



DEPARTMENT OF JUSTICE

Drug Enforcement Administration

David Israel, M.D.; Decision and Order

On August 28, 2023, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause and Immediate Suspension of Registration (OSC/ISO) to David Israel, M.D., of Bronx, New York (Registrant).¹ Request for Final Agency Action (RFAA), Exhibit (RFAAX) 1, at 1, 6. The OSC/ISO proposed the revocation of Registrant’s DEA Certification of Registration (registration), No. BI8368828, alleging that he is currently without authority to handle controlled substances in the State of New York, the state in which he is registered with DEA. *Id.* at 4-5 (citing 21 U.S.C. 824(a)(3)). The OSC/ISO further proposed the revocation of Registrant’s registration on the basis that Registrant has committed such acts as would render his registration inconsistent with the public interest. *Id.* at 3 (citing 21 U.S.C. 823(g)(1), 824(a)(4)).²

Specifically, the OSC/ISO alleges that “between . . . October 9, 2020, until at least . . . June 11, 2023, [Registrant] violated federal and New York state law by issuing prescriptions for controlled substances outside the usual course of professional practice and for other than a legitimate medical purpose, in violation of 21 C.F.R. § 1306.04(a) and N.Y. Comp. Codes R. & Regs. Tit. 10, § 80.65.” RFAAX 1, at 3.

The OSC notified Registrant of his right to file with DEA a written request for hearing within 30 days after the date of receipt of the OSC. *Id.* at 5-6 (citing 21 CFR 1301.43(a)). The OSC also notified Registrant that if it failed to file such a request, he would be deemed to have

¹ Based on the Government’s submissions in its RFAA dated April 18, 2024, the Agency finds that service of the OSC/ISO on Registrant was adequate. Specifically, the Declaration from a DEA Diversion Investigator (DI) indicates that Registrant was successfully mailed a copy of the OSC/ISO at both his mail-to address and registered address on December 1, 2023, and December 4, 2023, respectively. RFAAX 2, at 3; *see also* RFAAX 2, Attachment A.

² According to Agency records, Registrant’s registration No. BI8368828 expired on November 30, 2023. The fact that a registrant allows his registration to expire during the pendency of an OSC does not impact the Agency’s jurisdiction or prerogative under the Controlled Substances Act (hereinafter, CSA) to adjudicate the OSC to finality. *Jeffrey D. Olsen, M.D.*, 84 FR 68474, 68476-79 (2019).

waived his right to a hearing and be in default. *Id.* (citing 21 CFR 1301.43(c), (d), (e)). Here, Registrant did not request a hearing. RFAA, at 2. “A default, unless excused, shall be deemed to constitute a waiver of the [registrant’s] right to a hearing and an admission of the factual allegations of the [OSC/ISO].” 21 CFR 1301.43(e).

Further, “[i]n the event that a registrant . . . is deemed to be in default . . . DEA may then file a request for final agency action with the Administrator, along with a record to support its request. In such circumstances, the Administrator may enter a default final order pursuant to [21 CFR] § 1316.67.” *Id.* § 1301.43(f)(1). Here, the Government has requested final agency action based on Registrant’s default pursuant to 21 CFR 1301.43(c), (f), because Registrant has not timely requested a hearing nor filed an Answer to the OSC/ISO. *See also id.* § 1316.67.

I. Lack of State Authority

A. Findings of Fact

The Agency finds that, in light of Registrant’s default, the factual allegations in the OSC/ISO are deemed admitted. According to the OSC/ISO, on August 23, 2023, the New York Department of Health suspended Registrant’s medical license. RFAAX 1, at 4. According to New York online records, of which the Agency takes official notice, Registrant’s medical license has since been revoked.³ New York Office of the Professions Verification Search, <https://eservices.nysed.gov/professions/verification-search> (last visited date of signature of this Order). Accordingly, the Agency finds substantial record evidence that Registrant is not licensed to practice medicine in New York, the state in which he is registered with DEA.⁴

B. Discussion

³ Under the Administrative Procedure Act, an agency “may take official notice of facts at any stage in a proceeding – even in the final decision.” United States Department of Justice, Attorney General’s Manual on the Administrative Procedure Act 80 (1947) (Wm. W. Gaunt & Sons, Inc., Reprint 1979).

