

DIANE R. CORN 3912  
Regulated Industries Complaints  
Office  
Department of Commerce and  
Consumer Affairs  
State of Hawaii  
600A James Campbell Building  
828 Fort Street Mall  
Honolulu, Hawaii 96813  
Telephone: (808) 586-2660

Attorney for Petitioner

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

In the Matter of the ) MED 94-32-L  
License to Practice )  
Medicine of )  
SCOTT B. GLADSTONE, ) SETTLEMENT AGREEMENT AFTER  
 ) FILING OF PETITION FOR  
 ) DISCIPLINARY ACTION  
 ) AND BOARD'S FINAL ORDER  
Respondent. )

SETTLEMENT AGREEMENT AFTER FILING OF  
PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

SCOTT B. GLADSTONE, M.D. (hereinafter "Respondent"),  
and the Department of Commerce and Consumer Affairs, by and  
through its Regulated Industries Complaints Office (hereinafter  
"RICO") enter into this Settlement Agreement as follows:

WHEREAS, Respondent, being at all times relevant  
herein, licensed to practice medicine by the State of Hawaii,  
License No. MD 7841, has been and is subject to penalties  
including but not limited to, revocation, suspension or  
limitation of his license and fines, if the foregoing violations  
are proven at a hearing;

WHEREAS, the Board's last record of Respondent's  
address is [REDACTED]

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WHEREAS, Respondent has been apprised of his right to be represented by counsel and has retained Oscar B. Goodman, Esq., to represent him in these proceedings;

WHEREAS, Respondent has been fully apprised of his right to a hearing pursuant to Hawaii Revised Statutes ("HRS") Chapter 91, 92 and 453 and has voluntarily elected to waive said right to a hearing;

WHEREAS, Respondent admits that he violated HRS §§ 436B-19(13), (15), and (17), and HRS §§ 453-8(a)(7), (11), (12), and (14);

WHEREAS, Respondent has agreed to have a licensed psychiatrist or physician who is familiar with his practice and for whom Respondent receives prior approval for from the Board of Medical Examiners (hereinafter "Board"), to monitor his practice and billing procedures and issue written reports to the Board on a quarterly basis for a period of one year;

WHEREAS, Respondent has agreed to pay a fine to the DCCA Compliance Resolution Fund of FIVE THOUSAND AND NO\100 DOLLARS (\$5,000.00);

WHEREAS, the parties are desirous of effecting a settlement of this matter;

NOW THEREFORE, the parties agree, subject to the approval and order of the Board that:

1. The Board has jurisdiction over the subject matter filed herein and over the parties hereto;

2. Pursuant to HRS Section 91-9(d), Respondent voluntarily waives his right to a hearing and agrees to a disposition of this case pursuant to the terms and conditions of this Settlement Agreement;

3. Respondent enters into this Settlement Agreement freely and voluntarily and under no coercion or duress, and Respondent is fully aware that in so doing, he is subject to disciplinary sanctions;

4. Respondent agrees to have a licensed psychiatrist or physician who is familiar with his practice and for whom Respondent receives prior approval for from the Board, to monitor his practice and billing procedures and issue written reports to the Board on a quarterly basis for a period of one year;

5. Respondent agrees to pay a fine to the DCCA Compliance Resolution Fund of FIVE THOUSAND AND NO\100 DOLLARS (\$5,000.00) by certified check or money order and delivered by certified mail or hand delivery to the Regulated Industries Complaints Office, 828 Fort Street Mall, Suite 600A, Honolulu, Hawaii 96813, within thirty (30) days of the approval of this settlement agreement by the Board;

6. Respondent agrees to comply with all of the terms and conditions of the judgment and sentence entered in Criminal Case No. 2407X-92M, Dept. No. 4, Docket No. 92M, State of Nevada v. Scott Gladstone, by the Justice Court of the Las Vegas Township, In and for the County of Clark, State of Nevada;

