



## ARIZONA AUDITOR GENERAL

**Lindsey A. Perry**, Auditor General

**Melanie M. Chesney**, Deputy Auditor General

August 7, 2025

Members of the Arizona Legislature

The Honorable Katie Hobbs, Governor

Executive Director Bohall

Arizona Board of Osteopathic Examiners in Medicine and Surgery

We have issued an initial followup report regarding the implementation statuses of the recommendations from the September 2024 *Performance Audit and Sunset Review of the Arizona Board of Osteopathic Examiners in Medicine and Surgery* report (see report 24-112) conducted by the independent firm Walker & Armstrong, LLP under contract with the Arizona Auditor General. This audit was in response to a November 21, 2022, resolution of the Joint Legislative Audit Committee and was conducted as part of the sunset review process prescribed in Arizona Revised Statutes §41-2951 et seq.

The September 2024 report made 13 recommendations to the Arizona Board of Osteopathic Examiners in Medicine and Surgery. My Office contracted with Walker & Armstrong, LLP to conduct initial followup work with the Arizona Board of Osteopathic Examiners in Medicine and Surgery, and as of this initial followup report, 5 recommendations have been implemented, 7 recommendations are in process, and 1 recommendation is not yet applicable.

My Office has contracted with Walker & Armstrong, LLP to follow up with the Arizona Board of Osteopathic Examiners in Medicine and Surgery at 18 months to assess its progress in implementing the recommendations.

Sincerely,

*Lindsey A. Perry*

Lindsey A. Perry, CPA, CFE  
Auditor General

cc: Arizona Board of Osteopathic Examiners in Medicine and Surgery members

## Arizona Board of Osteopathic Examiners in Medicine and Surgery

### Initial Follow-Up of Report 24-112

The September 2024 Arizona Board of Osteopathic Examiners in Medicine and Surgery (Board) performance audit and sunset review found that the Board timely issued initial and renewal licenses, but did not timely resolve complaints, consistently suspend licenses for violations involving imminent public health, safety, or welfare concerns, or verify some applicants met all initial license and permit requirements, potentially affecting patient safety. We made **13** recommendations to the Board.

### Board's status in implementing 13 recommendations

Implementation status	Number of recommendations
✓ Implemented	5 recommendations
🔄 In process	7 recommendations
📅 Not yet applicable	1 recommendation

We will conduct an 18-month follow-up with the Board in spring 2026 on the status of the recommendations that have not yet been implemented.

## Recommendations

### Finding 1: Board has not resolved some complaints in a timely manner, which may affect patient safety

1. The Board should investigate and resolve complaints within 180 days.

#### Status: Implementation in process

As of March 2025, the Board has implemented or is in process of implementing recommendations 2 through 6 (see below) related to improving its ability to investigate and resolve complaints within 180 days. However, our review of all 45 complaints the Board closed between October 2024 and February 2025, found that the Board took more than 180 days to resolve 24, or 53%. This represents an improvement from our finding in the Board's performance audit and sunset review in which we found that the Board took more than 180 days to resolve 60% percent of the complaints we reviewed. The Board cited various factors that have contributed to this improvement, including its ability to track the status of complaints through reports generated by its database system and addressing its complaint backlog through its updated process for issuing subpoenas, expanded outside medical consultant listing for investigating complaints, and a newly implemented process for timely engaging outside medical consultants (see explanations for recommendations 2, 4, and 5, respectively). In addition, the Board is working to hire additional investigative staff to help with its complaint backlog and expects to fully implement this recommendation by the end of December 2025. We will further assess the Board's implementation of this recommendation during our next follow-up.

2. The Board should use its statutory authority such as issuing subpoenas to third parties.

#### Status: Implemented at 6 months

The Board has implemented a process to issue subpoenas to third parties at the same time as issuing subpoenas to licensees under investigation. Our review of all 3 complaints with allegations related to the licensee's fitness to practice and quality of care that the Board closed between October 2024 and February 2025 found that the Board issued subpoenas to third parties consistent with its statutory authority and newly implemented process.