⁴ Pursuant to 5 U.S.C. 556(e), “[w]hen an agency decision rests on official notice of a material fact not appearing in the evidence in the record, a party is entitled, on timely request, to an opportunity to show the contrary.” The material fact here is that Registrant, as of the date of this decision, is not licensed to practice medicine in New York. Accordingly, Registrant may dispute the Agency’s finding by filing a properly supported motion for reconsideration of findings of fact within fifteen calendar days of the date of this Order. Any such motion and response shall be filed and served by e-mail to the other party and to DEA Office of the Administrator, Drug Enforcement Administration at dea.addo.attorneys@dea.gov.

Pursuant to 21 U.S.C. 824(a)(3), the Attorney General is authorized to suspend or revoke a registration issued under 21 U.S.C. 823 “upon a finding that the registrant . . . has had his State license or registration suspended . . . [or] revoked . . . by competent State authority and is no longer authorized by State law to engage in the . . . dispensing of controlled substances.” With respect to a practitioner, DEA has also long held that the possession of authority to dispense controlled substances under the laws of the state in which a practitioner engages in professional practice is a fundamental condition for obtaining and maintaining a practitioner’s registration. *Gonzales v. Oregon*, 546 U.S. 243, 270 (2006) (“The Attorney General can register a physician to dispense controlled substances ‘if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.’ . . . The very definition of a ‘practitioner’ eligible to prescribe includes physicians ‘licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which he practices’ to dispense controlled substances. § 802(21).”). The Agency has applied these principles consistently. *See, e.g., James L. Hooper, M.D.*, 76 FR 71371, 71372 (2011), *pet. for rev. denied*, 481 F. App’x 826 (4th Cir. 2012); *Frederick Marsh Blanton, M.D.*, 43 FR 27616, 27617 (1978).⁵

According to New York statute, “dispense” means “to deliver a controlled substance to an ultimate user or research subject by lawful means, . . . and includes the packaging, labeling, or compounding necessary to prepare the substance for such delivery.” N.Y. Pub. Health Law section 3304(8) (McKinney 2024). Further, a “practitioner” means “[a] physician . . . or other person licensed, or otherwise permitted to dispense, administer or conduct research with respect

⁵ This rule derives from the text of two provisions of the CSA. First, Congress defined the term “practitioner” to mean “a physician . . . or other person licensed, registered, or otherwise permitted, by . . . the jurisdiction in which he practices . . . , to distribute, dispense, . . . [or] administer . . . a controlled substance in the course of professional practice.” 21 U.S.C. 802(21). Second, in setting the requirements for obtaining a practitioner’s registration, Congress directed that “[t]he Attorney General shall register practitioners . . . if the applicant is authorized to dispense . . . controlled substances under the laws of the State in which he practices.” 21 U.S.C. 823(g)(1). Because Congress has clearly mandated that a practitioner possess state authority in order to be deemed a practitioner under the CSA, DEA has held repeatedly that revocation of a practitioner’s registration is the appropriate sanction whenever he is no longer authorized to dispense controlled substances under the laws of the state in which he practices. *See, e.g., James L. Hooper, M.D.*, 76 FR 71371-72; *Sheran Arden Yeates, M.D.*, 71 FR 39130, 39131 (2006); *Dominick A. Ricci, M.D.*, 58 FR 51104, 51105 (1993); *Bobby Watts, M.D.*, 53 FR 11919, 11920 (1988); *Frederick Marsh Blanton, M.D.*, 43 FR 27617.

to a controlled substance in the course of a licensed professional practice or research.” *Id.* section 3302(27).

Here, the undisputed evidence in the record is that Registrant lacks authority to practice medicine in New York. As discussed above, a physician must be a licensed practitioner to dispense a controlled substance in New York. Thus, because Registrant currently lacks authority to practice medicine in New York and, therefore, is not authorized to handle controlled substances in New York, Registrant is not eligible to maintain a DEA registration in New York. Accordingly, the Agency will order that Registrant’s DEA registration be revoked.

II. Public Interest

A. Applicable Law

As already discussed, the OSC/ISO alleges that Registrant violated multiple provisions of the Controlled Substances Act (CSA) and its implementing regulations. As the Supreme Court stated in *Gonzales v. Raich*, “the main objectives of the CSA were to conquer drug abuse and to control the legitimate and illegitimate traffic in controlled substances. . . . To effectuate these goals, Congress devised a closed regulatory system making it unlawful to . . . dispense[] or possess any controlled substance except in a manner authorized by the CSA.” 545 U.S. 1, at 12-13 (2005). In maintaining this closed regulatory system, “[t]he CSA and its implementing regulations set forth strict requirements regarding registration, . . . drug security, and recordkeeping.” *Id.* at 14.

