

BEFORE THE BOARD OF MEDICAL EXAMINERS
OF THE STATE OF NEVADA

* * * * *

In the Matter of Charges and Complaint

Case No. 23-9713-1

Against:

FILED

CHARLES FARNSWORTH HALES, M.D.,

DEC 01 2023

Respondent.

NEVADA STATE BOARD OF
MEDICAL EXAMINERS

By: kmw

SETTLEMENT AGREEMENT

The Investigative Committee (IC) of the Nevada State Board of Medical Examiners (Board), by and through Donald K. White, Senior Deputy General Counsel for the Board and attorney for the IC, and Charles Farnsworth Hales, M.D. (Respondent), a licensed physician in Nevada, assisted by his attorney, Christina Alexander, Esq., of the law firm of Hutchison & Steffen, PLLC, hereby enter into this Settlement Agreement (Agreement) based on the following:¹

A. BACKGROUND

1. Respondent is a medical doctor currently licensed in active status by the Board pursuant to Chapter 630 of the Nevada Revised Statutes (NRS) and Chapter 630 of the Nevada Administrative Code (NAC) (collectively, the Medical Practice Act) to practice medicine in Nevada. His license was originally issued on February 21, 1987 (License No. 5485).

2. On April 12, 2023 in Case No. 23-9713-1, the IC filed a formal Complaint (Complaint) charging Respondent with violating the Medical Practice Act. Specifically, the Complaint alleges one (1) violation of NRS 360.301(4) Malpractice and one (1) violation of NRS 630.3062(1)(a) Failure to Maintain Proper Medical Records. By reason of the foregoing, Respondent is subject to discipline by the Board as provided in NRS 630.352.

¹ All agreements and 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, 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.

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

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

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

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

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1 **B. TERMS & CONDITIONS**

2 **NOW, THEREFORE**, in order to resolve the matters addressed herein, i.e., the matters
3 with regard to the Complaint, Respondent and the IC hereby agree to the following terms and
4 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 he is represented by counsel, and wishes to resolve the matters
10 addressed herein with said counsel. Respondent agrees that if representation by counsel in this
11 matter materially changes prior to entering into this Agreement and for the duration of this
12 Agreement, that counsel for the IC will be timely notified of the material change. Respondent
13 agrees that he knowingly, willingly and intelligently enters into this Agreement after deciding to
14 have a full consultation with and upon the advice 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 him or that
20 may apply to him 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.** As of the time of entering
26 into this Settlement Agreement, the allegations of the Complaint remain unproven. Respondent
27 acknowledges that the IC believes it has a reasonable basis to allege that Respondent engaged in
28 conduct that is grounds for discipline pursuant to the Medical Practice Act. The IC acknowledges

1 Respondent is not admitting that the IC's claims/counts as alleged in the Complaint have merit
2 and Respondent is agreeing to resolve this matter to avoid the costs of hearing and potential
3 subsequent litigation. Respondent asserts if this matter were to proceed to hearing, he has
4 evidence, witnesses, expert witness(es) and defenses to the counts/claims alleged in the
5 Complaint, but for the purposes of resolving the matter and for no other purpose, Respondent
6 waives the presentation of evidence, witnesses, expert witnesses, and defenses in order to
7 effectuate this Agreement.

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

12 a. Respondent does not admit to Count I, one (1) violation of NRS 630.301(4),
13 but Respondent acknowledges there may be sufficient evidence presented at a hearing, such that
14 the Board could conclude that Count I could be proven, and the Respondent agrees that the Board
15 may enter a finding that he violated Count I as part of this agreement.

16 b. Respondent will pay the costs and expenses incurred in the investigation
17 and prosecution of the above-referenced matter within sixty (60) days of the Board's acceptance,
18 adoption and approval of this Agreement, in the amount of two thousand six hundred eighty-eight
19 dollars and ninety-one cents (\$2,688.91).

20 c. Respondent shall pay a fine of two thousand five hundred dollars
21 (\$2,500.00) within sixty (60) days of the Board's acceptance, adoption and approval of this
22 Agreement.

23 d. The Respondent shall perform ten (10) hours of Continued Medical
24 Education (CME) related to proper image reading in addition to the required CMEs for licensure.
25 These CME hours must be completed within 180 days of the Board's acceptance, adoption and
26 approval of this Agreement.

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

- 1 f. Respondent shall receive a Public Letter of Reprimand.
2 g. The remaining counts of the Complaint, and any other claims arising from
3 the Board's corresponding investigative case file(s), shall be dismissed with prejudice.

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

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

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

1 3. Effect of Acceptance of Agreement by Board. In the event the Board accepts,
2 approves and adopts this Agreement, the Board shall issue a final order, making this Agreement
3 an order of the Board, and, pending full compliance with the terms herein, the case shall be closed
4 and all remaining claims arising out of the Complaint shall be dismissed with prejudice.

5 4. 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 he shall not seek to disqualify any
13 such member absent evidence of bad faith.

14 5. 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 6. 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 party's 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 7. 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 8. 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


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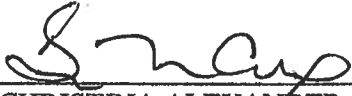
1 result in additional disciplinary action being taken against Respondent. NRS 630.3065(2)(a).
2 Further, Respondent's failure to remit payment to the Board for monies agreed to be paid as a
3 condition of this Agreement may subject Respondent to civil collection efforts.

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5 DATED this 3rd day of November, 2023. DATED this 2nd day of November 2023.

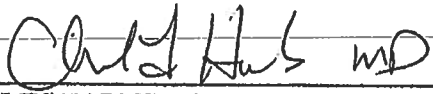
6 INVESTIGATIVE COMMITTEE OF THE
7 NEVADA STATE BOARD OF MEDICAL
8 EXAMINERS

HUTCHISON & STEFFEN, PLLC

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21 Email:
22 *Attorney for Respondent*

23 DATED this 1st day of November, 2023.

24 By: 
25 CHARLES FARNSWORTH HALES, M.D.,
26 Nevada License No. 5485
27 *Respondent*

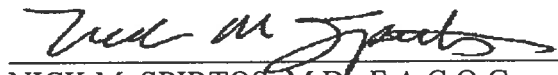
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ORDER

IT IS HEREBY ORDERED that, the foregoing Settlement Agreement (Case No. 23-9713-1) was approved and accepted by the Nevada State Board of Medical Examiners on the 1st day of -
December, 2023.

DATED this 1st day of December, 2023.

NEVADA STATE BOARD OF MEDICAL
EXAMINERS

By: 
NICK M. SPIRTOS, M.D., F.A.C.O.G.
Board President