642** \* **Case Number: 2014-0159**  
\* \* \* \* \*

**CONSENT ORDER**

**BACKGROUND**

On or about August 13, 2013, the Maryland Board of Physicians (the “Maryland Board”) received information that Mahadevappa Hunasikatti, M.D., (the “Respondent”) (D.O.B. 3/09/1955), License Number D45642, was disciplined by the Virginia Board of Medicine (the “Virginia Board”) based upon his care and treatment of patients and for engaging in unprofessional conduct in the practice of medicine. In an Order dated June 10, 2013, the Virginia Board disciplined the Respondent by issuing a reprimand.

Based on the above referenced Virginia Board sanction, the Maryland Board has grounds to charge the Respondent with violating the following provisions of the Maryland Medical Practice Act (the “Act”), under H. O. § 14-404(a):

- (a) Subject to the hearing provisions of § 14-405 of this subtitle, the Board, on the affirmative vote of a majority of the quorum, may reprimand any licensee, place any licensee on probation, or suspend or revoke a license if the licensee:
  - (21) Is disciplined by a licensing or disciplinary authority or convicted or disciplined by a court of any state or country or disciplined by any branch of the United States uniformed services or the Veteran’s Administration for an act that would be grounds for disciplinary action under this section,

The Maryland Board has determined that the acts for which the Respondent was disciplined in Virginia would be grounds for disciplinary action under H.O. § 14-404(a).

The grounds for disciplinary action under H.O. § 14-404(a)(21) are as follows:

- (3) Is guilty of:
  - (i) Immoral conduct in the practice of medicine.
  - (ii) Unprofessional conduct in the practice of medicine.
- (18) Practices medicine with an unauthorized person or aids an unauthorized in the practice of medicine.
- (22) Fails to meet appropriate standards as determined by appropriate peer review for the delivery of quality medical and surgical care performed in an outpatient surgical facility, office, hospital, or any other location in the state.

Based on the action taken by the Virginia Board, the Respondent agrees to enter into this Consent Order with the Maryland Board of Physicians, consisting of Procedural Background, Findings of Fact, Conclusions of Law, and Order of reciprocal action.

### **I. FINDINGS OF FACT**

The Board finds the following:

- 1. At all times relevant hereto, the Respondent was a physician licensed to practice medicine in the State of Maryland. The Respondent was initially licensed in Maryland on or about February 1, 1994.
- 2. The Respondent's primary areas of practice are Internal Medicine and Pulmonary Disease.

3. By Order dated January 14, 2013, the Virginia Board found:
- a. The Respondent, his associates, and/or personnel at a sleep center, at which the Respondent was a co-medical director, engaged in solicitation of individuals for the performance and interpretation of sleep studies based on the erroneous or misleading recommendation made to such individuals by the Respondent or others at the sleep center that it was necessary to perform annual sleep study followups. The Respondent or other personnel at the sleep center received payments from individuals and/or their insurance companies for the solicited/recommended sleep studies.
  - b. The Respondent or other co-medical directors at the sleep center authorized, prescribed, or facilitated the ordering of sleep studies and CPAP, BiPAP, and other sleep-related durable medical equipment for individuals tested at the sleep center without establishing or having a bona fide physician-patient relationship with such individuals.
  - c. The Respondent generally did not determine the medical necessity for the performance of individual sleep studies but rather non-physician employees scheduled/ordered such sleep studies after performing the initial intake assessment.

A copy of the Virginia Board Order is attached hereto.

## **II. CONCLUSIONS OF LAW**

Based on the foregoing Findings of Fact, the Maryland Board concludes as a matter of law that the disciplinary action taken by the Virginia Board against the Respondent was for an act or acts that would be grounds for disciplinary action under Health Occ. § 14-404(a) (3) (i) and (ii), (18) and (22) had these offenses been committed in this State.

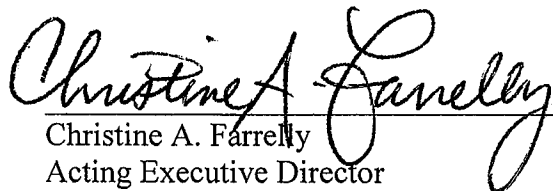
**III. ORDER**

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby:

**ORDERED** that the Respondent's license to practice medicine in the State of Maryland be and is hereby **REPRIMANDED**; and be it further

**ORDERED** that this **CONSENT ORDER** is a **PUBLIC DOCUMENT** pursuant to Md. State Gov't Code Ann. § 10-611 et seq. (2009 Repl. vol.).

