

Merom Brachman, *Chairman*
Maryann B. Gall, *Vice Chair*
Bruce E. Bailey
Betty Davis
Michael A. Flack



OHIO ETHICS COMMISSION
William Green Building
30 West Spring Street, L3
Columbus, Ohio 43215-2256
Telephone: (614) 466-7090
Fax: (614) 466-8368

www.ethics.ohio.gov

Paul M. Nick
Executive Director

September 6, 2013

Richard Whitehouse

CONFIDENTIAL

Re: In the Matter of Richard Whitehouse
Inquiry No. 12-Q-1025-054

Dear Mr. Whitehouse:

As you know, the Ethics Commission has conducted an investigation to determine whether, as Executive Director of the State Medical Board of Ohio (SMBO), you violated the Conflict of Interest and Supplemental Compensation provisions of the Ethics Law. Specifically, it was alleged that, as a Director-at-Large of the Federation of State Medical Boards (FSMB), you received a stipend from the FSMB and also advocated for FSMB projects including the Maintenance of Licensure, before the SMBO.

The investigation found that the FSMB did not pay any stipends to you because the Director-at-Large position is an unpaid position. You received travel and meal reimbursement from the FSMB which were permissible. Further, you served on the FSMB Board of Directors in your official capacity as the SMBO Executive Director.

Staff reviewed the results of its investigation with the Commission at its regular meeting, in Confidential Session, on August 15, 2013. The Commission determined that there was insufficient evidence to support a violation of any of the Ethics Laws or related statutes and instructed staff to close this matter.

If you have any questions, please contact me at (614) 466-7090.

Respectfully,


Julie M. Korte
Chief Investigative Attorney

JMK/crb

Talmage
Chair Elect – FSMB
2011-2012 Per Diem Requests

10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	07/19/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	07/20/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	07/21/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	07/22/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	07/23/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	07/24/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	08/01/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	08/02/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/03/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/04/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/05/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/06/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/20/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/21/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/23/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/24/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	10/25/2011	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	02/08/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	02/09/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	02/10/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	02/11/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	04/24/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	04/25/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	04/26/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	04/27/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	04/28/2012	MED355000	Board Member	REGLR	Regular Hours	8
10083642	TALMAGE, LANCE A	62222	Board/Commission Member 2	04/29/2012	MED355000	Board Member	REGLR	Regular Hours	8

From July 19, 2011 through April 29, 2012, Dr. Talmage submitted 27 days/per diems for payment through the SMBO, while attending FSMB functions. For the time period previously stated, Dr. Talmage was paid \$4894.56 (\$22.66/hour) by the SMBO while attending FSMB functions.

**OHIO ETHICS COMMISSION**

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Columbus, Ohio 43215-2256
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SETTLEMENT AGREEMENT

**In the Matter of Dr. Lance Talmage
Inquiry No. 12-Q-1025-055
January 30, 2014**

This agreement is entered into between the Ohio Ethics Commission (Commission) and Dr. Lance Talmage pursuant to the Commission's authority under Ohio Revised Code Section 102.06(G)(1).

SUMMARY: The Commission opened an investigation into potential ethics violations by Dr. Lance Talmage, Board Member for the State Medical Board of Ohio (SMBO). The Commission received an allegation that Dr. Talmage violated the conflict of interest and supplemental compensation provisions of the Ethics Law. Specifically, it was alleged that, as Chair-Elect and Chair of the Federation of State Medical Boards (FSMB), a private non-profit national organization consisting of member state medical boards, Dr. Talmage received a stipend from the FSMB and also advocated in favor of FSMB projects, including the Maintenance of Licensure Pilot Program (MOL), before the SMBO. Because the Office of the Ohio Inspector General also opened an investigation, the Commission has coordinated with that office to avoid duplication of investigative efforts and resources.

FACTS: The investigation revealed that, while serving as a Board Member of the SMBO, Dr. Talmage served as the Chair-Elect, Chair, and now Past-Chair of the FSMB. Dr. Talmage was only able to campaign for and accept the positions of FSMB Chair-Elect, Chair,

Exhibit 3

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Dr. Lance Talmage
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and Past-Chair because of his position as a Board Member with the SMBO. As Chair-Elect of the FSMB, Dr. Talmage received a stipend in the amount of \$32,000.00 from the FSMB for his time conducting FSMB business such as participating in telephone conferences and attending FSMB meetings and events. At the same time as he was receiving the stipend from the FSMB, Dr. Talmage was receiving per diem payments from the SMBO for his attendance at FSMB meetings and events.

When the SMBO Board Members discussed Dr. Talmage's anticipated term as Chair-Elect and Chair of the FSMB, at their meeting on March 10, 2011, it was stated that it would be a significant opportunity for the SMBO. The SMBO Per Diem Policy states that Board members shall be paid a per diem for attendance at meetings and conferences related to SMBO business. The SMBO provides per diem reimbursements to Dr. Talmage and other members of the SMBO for attendance at annual FSMB Conferences and other FSMB functions.

