

# The Financial Impact of Professional Discipline on Clinicians: A Case for Preventive Education

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Regulatory organizations, such as medical licensing boards and private health-care organizations, evaluate clinicians for lapses in professionalism involving ethics, record keeping, prescribing, and civic duties. Disciplinary action against these clinicians consists of direct penalties, loss of license or credentials, probation of practices, and reputational damage. Specialized remedial education courses often are one of the numerous stages required for a physician to regain good standing with their regulating agency. Many clinicians enrolled in such courses state that the total financial impact of disciplinary action against them is significant. This 2021 study analyzed the financial impact of professional discipline on clinicians who enrolled in a course provided by a large organization specializing in providing remedial CME on various professionalism-focused topics to satisfy disciplinary and regulatory actions. Of the 195 participants, approximately 157 participants completed the questionnaire. Using these data, we have developed hypotheses and recommendations for enhancing education or training focused on topics of professionalism to reduce the need for formal discipline at the outset. Our research shows that disciplinary action has a significant financial and emotional impact on clinicians and that preventative education, or education or training focused on topics of professionalism, can be an important tool to limit the need for disciplinary action.

**KEY WORDS:** Financial impact; professionalism; discipline; preventative education; direct cost; Continuing Medication Education; remedial education; remediation.

The evaluation of physician practice standards is necessary to maintain continued qualification for the practice of medicine. Each year, thousands of clinicians are evaluated for myriad legal and conduct issues reported to state medical boards (SMBs), resulting in disciplinary action. In the United States, about 4000 clinicians annually are subject to disciplinary action, most commonly resulting in fines, revocation of medical licensure, probation of practices, and mandatory education courses.<sup>1</sup> As a result of this disciplinary action, a multi-tiered rehabilitation/probationary plan is applied for clinicians to reestablish a position of good standing with their regulatory agency or employer.

Continuing medical education (CME) is one way to satisfy the requirements necessary for recertification. Clinicians who have been disciplined often are required to partake in remedial education courses specific to the incompetency.<sup>2</sup> Remedial course topics include professional boundaries, ethics and professionalism, record keeping, prescribing, and civility and communication. These interventions aimed at practice-enabling and reinforcing strategies can improve physician performance and healthcare outcomes.<sup>3</sup> Although beneficial, remedial CME is only one of the necessary components that can be included in disciplinary action.

Over the last 20 years, individuals completing the necessary steps in physician remediation/rehabilitation have

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raised concerns about the wide variety of financial burdens incurred over the entire course of the disciplinary period. These impacts result from multiple factors, such as direct costs (e.g., fines, fees, attorney's bills) and lost wages during a license suspension. The length of the disciplinary period can obscure the direct financial impact clinicians expect to endure. For example, physician licensure can be suspended or revoked for up to 10 years.<sup>4</sup> Indirect costs may include a decrease in practice size due to exclusion from insurance rosters or loss of specialty board certification; expenses incurred in obtaining new employment, including geographic relocation; and other expenses. To our knowledge, no one has examined this aspect of the disciplinary experience.

*Professionals who have been disciplined have reported that if they had obtained preventive education in professional ethics, they would not have gotten into trouble.*

Moreover, professionals who have been disciplined have reported regularly and repeatedly that if they had obtained preventive education in professional ethics, they would not have gotten into trouble. They could have avoided the disciplinary process and its wide-ranging personal, professional, and financial tolls. One study found that preventative education courses aimed at providers with a history of disciplinary intervention have shown decreases in disruptive behavior and impact.<sup>5</sup> However, there is little evidence of preventative medical education aimed at general medical audiences.<sup>6</sup> The indication is that early implementation of CME can directly impact the financial burden of disciplinary intervention.

Although numerous reports exist regarding the emotional and moral impact on individuals who have gone through professional discipline, there has been very little research on the financial burden many clinicians undergo because of remediation. This article offers detailed information regarding the financial consequences of being professionally disciplined for professional lapses. Furthermore, understanding the financial burden should strengthen the case for more widespread preventive education regarding professional ethics, the privilege of licensure, and the regulatory process to prevent disciplinary intervention.

## METHOD

This study was approved by the Louisiana State University Health Sciences Center at Shreveport Institutional Review Board (IRB), STUDY00001756.