3. The Board should request the Superior Court of Arizona enforce subpoenas when licensees and/or third parties miss deadlines for providing information.

#### Status: Implementation in process

As of March 2025, the Board has developed a policy outlining procedures for determining when to request that the Superior Court of Arizona enforce subpoenas if licensees or third parties fail to meet deadlines for providing requested information. Under this policy, Board staff are required to make a second request to the licensee or third party 30 days after the initial request if they have not yet complied with the request. If the licensee or third party does not comply with the second request within 30 days, the policy requires the Board's Executive Director or Deputy Director to work with the Board's Assistant Attorney General to seek enforcement of the subpoena through the Superior Court of Arizona.

Because the Board had recently adopted the policy at the time of our review, we will further assess the Board's implementation of its policy to request the Superior Court of Arizona to enforce subpoenas during our next followup.

4. The Board should continue to develop a list of outside medical consultants with varying specialties to more timely resolve complaints requiring these services.

**Status: Implemented at 6 months**

As of October 2024, the Board revised its license renewal application form to include a question asking licensees if they would be interested in serving as an outside medical consultant. The update to the Board's license renewal form generated a list of over 300 physicians expressing willingness to assist the Board in this capacity. As a result, between October 2024 and March 2025, the Board added 49 outside medical consultants with varying specialties to its list of individuals who are available to review complaint documentation to assess whether licensees potentially violated the standard of care.

5. The Board should, after opening a complaint, determine whether an outside medical consultant may be needed, based on the allegations of a complaint, and begin searching for a suitable consultant, if the Board does not already have a consultant available on its list.

**Status: Implemented at 6 months**

As of October 2024, the Board developed and implemented written policies and procedures to review the allegations after opening a complaint to determine if the Board's list of available outside medical consultants includes a suitable individual who could assist with reviewing the complaint. If the Board determines that it does not have an outside medical consultant with the necessary qualifications or specialization to review the complaint, it will begin searching for a suitable consultant.

Our review of a random sample of 3 of 22 complaints the Board closed between October 2024 and February 2025 that required an outside medical consultant, found that the Board assigned the 3 complaints to an outside medical consultant within 4, 15, and 21 days, respectively, of receiving responses and documentation for its complaint investigations. This represents an improvement from our finding in the Board's performance audit and sunset review in which we found that the Board did not begin determining the need for an outside medical consultant until after it received all information requested for the investigation, resulting in it taking more than 2 months after receiving this information to identify an outside medical consultant for 1 complaint we reviewed.

6. The Board should ensure its database system can produce reports on the progress/status of open complaints.

**Status: Implemented at 6 months**

Our review of reports generated from the Board's complaint database in March 2025 found that the Board was able to produce reports that contained information to identify complaints that were still open and the status of the complaints, such as whether they were awaiting requested records or were being investigated. This represents an improvement from our finding in the Board's performance audit and sunset review in which we found that the Board reported delays because its database system conversion made it difficult for Board staff to track complaint progress/status because staff were unable to produce reports. Board staff indicated that these reports have been used to track and monitor open complaints and address delays in the Board's complaint-handling process.

## Sunset Factor 2: The Board's effectiveness and efficiency in fulfilling its key statutory objectives and purposes

7. The Board should develop and implement policies and procedures for permit applications received through medical schools to review reports from the National Practitioner Data Bank, American Osteopathic Association, and Federation of State Medical Boards to verify that permit applicants have not engaged in unprofessional conduct.

### Status: Implementation in process

As of March 2025, the Board developed a policy to require Board staff to review reports from the National Practitioner Database, American Osteopathic Association, and Federation of State Medical Boards to verify that permit applicants have not engaged in unprofessional conduct.

The Board reported that it implemented procedures for its staff to generate the reports and include them in permit applicants' profiles in the Board's database beginning in April 2025; therefore, we will assess the Board's implementation of its policy during our next follow-up.

8. The Board should use its statutory authority consistently to temporarily suspend a license timely and when necessary to protect the public.