Staff reviewed the results of this investigation with the Commission at its regularly scheduled meeting, in Executive Session, on August 15, 2013. The Commission found that the facts support a violation of R.C. 102.03(E) of the Ethics Law because Dr. Talmage, between July 19, 2011 and April 29, 2012, while serving as Chair-Elect of the FSMB and receiving a stipend from the FSMB for attending FSMB meeting and events, submitted 27 per diem requests for payment through the SMBO, while attending FSMB functions. During that time, the SMBO paid Dr. Talmage \$4894.56 while attending FSMB functions. Dr. Talmage acknowledges the facts demonstrate a violation, but he does not admit guilt. The Commission determined that these matters should be addressed through its settlement authority under 102.06(G) based upon the following factors in mitigation.

Dr. Lance Talmage
Settlement Agreement
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MITIGATION: In mitigation of any violation, pursuant to R.C. 102.06(G), Dr. Talmage served on the FSMB as a member of the SMBO; Dr. Talmage's advocacy in support of the FSMB MOL provided no direct pecuniary benefit to the FSMB or himself due to the SMBO deciding not to participate in the MOL. When Dr. Talmage started his position as Chair of the FSMB he stopped submitting SMBO per diem payment requests and has stated he will not request per diem payments when he is the Past-Chair. Finally, Dr. Talmage was cooperative with Commission staff during the course of the investigation.

RESOLUTION: Per the terms of this Settlement Agreement, Dr. Lance Talmage agrees to reimburse the SMBO for the per diem payments he received when he was Chair-Elect of the FSMB, in the amount of \$4894.56, in lieu of a referral of this matter to the local prosecuting attorney. Further, Dr. Talmage agrees to not engage in this type of activity in the future. Additionally, effective January 10, 2013, and as a result of this investigation, the SMBO updated the Board Member Per Diem Policy. Dr. Talmage agrees to enter into this settlement agreement to resolve the Commission's investigation. A copy of this agreement will be shared with the SMBO, the Ohio Inspector General, and the Columbus City Attorney's Office. This agreement will be a public record. Finally, Dr. Talmage acknowledges that any future alleged violations brought to the Commission or Prosecutor's Office will be fully investigated and, if warranted by the facts, recommended to be prosecuted to the full extent of the law.

Pursuant to 102.06(G)(3), if Dr. Lance Talmage breaches this Settlement Agreement, the Commission, in its discretion, may rescind the Agreement and reinstitute any investigation, hearing, or refer the matter for prosecution and Dr. Lance Talmage hereby voluntarily waives any statute of limitations related to those potential charges.

Exhibit 3

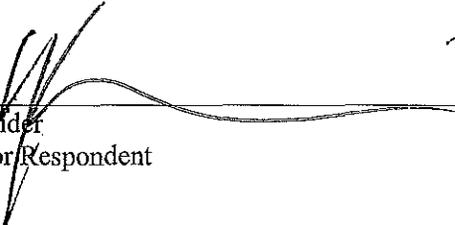
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Dr. Lance Talmage
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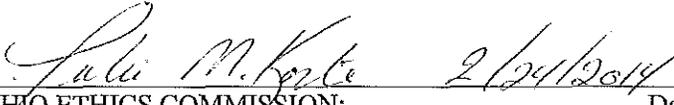
Per the terms of this Settlement Agreement, the Commission will hereby close its review of this matter in lieu of any referral of this matter for prosecution.

 2-12-14

Dr. Lance Talmage Date
Respondent

 2-12-14

Karl Schneider Date
Attorney for Respondent

 2/24/2014

OHIO ETHICS COMMISSION: Date
By Julie M. Korte, Chief Investigative Attorney

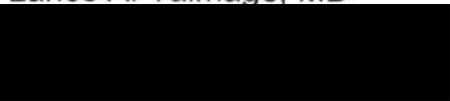


State Medical Board of Ohio

30 E. Broad St. 3rd floor • Columbus, OH 43215-6127 • (614) 466-3934 • Website: www.state.oh.us/med/

March 6, 2014

Lance A. Talmage, MD



Dear Dr. Talmage:

The State Medical Board of Ohio's Fiscal Department has received your check # 8339 in the amount of \$4894.56 on March 6, 2014 for reimbursement purposes.

If you need any additional information or have any questions, please contact me at the telephone number or e-mail address below.

Sincerely,

A handwritten signature in cursive script that reads "Vickie Oldham".

Vickie Oldham
Chief Fiscal

Direct Dial: (614) 466-9239
FAX: (614) 728-5946
Website: www.state.oh.us/med/
E-Mail Address: Vickie.Oldham@med.state.oh.us