### Recruitment

Participants for this study were gathered by searching the PBI internal database for remedial course graduates, beginning

in 2011, when the most current version of its database began to include detailed information about its course registrants. A total of 4900 graduates of remedial courses were identified and invited to participate in this study. The eligible participants were e-mailed the study's rationale and objectives and asked to participate by answering a multiquestion survey. The recruitment period began once the initial e-mail was sent and ended approximately two months after the initial invitation. Additionally, individuals who did not respond to the initial invitation were sent a follow-up approximately two weeks after the initial e-mail. Participants were able to withdraw from the study at any point.

### Inclusion/Exclusion Criteria

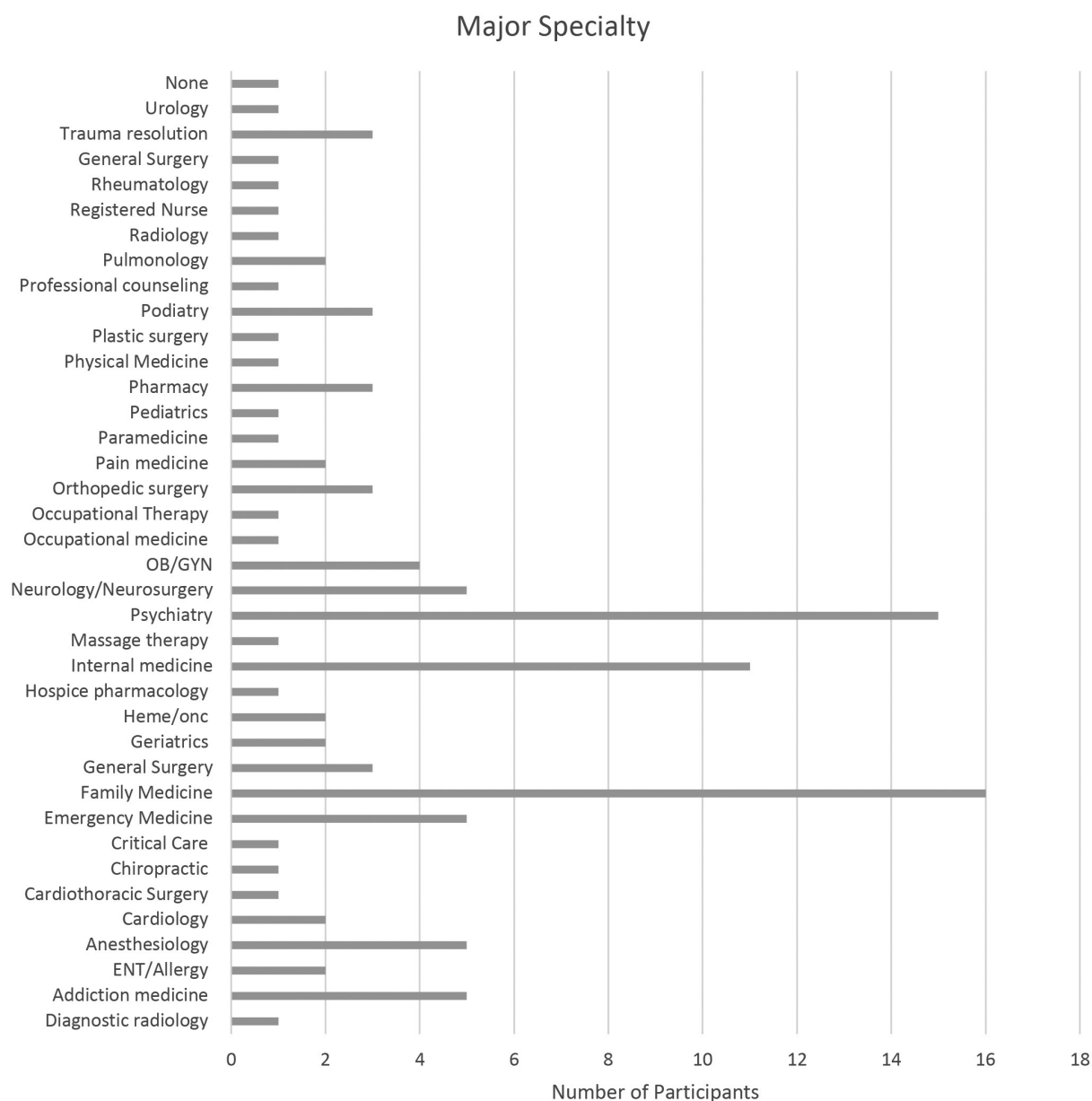
Those eligible to participate in the survey questionnaire include graduates of a course deemed "remedial" in nature, graduates of courses held between January 11, 2011 and December 31, 2020, and graduates who practice in the United States only. Courses qualify as remedial when direct faculty interact with the participants (i.e., a live course). Participants excluded from the study included graduates of online courses, self-study courses, and teleconference courses; graduates who practice outside of the United States; and graduates of multiple courses attempting to submit more than one entry. Graduates of multiple courses were permitted to submit only one survey per e-mail address. Duplicate e-mail addresses were removed from the list of potential study subjects.

