BEFORE THE BOARD OF MEDICAL EXAMINERS OF THE STATE OF NEVADA

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In re Matters and
Complaint Against
VICTOR R. BRUCE, M.D.,

Case No. 14-12252-1

FILED DEC - 8 2014

NEVADA STATE BOARD OF MEDICAL EXAMINERS

Respondent.

SETTLEMENT AGREEMENT

THIS AGREEMENT is hereby entered into by and between the Investigative Committee (IC) of the Nevada State Board of Medical Examiners (Board), composed of Theodore B. Berndt, M.D., Chairman, Valerie J. Clark, BSN, RHU, LUTCF, Member, and Michael J. Fischer, M.D., Member, in the above-captioned matter, by and through Erin L. Albright, Esq., Board General Counsel and counsel for the IC, and Victor R. Bruce, M.D. (Respondent), by and through John A. Hunt, Esq., counsel for Respondent, as follows:

WHEREAS, a Sealed Indictment was filed on December 11, 2013 ("Indictment"), in the matter of <u>United States of America v. Victor Bruce, MD</u>, United States District Court, District of Nevada, Case No. 2:13-cr-0041-APG-CWH. Respondent provided the Board with timely notice of the Indictment;

WHEREAS, on February 13, 2014, the Board's IC at the time filed a Complaint in case no. 14-12252-1 against Respondent (relative to matters unrelated to the Indictment) charging Respondent with engaging in conduct that is grounds for discipline pursuant to the Nevada

 Medical Practice Act (MPA), i.e., Nevada Revised Statutes (NRS) Chapter 630 and Nevada Administrative Code (NAC) Chapter 630;

WHEREAS, following extensions of time, on or about April 24, 2014, Respondent filed an Answer to the Complaint in case no. 14-12252-1 denying the allegations contained therein;

WHEREAS, a Judgment in a Criminal Case was filed on October 23, 2014, in the matter of United States of America v. Victor Bruce, MD, United States District Court, District of Nevada, Case No. 2:13-cr-0041-APG-CWH, wherein it notes Respondent has plead guilty to count (1) of the Indictment and adjudicated guilty of 21 USC §§ 846, 841(a)(1) and (b)(1)(C), conspiracy to distribute oxycodone. The Judgment in a Criminal Case also, in part, sentences Respondent to forty-six (46) months of imprisonment, requires Respondent to surrender for service of sentence before 12 p.m. on January 16, 2015, and upon release from imprisonment, sets forth supervised release for three (3) years, subject to certain conditions. Respondent provided the Board with timely notice of the Judgment in a Criminal Case. It is important to note Respondent has taken full responsible for issuing controlled substances on more than one occasion to patients not of record and Respondent has cooperated with Federal authority in every manner during this investigation. Respondent prior to this incident has no prior criminal background. Respondent has no prior patient complaints or any prior Board actions.

WHEREAS, Respondent has received a copy of the Complaint in case no. 14-12252-1, reviewed it, understands it, and has had ample opportunity to consult with his above-identified counsel concerning the nature and significance of the Complaint in case no. 14-12252-1, and Respondent is fully aware concerning his rights and defenses to the Complaint, as well as the possible sanctions that may be imposed if the Board finds and concludes that he has violated one or more provisions of the MPA;

WHEREAS, Respondent has received a copy of the Indictment and a copy of the Judgment in a Criminal Case, reviewed it, understands it, and has had ample opportunity to consult with his above-identified counsel concerning the nature and significance of the same with regards to possible sanctions that may be imposed if the Board finds and concludes that he has violated one or more provisions of the MPA as a result of the Indictment and/or Judgment in a

Criminal Case;

WHEREAS, Respondent understands and agrees that this Agreement is entered into by and between himself and the Board's IC, and not with the Board, but that the IC will present this Agreement to the Board for consideration in open session at a meeting duly noticed and scheduled, and that the IC shall advocate approval of this Agreement by the Board, but that the Board has the right to decide in its own discretion whether or not to approve this Agreement; and,

WHEREAS, Respondent understands and agrees that if the Board approves the terms, covenants and conditions of this Agreement, then the terms, covenants and conditions enumerated below shall be binding and enforceable upon him.

NOW THEREFORE, in order to resolve this matter and all charges alleged by the Board's IC in the Complaint in case no. 14-12252-1 and any and all matters relating to and any and all matters that may be charged by the Board or the Board's IC by virtue of or in connection with the above-referenced Indictment and/or the above-referenced *Judgment in a Criminal Case*, Respondent and the IC hereby agree to the following terms, covenants and conditions:

1. <u>Jurisdiction</u>. Respondent is, and at all times mentioned in the Complaint in case no. 14-12252-1 and at all times relevant with respect to the filing of the Indictment and the filing of the *Judgment in a Criminal Case*, Respondent was a physician licensed to practice medicine in the state of Nevada subject to the jurisdiction of the Board to hear and adjudicate charges of violations of the MPA and to impose sanctions as provided by the MPA.

