August 26, 2019

**Via Attorney of Record**

William Farnham Taylor, M.D.
5609 Monroe Road, Suite C
Charlotte, NC 28212

Dear Dr. Taylor:

The North Carolina Medical Board (“Board”) has concluded its investigation related to you. It is the Board’s decision not to commence formal proceedings against your license at this time. However, the Board voted to issue you this public letter of concern. The Board does not consider a public letter of concern to be a disciplinary action or a limitation or restriction on your license.

The Board is concerned that, from on or about December 2017 to May 2019, you practiced medicine in connection with a sublease agreement you had with a management company owned by non-physicians. Specifically, this management company was the primary lessee of the building where you practiced medicine, and it maintained your medical records and assisted you with billing. The Board is concerned that the management company may have exercised influence over your practice of medicine in a way that constituted the corporate practice of medicine. As a general rule, with few exceptions, none of which are applicable here, a business entity that provides physician services that constitute the practice of medicine must be owned by physicians licensed by this Board. A copy of the Board’s position statement entitled “Corporate Practice of Medicine” is enclosed. The Board notes that, once this concern was brought to your attention, you acted to ensure that you were not aiding and abetting the corporate practice of medicine.

The Board also had five of your patient charts reviewed by an outside medical expert. You treated these patients for chronic pain, opioid use disorder and insomnia. This medical expert had concerns related to the thoroughness of your medical record keeping for the patient suffering from insomnia, who was a licensed physician, and the dosing of buprenorphine and pharmacovigilance with patients being treated for pain and/or dependency, some of whom displayed aberrant behavior. The Board notes that you had the charts of the pain and dependency patients reviewed by another outside medical expert who opined that all of your care was appropriate and specifically that your care “appropriately balances the desire to reduce patients’ pain and discomfort with measures that promote safety and reduce diversion.” The Board notes that you have agreed to attend continuing medical education courses related to pain management and prescribing, which you routinely attend on an annual basis.
The Board urges you to take steps to ensure that the conduct giving rise to the Board’s concerns does not happen again. Otherwise, the Board may vote to commence formal disciplinary proceedings against your license. If that happens, this letter may be entered into evidence in determining the appropriate action.

This letter is a public record within the meaning of Chapter 132 of the North Carolina General Statutes and is subject to public inspection and dissemination as required by that law. It will be reported to the Federation of State Medical Boards; however, it will not be reported to the National Practitioner Data Bank.

Sincerely,

Barbara E. Walker, D.O.
President

BEW/PFB/wl

Enclosure
Consent and Waiver

I, William Farnham Taylor, M.D., would like to resolve this matter without the need for more formal proceedings and consent to the Board’s issuance of this Public Letter of Concern in resolution of the matter referenced above. I hereby waive any requirement under any law or rule that this Public Letter of Concern be served on me.

I further agree to attend continuing medical education ("CME") on the terms specified in this public letter of concern and as approved in advance by the Board’s Office of Medical Director. I agree to contact the Board’s Compliance Coordinator at compliance@ncmedboard.org once this CME is completed and provide proof of completion.

Consented to this the 23 day of August, 2019.

[Signature]
William Farnham Taylor, M.D.

State of North Carolina
County of Mecklenburg

I, Christian Whittington, do hereby certify that William Farnham Taylor, M.D. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 23 day of August, 2019.

[Signature]
Christian Whittington
Notary Public

My Commission Expires: 2/21/24

(Official Seal)
Corporate Practice of Medicine

It is the position of the Board that, except as discussed below, businesses practicing medicine in North Carolina must be owned in their entirety by persons holding active North Carolina licenses. The owners of a business engaged in the practice of medicine must be licensees of this Board or one of the combinations permitted in N.C. Gen. Stat. § 55B-14. Licensees of the Board providing medical services on behalf of businesses engaged in the corporate practice of medicine may be subject to disciplinary action by the Board. Whether a licensee of the Board is an employee or independent contractor is not determinative of whether a physician is aiding and abetting the corporate practice of medicine. In addition, the Board may seek injunctive relief against lay owners of businesses engaged in the corporate practice of medicine.

The Board does recognize certain exceptions to the corporate practice of medicine, including hospitals and health maintenance organizations. Such exceptions are premised on the notion that these entities are statutory creations intended for the public welfare and regulated by the government, thus ameliorating the inherent conflict between profit-making and good medical care. Under a similar rationale, public health clinics and charitable nonprofits are also considered exceptions to the prohibition on the corporate practice of medicine.

Hospital-owned practices

As mentioned above, the Board recognizes an exception to the prohibition on the corporate practice of medicine for non-profit hospitals and in turn medical practices that are owned by such hospitals. The policy underlying this exception is that non-profit hospitals are charged with the same mission as the Board in protecting the well-being of the citizens of North Carolina. In keeping with this policy, it is the Board’s expectation that hospital-owned practices will recognize the ethical obligations that their physician employees have to their patients and allow them to discharge such obligations. For example, it is the position of the Board that physicians who depart such practices for reasons other than safety concerns be permitted to provide appropriate notice to their patients, ensure continuity of care, and allow patient selection.

(Adopted March 2016)