The OSC/ISO’s allegations concern the CSA’s “statutory and regulatory provisions . . . mandating . . . compliance with . . . prescription requirements” and, therefore, go to the heart of the CSA’s “closed regulatory system” specifically designed “to conquer drug abuse and to control the legitimate and illegitimate traffic in controlled substances,” and “to prevent the diversion of drugs from legitimate to illicit channels.” *Id.* at 12-14, 27.

The Allegation that Registrant Issued Prescriptions Outside the Usual Course of Professional Practice

According to the CSA's implementing regulations, a lawful prescription for controlled substances is one that is "issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice." 21 CFR 1306.04(a); *see Gonzales v. Oregon*, 546 U.S. 243, 274 (2006), *United States v. Hayes*, 595 F.2d 258 (5th Cir. 1979), *rehearing den.*, 598 F.2d 620 (5th Cir. 1979), *cert. denied*, 444 U.S. 866 (1979); RFAAX 1, at 2. New York regulations similarly require that "[a] prescription, in order to be effective in legalizing the possession of controlled substances, shall be issued for a legitimate medical purpose only." N.Y. Comp. Codes R. & Regs. tit. 10, section 80.65. New York regulations also state that practitioners may issue controlled substances only "in good faith and in the course of their professional practice." N.Y. Comp. Codes R. & Regs. tit. 10, section 80.71(a).

DEA's implementing regulations permit registrants to issue electronic prescriptions for controlled substances in schedules II–V. 21 CFR 1311.100(b); RFAAX 1, at 2. To issue an electronic prescription for a controlled substance, the prescribing practitioner must authenticate the prescription using at least two of the following factors: a password or other knowledge factor, biometric data, and/or a hard token. 21 CFR 1311.115(a), 1311.120(b)(5), (11); RFAAX 1, at 2. The completion of the two-factor authentication process "constitute[s] the signing of the prescription by the practitioner." 21 CFR 1311.140(a)(5); RFAAX 1, at 2. While DEA regulations permit a non-registered agent to enter data on the prescription, the registrant must sign the prescription himself with the two-factor authentication procedure. 21 CFR 1311.135(a); RFAAX 1, at 2.

DEA regulations make clear that "[t]he practitioner must retain sole possession of the hard token . . . and must not share the password or other knowledge factor, or biometric information, with any other person." 21 CFR 1311.102(a); RFAAX 1, at 2. The regulation further states that "[t]he practitioner must not allow any other person to use . . . or enter the knowledge factor or other identification means to sign prescriptions for controlled substances," and that "[f]ailure by the practitioner to secure the . . . knowledge factor, or biometric

information may provide a basis for revocation or suspension of registration.” *Id.* The practitioner has the ultimate responsibility for ensuring that electronic prescriptions are accurate and issued in the usual course of professional practice and for a legitimate medical purpose. 21 CFR 1311.102(k); RFAAX 1, at 2.

B. Findings of Fact

The Agency finds that, in light of Registrant’s default, the factual allegations in the OSC are deemed admitted. 21 CFR 1301.43(e). Accordingly, Registrant is deemed to have admitted and the Agency finds that from at least April 2, 2020 through at least June 11, 2023, Registrant issued numerous controlled substance prescriptions outside the usual course of professional practice and for other than a legitimate medical purpose. RFAAX 1, at 3.

Unlawful Prescriptions for T.C.

Registrant admits that from April 2, 2020, through May 13, 2023, Registrant unlawfully provided his secure log-in credentials to T.C. so that T.C. could self-issue controlled substance prescriptions. *Id.* Registrant admits that T.C. self-issued prescriptions for lorazepam (a schedule IV controlled substance), diazepam (a schedule IV controlled substance), and dextroamphetamine-amphetamine (a schedule II controlled substance) using Registrant’s credentials.⁶ *Id.* Registrant admits that these prescriptions were not issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice. *Id.* at 3-4.

Accordingly, the Agency finds substantial record evidence that Registrant unlawfully provided his secure log-in credentials to T.C. and that the controlled substance prescriptions that T.C. self-issued were not issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice.

