

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

3 * * * * *

4
5 **In the Matter of Charges and**
6 **Complaint Against**
7 **KAREN RAE ABBOTT, M.D.,**
8 **Respondent.**

Case No. 18-29273-2

FILED

DEC - 3 2018

**NEVADA STATE BOARD OF
MEDICAL EXAMINERS**
By: 

9
10 **SETTLEMENT AGREEMENT**

11 The Investigative Committee (IC) of the Nevada State Board of Medical Examiners
12 (Board), by and through Donald K. White, Esq., Deputy General Counsel for the Board and
13 attorney for the IC, and Karen Rae Abbott, M.D. (Respondent), a licensed Physician in Nevada, by
14 and through her counsel, Edward J. Lemons, Esq., hereby enter into this Settlement Agreement
15 (Agreement) based on the following:¹

16 **A. Background**

17 1. Respondent is a medical doctor currently licensed in active status by the Board,
18 pursuant to Chapter 630 of the Nevada Revised Statutes (NRS) and Chapter 630 of the Nevada
19 Administrative Code (NAC) (collectively, the Medical Practice Act), to practice medicine in Nevada
20 since September 10, 2004 (License No. 11149).

21 2. On October 31, 2018, in Case No. 18-29273-2, the IC filed a formal Complaint
22 (Complaint) charging Respondent with violating the Medical Practice Act. Specifically, this
23 Complaint alleges one (1) violation of NRS 630.301(4), malpractice (Count I), and one (1) violation
24 of NRS 630.3062(1)(a), failure to maintain complete medical records (Count II).

25
26 ¹ All agreements and admissions made by Respondent are solely for final disposition of this matter
27 and any subsequent related administrative proceedings or civil litigation involving the Board and
28 Respondent. Therefore, Respondent's agreements and admissions 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 proceeding, any state or federal court proceeding, or
any credentialing or privileges matter.

OFFICE OF THE GENERAL COUNSEL

Nevada State Board of Medical Examiners

9600 Gateway Drive

Reno, Nevada 89521

(775) 688-2559

1 3. By reason of the foregoing, Respondent is subject to discipline by the Board as
2 provided in NRS 630.352.

3 4. Respondent was properly served with a copy of the Complaint, has reviewed and
4 understands the Complaint, and has had the opportunity to consult with competent counsel
5 concerning the nature and significance of the Complaint.

6 5. Respondent is hereby advised of her rights regarding this administrative matter, and of
7 her opportunity to defend against the allegations in the Complaint. Specifically, Respondent has
8 certain rights in this administrative matter as set out by the United States Constitution, the Nevada
9 Constitution, the Medical Practice Act, the Nevada Open Meeting Law (OML), which is contained in
10 NRS Chapter 241, and the Nevada Administrative Procedure Act (APA) applicable to certain
11 regulatory bodies, which is contained in NRS Chapters 233B and 622A. These rights include the right
12 to a formal hearing on the allegations in the Complaint, the right to representation by counsel, at her
13 own expense, in the preparation and presentation of her defense, the right to confront and cross-
14 examine the witnesses and evidence against her, the right to written findings of fact, conclusions of
15 law and order reflecting the final decision of the Board, and the right to judicial review of the Board's
16 order, if the decision is adverse to her.

17 6. Respondent understands that, under the Board's charge to protect the public by
18 regulating the practice of medicine, the Board may take disciplinary action against Respondent's
19 license, including license probation, license suspension, license revocation and imposition of
20 administrative fines, as well as any other reasonable requirement or limitation, if the Board
21 concludes that Respondent violated one or more provisions of the Medical Practice Act.

22 7. Respondent understands and agrees that this Agreement, by and between
23 Respondent and the IC, is not with the Board, and that the IC will present this Agreement to the
24 Board for consideration in open session at a duly noticed and scheduled meeting. Respondent
25 understands that the IC shall advocate for the Board's approval of this Agreement, but that the
26 Board has the right to decide in its own discretion whether or not to approve this Agreement.
27 Respondent further understands and agrees that if the Board approves this Agreement, then the
28 terms and conditions enumerated below shall be binding and enforceable upon her and the Board.

1 **B. Terms & Conditions**

2 NOW, THEREFORE, in order to resolve the matters addressed herein, i.e., the
3 matters with regard to the Complaint, Respondent and the IC hereby agree to the following terms
4 and conditions:

5 **1. Jurisdiction.** Respondent is, and at all times relevant to the Complaint has been, a
6 physician licensed to practice medicine in Nevada subject to the jurisdiction of the Board as set
7 forth in the Medical Practice Act.

