

DENISE P. BALANAY 5526-0  
Regulated Industries Complaints Office  
Department of Commerce and Consumer Affairs  
State of Hawaii  
Leiopapa A Kamehameha Building  
235 South Beretania Street, Suite 900  
Honolulu, Hawaii 96813  
Telephone: 586-2660

DEPT. OF COMMERCE  
AND CONSUMER AFFAIRS

2007 MAY 10 A 11: 09

HEARINGS OFFICE

Attorney for Department of Commerce  
and Consumer Affairs

BOARD OF MEDICAL EXAMINERS  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
STATE OF HAWAII

In the Matter of the ) MED 2006-164-L  
License to Practice Medicine of )  
GREGORY E.M. YUEN, M.D., ) FIRST AMENDED SETTLEMENT  
Respondent. ) AGREEMENT PRIOR TO FILING OF  
 ) PETITION FOR DISCIPLINARY ACTION  
 ) AND BOARD'S FINAL ORDER  
 )

FIRST AMENDED SETTLEMENT AGREEMENT PRIOR TO FILING  
OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Respondent GREGORY E.M. YUEN, M.D. (hereinafter "Respondent"), and the  
Department of Commerce and Consumer Affairs, through its Regulated Industries Complaints  
Office (hereinafter "RICO"), through its undersigned attorney, enter into this Settlement  
Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS

1. Respondent is licensed by the Board of Medical Examiners (hereinafter the  
"Board") as a physician under License Number MD 3267. Said license was issued on February  
8, 1978 and currently has an expiration date of January 31, 2008.

2. The last known address for Respondent is [REDACTED]

3. RICO alleges that Respondent pleaded guilty to one count of failing to pay over tax, which resulted from Respondent's failure to pay the Internal Revenue Service the sum of \$36,476.83 in federal income taxes and Federal Insurance Contributions Act taxes which he collected from the employees of Gregory E.M. Yuen, M.D., Inc. for the quarter ending June 30, 1999. Respondent was convicted of the offense in the United States District Court for the District of Hawaii ("Criminal Judgment"), and said Criminal Judgment was imposed on September 22, 2005. Pursuant to the Criminal Judgment, Respondent was placed on probation for a term of five (5) years, required to serve six (6) months of home detention with electronic monitoring and 500 hours of community service, was prohibited from incurring credit charges and lines of credit without the approval of the Probation Office, was required to provide the Probation Office and Financial Litigation Unit of the U.S. Attorney's Office access to any financial information to include submitting to periodic debtor's examinations, and was required to make payment of the delinquent taxes.

4. The foregoing allegations, if proven, would constitute violations of the following statutes governing the conduct of physicians licensed in the State of Hawaii: Hawaii Revised Statutes ("HRS") §§ 436B-19(14) and 453-8(a)(12) (conviction substantially related to the qualifications, functions, or duties of a physician).

5. The Board has jurisdiction over the subject matter herein and over the parties hereto.

**B. REPRESENTATIONS BY RESPONDENT**

1. Respondent is represented by Thomas E. Cook Esquire in this matter.

2. Respondent enters into this Settlement Agreement freely and voluntarily and under no coercion or duress.

3. Respondent has been informed of his right to have a hearing to determine the issues in RICO's investigation. Pursuant to HRS § 91-9(d), Respondent voluntarily waives his right to a hearing and agrees to a disposition of this case in accordance with the terms and conditions of this Settlement Agreement.

4. Respondent being at all times relevant herein licensed as a physician by the Board acknowledges that he is subject to penalties including but not limited to, revocation, suspension or limitation of his license and civil fines, if the foregoing violations are proven at hearing.

5. Respondent admits to the veracity of the allegations and that his acts constitute violations of the following statutes and/or regulations governing the conduct of physicians licensed in the State of Hawaii: HRS §§ 436B-19(14) and 453-8(a)(12) (conviction substantially related to the qualifications, functions, or duties of a physician).

6. Respondent enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.

7. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. MED 2006-164-L.

C. TERMS OF SETTLEMENT

1. Reprimand. Respondent agrees to the reprimand of his license by the Board.
2. Probation. Respondent's license to practice medicine in the State of Hawaii is hereby placed on probation. Said probationary period shall be concurrent with the probationary

period imposed by the United States District Court for the District of Hawaii in the Criminal Judgment. During the probationary period, Respondent agrees to the restrictions set forth below.

3. Compliance with Order(s). Respondent shall fully comply with the terms and conditions as set forth in the Criminal Judgment.