11/21/13  
Date

  
Christine A. Farrelly  
Acting Executive Director

**CONSENT**

I, Mahadevappa Hunasikatti, M.D., acknowledge that I have had the opportunity to consult with counsel before signing this document. By this Consent, I admit to the Findings of Fact and Conclusions of Law, and I agree and accept to be bound by this Consent Order and its conditions and restrictions. I waive any rights I may have had to contest the Findings of Fact and Conclusions of Law.

I acknowledge the validity of this Consent Order as if entered into after the conclusion of a formal evidentiary hearing in which I would have had the right to counsel, to confront witnesses, to give testimony, to call witnesses on my behalf, and to all other substantive and procedural protections as provided by law. I acknowledge the legal authority and the jurisdiction of the Board to initiate these proceedings and to issue and enforce this Consent Order. I also affirm that I am waiving my right to appeal any adverse ruling of the Board that might have followed any such hearing.

I sign this Consent Order after having had an opportunity to consult with counsel, without reservation, and I fully understand and comprehend the language, meaning and terms of this Consent Order.

I voluntarily sign this Consent Order, and understand its meaning and effect.

9-28-13  
Date

M. Hunasikatti  
Mahadevappa Hunasikatti, M.D.  
Respondent

STATE OF Virginia  
CITY/COUNTY OF Loudoun

I HEREBY CERTIFY that on this 29th day of SEP, 2013, before me, the subscriber, a Notary Public for the State and City/County aforesaid, personally appeared Mahadevappa Hunasikatti, M.D., and made oath in due form of law that the execution of the foregoing Consent Agreement was his voluntary act and deed.

AS WITNESSETH my hand and my notarial seal

[Signature]  
Notary Public

MY COMMISSION EXPIRES:

My Commission Expires December 31, 2013



VIRGINIA:

BEFORE THE BOARD OF MEDICINE

IN RE: MAHADEVAPPA HUNASIKATTI, M.D.  
License No.: 0101-058372

ORDER

In accordance with Sections 54.1-2400(10), 2.2-4019 and 2.2-4021 of the Code of Virginia (1950), as amended ("Code"), an informal conference was held with Mahadevappa Hunasikatti, M.D., on May 22, 2013, in Henrico, Virginia. Members of the Virginia Board of Medicine ("Board") serving on the Special Conference Committee ("Committee") were: Jane Piness, M.D., Chair; Robert Hickman, M.D.; and Barbara Allison-Bryan, M.D. Dr. Hunasikatti appeared personally and was represented by legal counsel, Anisa Kelley. Julia Bennett, Adjudication Specialist, was present as a representative for the Administrative Proceedings Division of the Department of Health Professions.

The purpose of the informal conference was to inquire into allegations that Dr. Hunasikatti may have violated certain laws and regulations governing the practice of medicine in the Commonwealth of Virginia, as set forth in a Notice of Informal Conference dated February 1, 2013.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Now, having properly considered the evidence and statements presented, the Committee makes the following Findings of Fact and Conclusions of Law:

1. Mahadevappa Hunasikatti, M.D., was issued license number 0101-058372 by the Board to practice medicine and surgery in the Commonwealth of Virginia on August 12, 1998. Said license is currently active and will expire on March 31, 2014, unless renewed or restricted.

2. During 2011 and 2012, in Dr. Hunasikatti's capacity as co-medical director of 1<sup>st</sup> Class Sleep Diagnostics ("1<sup>st</sup> Class Diagnostics"), with six sleep center locations in northern Virginia:

a. Dr. Hunasikatti violated Sections 54.1-2915.A(12), (16) and (18) of the Code, and 18 VAC 85-20-28.A(1) of the Board of Medicine General Regulations, in that Dr. Hunasikatti, his associates, and/or personnel at 1<sup>st</sup> Class Diagnostics engaged in solicitation of individuals for the performance and interpretation of sleep studies based on the erroneous or misleading recommendation made to such individuals by Dr. Hunasikatti or others at 1<sup>st</sup> Class Diagnostics that it was necessary to perform annual sleep study follow-ups. For example, Dr. Hunasikatti interpreted a sleep study that was performed on Patient A on or about June 4, 2012 as "a BiPAP retitration because of a recommended annual follow up." Further, Dr. Hunasikatti or other personnel at 1<sup>st</sup> Class Diagnostics (or its affiliated company, 1<sup>st</sup> Class Medical, acting on behalf of 1<sup>st</sup> Class Diagnostics) received payments from individuals and/or their insurance companies for the foregoing solicited/recommended sleep studies.

b. Dr. Hunasikatti violated Sections 54.1-2915.A(3) and (13) of the Code in that he or other co-medical directors at 1<sup>st</sup> Class Diagnostics authorized, prescribed or facilitated the ordering of sleep studies and CPAP, BiPAP, or other sleep-related durable medical equipment ("DME") for individuals tested at 1<sup>st</sup> Class Diagnostics without establishing or having a bona fide physician-patient relationship with such individuals. Specifically, Dr. Hunasikatti and the other co-medical directors of 1<sup>st</sup> Class Sleep Diagnostics generally did not meet, see, examine, assess, evaluate, take or

review medical histories or referrals from other physicians, or have any contact with individuals who underwent sleep studies at 1<sup>st</sup> Class Diagnostics.

