



New York State Board for Professional Medical Conduct

433 River Street, Suite 303 Troy, New York 12180-2299 • (518) 402-0863

Barbara A. DeBuono, M.D., M.P.H.
Commissioner of Health

Patrick F. Carone, M.D., M.P.H.
Chair
Ansel R. Marks, M.D., J.D.
Executive Secretary

June 20, 1997

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Lee De Cady, M.D.
2737 E. Arizona Biltmore Circle
Phoenix, Arizona 85016

RE: License No. 081863

Dear Dr. Cady:

Enclosed please find Order #BPMC 97-138 of the New York State Board for Professional Medical Conduct. This Order and any penalty provided therein goes into effect upon receipt of this letter or seven (7) days after the date of this letter, whichever is earlier.

If the penalty imposed by the Order is a surrender, revocation or suspension of this license, you are required to deliver to the Board the license and registration within five (5) days of receipt of the Order.

Board for Professional Medical Conduct
New York State Department of Health
Hedley Park Place, Suite 303
433 River Street
Troy, New York 12180

Sincerely,

Ansel R. Marks, M.D., J.D.
Executive Secretary
Board for Professional Medical Conduct

Enclosure

cc: Michele Y. Tong, Esq.

NEW YORK STATE DEPARTMENT OF HEALTH
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

IN THE MATTER
OF
LEE DE CADY, M.D.

SURRENDER
ORDER
BPMC #97-138

Upon the proposed agreement of LEE DE CADY, M.D. (Respondent) to Surrender his license as a physician in the State of New York, which proposed agreement is made a part hereof, it is agreed to and

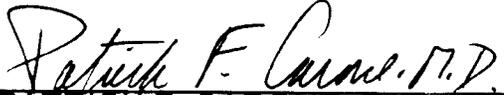
ORDERED, that the application and the provisions thereof are hereby adopted; it is further

ORDERED, that the name of Respondent be stricken from the roster of physicians in the State of New York; it is further

ORDERED, that this order shall take effect as of the date of the personal service of this order upon Respondent, upon receipt by Respondent of this order via certified mail, or seven days after mailing of this order via certified mail, whichever is earliest.

SO ORDERED.

DATED: June 15, 1997


PATRICK F. CARONE, M.D., M.P.H.
Chairperson
State Board for Professional
Medical Conduct

I understand that, in the event that the application is not granted by the State Board for Professional Medical Conduct, nothing contained herein shall be binding upon me or construed to be an admission of any act of misconduct alleged or charged against me, such application shall not be used against me in any way, and shall be kept in strict confidence during the pendency of the professional misconduct disciplinary proceeding; and such denial by the State Board for Professional Medical Conduct shall be made without prejudice to the continuance of any disciplinary proceeding and the final determination by a Committee on Professional Medical Conduct pursuant to the provisions of the Public Health Law.

I agree that, in the event the State Board for Professional Medical Conduct grants my application, an order shall be issued striking my name from the roster of physicians in the State of New York without further notice to me.

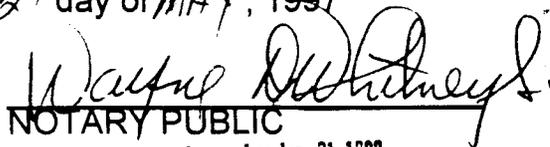
I am making this Application of my own free will and accord and not under duress, compulsion or restraint of any kind or manner. In consideration of the value to me of the acceptance by the Board of this Application, allowing me to resolve this matter without the various risks and burdens of a hearing on the merits, I knowingly waive any right I may have to contest the Surrender Order for which I hereby apply, whether administratively or judicially, and ask that the Application be granted.



Lee De Cady, M.D.
RESPONDENT

Sworn to before me this

29 day of MAY, 1997



NOTARY PUBLIC

My commission expires June 21, 1998

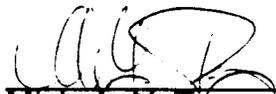


The undersigned agree to the attached application of the Respondent to surrender his license.

