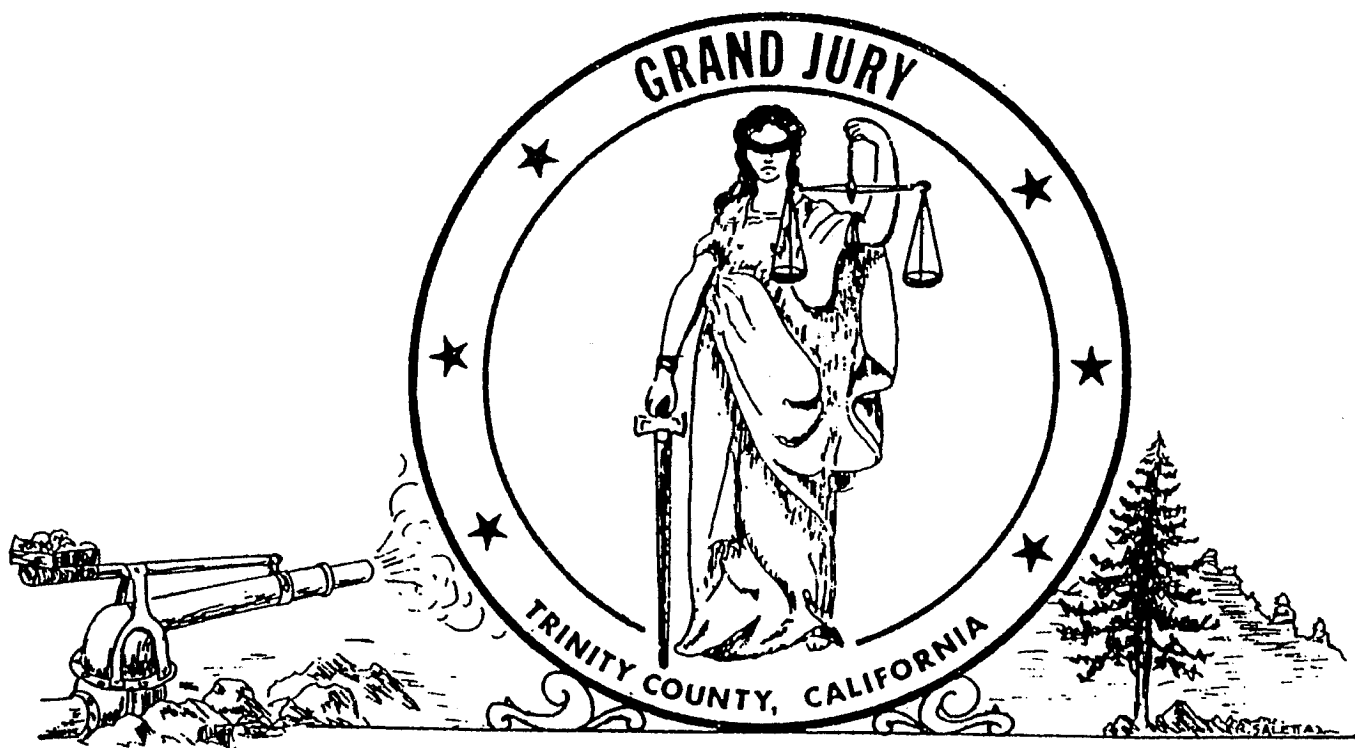


FINAL REPORT OF THE  
**TRINITY COUNTY**  
**GRAND JURY**

**2000 - 2001**



**TRINITY COUNTY GRAND JURY**

**FINAL REPORT**

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**TRINITY COUNTY GRAND JURY**

**F I N A L R E P O R T**

**2000 - 2001**

**HEALTH AND HUMAN SERVICES COMMITTEE**

**TRINITY COUNTY GRAND JURY**

**2000-2001**

**FILED**

**JUN 12 2001**

**SUPERIOR COURT OF CALIFORNIA  
COUNTY OF TRINITY  
BY: DONNA REGNANI, DEPUTY CLERK**

*DR*

**HEALTH COMMITTEE  
FINAL REPORT**

**CITIZENS COMPLAINT**

**This report was approved  
On May 22, 2001**

**2000-2001 TRINITY COUNTY GRAND JURY  
HEALTH COMMITTEE  
FINAL REPORT**

**CITIZENS COMPLAINT**

**PURPOSE:**

The 2000-2001 Grand Jury received a citizen's complaint alleging that Trinity Hospital staff privileges had been inappropriately granted to a cardiologist who had been placed on probation by the California State Division of Medical Quality, for gross negligence. This report is a result of the Grand Jury's investigation of that complaint.