 2. Representation by Counsel/Knowing, Willing and Intelligent Agreement.

Respondent is represented by above-identified legal counsel in this matter and has had ample opportunity to review this Agreement, the Complaint in case no. 14-12252-1, the Indictment, the *Judgment in a Criminal Case*, and the related factual basis with regards to the same with said legal counsel, John A. Hunt, Esq. Respondent covenants and agrees that he knowingly, willingly, and intelligently enters into this Agreement.

3. Waiver of Rights. In connection with this Agreement, and the terms, covenants, and conditions contained herein, and the understanding that Respondent knowingly, willingly, and intelligently waives all rights arising under or pursuant to the United States Constitution, the Constitution of the state of Nevada, NRS Chapter 630, NRS Chapter 233B, and any other statutory rights that may be available to him or that may apply to him in connection with the proceedings on the Complaint in case no. 14-12252-1, the Indictment, the *Judgment in a Criminal Case*, the defense of said Complaint in case no. 14-12252-1, and the adjudication of the charges in said Complaint in case no. 14-12252-1.

In connection with this Agreement, and the terms, covenants, and conditions contained herein, and the understanding that Respondent knowingly, willingly, and intelligently waives all rights arising under or pursuant to the United States Constitution, the Constitution of the state of Nevada, NRS Chapter 630, NRS Chapter 233B, and any other statutory rights that may be available to him or that may apply to him in connection with the proceedings herein and/or any and all matters relating to and any and all matters that may be charged by the Board or the Board's IC by virtue of or in connection with the above-referenced Indictment and/or the above-referenced *Judgment in a Criminal Case*, the defense of the same in this administrative context.

4. <u>Consent to Entry of Order</u>. Respondent concedes only that the Board has sufficient evidence to proceed with its formal Complaint in case no. 14-12252-1 against him, and that by virtue of the Indictment and/or the *Judgment in a Criminal Case*, the Board also has

sufficient evidence to bring additional allegations against Respondent, but does not concede or admit to such allegations, which he expressly denies, and which, but for his desire to reach this compromise, he would contest at a formal hearing of these matters (i.e., the Complaint in case no. 14-12252-1 as well as any and all matters that could be alleged by the Board with regards to the Indictment and/or the *Judgment in a Criminal Case*). Accordingly, in order to resolve these matters without incurring further costs and expense of providing a defense to a formal Complaint, Respondent hereby agrees¹ that the Board may issue an order finding that Respondent engaged in conduct that is grounds for discipline pursuant to the MPA, and agrees:

- a. The Board may find that Respondent engaged in conduct that is grounds for discipline pursuant to the MPA, to wit: conviction of a felony relating to the practice of medicine or the ability to practice medicine, a violation of NRS 630.301(1), as set forth in *Judgment in a Criminal Case* and as was alleged in the Indictment;
- b. Respondent agrees upon adoption of this Agreement, to accept a stayed revocation of his license to practice medicine in the State of Nevada until such time as Respondent allows his license to practice medicine in the State of Nevada to be revoked, effective December 31, 2014. If, during the term of Respondent's stayed revocation, the IC receives substantial evidence that Respondent has materially breached any of the terms and conditions of this Agreement, including but not limited to Respondent violating the prohibition of prescribing any Schedule II, III, IV or V controlled substances, or should Respondent violate any of the terms of his current release until he surrenders to the Federal Bureau of Prisons on January 16, 2015. Respondent agrees the IC, without any further hearing or action by the Board, shall issue an Order Revoking Respondent's license to practice medicine in the State of Nevada. Respondent waives any right to seek judicial review (state or federal) to reinstate his revoked license pending his release from incarceration.

¹ All admissions made by Respondent are solely for final disposition of this matter and any subsequent related administrative proceedings or civil litigation involving the Board and Respondent. Therefore, said admissions by Respondent are not intended or made for any other use, such as in the context of another state or federal government regulatory agency proceeding, state or federal civil or criminal court proceeding, or any other state or federal court proceeding, or any credentialing or privileges matter.

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c. Pursuant to NRS 630.352(4)(b) Respondent agrees the Board shall administer a formal written public reprimand which will include language with is synonymous with the terms of this Agreement.

