BEFORE THE BOARD OF MEDICAL EXAMINERS OF THE STATE OF NEVADA

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In the Matter of Charges and Complaint

Against:

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HILARY LYNN MALCARNEY, M.D.,

Respondent.

Case No. 24-28386-1

FILED

JUN 07 2024

NEVADA STATE BOARD OF MEDICAL EXAMINERS

SETTLEMENT AGREEMENT

The Investigative Committee (IC) of the Nevada State Board of Medical Examiners (Board), by and through Deonne E. Contine, General Counsel for the Board and attorney for the IC, and Hilary Lynn Malcarney, M.D. (Respondent), a licensed physician in Nevada, assisted by her attorney, Edward J. Lemons, Esq., of the law firm of Lemons, Grundy & Eisenberg, 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. Her license was originally issued on December 29, 2003 (License No. 10754).
- 2. On March 28, 2024, in Case No. 24-28386-1, the IC filed a formal Complaint (Complaint) charging Respondent with violating the Medical Practice Act. Specifically, the Complaint alleges one (1) violation of NRS 630.301(4), Malpractice (Count I). By reason of the foregoing, Respondent is subject to discipline by the Board as provided in NRS 630.352.

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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.

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- 3. Respondent was properly served with a copy of this Complaint, has reviewed and understands this Complaint, and has had the opportunity to consult with competent counsel concerning the nature and significance of this Complaint.
- Respondent is hereby advised of her rights regarding this administrative matter, and of her opportunity to defend against the allegations in the Complaint, Specifically, Respondent has certain rights in this administrative matter as set out by the United States Constitution, the Nevada Constitution, the Medical Practice Act, the Nevada Open Meeting Law (OML), which is contained in NRS Chapter 241, and the Nevada Administrative Procedure Act (APA), which is contained in NRS Chapter 233B and 622A. These rights include the right to a formal hearing on the allegations in the Complaint, the right to representation by counsel, at her own expense, in the preparation and presentation of her defense, the right to confront and crossexamine the witnesses and evidence against her the right to written findings of fact, conclusions of law and order reflecting the final decision of the Board, and the right to judicial review of the Board's order, if the decision is adverse to her.
- 5. Respondent understands that, under the Board's charge to protect the public by regulating the practice of medicine, the Board may take disciplinary action against Respondent's license, including license probation, license suspension, license revocation and imposition of administrative fines, as well as any other reasonable requirement or limitation, if the Board concludes that Respondent violated one or more provisions of the Medical Practice Act.
- Respondent understands and agrees that this Agreement, by and between 6. Respondent and the IC, is not with the Board, and that the IC will present this Agreement to the Board for consideration in open session at a duly noticed and scheduled meeting. Respondent understands that the IC shall advocate for the Board's approval of this Agreement, but that the Board has the right to decide in its own discretion whether or not to approve this Agreement. Respondent further understands and agrees that if the Board approves this Agreement, then the terms and conditions enumerated below shall be binding and enforceable upon her and the Board.

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B. TERMS & CONDITIONS

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

- 1. <u>Jurisdiction</u>. Respondent is, and at all times relevant to the Complaint has been, a physician licensed to practice medicine in Nevada subject to the jurisdiction of the Board as set forth in the Medical Practice Act.
- 2. Representation by Counsel/Knowing, Willing and Intelligent Agreement. Respondent acknowledges she is represented by counsel, and wishes to resolve the matters addressed herein with said counsel. Respondent agrees that if representation by counsel in this matter materially changes prior to entering into this Agreement and for the duration of this Agreement, that counsel for the IC will be timely notified of the material change. Respondent agrees that she knowingly, willingly and intelligently enters into this Agreement after deciding to have a full consultation with and upon the advice of legal counsel.
- 3. Waiver of Rights. In connection with this Agreement, and the associated terms and conditions, Respondent knowingly, willingly and intelligently waives all rights in connection with this administrative matter. Respondent hereby knowingly, willingly and intelligently waives all rights arising under the United States Constitution, the Nevada Constitution, the Medical Practice Act, the OML, the APA, and any other legal rights that may be available to her or that may apply to her in connection with the administrative proceedings resulting from the Complaint filed in this matter, including defense of the Complaint, adjudication of the allegations set forth in the Complaint, and imposition of any disciplinary actions or sanctions ordered by the Board. Respondent agrees to settle and resolve the allegations of the Complaint as set out by this Agreement, without a hearing or any further proceedings and without the right to judicial review.
- 4. Acknowledgement of Reasonable Basis to Proceed. As of the time of entering into this Settlement Agreement, the allegations of the Complaint remain unproven. Respondent acknowledges that the IC believes it has a reasonable basis to allege that Respondent engaged in conduct that is grounds for discipline pursuant to the Medical Practice Act. The IC acknowledges