### Study

Once consent was granted, individuals were able to begin the survey. The survey is a one-time questionnaire requiring approximately 10 to 60 minutes to complete. Only one submission was allowed per email address to protect against fraudulent submissions. The survey was designed to assess three areas of information: demographic and background information; disciplinary background information; and financial impact information. Demographic and disciplinary background information were tabulated quantitatively. Responses to financial impact were categorized qualitatively into themes, because these responses were recorded as narrative items. Participant survey data were stored in a protected storage system and administrative database, to be accessed only by organization staff and research team members. Only the participant's email address was included with the participant data. Furthermore, the email addresses of the study subjects were separated from the completed surveys to ensure anonymity and confidentiality.

## RESULTS

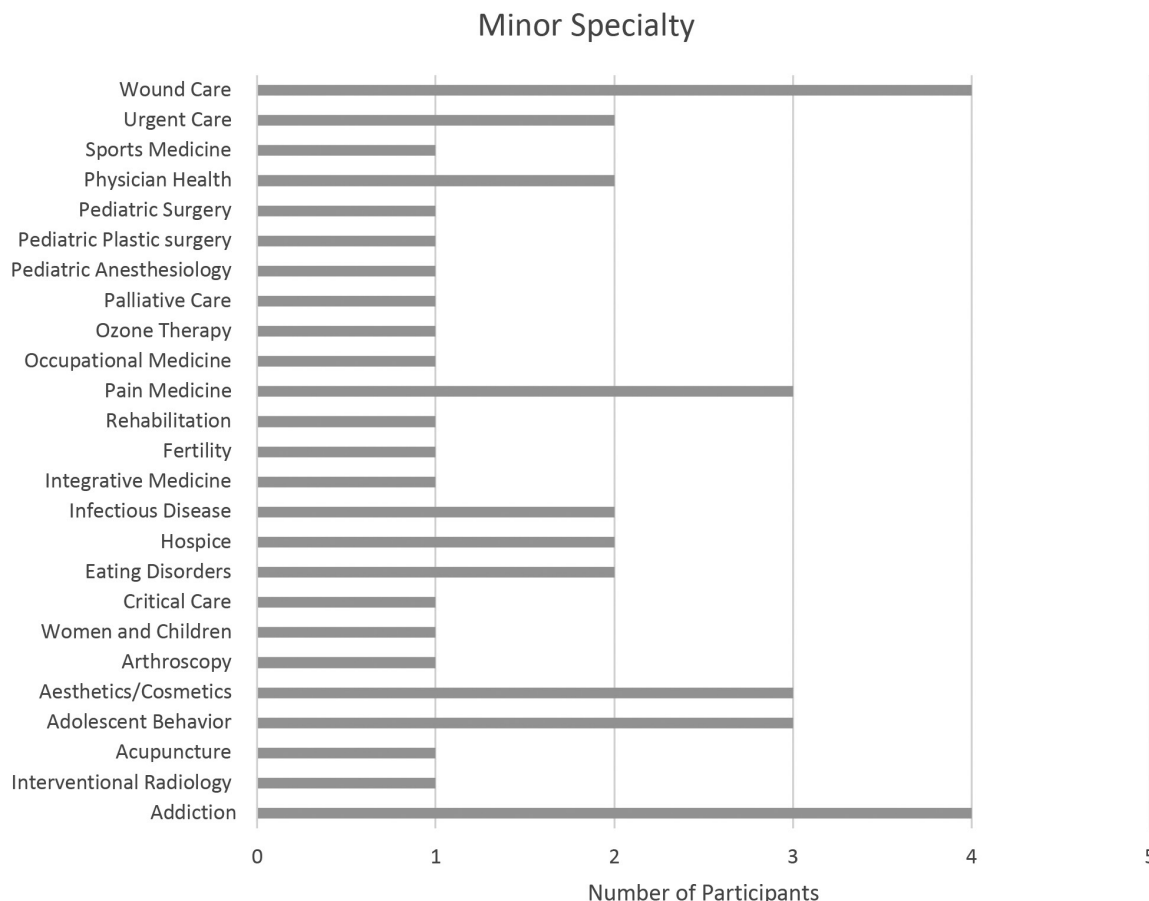
The results are from a subset of course participants who answered our survey invitation. After enrollment, 195 subjects participated in the confidential online survey. Of the 195 participants, approximately 157 participants completed the



