

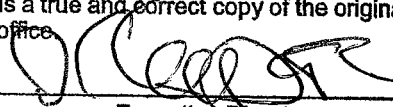
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**BEFORE THE BOARD OF MEDICAL EXAMINERS
OF THE STATE OF NEVADA**

* * * * *

**In The Matter of Charges and
Complaint Against
STELLA CHOU, M.D.,
Respondent.**

) STATE OF NEVADA
) BOARD OF MEDICAL EXAMINERS
) Case No. 08-29655-1
) certify, as Official Custodian of the records, that this
) document is a true and correct copy of the original on
) file in this office.
) Signed: 
) Executive Director
) Date: 9/10/2010
)
)
)

SETTLEMENT, WAIVER AND CONSENT AGREEMENT

THIS AGREEMENT is entered into by and between the Investigative Committee (IC) of the Nevada State Board of Medical Examiners (the Board) composed of Charles N. Held, M.D, Theodore B. Berndt, M.D. and Ms. Valerie Clark by and through counsel, Lyn E. Beggs, Esq., and Stella Chou, M.D. (Respondent), by and through her counsel John Cotton, Esq., as follows:

WHEREAS, on August 17, 2010, the Board's IC filed a Third Amended Complaint in the above referenced matter charging Respondent with engaging in conduct that is grounds for discipline pursuant to the Medical Practice Act (NRS Chapter 630 and NAC Chapter 630) to wit: four counts of malpractice, violations of NRS 630.301(4); one count of failing to provide adequate supervision to medical assistants, a violation of NAC 630.230(1)(i) and NRS 630.306(2)(b); and one count of continual failure to exercise the skill or diligence or use the methods ordinarily exercised under the same circumstances by physicians in good standing practicing in the same specialty or field, a violation of NRS 630.306(7); and

WHEREAS, Respondent has received and reviewed a copy of the Complaint, understands it, and has consulted with competent counsel John Cotton, Esq., concerning the nature and significance of the Complaint and Respondent is fully advised concerning her rights and defenses to the complaint as well as the possible sanctions that may be imposed if the Board finds and concludes that she has engaged in conduct that is grounds for discipline pursuant to the

1 Medical Practice Act and after due consideration and consultation with her counsel,
2 acknowledges that the Board has prima fascia evidence to proceed with the allegations set forth in
3 counts I through VI of the Third Amended Complaint filed against her and to make a finding that
4 she has violated the Medical Practice Act; and

5 **WHEREAS**, Respondent understands and agrees that this Agreement is entered into by
6 and between herself and the Board's Investigative Committee, and not with the Board, but that the
7 Investigative Committee will present this Agreement to the Board for consideration in open
8 session at a Board meeting, appropriately noticed, and that the Investigative Committee shall
9 advocate approval of this Agreement by the Board, but that the Board has the right to decide in its
10 own discretion whether or not to approve this Agreement; and

11 **WHEREAS**, Respondent and the Investigative Committee each understand and agree that
12 if the Board approves the terms, covenants and conditions of this Agreement, then the terms,
13 covenants and conditions enumerated below shall be binding and enforceable upon Respondent
14 and the Board's Investigative Committee; and

15 **NOW THEREFORE**, in order to resolve the above-captioned case and charges brought
16 against Respondent by the Board's Investigative Committee in said matter, Respondent and the
17 Investigative Committee hereby agree to the following terms, covenants and conditions:

18 1. **Entry of Order.** In order to resolve the matter of these disciplinary proceedings
19 pending against her without any further costs and expense of providing a defense to the Third
20 Amended Complaint or to any subsequent amended complaints, Respondent shall not contest the
21 allegations set forth in counts I through VI of the Third Amended Complaint and, as a result,
22 hereby understands that a disciplinary order may be entered herein by the Board finding that
23 Respondent engaged in conduct that is grounds for discipline pursuant to the Medical Practice Act
24 to wit: four counts of malpractice as set forth in counts I through IV of the Third Amended
25 Complaint, violations of NRS 630.301(4); one count of failing to provide adequate supervision to
26 medical assistants, a violation of NAC 630.230(1)(i) and NRS 630.306(2)(b); and one count of
27 continual failure to exercise the skill or diligence or use the methods ordinarily exercised under the
28 same circumstances by physicians in good standing practicing in the same specialty or field, a