**BACKGROUND:**

On July 14, 1998, an Accusation alleging ten causes for discipline was filed by the California State Department of Justice before the Division of Medical Quality, against Dale Robert Stemple, M.D. a cardiologist. The Accusation referred to ten separate patients treated and/or evaluated by Dr. Stemple. Nine of these patients were treated and/or evaluated by Dr. Stemple between August of 1994, and January of 1995. The remaining patient was evaluated and treated by Dr. Stemple in January and February of 1992.

The Accusation alleged gross negligence, negligence, and incompetent conduct by Dr. Stemple, summarized as follows:

- A. Inappropriately recommended the performance of invasive procedures in the absence of clear symptomatology, evidence of ischemia by non-invasive testing, or severity of stenosis which would warrant such recommendations or interventions;
- B. Inappropriately ordered a second angiogram when a no-reflow situation was already present;
- C. Inappropriately prescribed anticoagulants to persons for whose condition the medications were contraindicated;
- D. Failed to order echocardiograms or thallium treadmill tests in situations where such tests were indicated;
- E. Failed to recognize serious complications and failed to implement appropriate procedures in response to those complications;
- F. Failed to observe hospital policy and procedures regarding PTCA, coronary stent placement;

G. Recommended stent placement in patients without severe stenosis and/or who were asymptomatic;

H. Failed to appropriately document the patients' charts with sufficient information to assist other physicians and hospital staff in the care and treatment of the patient;

I. Failed to observe hospital medical staff policy regarding the scheduling levels for PTCA and coronary atherectomy;

J. Failed to appropriately monitor patients and/or discharged them prematurely.

NOTE; PTCA, (Percutaneous Transluminal Coronary Angioplasty)

On July 12, 1999, the Division of Medical Quality adopted a "Stipulation and Order for Settlement of Disciplinary Action," which revoked Dr. Stemple's certification to practice medicine. In the same "Stipulation and Order," the Division of Medical Quality stayed the revocation and placed Dr. Stemple on probation for five years. (Dr. Stemple had signed his acceptance of the "Stipulated Settlement and Disciplinary Order" on June 18, 1999).

#### **METHOD OF INQUIRY:**

Public documents prepared by the California Department of Justice and the State Medical Board were reviewed. The Health Committee interviewed all members of the Trinity Hospital Board of Directors, as well the Trinity Hospital Chief of Staff. The Hospital Administrator and the Chairman of the Hospital Board of Directors were interviewed at a Grand Jury general meeting. .

#### **FINDING:**

In early 2000, the Trinity Hospital Chief of Staff, acting at the request of the Trinity Hospital Administrator, interviewed Dr. Stemple as a candidate for staff privileges at Trinity Hospital. Subsequently, Dr. Stemple was interviewed by the remaining members of the Hospital Medical Staff. The Chief of Staff reported that Dr. Stemple voluntarily disclosed his probationary status and the reasons therefore. Dr. Stemple also disclosed that his earlier requests for staff privileges at Redding Medical Center, and Mercy Hospital, had been denied. Following a thorough discussion of the allegations and disciplinary order, the Medical Staff decided to recommend Dr. Stemple be granted staff privileges subject to the following probationary requirements as set forth by the State medical Quality Division:

He would be prohibited from performing invasive procedures.

His practice would be monitored by members of the hospital Medical Staff.

The decision to recommend Dr. Stemple for staff privileges was made at the March 20, 2000 meeting of the Medical Staff.