**Figure 1.** Distribution of participants enrolled in remediation courses based on areas of major specialty.

questionnaire. Based on the evaluation of the questionnaire results, most participants were between the ages of 36 and 65. More males participated in the survey. Of the participants, English was the primary language. Our results showed that most participants completed their residency training in the United States or Canada. Out of the 157 subjects, 128 are currently practicing. Types of practices included solo/private practice, hospital/institution practice, or group practice (i.e., a practice with more than five practicing clinicians). Most participants reported that they have been practicing for more than 11 years. Out of all the specialties, those practicing family medicine, internal medicine, and psychiatry reported participating in remedial courses (Figure 1). Additionally,

wound care, addiction medicine, pain medicine, aesthetics/cosmetics, and adolescent behavior subspecialists reported participating in remedial courses (Figure 2). Furthermore, most participants are currently or were previously board certified. Twenty-six participants reported that they are currently not practicing, for several reasons, including medical license not being reinstated after disciplinary action; medical license revocation; retirement as a result of course of disciplinary action; or not cleared with participant's state insurance. The reasons for participation in remedial courses also were evaluated. Reasons included recommendations by regulatory, college, agency, or professional health program; required participation by the employer, health system, or



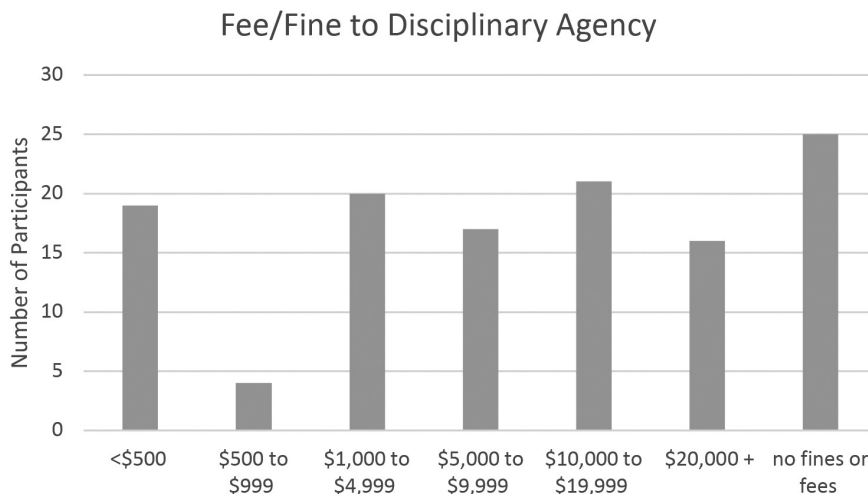
**Figure 2.** Distribution of participants enrolled in remediation courses based on areas of minor specialty.

regulatory board; or ongoing investigation or attorney recommendation. Additionally, many participants reported that they are not currently under investigation nor have a pending investigation.

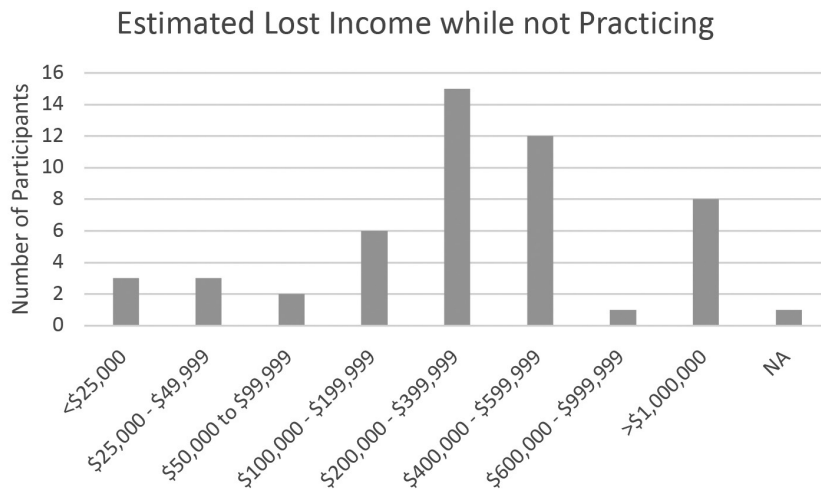
Additional survey questions regarding the financial impact on participants because of disciplinary action or remedial education process were evaluated. Most participants reported being formally disciplined by a licensing board, regulatory college, employer, or professional school. Of those who were formally disciplined, there was an even distribution regarding the fines or fees paid to disciplinary agencies, ranging from less than \$500 to over \$20,000 (Figure 3). Twenty-five of the 122 recorded responses reported paying no fines or fees. Additional action required some to obtain a practice monitor, hire a chaperone, or hire additional staff. Forty-four out of 148 who responded were required to obtain a practice monitor. Ten of 148 responses were required to hire a chaperone. Many participants reported that the average cost of a chaperone or additional staff was between \$5000 and \$14,999. Furthermore, several participants were required to undergo professional evaluation, with the most reporting that such evaluation cost \$1,000 to \$4,999. A small number of participants reported