c. Dr. Hunasikatti violated Sections 54.1-2915.A(3), (11), (12), (13) and (18) of the Code, and 18 VAC 85-20-29.A(1) of the Board of Medicine General Regulations, in that neither he nor any other licensed physician at 1<sup>st</sup> Class Diagnostics generally determined the medical necessity for the performance of individual sleep studies (including with respect to Patient A on or about June 4, 2012, Patient C on or about April 29, 2011, Individual B on or about July 1 and 8, 2011, and Individual D on or about June 8, 2011). Rather 1<sup>st</sup> Class Diagnostics non-physician employees (i.e., receptionist) scheduled/ordered such sleep studies after performing the initial intake assessment.

3. Dr. Hunasikatti stated he became board certified in sleep medicine in 2010. He denied soliciting patients and stated he was not aware of any patients being called for a follow-up study on his behalf. Dr. Hunasikatti stated he believes patients who have symptoms should be seen by a sleep study physician at least once a year. He stated he wanted to provide the best care to patients and denied any intent to do anything wrong. He said he wanted to see the patients prior to the studies, but the patients did not always want to see him when he tried to insist that they come in for an examination, i.e., they accused him of seeking a co-pay for an office visit.

4. Dr. Hunasikatti stated he always presumed that anyone who came to 1<sup>st</sup> Class Diagnostics had been seen by his/her primary care physician or referred by a physician. He explained that copies of the sleep study results were given to the patient and should have

also been sent to the referring physician. Dr. Hunasikatti acknowledged that the patient records did not reflect that patients were referred to 1<sup>st</sup> Class Diagnostics by other physicians, nor could he show documentation that the sleep studies were forwarded to patients' referring physicians.

5. Dr. Hunasikatti stated that he was not the owner of 1<sup>st</sup> Class Diagnostics and in his position as Co-Medical Director he was responsible only for reading/ interpreting sleep studies, making treatment recommendations, and coding for the services provided. He asserted that he was not responsible for the business side of the practice, including marketing, solicitation of patients, the recordkeeping system of the practice, and billing and insurance matters.

6. Dr. Hunasikatti asserted that his main focus was the quality of the test and interpreting the test. In other words, his concern was with the medical aspects of the practice. Since becoming aware of the Board's investigation, Dr. Hunasikatti states that 1<sup>st</sup> Class Diagnostics has made significant changes in how patients are received or referred and followed-up. Dr. Hunasikatti explained that he left 1<sup>st</sup> Class Diagnostics not because he had concerns with the quality of the practice, but rather because he was upset to find himself the subject of a Board investigation after having an unblemished career.

#### ORDER

WHEREFORE, based on the above Findings of Fact and Conclusions of Law, it is hereby ORDERED that Dr. Hunasikatti be issued a REPRIMAND.

It is further ORDERED that Dr. Hunasikatti shall pay a MONETARY PENALTY in the amount of five thousand dollars (\$5,000). Said monetary penalty shall be paid to the Board

within ninety (90) days from entry of this Order. Failure to pay the full monetary penalty within the timeframe stipulated may constitute grounds for an administrative proceeding.

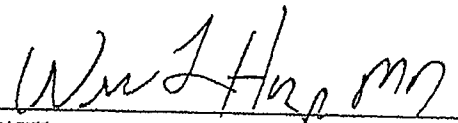
Dr. Hunasikatti shall maintain a course of conduct in his practice of medicine commensurate with the requirements of Title 54.1, Chapter 29 of the Code and all laws of the Commonwealth.

Pursuant to Sections 2.2-4023 and 54.1-2400.2 of the Code, the signed original of this Order shall remain in the custody of the Department of Health Professions as a public record, and shall be made available for public inspection and copying upon request.

Pursuant to Section 54.1-2400(10) of the Code, Dr. Hunasikatti may, not later than 5:00 p.m., on July 10, 2013, notify William L. Harp, M.D., Executive Director, Board of Medicine, 9960 Mayland Drive, Suite 300, Henrico, Virginia 23233, in writing that he desires a formal administrative hearing before the Board. Upon the filing with the Executive Director of a request for the hearing, this Order shall be vacated.

Therefore, this Order shall become final on July 10, 2013; unless a request for a formal administrative hearing is received as described above.

FOR THE BOARD

  
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William L. Harp, M.D.  
Executive Director  
Virginia Board of Medicine

ENTERED: 6/10/13