

STATEMENT FROM THE REGISTRAR - DISCIPLINARY DECISION

An Inquiry Panel of the College (“Panel”) has found Dr. Susan Graham Krause, formerly Dr. Hauch (“Dr. Krause”), guilty of 8 charges, including professional misconduct, contravening several professional/ethical standards, displaying a lack of knowledge, skill and/or judgment in the practice of medicine and having demonstrated unfitness to practice medicine.

Click [HERE](#) for the entire decision. It is 78 pages and refers to the 185 page Statement of Agreed Facts and three binders of documents.

First and foremost, I want to express the College’s gratitude to the patients and their families who bravely and generously participated in the investigation. Because Dr. Krause eventually admitted most of the important facts, they were spared the additional pain and suffering of testifying at the hearing, but that does not make up for the suffering they endured. The College is particularly grateful for their extraordinary patience during a long and drawn out investigation made necessary because of Dr. Krause’s failure to cooperate and her having provided false and misleading information to the College.

I hope that the public and our members take away two important points from this decision:

1. Dr. Krause’s interactions with the vulnerable individuals who received an invasive and experimental procedure did not occur in a traditional physician/patient relationship, but that did not diminish her professional obligations to them as a physician. The finding of unfitness to practice medicine:

recognizes that a physician’s professional responsibilities are not confined to the care of patients, but extend to other categories of the physician’s professional responsibilities such as, in this case, participation in a clinical study, the avoidance of conflict of interest, and full unconditional cooperation with the College in its investigative and regulatory activities. ([p.53](#))

2. Perhaps, the most important message is reflected in these comments about Dr. Krause having been subject to the “manipulations” of Mr. Broeska:

The practice of medicine is stressful and challenging. Individuals in all walks of life face pressures and challenges, including challenges in their relationships with the people who are closest to them. **Individuals who have been granted the privilege of practising medicine cannot allow the dynamics of their interpersonal relationships to interfere with the fulfillment of their professional responsibilities and obligations.** (emphasis added) ([p.67](#))

As Registrar, I am not in a position to comment on the reasoning of the Panel. Its written decision speaks for itself and I encourage all to read it. I am concerned that the importance of what it says about the College’s mandate, duties and powers to serve and protect the public interest and the scope of our

members professional obligations may get lost because of the length of the decision and its complexities. As such, this statement should not be viewed as a substitute for the decision, but rather a means of communicating what the College considers to be most important about it.

Some factual background is important. The decision follows multiple investigations into allegations against Dr. Krause dating back to January 2015. The disclosure and publication of the names of patients and other third parties, except Doug Broeska and Surjo Banerjee, is prohibited.

The essential findings of the Panel are:

1. Dr. Krause inappropriately and unethically participated in a “research” study which purported to investigate unproven therapy/interventions for multiple sclerosis (“MS”), amyotrophic lateral sclerosis (“ALS”) and other neurological illnesses which were performed in Pune, India. It was known as the Combined Treatment Protocol or “CTP” Study. Her misconduct included significant conflicts of interest arising from her intimate personal and business relationship with Mr. Doug Broeska and her being both a shareholder and investor with Mr. Broeska in Clinicard, Regenetek and Regenetek Research.
2. Dr. Krause engaged in inappropriate personal interactions with nineteen vulnerable patients, including providing medical advice to them and encouraging or facilitating their participation in the CTP Study. Most individuals were required to pay between \$US 15,000 and \$US 45,000 to a business in which Dr. Krause owned shares. Payment of this fee was required to participate in the study and receive the unproven and experimental intervention/therapy in India. Some of them made these decisions after discussions with Dr. Krause and placed significant reliance on the information and advice provided to them by her, “precisely because she was an experienced physician”.
3. Dr. Krause failed to cooperate with the College’s investigation and she provided false and misleading information to the College from as early as 2013, when she deceived the College about her knowledge and involvement with Mr. Broeska and the CTP Study. She continued to provide false and misleading information and failed to cooperate with the investigation into 2017, shortly before the end of the investigation.