that they were required to seek substance or behavioral addiction rehabilitation services. The cost of these substance/behavioral addiction services was reported to be \$20,000 or more. Twenty-two of 148 participants reported being assigned to work with a professional health program. Fees of assigned health programs ranged from less than \$500 to more than \$20,000, with most participants reporting paying more than \$20,000 as a result. Furthermore, many participants reported having to hire attorneys to assist with disciplinary services, costing an average of \$5,000 to \$14,999. Other direct costs required because of disciplinary action included participation in biological fluid monitoring. Most reported that these services cost \$5,000 to \$19,999.

In addition to the direct financial impact of required services, participants had a significant financial impact secondary to changes in practice or licensure. Fifty-one out of 144 participants were out of practice due to license revocation, suspension, or surrender. Of these practitioners, most reported being out of practice for approximately two to three years. The estimated lost income while not practicing was significant, with the mode falling in the category of approximately \$200,000 to \$399,999 (Figure 4). In addition to loss of licensure, several participants reported having practice



**Figure 3.** Average financial expenditure to the disciplinary agency due to disciplinary action.



**Figure 4.** Reported estimated income lost while out of practice secondary to licensure revocation, suspension, or surrender.

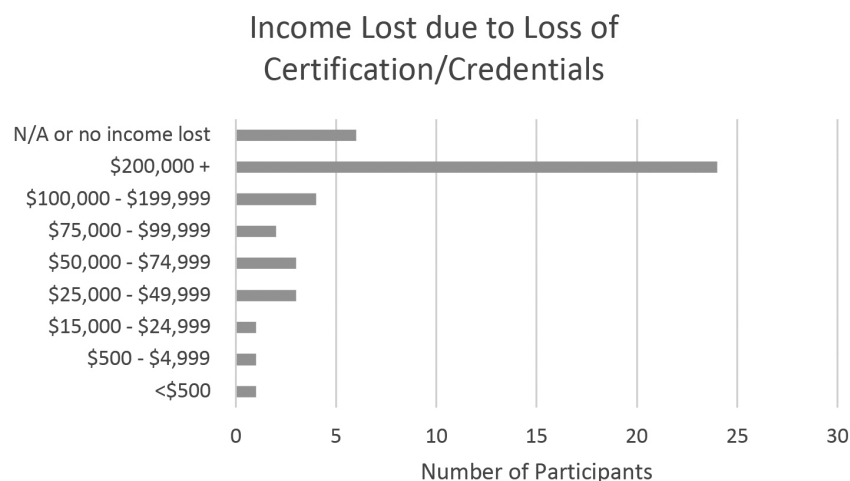
restrictions imposed on their licensure. The restrictions imposed on participants resulted in a loss of income, with 13 out of 30 participants reporting a loss greater than \$200,000 (Figure 5). Other impacts to participants included loss of certification, being added to the Office of Inspector General (OIG) restriction list, or loss of credentials. As a result of this consequence, the mode amount of income lost was more than \$200,000 (Figure 6). Another additional direct financial impact faced by many subjects was the result of the details of the disciplinary outcome becoming public, which caused significant impact to practitioners' reputation, resulting in further loss of income. Most participants who had a disciplinary outcome become public reported the loss of income totaled over \$200,000 (Figure 7). A few participants reported hiring additional personnel to manage and restore reputation. This service further adds to the financial impact, with

most reporting that the cost of service to manage reputation totaled over \$20,000 (Figure 8). Ultimately, those who utilized this service reported that it was not beneficial.