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

- 5. Consent to Entry of Order. In order to resolve this Complaint pending against Respondent, Respondent hereby agrees that the Board may issue an order finding that Respondent engaged in conduct that is grounds for discipline pursuant to the Medical Practice Act. Accordingly, the following terms and conditions are hereby agreed upon:
- Respondent admits to Count I, one (1) violation of NRS 630.301(4), a. Malpractice.
- b. Respondent will pay the costs and expenses incurred in the investigation and prosecution of the above-referenced matter within sixty (60) days of the Board's acceptance, adoption and approval of this Agreement, in the amount of three thousand two hundred nineteen dollars and ninety-two cents (\$3,219.92).
- Respondent shall pay a fine of one thousand five hundred dollars (\$1,500) within sixty (60) days of the Board's acceptance, adoption and approval of this Agreement.
- This Agreement shall be reported to the appropriate entities and parties as required by law, including, but not limited to, the National Practitioner Data Bank.
- Any other claims arising from the Board's corresponding investigative case file(s), shall be dismissed with prejudice.
- 6. Release from Liability. In execution of this Agreement, Respondent understands and agrees that the State of Nevada, the Board, and each of its members, staff, counsel, investigators, experts, peer reviewers, committees, panels, hearing officers, consultants and agents are immune from civil liability for any decision or action taken in good faith in response to information acquired by the Board. NRS 630.364(2)(a). Respondent agrees to release the State of

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Nevada, the Board, and each of its members, staff, counsel, investigators, experts, peer reviewers, committees, panels, hearing officers, consultants and agents 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, government agencies or entities named in this paragraph arising out of, or by reason of, this investigation, this Agreement or the administration of the case referenced herein.

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

Respondent acknowledges that such contacts and communications may be made or conducted ex-parté, without notice or opportunity to be heard on her part until the public Board meeting where this Agreement is discussed, and that such contacts and communications may include, but may not be limited to, matters concerning this Agreement, the Complaint and any and all information of every nature whatsoever related to this matter. The IC and its counsel agree that Respondent and/or Counsel for the Respondent 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 the IC's counsel.

- 8. Effect of Acceptance of Agreement by Board. In the event the Board accepts, approves and adopts this Agreement, the Board shall issue a final order, making this Agreement an order of the Board, and, pending full compliance with the terms herein, the case shall be closed and all remaining claims arising out of the Complaint shall be dismissed with prejudice.
- 9. Effect of Rejection of Agreement by Board. In the event the Board does not accept, approve and adopt this Agreement, this Agreement shall be null, void and of no force and effect except as to the following agreement regarding adjudications: (1) Respondent agrees that, notwithstanding rejection of this Agreement by the Board, nothing contained in this Agreement

- 10. <u>Binding Effect</u>. If approved by the Board, Respondent understands that this Agreement is a binding and enforceable contract upon Respondent and the Board.
- 11. <u>Forum Selection Clause</u>. The parties agree that in the event either party is required to seek enforcement of this Agreement in district court, the party's consent to such jurisdiction and agree that exclusive jurisdiction shall be in the Second Judicial District Court, State of Nevada, Washoe County.
- 12. Attorneys' Fees and Costs. The parties agree that in the event an action is commenced in district court to enforce any provision of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs.
- 13. Failure to Comply with Terms. Should Respondent fail to comply with any term or condition of this Agreement once the Agreement has been accepted, approved and adopted by the Board, the IC shall be authorized to immediately suspend Respondent's license to practice medicine in Nevada pending an Order to Show Cause Hearing, which will be duly noticed. Failure to comply with the terms of this Agreement, including failure to pay any fines, costs, expenses or fees owed to the Board, is a failure to comply with an order of the Board, which may result in additional disciplinary action being taken against Respondent. NRS 630.3065(2)(a).

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1	Further, Respondent's failure to remit payment to the Board for monies agreed to be paid as	
2	condition of this Agreement may subject Respondent to civil collection efforts.	
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4	DATED this 6th day of May, 2024.	DATED this 6th day of May, 2024
5	INVESTIGATIVE COMMITTEE OF THE	LEMONS, GRUNDY & EISENBERG
6	NEVADA STATE BOARD OF MEDICAL EXAMINERS	
7	Day 6 Cours	50 01-6
8	By: Dlory E. Contine DEONNE E. CONTINE	EDWARD J. LEMONS, ESQ.
9	General Counsel 9600 Gateway Drive	6005 Plumas St., Third Floor Reno, NV 89519
10	Reno, NV 89521	Tel: (775) 786-6868
11	Tel: (775) 688-2559 Email: dcontine@medboard.nv.gov	Email: ejl@lge.net Attorney for Respondent
12	Attorney for the Investigative Committee	morney for Respondent
13	2	
14	DATED this 3 day of May, 2024.	
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16 17	By:HILARY LYNN MALCARNEY, M.D.,	
18	Nevada License No. 10754 Respondent	
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OFFICE OF THE GENERAL COUNSEL Nevada State Board of Medical Examiners

<u>ORDER</u>

IT IS HEREBY ORDERED that, the foregoing Settlement Agreement (Case No. 24-28386-1) was approved and accepted by the Nevada State Board of Medical Examiners on the 7th day of June, 2024.

DATED this 7th day of June, 2024.

NEVADA STATE BOARD OF MEDICAL EXAMINERS

By:

NICK M. SPIRTOS, M.D., F.A.C.O.G.

Board President