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Regulated Industries Complaints Office  
Department of Commerce and Consumer Affairs  
State of Hawaii  
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235 South Beretania Street, Suite 900  
Honolulu, Hawaii 96813  
Telephone: 586-2660

DEPT. OF COMMERCE  
AND CONSUMER AFFAIRS

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HEARINGS OFFICE

Attorney for Department of Commerce  
and Consumer Affairs

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

In the Matter of the License to Practice ) MED 2013-76-L; MED 2013-78-L;  
Medicine of ) MED 2013-79-L  
)  
JOHN F. BALOG, M.D., ) SETTLEMENT AGREEMENT PRIOR TO  
) FILING OF PETITION FOR DISCIPLINARY  
Respondent. ) ACTION AND BOARD'S FINAL ORDER  
)

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

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS'

REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"),

through its undersigned attorney(s), and Respondent JOHN F. BALOG, M.D. (hereinafter

"Respondent"), enter into this Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent was licensed by the HAWAII MEDICAL BOARD (hereinafter the "Board") as a physician under License Number MDG 3255. The license was issued on or about August 16, 1995. The license will expire or forfeit on or about January 31, 2015.

2. Respondent's mailing address for purposes of this action is 143 Kualapa Place, Lahaina, Hawaii 96761.

3. RICO received complaints alleging that Respondent failed to take accurate notes of patient meetings, failed to properly prescribe medications for patients, and failed to properly supervise subordinate employees at Maui Community Mental Health Center.

4. The foregoing allegations, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes ("HRS") §§ 453-8(a)(7) (manifest incapacity in the practice of medicine); and 453-8(a)(8) (incompetence or multiple instances of negligence).

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

**B. REPRESENTATIONS BY RESPONDENT:**

1. Respondent is fully aware that Respondent has the right to be represented by an attorney and voluntarily waives that right.

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

3. Respondent is aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives the right to a hearing and agrees to dispose 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 Respondent is subject to penalties including but not limited to, revocation,

suspension or limitation of the license and administrative fines, if the foregoing allegations are proven at hearing.

5. Respondent does not admit to violating any law or rule and has no position regarding whether RICO has sufficient cause to file a Petition for Disciplinary Action against Respondent's license.

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 Nos. MED 2013-76-L; MED 2013-78-L; and MED 2013-79-L.

8. Respondent understands that this Settlement Agreement may be subject to reporting requirements.

9. Respondent understands this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

C. TERMS OF SETTLEMENT:

1. Voluntary Surrender of License. Respondent agrees to the voluntary surrender of Respondent's license. The surrender shall become effective immediately upon the approval of this Settlement Agreement by the Board. Respondent has already turned in all indicia of the license to the Executive Officer of the Board.

Respondent has retired from his position with the Department of Adult Mental Health effective May 31, 2014. Respondent's license was conditional on employment with the State of Hawaii. Respondent also represents that he will not renew his Hawaii medical license due to his

age and physical disability. Respondent is 80 years old and has suffered radiation damage to his left femur and knee from treatment for cancer.

Respondent understands that Respondent shall not apply for a new license until the expiration of at least five (5) years from the effective date of the surrender of the license.

Respondent understands that if Respondent desires to become licensed again, Respondent must apply to the Board for a new license, pursuant to and subject to all applicable laws and rules in effect at the time.

2. 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.