Unlawful Prescriptions in C.G.’s Name

⁶ The OSC/ISO notes that between April 2, 2020 through October 31, 2021, Registrant requested that T.C. provide him with portions of T.C.’s self-issued controlled substance prescriptions for Registrant’s personal use in violation of 21 CFR 1306.04(a) and New York Administrative Code sections 80.65, 80.71. RFAAX 1, at 4. The correlation between this allegation and the OSC’s cited legal authorities is unclear and, therefore, the Agency will not make findings on it.

Registrant admits that on May 5, 2022, he fraudulently issued a prescription for oxycodone 30 mg (a schedule II controlled substance) in the name of individual C.G. RFAAX 1, at 4. Registrant gave this prescription to an individual other than C.G. to settle a personal debt. *Id.* Registrant issued four additional prescriptions for oxycodone 30 mg in C.G.’s name after C.G. died.⁷ *Id.* Registrant admits that the five prescriptions that he issued to C.G. were not issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice. *Id.*

Accordingly, the Agency finds substantial record evidence that the five controlled substance prescriptions that Registrant issued to C.G. were not issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice.

Unlawful Prescriptions for C.R.

Registrant admits that on May 5, 2022, he issued a prescription for oxycodone 30 mg in the name of individual C.R. *Id.* Registrant gave this prescription to an individual other than C.R. in settlement of a personal debt. *Id.* Registrant admits that this prescription was not issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice. *Id.*

Accordingly, the Agency finds substantial record evidence that the oxycodone prescription that Registrant issued to C.R. was not issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice.

C. Discussion

i. The Five Public Interest Factors

Under Section 304 of the CSA, “[a] registration . . . to . . . distribute[] or dispense a controlled substance . . . may be suspended or revoked by the Attorney General upon a finding that the registrant . . . has committed such acts as would render his registration under . . . [21 U.S.C. 823] inconsistent with the public interest as determined by such section.” 21

⁷ Individual C.G. died on December 6, 2022. RFAAX 1, at 4.

U.S.C. 824(a)(4). In the case of a “practitioner,” Congress directed the Attorney General to consider five factors in making the public interest determination. 21 U.S.C. 823(g)(1)(A-E).⁸ The five factors are considered in the disjunctive. *Gonzales v. Oregon*, 546 U.S. at 292-93 (2006) (Scalia, J., dissenting) (“It is well established that these factors are to be considered in the disjunctive,” citing *In re Arora*, 60 FR 4447, 4448 (1995)); *Robert A. Leslie, M.D.*, 68 FR 15227, 15230 (2003). Each factor is weighed on a case-by-case basis. *Morall v. Drug Enf’t Admin.*, 412 F.3d 165, 173-74 (D.C. Cir. 2005). Any one factor, or combination of factors, may be decisive. *Penick Corp. v. Drug Enf’t Admin.*, 491 F.3d 483, 490 (D.C. Cir. 2007); *Morall*, 412 F.3d. at n.2; *David H. Gillis, M.D.*, 58 FR 37507, 37508 (1993).

In this matter, while all of the 21 U.S.C. 823(g)(1) factors have been considered, the Agency finds that the Government’s evidence in support of its *prima facie* case is confined to Factors B and D. See RFAAX 1, at 4. Moreover, the Government has the burden of proof in this proceeding.⁹ 21 CFR 1301.44.

Here, the Agency finds that the Government’s evidence satisfies its *prima facie* burden of showing that Registrant’s registration would be “inconsistent with the public interest.” 21 U.S.C. 823(g)(1).

ii. Allegation that Registrant’s Registration is Inconsistent with the Public Interest

Factors B and/or D – Registrant Experience in Dispensing Controlled Substances and Compliance with Applicable Laws Related to Controlled Substances

Evidence is considered under Public Interest Factors B and D when it reflects compliance or non-compliance with federal and local laws related to controlled substances and experience dispensing controlled substances. 21 U.S.C. § 823(g)(1)(B) and (D); *see also Kareem Hubbard*,

⁸ The five factors of 21 U.S.C. § 823(g)(1)(A-E) are: (a) The recommendation of the appropriate State licensing board or professional disciplinary authority. (b) The [registrant’s] experience in dispensing, or conducting research with respect to controlled substances. (c) The [registrant’s] conviction record under Federal or State laws relating to the manufacture, distribution, or dispensing of controlled substances. (d) Compliance with applicable State, Federal, or local laws relating to controlled substances. (e) Such other conduct which may threaten the public health and safety.