1 violation of NRS 630.306(7) and ordering that Respondent be disciplined in the manner following:
2 that she be issued a public reprimand and that she pay a fine of \$2500 for counts I through IV for a
3 total of \$10,000. Furthermore, Respondent shall be ordered to reimburse the Board the reasonable
4 costs and expenses incurred in the investigation and prosecution of this case, the current amount
5 being \$21,914.25, plus any additional costs that may be accrued subsequent related to the
6 disposition of this matter. The costs and fine shall be paid to the Nevada State Board of Medical
7 Examiners within ninety (90) days of the acceptance of this Agreement by the Board.
8 Respondent acknowledges that she did not renew her license to practice medicine in the state of
9 Nevada, currently does not hold an active license in Nevada, but continues to be licensed in her
10 resident state of Utah. Respondent does not intend on reinstating her Nevada license.

11 2. **Jurisdiction.** Respondent was at all times mentioned in the Third Amended
12 Complaint filed in the above-captioned matter was, a physician licensed to practice medicine in the
13 state of Nevada subject to the jurisdiction of the Board to hear and adjudicate charges of
14 violations of the Medical Practice Act (NRS 630), and to impose sanctions as provided by the
15 Act.

16 3. **Waiver of Rights.** Respondent covenants and agrees that she enters into this
17 Agreement knowingly, willingly, and intelligently with knowledge that she may consult with
18 counsel prior to entering into this Agreement. In connection with this Agreement, and the terms,
19 covenants and conditions contained herein, Respondent knowingly, willingly and intelligently,
20 with the advice of above identified counsel, waives all rights arising under or pursuant to the
21 United States Constitution, the Constitution of the state of Nevada, NRS Chapter 630 and NRS
22 Chapter 233B that may be available to Respondent or that may apply to Respondent in connection
23 with the proceeding regarding the Third Amended Complaint filed herein, the defense of said
24 Third Amended Complaint and the adjudication of the charges in said Third Amended Complaint,
25 and Respondent further agrees that the matter of the disciplinary action commenced by the filing of
26 the Third Amended Complaint herein may be settled and resolved in accordance with this
27 Agreement without a hearing or any further proceeding, and without the right to judicial review. In
28 the event this Agreement is not approved by the Board, this Agreement shall have no force and

1 effect and Respondent shall have all rights arising under or pursuant to the United States
2 Constitution, the Constitution of the State of Nevada, NRS Chapter 630 and NRS Chapter 233B
3 that may be available to Respondent or that may apply to Respondent in connection with the
4 proceeding on the complaint filed herein.

5 4. **Acknowledgement of Reasonable Basis to Proceed.** Respondent covenants and
6 agrees that the Board's Investigative Committee has a reasonable basis to believe that Respondent
7 violated one or more provisions of the Medical Practice Act.

8 5. **Procedure for Adoption of Agreement.** It is expressly understood that this
9 Agreement will only become effective if the Board approves the recommendation of the
10 Investigative Committee for acceptance. The Investigative Committee and counsel for the
11 Investigative Committee shall recommend approval of the terms, covenants and conditions
12 contained herein by the Board in resolution of the disciplinary proceedings pending herein
13 against Respondent pursuant to the complaint. In the course of seeking Board approval of this
14 Agreement, counsel for the Investigative Committee may communicate directly with the Board
15 staff and members of the panel of the Board who would adjudicate this case if it were to go to
16 hearing. Respondent covenants and agrees that such contacts and communication may be made
17 or conducted ex parte, without notice or opportunity to be heard on her part or on the part of her
18 counsel, until the public Board meeting where this Agreement is discussed, and that such
19 contacts and communications may include, but not be limited to, matters concerning this
20 Agreement, the Third Amended Complaint and the allegations therein, any and all evidence that
21 may exist in support of the Third Amended Complaint, and any and all information of every
22 nature whatsoever related to the complaint against Respondent. The Investigative Committee
23 and its counsel agree that Respondent and her counsel may appear at the Board meeting where
24 this Agreement is discussed in order to respond to any and all questions that may be addressed to
25 the Investigative Committee or its counsel at such meeting.