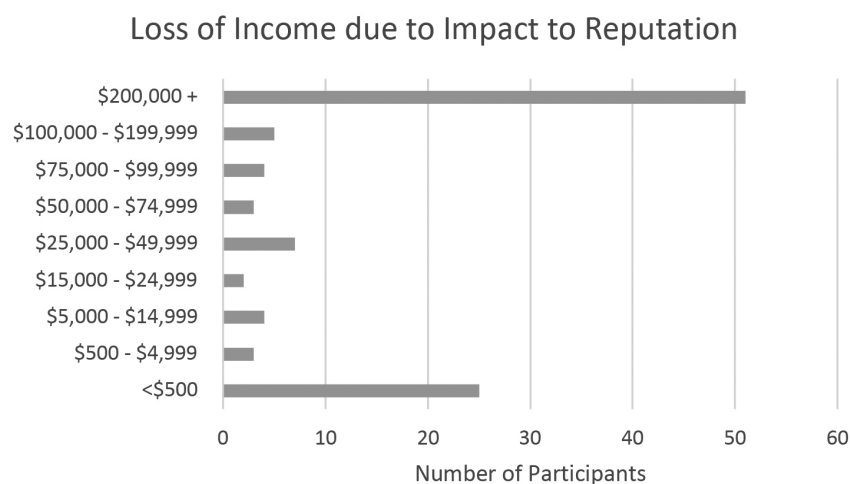
Direct financial impacts placed a massive burden on those participating in education courses. In addition, unspecified financial impacts secondary to the disciplinary process were recorded and evaluated. Unspecified financial impacts are defined as any increased cost that was not directly required or specified in the disciplinary process. Many survey participants reported experiencing a wide variety of unspecified financial impacts. The most frequently reported unspecified financial impacts included loss of job, loss of retirement funds or savings, health problems, increased malpractice costs, or bankruptcy secondary to the financial burden (Figure 9). Direct costs such as fines, mandatory course fees, and attorney fees, as well as indirect costs such as loss of practice,



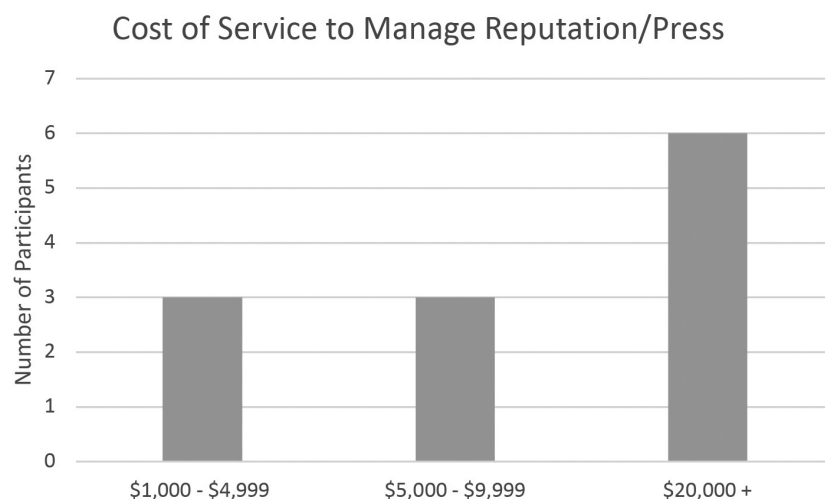
**Figure 5.** Reported financial impact as income lost (in dollars) secondary to restrictions placed on licensure.