At the April 20, 2000, meeting of the Hospital Board of Directors, Dr. Stemple's request for staff privileges was presented for approval by the Hospital Administrator. The Board approved Dr. Stemple's request for hospital staff privileges at the April 20th meeting. The Grand Jury finds that the Hospital Board was not fully informed at the time of the April 20, 2000 meeting. Although two of the Directors recalled the Administrator stating, "he, (Dr. Stemple) comes to us with some baggage", or words to that effect, they were given no additional background information about Dr. Stemple by the Hospital Administrator. When interviewed, the Chief of Staff was unable to recall being present at the April 20th meeting. However, he was quite certain he had never discussed Dr. Stemple's background or probationary status with the Board of Directors.

### **CONCLUSION:**

The Hospital Administrator did not advise the Hospital Board of Directors of Dr. Stemple's probationary status as established by the State Medical Quality Division, or the reasons for that probation. He did not provide the Board with copies of either the accusations filed by the State Medical Board, or the Division of Medical Quality disciplinary order. He also failed to advise the Board of the need for Trinity Hospital Medical Staff to monitor Dr. Stemple's practice for the remainder of his probationary period. By failing to fully disclose appropriate information, the Administrator deprived the Board of Directors of the opportunity to make an informed decision about Dr. Stemple's request for staff privileges.

### **RECOMMENDATIONS:**

Without any intent to judge Dr. Stemple's present skill as a physician, the Grand Jury recommends the Hospital Board of Directors undertake an immediate review of the above mentioned Accusation and Causes for Disciplinary Action, and Stipulation and Order for Settlement of Disciplinary Action, and if deemed necessary, reevaluate their decision to grant staff privileges to Dr. Stemple.

If it is the Board's decision to allow Dr. Stemple to retain his staff privileges, the Grand Jury recommends the Board require the Hospital Administrator to provide the Board with a detailed schedule setting forth the names of those Medical Staff members who will be responsible for monitoring Dr. Stemple's practice, the specific time periods during which they will be responsible for providing the monitoring, and in as precise a manner as possible, describe what the monitoring function will amount to.

The Grand Jury recommends the development and implementation of the recommended monitoring schedule within ten days of the receipt of this report.

The Grand Jury recommends the Hospital Board of Directors develop a written policy statement requiring, during future consideration of requests for staff privileges, that the Hospital Administrator provide the Board of Directors with at least the following information, in addition to relevant Medical Staff recommendations:

All present and past probationary orders or actions.

All present and past allegations involving accusations of incompetence, negligence, or gross negligence filed with, and/or investigated by the California Department of Justice, the State Medical Board, or the Division of Medical Quality.

The Grand Jury recommends development and implementation of the above referenced policy statement relevant to future requests for staff privileges occur within thirty days of the receipt of this report

**RESPONSE REQUESTED FROM:**

Trinity Hospital Board of Directors, Trinity County Board of Supervisors, and the Trinity Hospital Chief of Staff.





P.O. Box 1229  
Weaverville, California 96093  
(916) 623-5541

RECEIVED  
JUL 10 2001  
SUPERIOR COURT  
JUDGE'S CHAMBERS

2000-2001 TRINITY COUNTY GRAND JURY  
P.O. BOX 2308  
WEAVERVILLE, CA 96093-1117

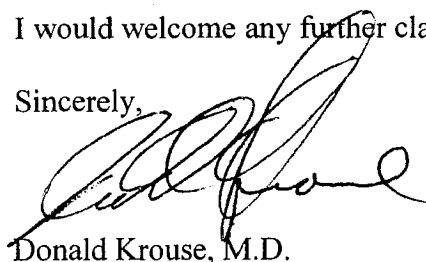
Dear Sirs,

I wish to comment on your health committee report involving a citizens complaint about hospital approval of procedures for Dr. Stemple. I wish to clarify several points. It was stated that as chief of staff, it said I was "quite certain that he (Dr. Krouse) had never discussed Dr. Stemple's background or probationary status with the board of directors". In fact, I said that I had discussed the case with many different groups in different venues and that it would surprise me that Dr. Stemple's case had not been discussed in detail since that was the usual operating procedure at the hospital.

I would also like to comment that the general tenure of the report is that there was a problem with Dr. Stemple, that he should perhaps have not been accepted on the hospital staff. As I mentioned in our interview, Dr. Stemple's credentials and his problems with the medical board were discussed extensively. Dr. Stemple was interviewed extensively. The medical staff stands behind its approval of him for medical staff. In cases of medical staff credentialing, the medical staff is the key group to judge any new physicians qualifications. David Yarbrough was well aware of all the issues concerning Dr. Stemple and I believe that the hospital board was probably made aware of all the controversial areas as well.