- d. Following his release from incarceration pursuant to the *Judgment in the Criminal Case*, Respondent's may petition the Board to reinstated Respondents' license to practice medicine in the State of Nevada pursuant to the following terms and conditions:
 - i. Pursuant to NRS 622.400, Respondent shall reimburse to the Board the sum of \$_932.91, the amount of the costs incurred by the Board to investigate and prosecute this matter, along with the costs to conclude the matter, if any. Respondent must pay the reimbursement costs prior to Respondent petitioning the Board for reinstatement of Respondents' license to practice medicine in the State of Nevada;
 - ii. Respondent must submit proof that Respondent has complied with required continuing education requirements while incarcerated;
 - iii. Respondent must submit proof that Respondent has surrender his DEA registration and Nevada State Pharmacy license to prescribe any Schedule II, III, IV or V controlled substances.
 - iv. Respondent must submit proof that Respondent has attended and completed a twenty-four (24) hour ethics course entitled "The PBI Professional Boundaries Course". However, Respondent agrees attendance and completion of the twenty-four (24) hour ethics course entitled "The PBI Professional Boundaries Course" may not be used by Respondent to fulfill the normal continuing education requirements regarding ethics.

Pursuant to NRS 630.353(4)(a) in addition to any additional terms the e. Board deems appropriate in the event the Board reinstates Respondents' license to practice medicine in the State of Nevada, Respondent shall be placed on probation for a period of three (3) years. Respondent shall also comply with any terms and conditions of parole and probation related to the case of United States of America v. Victor Bruce, MD, United States District Court, District of Nevada, Case No. 2:13-cr-0041-APG-CWH. Within thirty (30) days of Respondent release, Respondent shall provide a copy of this Agreement to the office of Federal Parole and Probation. Respondent shall also execute any documents necessary authorizing the office of Federal Parole and Probation to release any and all reports generated regarding Respondent's compliance with the terms and conditions of Respondent's federal probation. Once respondent is given written notice of his completion of his probation, Respondent shall submit the written notice to the Investigative Committee. Upon receipt of the written notice of completion of probation and Respondents' completion of the three (3) years of probation the IC shall, without any further action of the Board, authorize an Order reinstating Respondent's license to the status of good standing without restriction. If, during the term of Respondent's probation, the IC receives substantial evidence that Respondent has materially breached the terms and conditions of his probation, Respondent agrees the IC, without any further hearing or action by the Board, shall issue an order suspending Respondent's license to practice medicine in the State of Nevada. Thereafter, Respondent may request a hearing before the Board to reinstate his license which must be heard within forty-five (45) days of the Order of Suspension. However, during the pendency of the hearing before the Board, Respondent waives any right to seek judicial review (state or federal) to reinstate his privilege to practice medicine in the State of Nevada pending a final Board hearing.

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f. Pursuant to NRS 630.353(4)(a), Respondent agrees he shall submit to the Board any and all documentation regarding any of the terms and conditions of parole and probation related to the case of United States of America v. Victor Bruce, MD, United States

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- This Agreement fully and completely resolves all matters contained in the g. Complaint in case no. 14-12252-1;
- h. This Agreement fully and completely resolves all matters that have or may be alleged by the Board or the Board's IC against Respondent with regards to the Indictment and/or the Judgment in a Criminal Case; and
 - i. The terms of this Agreement shall be reported as required by law.
- 5. Release From Liability. In execution of this Agreement, the Respondent, for himself, his executors, successors and assigns, hereby releases and forever discharges the state of Nevada, the Board, the Nevada Attorney General, and each of their members, agents and employees in their representative capacities, and in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have or claim to have, against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this Agreement or its administration.
- Procedure for Adoption of Agreement. The IC and counsel for the IC shall 6. recommend approval and adoption of the terms, covenants and conditions contained herein by the Board in resolution of the matters referenced herein and above. In the course of seeking Board approval, adoption and/or acceptance of this Agreement, counsel for the IC may communicate directly with the Board staff and members of the panel of the Board who would adjudicate this case if it were to go to hearing.

Respondent acknowledges that such contacts and communication may be made or conducted ex parte, without notice or opportunity to be heard on his part or on the part of his counsel until the public Board meeting where this Agreement is discussed, and that such contacts

and communications may include, but not be limited to, matters concerning this Agreement, the Complaint in case no. 14-12252-1, the Indictment, the *Judgment in a Criminal Case*, and any and all information of every nature whatsoever related to the same or the proceedings herein against Respondent. The IC and its counsel agree that Respondent and/or his counsel may appear at the Board meeting where this Agreement is discussed, and if requested, respond to any questions that may be addressed to the IC or its counsel.

7. Effect of Acceptance of Agreement by Board. In the event the Board approves, accepts and adopts the terms, covenants and conditions set out in this Agreement, counsel for the IC will cause to be entered herein the Board's Order accepting, adopting and approving this Settlement Agreement, ordering full compliance with the terms herein and ordering that this case involving the Complaint in case no. 14-12252-1, as well as any matter involving the Indictment, and the *Judgment in a Criminal Case*, be closed.

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

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IT IS HEREBY ORDERED that the foregoing Settlement Agreement is approved and accepted by the Nevada State Board of Medical Examiners on the 5th day of December 2014, with the final total amount of costs due of \$932.91.

Michael J. Fischer, M.D., President

NEVADA STATE BOARD OF MEDICAL EXAMINERS