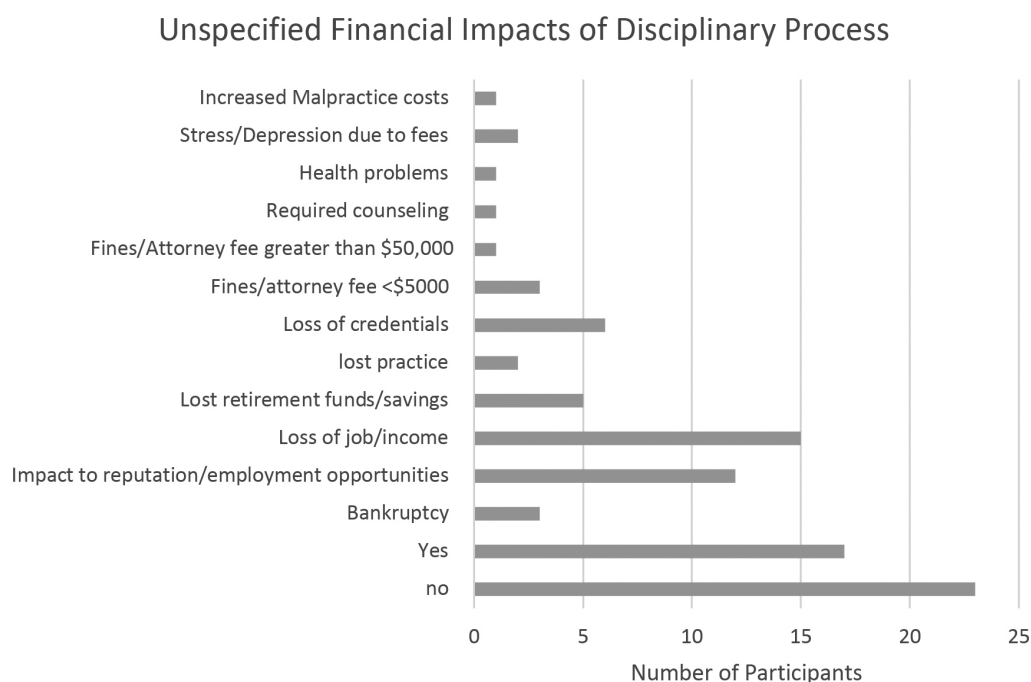
**Figure 6.** Reported financial impact of the loss of income due to loss of certification, credentials, or addition to the OIG restriction list.



**Figure 7.** Financial impact secondary to loss of income from impact to reputation as disciplinary outcomes were made public.



**Figure 8.** Reported financial impact as a result of hiring additional personnel or utilizing services that manage reputation or press.



**Figure 9.** Narrative reports on the unspecified financial impacts secondary to the disciplinary process.

income, or employment, place a significant financial strain on these individuals (Table 1 and Table 2).

## DISCUSSION

Our results show that those participating in remediation courses incurred numerous specified and unspecified financial expenses in addition to the emotional and professional impact that results from undergoing this process. From the survey, we determined that this impact affects current

practicing practitioners. Furthermore, a higher proportion of those in the fields of psychiatry, family medicine, and internal medicine were involved in remedial education. As anticipated, a significant portion of the financial impact is a direct result of the requirements imposed by regulatory boards for clinicians to regain their good standing. Due to the multi-tiered nature of disciplinary action, the numerous steps and services required to regain good standing result in accumulating costs. Surprisingly, our findings revealed that many unspecified factors also contributed to the financial impact of this process. Specifically,



**Table 1.** Indirect Financial Impacts of Professional Discipline

Revenue Lost	Details
\$2,000.00	Counseling
\$3,000.00	Credit card debt
\$3,500.00	2.5k counseling, 1k loan
\$4,000.00	Counseling
\$5,000.00	(unknown)
\$5,000.00	Counseling
\$12,000.00	Legal fees and clinical evaluation
\$13,500.00	\$500 alcohol and drug assessment, 12k school (new career), 1k drug test
\$17,500.00	13k attorney fee, 2k educational courses, 1.5k therapy
\$25,000.00	(unknown)
\$27,500.00	7.5k repayment of retention bonus, 20k paid back bonus to employer upon loss of job
\$30,000.00	Treatment, monitoring, and therapy
\$35,000.00	5k counseling, 30k bank loan
\$40,000.00	Credit card debt
\$80,000.00	Decrease in salary
\$100,000.00	Counseling and therapy
\$115,000.00	100k living off retirement and 15k credit card debt
\$116,000.00	1k counseling, 15k courses, 100k attorney fees
\$317,000.00	3k counseling, 275k bankruptcy, 4k expert fee, 35k testimony
\$415,010.00	10k community to another city, 400k moving, 15k coaching
\$480,000.00	30k counseling, 200k - loss of primary job, 250k living expenses
\$710,000.00	80k credit card debt, 220k line of credit, 150k sold house at loss, 260k penalty
\$1,500,000.00	Lost wages, bankruptcy due to loss of hospital-based position
\$4,075,000.00	3.5M civil judgement, 400k attorney fees, 50k divorce, 125k counseling
NA	Child custody, divorce asset loss