Date: _____

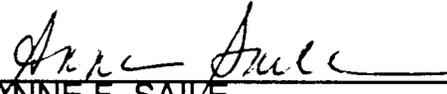
Esq.
Attorney for Respondent

Date: June 2, 1997



Michele Y. Tong
Assistant Counsel
Bureau of Professional
Medical Conduct

Date: June 11, 1997



ANNE F. SAILE
Director
Office of Professional Medical Conduct

**IN THE MATTER
OF
LEE DE CADY, M.D.**

**STATEMENT
OF
CHARGES**

LEE DE CADY, M.D., the Respondent, was authorized to practice medicine in New York State on or about December 10, 1958, by the issuance of license number 081863 by the New York State Education Department.

FACTUAL ALLEGATIONS

- A. On or about August 25, 1993 the Executive Director of the Medical Board of California filed an Accusation with the Division of Medical Quality, Medical Board of California Department of Consumer Affairs, charging Respondent, inter alia, with: (1) disseminating or causing to be disseminated false and misleading public communications for the purpose of inducing patients to seek his services in violation of sections 651(a),(b),(c) and (g) of the California Business and Professions Code (hereinafter "Code"); (2) committing and aiding and abetting acts of clearly excessive use of diagnostic procedures regarding seven patients by diagnosing conditions which did not exist, and subjecting the patients to unnecessary procedures in violation of Code section 2234, subdivisions (a) (violating and abetting the violating of the code), (b) (gross negligence), (c) (repeated negligent acts), (d) (incompetence) and (e)(acts involving dishonesty or corruption substantially related to the duties of a physician); (3) presenting fraudulent insurance claims in violation Code section 2261; (4) creating false medical records with fraudulent intent in

violation of Code section 2262; (5) aiding and abetting the engaging in practice without a license by supervising a physicians assistant without an active physicians' assistant supervisor license in violation of Code section 702; (6) failing to properly supervise his physician's assistant in the dissemination of dangerous drugs to his patient in violation of sections 4211, 4227 and 2242 of the Code; and (7) aiding the unlicensed practice of medicine and conspiring with persons not licensed to practice medicine to violate multiple provisions of the Code in violation of sections 2234(a), 2234(e) and 125 of the Code.

- B. On or about September 20, 1996, the Respondent entered into a stipulated settlement with the California Medical Board and admitted to the truth of each and every allegation of the Accusation.
- C. An order was entered by the California Medical Board incorporating the above and imposing the following sanction, which, inter alia, included:
1. Respondent's license to practice medicine was revoked. Said revocation was stayed and he was placed on probation for 3 years with terms and conditions which included: surrender of his Physician Assistant Supervisor License, maintenance of a controlled drug record of all controlled drugs prescribed, community service on a regular basis for at least 20 hours a month for the first six months of probation, completion of an approved Ethics course during the first year of probation, completion of a clinical training program, successful passage of an oral clinical or written exam, practice monitoring, and a requirement to pay \$9,000.

SPECIFICATION OF CHARGES
HAVING HAD DISCIPLINARY ACTION TAKEN

Respondent is charged with committing professional misconduct as defined in N.Y. Educ. Law §6530(9)(d)(McKinney Supp. 1996) by having his or her license to practice medicine revoked, suspended or having other disciplinary action taken, or having his or her application for a license refused, revoked or suspended or having voluntarily or otherwise surrendered his or her license after a disciplinary action was instituted by a duly authorized professional disciplinary agency of another state, where the conduct resulting in the revocation, suspension or other disciplinary action involving the license or refusal, revocation or suspension of an application for a license or the surrender of the license would, if committed in New York state, constitute professional misconduct under the laws of New York state (namely N.Y. Educ. Law §6530 [2], [3], [4], [5], [11], [20], [21], [25], [27](a)(i), [27](a)(v), [27](a)(vii), [33] and [35]) as alleged in the facts of the following:

1. Paragraphs A,B,C and C1.

DATED: June 1, 1997
New York, New York

ROY NEMERSON
Deputy Counsel
Bureau of Professional
Medical Conduct