8 **2. Representation by Counsel/Knowing, Willing and Intelligent Agreement.**
9 Respondent acknowledges she is represented by counsel, and wishes to resolve the matters
10 addressed herein with counsel. Respondent agrees that if representation by counsel in this matter
11 materially changes prior to entering into this Agreement and for the duration of this Agreement,
12 that counsel for the IC will be timely notified of the material change. Respondent agrees that she
13 knowingly, willingly and intelligently enters into this Agreement after full consultation with and
14 the assistance of legal counsel.

15 **3. Waiver of Rights.** In connection with this Agreement, and the associated terms
16 and conditions, Respondent knowingly, willingly and intelligently waives all rights in connection
17 with this administrative matter. Respondent hereby knowingly, willingly and intelligently waives
18 all rights arising under the United States Constitution, the Nevada Constitution, the Medical
19 Practice Act, the OML, the APA, and any other legal rights that may be available to her or that
20 may apply to her in connection with the administrative proceedings resulting from the Complaint
21 filed in this matter, including defense of the Complaint, adjudication of the allegations set forth in
22 the Complaint, and imposition of any disciplinary actions or sanctions ordered by the Board.
23 Respondent agrees to settle and resolve the allegations of the Complaint as set out by this
24 Agreement, without a hearing or any further proceedings and without the right to judicial review.

25 **4. Acknowledgement of Reasonable Basis to Proceed.** Respondent acknowledges
26 that the IC believes it has a reasonable basis to allege that Respondent engaged in conduct that is
27 grounds for discipline pursuant to the Medical Practice Act. The IC acknowledges Respondent is
28 not admitting that the IC's claims/counts as alleged in the Complaint have merit. Respondent is

1 agreeing to resolve this matter to avoid the costs of a hearing and potential subsequent litigation.
2 Respondent asserts if this matter were to proceed to hearing, she has evidence, witnesses, expert
3 witness(es) and defenses to the counts/claims alleged in the Complaint, but for the purposes of
4 resolving the matter and for no other purpose, Respondent waives the presentation of evidence,
5 witnesses, expert witnesses, and defenses in order to effectuate this Agreement.

6 **5. Consent to Entry of Order.** In order to resolve this Complaint pending against
7 Respondent, Respondent hereby agrees that the Board may issue an order finding that Respondent
8 engaged in conduct that is grounds for discipline pursuant to the Medical Practice Act. Accordingly,
9 the following terms and conditions are hereby agreed upon:

10 a. Respondent admits to Count I, malpractice (a violation of NRS 630.301(4), and
11 Count II, failure to maintain complete medical records (a violation of NRS 630.3062(1)(a), of this
12 Complaint.

13 b. Respondent will pay the costs and expenses incurred in the investigation and
14 prosecution of this matter within two (2) years of the Board's acceptance, adoption and approval
15 of this Agreement, the current amount being \$3,850.00, not including any costs that may be
16 necessary to finalize this Agreement. An intital payment of \$500.00 will be due within thirty (30)
17 calendar days of the Board's approval of this Agreement. Based on Respondent's current
18 financial circumstances and not being in a working status, payment of \$270.00 per month will be
19 due on the first day of the month beginning on January 1, 2019, through January 1, 2020, and the
20 first day of each month thereafter until satisfied in full.

21 c. Respondent is subject to the following permanent limitations imposed upon her
22 license:

- 23 (1) Respondent shall not perform any surgical procedures.
24 (2) Respondent may maintain her responsibilities as a member of the
25 Community Faculty at the University of Nevada, Reno School of Medicine
26 (UNRMED), pursuant to p. 25, subsection (5)(k) of the Office for
27 Community Faculty (OCF) Handbook which states, "Perform supervisory
28 responsibilities commensurate with one's roles, abilities, and qualification."

1 d. This Agreement shall be reported to the appropriate entities and parties as required
2 by law, including, but not limited to, the National Practitioner Data Bank.

3 e. Respondent shall receive a Public Letter of Reprimand.

4 f. Respondent shall perform 250 hours of community service without compensation,
5 which can be satisfied through continuing with her volunteer work with UNRMED as assigned.

6 **6. Release From Liability.** In execution of this Agreement, Respondent understands
7 and agrees that the State of Nevada, the Board, and each of its members, staff, counsel,
8 investigators, experts, peer reviewers, committees, panels, hearing officers, consultants and agents
9 are immune from civil liability for any decision or action taken in good faith in response to
10 information acquired by the Board. NRS 630.364(2)(a). Respondent agrees to release the State of
11 Nevada, the Board, and each of its members, staff, counsel, investigators, experts, peer reviewers,
12 committees, panels, hearing officers, consultants and agents from any and all manner of actions,
13 causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and
14 unknown, in law or equity, that Respondent ever had, now has, may have or claim to have, against
15 any or all of the persons, government agencies or entities named in this paragraph arising out of,
16 or by reason of, this investigation, this Agreement, or the administration of the case referenced
17 herein.