Dr. Krause pleaded guilty to all charges, except the charge that she had demonstrated an incapacity or unfitness to practice medicine. The Panel found that Dr. Krause had demonstrated an incapacity or unfitness to practice medicine based largely on the following evidence and reasoning:

1. Dr. Krause displayed a pattern of extensive misconduct and breaches of professional standards covering a diverse set of circumstances, including inappropriate and/or unethical participation in a clinical research study, involvement with many patients and facilitating their participation in the CTP Study by a variety of means including the provision of medical advice, in circumstances in which her personal and financial interests conflicted with those of the patients. [\(p. 52\)](#)

2. Dr. Krause's misconduct was...compounded and exacerbated by Dr. Krause providing false and misleading information to the College in the course of the College's investigation into these matters and multiple instances of Dr. Krause failing to properly comply with the College's demands for relevant records. All of these events occurred over an extended period of time and most of her interactions with the College occurred after she had received legal advice and with respect to her professional obligations in such circumstances. In short, the Panel has concluded that Dr. Krause's conduct was so gravely serious, her breaches of standards so concerning and diverse, and her disrespect of the College's processes so contemptuous that Dr. Krause demonstrated an incapacity or unfitness to practice medicine, during the period in which those actions and behaviours occurred, namely from February 11, 2011 to approximately April 2017. [\(p.52\)](#)

The Panel also commented on two important findings in relation to Dr. Krause's "duplicity with the College", which the Panel found to be "particularly alarming":

1. During a College investigation in 2013, "Dr. Krause deliberately provided false and misleading information to the College ... which caused the College to discontinue its investigation and to enable Dr. Krause to carry on with her activities relating to Clinicard, Regenetek, the CCSVI Clinic and the CTP Study."
2. The Panel described both the number of instances in which Dr. Krause failed to cooperate with the investigation and/or provided incomplete or false information between 2015 and 2017 as "very disturbing" and stated that:
the pattern of deception is consistent with an intention on the part of Dr. Krause to prevent the College from learning the true facts while protecting her own position. Dr. Krause seldom responded to questions or requests from the College with the truth, or the whole truth, and was only fully forthcoming when confronted with irrefutable evidence establishing facts which were contrary to the version of events which she had previously put forward... [\(p. 72\)](#)

The Panel also specifically commented that all 19 patients "were susceptible to being unduly influenced by the advice being provided by Dr. Krause by virtue of her being an experienced physician" and that:

Dr. Krause exploited that susceptibility by encouraging their enrollment in a study which involved substantial fees and expenses for those individuals, lengthy travel (which was bound to be arduous given their compromised health), invasive and painful surgical interventions, accompanied by risk of harm. It is evident to the Panel that Dr. Krause's personal and financial self-interests prevailed over the wellbeing of those 19 individuals and seriously impaired her judgment and ability to assess the best interests of those individuals. [\(p. 61\)](#)

The Investigation Committee of the College, which investigated the allegations of misconduct, referred the charges to a hearing and oversaw the presentation of the case against Dr. Krause, took the position that revocation of Dr. Krause's registration and licence to practice medicine was the only appropriate penalty. It also asked for an order Dr. Krause to pay all of the costs of both the investigation and the hearing. In contrast, Dr. Krause submitted that she should only be suspended for six months with conditions on her practice after her return.

The Panel (like the Investigation Committee) is made up of two physician members and a public representative. It recognized that revoking Dr. Krause's licence was "within the reasonable outcomes of this case" and "would fulfill the objectives of punishment, specific deterrence and general deterrence", and that it would be "one way of protecting the public". However, it ultimately imposed a 12 month suspension combined with significant conditions upon her return to practice. It concluded that this result would "appropriately punish Dr. Krause for her misconduct and deter her and other physicians from similar behaviour, while protecting the interests of the public and maintaining the public's confidence in the medical profession's ability to regulate itself." The conditions imposed include restrictions, strict supervision and mandatory participation in ongoing psychotherapy. The following findings of the Panel underly its decision on penalty:

1. Dr. Krause has "substantial rehabilitative potential" which she is realizing through ongoing psychiatric care.
2. She is genuinely remorseful.
3. Dr. Krause is unlikely to misconduct herself in the future.
4. Dr. Krause "was duped by Mr. Broeska", with whom she has had no contact since early 2015 and now recognizes as an "effective conman".

The Panel also ordered that Dr. Krause be required to pay all of the College's costs of both the investigation and this hearing because "Dr. Krause's false and misleading statements to the College and her lack of cooperation with the investigations conducted by the College made investigations and these proceedings unduly protracted and expensive." These costs have not yet been calculated because they will include costs associated with the preparation of the decision which are still not known. I anticipate the costs of the investigation and hearing to be the highest of any in the College's history given that "Dr. Krause's lack of cooperation and deceit persisted for more than 4 years".

These proceedings are governed by *The Medical Act* which does not provide for an appeal by the Investigation Committee to the Courts. This is clear from a decision of the Manitoba Court of Appeal. As such, this decision is final in relation to Dr. Krause's guilt and the penalty imposed.