I would welcome any further clarifications on this issue.

Sincerely,



Donald Krouse, M.D.



# TRINITY HOSPITAL BOARD OF DIRECTORS

RECEIVED  
JUN 29 2001  
SUPERIOR COURT  
JUDGE'S CHAMBERS

June 28, 2001

Hon. John Letton, Presiding Judge  
Trinity County Superior Court  
P.O. Box 1258  
Weaverville, CA 96093

Re: 2000-2001 Trinity County Grand Jury Health Committee Final Report in the Matter of Trinity Hospital, Citizen Complaint Alleging Inappropriate Granting of Clinical Privileges to Dale R. Stemple, M.D.

Dear Judge Letton:

On June 7, 2001, the Trinity County Grand Jury sent a copy of the above-referenced Report to the undersigned Bob Flint, Chairman of the Board of Directors, and Donald Krouse, M.D., Chief of the Medical Staff, of Trinity Hospital. This is our joint response on behalf of the Board of Directors and the Medical Staff.

Without debating the Grand Jury's conclusions about the failure of Mr. David Yarbrough, Hospital Administrator, to submit copies of specific documentation to the Board of Directors before Dr. Stemple's application for clinical privileges was approved, it must be noted that the Board of Directors was aware of general nature and extent of the problems associated with Dr. Stemple's prior practice and his dispute with the Medical Board of California. The Medical Staff was acutely aware of those matters, and explored them extensively, before recommending that Dr. Stemple's application be approved.

According to Section 6.3.7 (b) of the Medical Staff Bylaws, in the event of a favorable recommendation from the Medical Staff, the Administrator is responsible for conveying that recommendation to the Board of Directors and "making available" the supporting documentation. That requirement was met in this instance.

The Grand Jury has recommended in its Report that the Board of Directors review certain *documentation* pertaining to the Medical Board's proceedings against Dr. Stemple, and re-evaluate its decision to grant him clinical privileges. The specified documentation is an Accusation dated June 14, 1998, and a Stipulation and Order for Settlement of Disciplinary Action dated June 18, 1999.

The Board of Directors has reviewed the above materials, and is familiar with other documentation which was also considered by the Medical Staff before making its favorable recommendation regarding Dr. Stemple's application for Medical Staff membership. This included a letter from Mr. Yarbrough, Dr. Krouse, and Randal Meredith, M.D. (another member

of the Medical Staff), to Elizabeth Schlie, Senior Investigator in the Medical Board's Probation Unit, dated March 22, 2000, describing in detail the nature and scope Dr. Stemple's anticipated practice in this community and the plans for monitoring it in compliance with the Medical Board's requirements. Also included was a reply from Ms. Schlie, dated April 17, 2000, expressly approving that plan.

The Grand Jury stated in its Report that its intent was not to require any judgement of Dr. Stemple's present skill as a physician, but rather a re-evaluation of the decision to grant him privileges initially. Ostensibly, the Grand Jury is suggesting that if the original decision to approve Dr. Stemple's privileges was flawed, it should be reconsidered without regard to the skills he has exhibited since that time. This would make little sense. Our ultimate objective is to provide adequate care for the patients in this community, and that can only be achieved by taking into account all relevant information, including Dr. Stemple's demonstrated current competence.

Since Dr. Stemple has been practicing here, he has been an important asset to the community. He does a degree of primary care, he has a growing internal medicine practice, and he has a stable cardiology practice (without performing invasive procedures). He has been affiliated with other physicians as approved by the Medical Board, and he is currently an active member of the Medical Staff in good standing. No special monitoring arrangements are in place, nor are they required by the Medical Staff Bylaws or Dr. Stemple's Settlement with the Medical Board.

We do not dispute the gravity of the charges against Dr. Stemple in the Medical Board's Accusation, which contained a Prayer for the revocation or suspension of his license. However, the Medical Board ultimately decided not to pursue those allegations through a formal hearing process directed at realizing that goal. Instead, it decided to give Dr. Stemple an opportunity to retain his license subject to strict terms of probation, and redeem himself by demonstrating that he could practice competently going forward. Our actions have been entirely consistent with those of the Medical Board, and we believe that we (and they) have done the right thing.