4. Administrative fine. Respondent agrees to pay a fine in the amount of TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00), the payment of which shall be due within thirty (30) days of the Board's approval of this Settlement Agreement. Said payment shall be made by **cashier's check or money order made payable to "State of Hawaii - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn: Denise P. Balanay, Esq., 235 S. Beretania Street, 9<sup>th</sup> Floor, Honolulu, Hawaii 96813. The mailing should be postmarked by the 30<sup>th</sup> day to be in compliance with this Settlement Agreement.

5. Failure to Comply with Settlement Agreement. If Respondent fails to comply with the terms set forth in paragraph C.4 above, or if the probation referenced in the aforementioned Criminal Judgment is revoked by action of the United States District Court for the District of Hawaii, Respondent's license shall be automatically revoked for a period of five (5) years upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondent shall turn in all indicia of his licensure to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. Upon completion of the revocation period, if Respondent wishes to resume practicing as a physician in the State of Hawaii, Respondent understands that he will need to apply to the Board for a new license pursuant to and subject to the requirements and conditions set forth in HRS §§ 92-17, 436B-21, and all other applicable laws and rules.

6. Possible further sanction. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of physicians in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

7. Approval of the Board. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.8, C.9, C.10 and C.11 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

8. No Objection if Board Fails to Approve. If the Board does not approve this Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondent in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither he nor any attorney that he may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against him on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

9. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

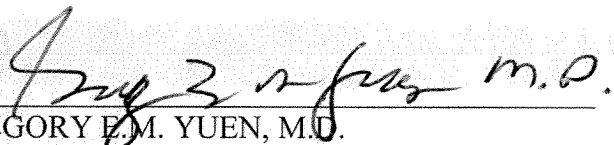
10. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any

representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.


11. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below.

DATED: HONOLULU, HAWAII, 3-9-07  
(CITY) (STATE) (DATE)

  
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GREGORY E.M. YUEN, M.D.  
Respondent

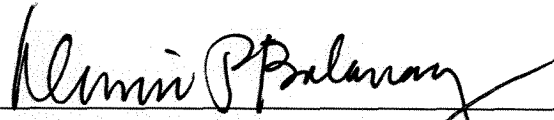
APPROVED AS TO FORM:

  
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THOMAS E. COOK  
Attorney for Respondent

IN THE MATTER OF THE LICENSE TO PRACTICE MEDICINE OF GREGORY E.M.  
YUEN, M.D.; FIRST AMENDED SETTLEMENT AGREEMENT PRIOR TO FILING OF  
PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; CASE NO.  
MED 2006-164-L

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DATED: Honolulu, Hawaii, May 10, 2007



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DENISE P. BALANAY  
Attorney for Department of Commerce and  
Consumer Affairs

IN THE MATTER OF THE LICENSE TO PRACTICE MEDICINE OF GREGORY E.M. YUEN, M.D.; FIRST AMENDED SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; CASE NO. MED 2006-164-L

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APPROVED AND SO ORDERED:  
BOARD OF MEDICAL EXAMINERS  
STATE OF HAWAII

*H Roger Netzer M.D.*

H. ROGER NETZER, M.D. -  
Chairperson

*11 May 2007*

DATE



MARIA BRUSCA PATTEN, D.O. -  
Vice-Chairperson

*Brian E. Cody*

BRIAN E. CODY

RONALD H. KIENITZ, D.O.

*John T. McDonnell, M.D.*

JOHN T. McDONNELL, M.D.

*M. Pierre K.W. Pang*

M. PIERRE K. W. PANG, M.D.

*Fereydon Don Parsa*

FEREYDON DON PARSA, M.D.

*Ben K. Azman, M.D.*

BEN K. AZMAN, M.D.

G. MARKUS POLIVKA

PETER A. MATSUURA, M.D.

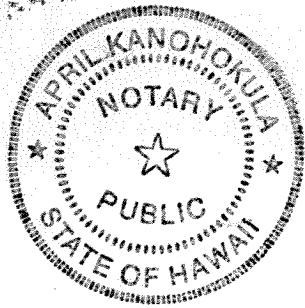
*D. Takashi Jr.*

DANNY M. TAKANISHI, JR., M.D.



STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 9 day of March, 2007, before me personally appeared  
GREGORY E.M. YUEN, M.D., to me known to be the person described and who executed the  
foregoing instrument and acknowledged the same as his free act and deed.



April Kanohokula  
Name: APRIL KANOHOKULA  
Notary Public – State of Hawaii

My Commission expires: 9/11/2009