### Status: Implementation in process

As of March 2025, the Board developed a policy and related procedures for identifying instances where public safety is at risk due to sexual misconduct allegations, but is still developing additional criteria to be able to more easily identify other allegations—beyond those related to sexual misconduct—that pose a risk to public safety such as severe standard of care violations. Additionally, Board staff reported that they are working to include additional functionality in the Board's complaint database that will allow its staff to more readily assess the factors that led the Board to take previous actions against licensees, including temporarily suspending licenses, to help ensure the consistency of future Board actions.

The Board reported that it intends to fully implement these policies and procedures by December 2025. We will further assess the Board's implementation of its policies and procedures to use its statutory authority consistently to temporarily suspend a license timely and when necessary to protect the public during our next follow-up.

9. The Board should work with its Assistant Attorney General to determine whether conducting continuing education audits of license renewal applicants requires a change to its rules or statute, and as applicable, resume conducting continuing education audits, revise and implement its rules to include a continuing education audit process, or work with the Legislature to revise Board statutes to require the Board to conduct continuing education audits and implement the statutory revisions.

### Status: Implementation in process

The Board determined that it has the statutory authority to conduct continuing medical education (CME) audits, but that updates to the Board's rules would be necessary to formalize the audit process. As a result, in March 2025, the Board submitted a request to the Governor's Office in accordance with A.R.S. §41-1039, for approval to proceed with the rulemaking process. The Board subsequently

received approval from the Governor's Office and reported that it published a notice of proposed rulemaking in the Arizona Administrative Register on July 11, 2025, and plans to hold a public comment hearing on August 27, 2025.

In addition, our review of the Board's draft rules found that they outline the CME audit process and key procedural elements for auditing licensees' CME, including notifying licensees of an audit and the time frame in which they must provide required documentation. We will further assess the Board's implementation of its revised rules for the CME audit process during our next follow-up.

10. The Board should conduct continuing education audits if the Board changes its rules or the Legislature passes legislation requiring the Board to do so.

**Status: Not yet applicable**

The Board reported it will begin conducting continuing education audits once it has finalized its rulemaking explained in recommendation 9.

**Sunset Factor 5: The extent to which the Board has provided appropriate public access to records, meetings, and rulemakings, including soliciting public input in making rules and decisions.**

11. The Board should comply with State open meeting law by posting its meeting agenda in a public place at least 24 hours in advance of the meeting and an audio recording of the minutes within 5 working days.

**Status: Implementation in process**

Our review of the meeting agenda and audio recording for the Board's March 15, 2025 meeting found that the Board complied with the statutory requirements for posting this meeting's agenda and audit recording. However, because only one meeting occurred within our review period, we will continue to assess the Board's compliance with State open meeting law requirements during our next follow-up.

12. The Board should publish required information on its website, including 5 years of licensee disciplinary histories, such as final nondisciplinary and disciplinary actions.

**Status: Implementation in process**

Board staff reported that as of October 2024, the Board had implemented a process for publishing nondisciplinary and disciplinary actions on its website for 5 years as statutorily required. Our review of the Board's website for nondisciplinary and disciplinary actions the Board took for complaints we reviewed and that the Board resolved, related to recommendations 2 and 5, found that the Board posted these actions as statutorily required. Additionally, during the performance audit and sunset review, we identified an instance where a licensee had prior Board actions within the last 5 years that the Board inappropriately removed from its website. However, during the period of our followup, we did not identify any instances where a licensee had prior Board actions within the last 5 years, and as a result we were unable to assess whether the Board addressed the issue we identified during the audit. We will further assess the effectiveness of the Board's process for publishing all nondisciplinary and disciplinary actions on its website, including current and prior actions, for 5 years during our next follow-up.

**Sunset Factor 8: The extent to which the Board has established safeguards against possible conflicts of interest**

13. The Board should provide periodic training on conflicts-of-interest for staff and Board members.

**Status: Implemented at 6 months**

The Board developed a policy requiring annual conflict-of-interest training for all staff and Board members. Additionally, as of March 2025, our review of Board meeting minutes, training materials, and training attendance attestations found that the Board provided its conflict-of-interest training to all staff and Board members.