In short, we are satisfied that there is no reasonable basis for disturbing Dr. Stemple's affiliation with or unsupervised clinical privileges at Trinity Hospital at this time. To do so would complicate the provision of health care services in the community and tax our limited resources for no apparent purpose.

The Grand Jury has also recommended in its Report that the Board of Directors develop a written policy statement requiring that, in future credentialing matters, the Administrator provide the Board with certain information along with the Medical Staff's recommendation. It is suggested that the information include:

"All present and past probationary orders or actions"

"All present and past allegations involving accusations of incompetence, negligence, or gross negligence filed with, and/or investigated by the California Department of Justice, the State Medical Board, or the Division of Medical Quality."

A policy framed in those specific terms could not be implemented, as a practical matter, because

the Hospital may not have access to all of the information described, no matter how diligent we are in our credentialing activities. For example, the Medical Board's Division of Quality (which is one entity, not two) does not publicly disclose information regarding its pending investigations; such information is only available when and if a formal Accusation is filed.

Still, we understand and agree with the fundamental point that the Board of Directors should be clearly alerted to noteworthy facts which may call into question a physician's competence before it approves his or her application for Medical Staff membership and clinical privileges. In this regard, we note that the Medical Staff Bylaws already contemplate an informative presentation by the Administrator, consistent with the responsibilities of the Medical Staff and the Board of Directors, respectively, under California hospital licensing laws and the Standards of the Joint Commission on Accreditation of Healthcare Organizations. What we have learned from this experience is that, in the future, we need to do a better job of applying those Bylaws and documenting our efforts. This we have resolved to do. We do not believe that our operations would be enhanced by the creation of a new and separate policy.

The individual whose complaint precipitated this investigation has a legitimate interest in the way we discharge of our credentialing responsibilities. The public depends on us to safeguard the quality of health care services in the community by acting prudently in the screening and approval of Medical Staff applicants. We also acknowledge the Grand Jury's legitimate interest in the matter, and we believe that its investigation was well-intentioned.

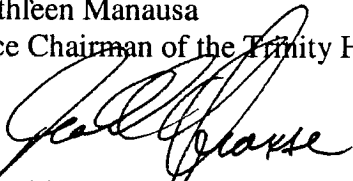
At the same time, however, we would ask the public to recognize that the Hospital's Board of Directors and Medical Staff are comprised of civic-minded people who have worked hard to provide for the public's health care needs. In the case of Dr. Stemple, our credentialing activities were carried out in good faith, and we believe that our decision to approve his application was in the public's best interest.

Sincerely,



Kathleen Manausa

Vice Chairman of the Trinity Hospital Board of Directors



Donald Krouse, M.D.

Chief of the Trinity Hospital Medical Staff



# TRINITY COUNTY

## BOARD OF SUPERVISORS

P.O. Drawer 1613 (530) 623-1217

WEAVERVILLE, CALIFORNIA 96093

*Dero B. Forslund, Clerk*

*Jeannie Nix-Temple, County Administrative Officer*

**RECEIVED**

**DEC 11 2001**

**SUPERIOR COURT  
JUDGE'S CHAMBERS**

TO: The Honorable John K. Letton,  
Presiding Judge of the Superior Court

FROM: Trinity County Board of Supervisors

SUBJECT: Response to Recommendations of 2000-01 Grand Jury  
Health Committee Final Report  
Citizen's Complaint – Staff Privileges

DATE: November 13, 2001

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The Grand Jury Health Committee has requested a written response to their Final Report on the Citizen's Complaint concerning Staff Privileges. The Board of Supervisors responds as follows:

Recommendation: The Grand Jury recommendation to the Trinity Hospital Board of Directors is to require the Administrator to provide the Hospital Board with certain information at the time that the Board is considering granting future staff privileges.

The Board of Supervisors has purposely delegated such decisions to the Hospital Board and is unwilling to undermine their authority by commenting on this recommendation.

Thank you for the opportunity to respond.

Sincerely,

R. Berry Stewart, Chairman  
Trinity County Board of Supervisors