26 6. **Effect of Acceptance of Agreement by Board.** In the event the Board approves
27 the terms, covenants and conditions set out in this Agreement, counsel for the Investigative
28 Committee will cause to be entered herein the Board's Order approving this Settlement, Waiver

1 and Consent Agreement, ordering full compliance with the terms herein and ordering that this
2 case be closed, subject to the provisions in Paragraph 1.

3 7. **Effect of Rejection of Agreement by Board.** In the event the Board does not
4 approve the terms, covenants and conditions set out in this Agreement, this Agreement shall be
5 null, void, and of no further force and effect except as to the following covenant and agreement
6 regarding disqualification of adjudicating Board panel members. Respondent agrees that,
7 notwithstanding rejection of this Agreement by the Board, nothing contained herein and nothing
8 that occurs pursuant to efforts of the Investigative Committee or its counsel to seek acceptance
9 and adoption of this Agreement by the Board shall disqualify any member of the adjudicating
10 panel of the Board from considering the charges against Respondent and participating in the
11 disciplinary proceedings in any role, including adjudication of the case, and Respondent further
12 agrees that she shall not seek to disqualify any such member absent evidence of bad faith.

13 8. **Release From Liability.** In execution of this Agreement, the Respondent, for
14 herself, her executors, successors and assigns, hereby releases and forever discharges the state of
15 Nevada, the Board, the Nevada Attorney General, and each of their members, agents and
16 employees in their representative capacities, and in their individual capacities absent evidence of
17 bad faith, from any and all manner of actions, causes of action, suits, debts, judgments,
18 executions, claims and demands whatsoever, known and unknown, in law or equity, that
19 Respondent ever had, now has, may have or claim to have, against any or all of the persons or
20 entities named in this paragraph arising out of or by reason of this investigation, this disciplinary
21 action, this settlement or its administration, in connection with the complaint. The Investigative
22 Committee hereby agrees to accept this Agreement in full settlement of all claims related to the
23 complaint, with the understanding that the final decision rests with the Board.

24 9. **Binding Effect.** Respondent covenants and agrees that this Agreement is a
25 binding and enforceable contract upon Respondent and the Board's Investigative Committee,
26 which contract may be enforced in a court or tribunal having jurisdiction.

27 10. **Forum Selection Clause.** Respondent covenants and agrees that in the event
28 either party is required to seek enforcement of this Agreement in the district court, she consents

1 to such jurisdiction, and covenants and agrees that exclusive jurisdiction shall be in the Second
2 Judicial District Court of the State of Nevada in and for the County of Washoe.

3 11. Attorneys' Fees and Costs. Respondent covenants and agrees that in the event
4 an action is commenced in the district court to enforce any provision of this Agreement, the
5 prevailing party shall be entitled to recover reasonable costs and attorneys' fees.

6 12. Failure to comply with terms. In the event the Board enters its Order approving
7 this Agreement, upon receipt of credible information that Respondent has failed to comply with
8 any term or condition of this Order, the Board shall be authorized to immediately suspend
9 Respondent's license until Respondent complies with the term or condition. Failure to comply
10 with the terms recited herein may result in additional disciplinary action being initiated against
11 Respondent for a violation of an Order of the Board in accordance with NRS 630.3065(2)(a).
12 Furthermore, any failure to pay any fine, fee, or cost ordered herein will also result in such legal
13 action as determined to be necessary to collect the unpaid fine, fee, or cost.

14 Dated this 3rd day of August of 2010.

Dated this 24 day of August, 2010.

15
16 By: [Signature]
17 Lyn E. Beggs, Esq.
18 Attorney for the Investigative Committee
19 of the Nevada State Board of Medical
20 Examiners

By: [Signature]
John Cotton, Esq. #8911 for
Attorney for Respondent

21 UNDERSTOOD AND AGREED:

22 [Signature]
23 Stella Chou, M.D. Respondent
24 Dated this 25 day of August,
25 2010.

1 IT IS HEREBY ORDERED that the foregoing Settlement, Waiver and Consent Agreement is approved
2 and accepted by the Nevada State Board of Medical Examiners on the 10th day of September, 2010,
3 with the final total amount of costs due of \$21,914.25.

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6 Charles N. Held, President
7 NEVADA STATE BOARD OF MEDICAL EXAMINERS
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