**Table 2.** Average Total Direct/Indirect financial impact of all participants

	Average Total Direct financial impact of all participants	Average Total Indirect financial impact of all participants	Average Total Financial Impact of all participants
	\$391,785.11	\$135,012.71	\$525,860.23
Standard deviation	\$452,496.11	\$495,344.35	\$743,381.28
Max	\$2,220,000.00	\$4,075,000.00	\$5,850,000.00
Min	\$0.00	\$0.00	\$0.00
Median	\$225,000.00	\$0.00	\$247,018.50
Mode	\$0.00	\$0.00	\$0.00

the loss of income due to loss of occupation, loss of licensure, or practice restrictions caused the greatest financial burden. Moreover, the effects of disciplinary action have been shown to extend beyond the fines or fees of the initial disciplinary action, frequently affecting multiple aspects of an individual's life. Using this evaluation, individual clinicians, institutions, and practice groups can develop strategic plans to prevent the need for disciplinary action.

Understanding the magnitude of the financial burden can inform preventative measures designed to instill preventative education, or education or training focused on topics of professionalism, which would aim to obviate the need for imposing future disciplinary action. Several institutions have previously implemented individualized enhancement programs targeting areas of physician deficiency utilizing CME. The Physician Review and Enhancement Program at



McMaster University in Canada showed increased performance in areas of deficiency such as reliability and validity identified by peer-reviewed groups or through disciplinary action.<sup>7</sup> These data also show that disciplinary action often results in interventions aimed at using CME to educate clinicians on the standard of care.<sup>8</sup> For example, one study highlighted that education for anesthesiologists aimed at heightening awareness about opioid over-prescription can influence the frequency of disciplinary findings of inappropriate prescribing.<sup>9</sup> Another study highlighted that relatively brief education programs focused on physician professionalism have positively modified unprofessional behavior.<sup>10</sup> Thus, preventative education can be an important tool to limit disciplinary action.<sup>11</sup> In this regard, modules and webinars mandated by the Accreditation Council for Graduate Medical Education (ACGME) or Accreditation Council for Continuing Medical Education (ACCME) in partnership with organizations providing remediation education potentially can play a preventive role for trainees during medical school, residency, and fellowship. In addition, regulatory agencies can mandate that licensed clinicians take courses focused on professionalism as a license renewal requirement, or, alternatively, can mandate clinicians to take courses in professionalism-specific topics on a one-time basis.<sup>12</sup>

## LIMITATIONS

Although we have demonstrated significant findings in evaluating the financial impact clinicians have faced in the remediation process, our study is not without its limitations. First, our study is based on retrospective, subjective answers on the financial impact the clinicians have faced. Additionally, unspecified financial burdens that may have occurred far withdrawn from the remediation process have not been considered. Lastly, we have not considered the various levels of formal discipline and its direct effect on increasing financial burden. Future studies will address these limitations.

## CONCLUSION

In conclusion, our research shows that disciplinary action has a significant financial and emotional impact on clinicians and that preventative education can be an important tool to limit the need for disciplinary action. Institutions and practice groups should consider implementing individualized enhancement programs targeting areas of physician deficiency utilizing CME. By targeting areas of physician deficiency and providing preventative education, institutions can limit the need for disciplinary action and the associated financial and emotional burden. Preventive strategies with ACGME and ACCME in partnership with organizations that specialize in offering remedial CME can require resident and fellowship modules, seminars, and webinars, which can potentially reduce problem behaviors before future professionalism issues arise that may necessitate disciplinary actions. Regulatory

boards also have the ability to require the licensed clinicians they oversee to complete professionalism courses as a regularly scheduled license renewal requirement or as a one-time training. Greater awareness of the financial and emotional consequences of disciplinary action should be brought to light. Health systems and regulatory bodies should consider the long-term implications of disciplinary action and should evaluate the financial and emotional costs associated with disciplinary action, as well as the potential benefits of preventative education. Awareness of the potential costs associated with disciplinary action can help motivate change in health systems and regulatory bodies, ultimately leading to better outcomes for clinicians. Institutions also should consider developing strategies to support clinicians undergoing disciplinary action and provide resources to help reduce the financial and emotional burden associated with this process.

Finally, all clinicians should have an awareness of the expectations of their regulator and the laws and codes of conduct that govern their profession to remain in good standing with their regulator and maintain a professional, legal, and ethical practice. They can accomplish this through maintaining compliance with their regulatory requirements and staying up-to-date on continuing education requirements through preventative CME. ■■

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