⁹ The Agency need not adjudicate the criminal violations alleged in the instant OSC. *Ruan v. United States*, 597 U.S. 450 (2022) (decided in the context of criminal proceedings).

M.D., 87 FR 21156, 21162 (2022). Here, as found above, Registrant is deemed to have admitted and the Agency finds that Registrant unlawfully provided his secure log-in credentials to individual T.C. and allowed T.C. to self-issue controlled substance prescriptions utilizing his credentials. Accordingly, the Agency finds substantial record evidence that Registrant violated 21 CFR 1311.102(a), 1311.135(a), and 1306.04(a). *See also Neeraj B. Shah, M.D.*, 89 FR 84195, 84196-97 & n.11 (2024); *Allan Alexander Rashford, M.D.*, 87 FR 77637, 77637-38 (2022); RFAAX 1, at 3.

Additionally, as found above, Registrant is deemed to have admitted and the Agency finds that Registrant issued numerous prescriptions to T.C., C.R., and C.G. that lacked a legitimate medical purpose and were issued outside the usual course of professional practice. Accordingly, the Agency finds substantial record evidence that Registrant violated 21 CFR 1306.04(a) and N.Y. Comp. Codes R. & Regs. tit. 10 sections 80.65, 80.71(a).

The Agency further finds that Factors B and D weigh in favor of revocation of Registrant's registration and that Registrant's registration would be inconsistent with the public interest in balancing the factors of 21 U.S.C. 823(g)(1). Accordingly, the Agency finds that the Government established a *prima facie* case, that Registrant did not rebut that *prima facie* case, and that there is substantial record evidence supporting the revocation of Registrant's registration. 21 U.S.C. 823(g)(1).

D. Sanction

Where, as here, the Government has met its *prima facie* burden of showing that Registrant's registration is inconsistent with the public interest due to its numerous violations pertaining to controlled substances, the burden shifts to Registrant to show why he can be entrusted with a registration. *Morall*, 412 F.3d. at 174; *Jones Total Health Care Pharmacy*, 881 F.3d 823, 830 (11th Cir. 2018); *Garrett Howard Smith, M.D.*, 83 FR 18882 (2018). The issue of trust is necessarily a fact-dependent determination based on the circumstances presented by the individual registrant. *Jeffrey Stein, M.D.*, 84 FR 46968, 46972 (2019); *see also Jones Total*

Health Care Pharmacy, 881 F.3d at 833. Moreover, as past performance is the best predictor of future performance, DEA Administrators have required that a registrant who has committed acts inconsistent with the public interest must accept responsibility for those acts and demonstrate that it will not engage in future misconduct. *Jones Total Health Care Pharmacy*, 881 F.3d at 833. A registrant's acceptance of responsibility must be unequivocal. *Id.* at 830-31. In addition, a registrant's candor during the investigation and hearing has been an important factor in determining acceptance of responsibility and the appropriate sanction. *Id.* Further, DEA Administrators have found that the egregiousness and extent of the misconduct are significant factors in determining the appropriate sanction. *Id.* at 834 and n.4. DEA Administrators have also considered the need to deter similar acts by the specific registrant and by the community of registrants. *Jeffrey Stein, M.D.*, 84 FR 46972-73.

Here, Registrant did not timely or properly request a hearing and was deemed to be in default. 21 CFR 1301.43(c)(1), (e), (f)(1); RFAA, at 1-9. To date, Registrant has not filed a motion with the Office of the Administrator to excuse the default. 21 CFR 1301.43(c)(1). Registrant has thus failed to answer the allegations contained in the OSC and has not otherwise availed himself of the opportunity to refute the Government's case. As such, Registrant has made no representations as to its future compliance with the CSA nor made any demonstration that it can be entrusted with registration. Moreover, the evidence presented by the Government shows that Registrant violated the CSA, further indicating that Registrant cannot be entrusted.

Accordingly, the Agency will order the revocation of Registrant's registration.

Order

Pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 824(a), I hereby revoke DEA Certificate of Registration No. BI8368828 issued to David Israel, M.D. Further, pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 823(g)(1), I hereby deny any pending applications of David Israel, M.D., to renew or modify this registration, as well as any other pending application of David Israel, M.D., for additional registration in New

York. This Order is effective **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

Signing Authority

This document of the Drug Enforcement Administration was signed on April 10, 2025, by Acting Administrator Derek Maltz. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DEA Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the Federal Register.

Heather Achbach,
Federal Register Liaison Officer,
Drug Enforcement Administration.

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