7. Furthermore, Respondent shall, within ten (10) days of the approval of this Settlement Agreement by the Board, notify and direct the licensed psychiatrist or physician he has chosen to monitor him to immediately provide to the Board, documentation of his/her credentials and a statement regarding his/her familiarity with Respondent's practice for the Board's approval;

8. Respondent shall refrain from any further violation of HRS Chapters 436 and 453 and the Board's rules and regulations promulgated pursuant thereto;

9. In the event that Respondent fails to abide by any of the terms of the Settlement Agreement, Respondent agrees to the revocation of his license to practice medicine without further hearing, upon the Board's receipt of an Affidavit from RICO attesting to any such violation and/or failure by Respondent, and Respondent shall turn in all indicia of his license to practice medicine to the Executive Officer of the Board within five (5) days after receipt of notice that his license has been revoked.

Further, the Board at its discretion, may pursue additional disciplinary action as provided by law to include further fines, revocation or suspension of license and other sanctions as the Board may deem appropriate;

10. Respondent agrees that this Settlement Agreement shall not become binding upon any of the parties unless and until it is approved by the Board;

11. Respondent agrees that Petitioner had probable cause to file the instant Petition for Disciplinary Action and that he will not bring an action for malicious prosecution against RICO or any of its attorneys, agents or employees based upon the filing of the Petition for Disciplinary Action in this matter.

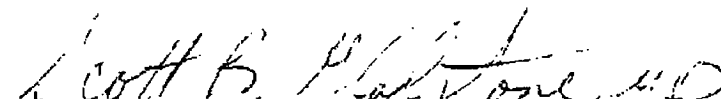
12. If the Board does not approve this Settlement Agreement, does not issue an order pursuant thereto or does not approve a lesser remedy but instead an administrative hearing is conducted against Respondent in its usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither he nor any attorney that he may retain will raise any objection in any administrative proceeding or in any judicial action, to the Board's proceedings 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;

13. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner which most completely protects the interest of the consuming public;


14. 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, 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.

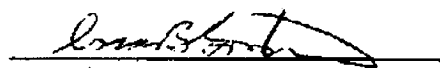
DATED: Kailua-Kona, Hawaii, 6/8/95.

  
SCOTT B. GLADSTONE, M.D.  
Respondent

DATED: Honolulu, Hawaii, 6/9/95.

  
DIANE R. CORN  
Attorney for Department of  
Commerce and Consumer Affairs

APPROVAL AS TO FORM:

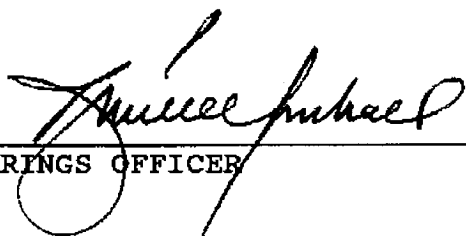
  
OSCAR B. GOODMAN  
Attorney for Respondent  
Scott B. Gladstone

DRC:admin:gladstone\settle

In the Matter of the License to Practice Medicine of Scott B. Gladstone; Settlement Agreement After Filing of Petition for Disciplinary Action and Board's Final Order;  
Case No. MED 94-32-L

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REVIEWED AND RECOMMENDED FOR CONSIDERATION:

  
\_\_\_\_\_  
HEARINGS OFFICER

JUN - 9 1995  
\_\_\_\_\_  
DATE

APPROVED AND SO ORDERED:  
Board of Medical Examiners  
State of Hawaii

  
\_\_\_\_\_  
WILLIAM E. IACONETTI, M.D.  
Chairperson

JUN 21 1995  
\_\_\_\_\_  
DATE

  
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MELVYN M. KANESHIRO, M.D.  
Vice-Chairperson

  
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BERNICE E. COLEMAN, M.D.

  
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WILLIAM FRUEAN, M.D.

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CHRISTINE E. KURIYAMA

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JAMES S. TSUJI, M.D.

  
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MOON SOO PARK, M.D.

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DOUGLAS SODETANI

  
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ROBERT S. WEINER, M.D.