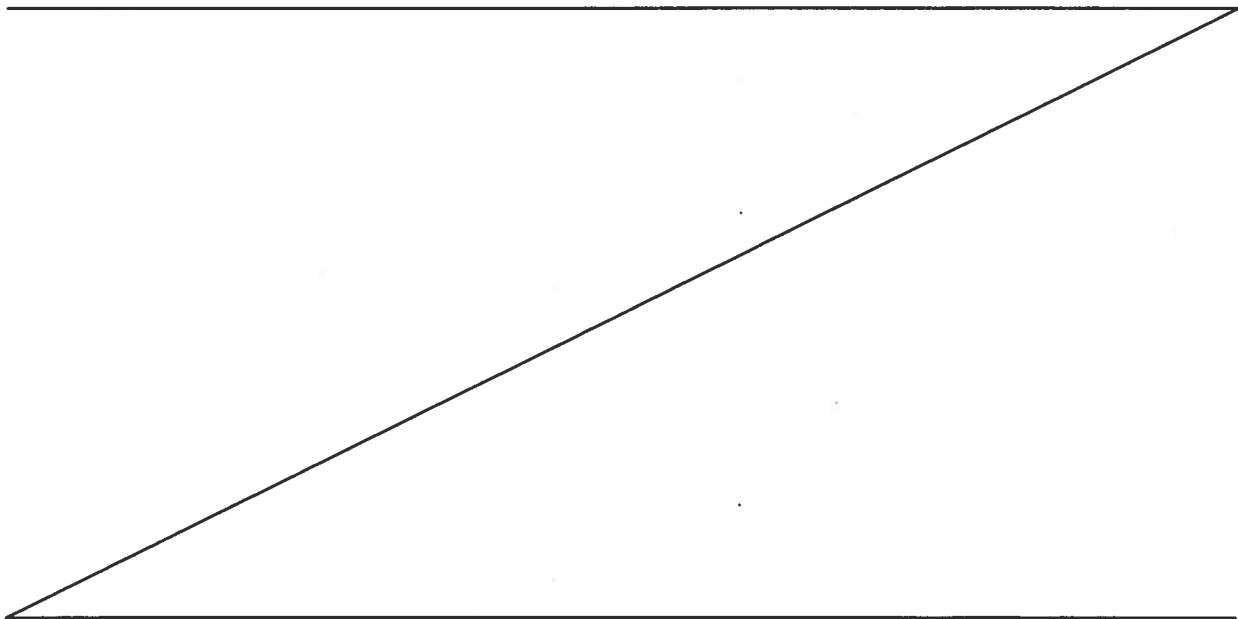
3. Approval of the Board. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.4, C.5, C.6 and C.7 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

4. 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 Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

5. 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.

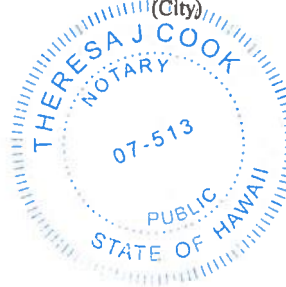
6. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not 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.

7. 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: WAILUKU, HAWAII, 11/20/14.  
(City) (State) (Date)



John F. Balog  
JOHN F. BALOG, M.D.  
Respondent


DATED: Honolulu, Hawaii, NOV 25 2014.

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

IN THE MATTER OF THE LICENSE TO PRACTICE MEDICINE OF JOHN F. BALOG,  
M.D.; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR  
DISCIPLINARY ACTION AND BOARD'S FINAL ORDER;  
RICO CASE NO(S). MED 2013-76-L; MED 2013-78-L; and MED 2013-79-L

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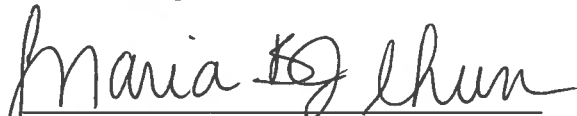
APPROVED AND SO ORDERED:  
HAWAII MEDICAL BOARD  
STATE OF HAWAII

  
\_\_\_\_\_  
NIRAJ S. DESAI, M.D.  
Chairperson

12/11/14  
\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
SHARON BINTLIFF, M.D.  
Vice Chairperson

\_\_\_\_\_  
GERARD K. AKAKA, M.D.

  
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MARIA B.J. CHUN, Ph.D.


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JONE GEIMER-FLANDERS, D.O.

  
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PETER HALFORD, M.D.

  
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PETER D. HOLT, M.D.

  
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THOMAS S. KOSASA, M.D.

  
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PALASI PULETASI

  
\_\_\_\_\_  
KAREN E. SEPT, D.O.

  
\_\_\_\_\_  
Darren Egami, M.D.

STATE OF HAWAII )  
 ) SS.  
COUNTY OF MAUI )

On this 20<sup>th</sup> day of NOVEMBER, 2014, before me personally appeared JOHN F. BALOG, M.D., to me known to be the person described, and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

This 8 -page SETTLEMENT AGREEMENT

document dated UNDATION AT TIME OF MARRIAGE, 2014 was acknowledged before me by

JOHN F. BALOG, M.D. this 20<sup>th</sup> day of NOVEMBER, 2014, in the City of

WAILUKU, in the County of MAUI, in the State of Hawaii.



Name: THERESA COOK  
Notary Public, State of Hawaii  
My Commission expires: 10-07-2015  
SECOND CIRCUIT