18 **7. Procedure for Adoption of Agreement.** The IC and counsel for the IC shall
19 recommend approval and adoption of the terms and conditions of this Agreement by the Board in
20 resolution of this Complaint. In the course of seeking Board acceptance, approval and adoption of
21 this Agreement, counsel for the IC may communicate directly with the Board staff and the
22 adjudicating members of the Board.

23 Respondent acknowledges that such contacts and communications may be made or
24 conducted ex parte, without notice or opportunity to be heard on her part until the public Board
25 meeting where this Agreement is discussed, and that such contacts and communications may
26 include, but may not be limited to, matters concerning this Agreement, the Complaint and any and
27 all information of every nature whatsoever related to this matter. The IC and its counsel agree that
28 Respondent may appear at the Board meeting where this Agreement is discussed and, if requested,

1 respond to any questions that may be addressed to the IC or the IC's counsel.

2 **8. Effect of Acceptance of Agreement by Board.** In the event the Board accepts,
3 approves and adopts this Agreement, the Board shall issue a final order, making this Agreement
4 an order of the Board, and, pending full compliance with the terms herein, the case shall be closed.

5 **9. Effect of Rejection of Agreement by Board.** In the event the Board does not
6 accept, approve and adopt this Agreement, this Agreement shall be null, void and of no force and
7 effect except as to the following agreement regarding adjudications: (1) Respondent agrees that,
8 notwithstanding rejection of this Agreement by the Board, nothing contained in this Agreement
9 and nothing that occurs pursuant to efforts of the IC to seek the Board's acceptance of this
10 Agreement shall disqualify any member of the adjudicating panel of the Board from considering
11 this Complaint and from participating in disciplinary proceedings against Respondent, including
12 adjudication of this case; and (2) Respondent further agrees that she shall not seek to disqualify
13 any such member absent evidence of bad faith.

14 **10. Binding Effect.** If approved by the Board, Respondent understands that this
15 Agreement is a binding and enforceable contract upon Respondent and the Board.

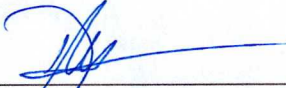
16 **11. Forum Selection Clause.** The parties agree that in the event either party is
17 required to seek enforcement of this Agreement in district court, the parties consent to such
18 jurisdiction and agree that exclusive jurisdiction shall be in the Second Judicial District Court,
19 State of Nevada, Washoe County.

20 **12. Attorneys' Fees and Costs.** The parties agree that in the event an action is
21 commenced in district court to enforce any provision of this Agreement, the prevailing party shall
22 be entitled to recover reasonable attorneys' fees and costs.

23 **13. Failure to Comply With Terms.** Should Respondent fail to comply with any term
24 or condition of this Agreement once the Agreement has been accepted, approved and adopted by
25 the Board, the IC shall be authorized to immediately suspend Respondent's license to practice
26 medicine in Nevada pending an Order to Show Cause Hearing, which will be duly noticed.
27 Failure to comply with the terms of this Agreement, including failure to pay any fines, costs,
28 expenses or fees owed to the Board, is a failure to comply with an order of the Board, which may

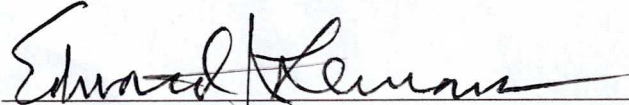
1 result in additional disciplinary action being taken against Respondent. NRS 630.3065(2)(a).
2 Further, Respondent's failure to remit payment to the Board for monies agreed to be paid as a
3 condition of this Agreement may subject Respondent to civil collection efforts.

4 Dated this 13th day of November, 2018.

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6 By: 
7 Donald K. White, Esq., Deputy General Counsel
Attorney for the Investigative Committee

8 Dated this 9th day of Nov., 2018.

9 LEMONS, GRUNDY & EISENBERG

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11 By: 
12 Edward J. Lemons, Esq.
13 Attorney for Respondent

14 Dated this 2nd day of November 2018.

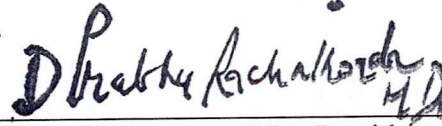
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16 Karen Rae Abbott, M.D., Respondent

OFFICE OF THE GENERAL COUNSEL

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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 30th day of November, 2018, with the final total amount of costs due of \$3,850.00.



Rachakonda D. Prabhu, M.D., President
NEVADA STATE BOARD OF MEDICAL EXAMINERS