BEFORE THE NEVADA STATE BOARD OF OSTEOPATHIC MEDICINE

IN THE MATTER OF:  
TERRY J. McANALLEN, D.O.  
License No. DO1484,  
Respondent.  

Case No. AD1607002  
SETTLEMENT AGREEMENT AND ORDER

The Nevada State Board of Osteopathic Medicine (the Board), by and through its investigating board member Dean Milne, D.O., hereby enters into this settlement agreement with Terry J. McAnallen, D.O. (License No. DO1484). Pursuant to chapter 233B and chapter 633 of the Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC), it is hereby stipulated and agreed, by and between the parties in the above-entitled matter that this matter shall be fully and finally settled and resolved upon terms and conditions set out herein.

PERTINENT FACTS

1. On May 5, 2009, Dr. McAnallen became licensed by the Board to practice as an osteopathic physician in Nevada (License No. DO1484). Dr. McAnallen’s practice address of record with the Board is Healthcare Partners Medical Group, 5320 S. Rainbow Boulevard, #150 in Las Vegas, Nevada. The Board’s records show that Dr. McAnallen is board certified in Family and General Practice Medicine.

2. In May 2016, the Board’s staff commenced an investigation into allegations related to Dr. McAnallen’s prescribing and treatment of a patient while he was employed as an osteopathic physician at Diagnostic Center of Medicine (DCOM). In the course of the investigation, the Board’s staff learned that Dr. McAnallen had a regular practice while employed at DCOM of pre-signing prescriptions on his prescription pads so that his medical assistant could complete the prescriptions on her own and issue the prescriptions to the patients without the need to locate to obtain his signature. Some of the prescriptions issued using this regular practice were for controlled substances. In the course of interviews conducted as part of the investigation, Dr. McAnallen admitted that while employed at DCOM he pre-signed prescriptions, that he knew some of the pre-signed prescriptions would be used to controlled substances orders, that he authorized his medical assistant to use the pre-signed prescriptions
to issue prescriptions for patient use and that those prescription would include prescriptions for controlled substances, and that those practices were a regular part of his practice of osteopathic medicine. After discussions with the Board’s staff, Dr. McAnallen now understands that his regular practice of pre-signing prescriptions was unlawful and that he has discontinued the practice.

3. Board staff’s investigation determined that Dr. McAnallen had written and issued two prescriptions for controlled substances – one for Xanax and one for Adderall – to a staff member at DCOM and that he had not made any medical record in support of or explaining the issuance of the prescriptions.

ACKNOWLEDGMENTS AND APPLICABLE LAW

3. In an effort to avoid the cost and uncertainty of a hearing, the parties have agreed to settle this matter. In settling this matter, Dr. McAnallen does not contest the facts contained in the preceding three paragraphs. Dr. McAnallen further acknowledges that certain facts contained in the preceding three paragraphs constitute violations of Nevada Revised Statutes (NRS) 633.511(1) as unprofessional conduct as further defined in NRS 633.131(1)(g) and (m), and NRS 633.511(1)(k) and Nevada Administrative Code (NAC) 633.350(1)(e). Notwithstanding the preceding, the Board has agreed not to file an Accusation in this matter and the parties agree, instead, that the Board should rule upon this Settlement Agreement and Order as containing all necessary elements of due process to authorize the Board to take such action. If the Board approves this Settlement Agreement and Order, it shall be deemed and considered disciplinary action by the Board against Dr. McAnallen.

5. Dr. McAnallen and Dr. Milne, the Investigating Board Member in this matter, agree that it is in the best interests of Dr. McAnallen and the Board to resolve this matter without a full hearing on the merits.

6. Dr. McAnallen is aware of, understands, and has been advised of the effect of this Settlement Agreement, which he has carefully read and fully acknowledged. Dr. McAnallen acknowledges that he reviewed this Settlement Agreement and that he was provided the opportunity to review this Settlement Agreement with legal counsel of his own choice, namely Heather Hall, Esq.

7. Dr. McAnallen has freely and voluntarily entered into the Settlement Agreement, and he is aware of his rights to contest the charges pending against him. These rights include representation by
an attorney at his own expense, the right to a public hearing on any charges or allegations formally
filed, the right to confront and cross-examine witnesses called to testify against him, the right to present
evidence on his own behalf, the right to testify on his own behalf, the right to obtain any other type of
formal judicial review of this matter, and any other rights which may be accorded to him pursuant the
provisions of Chapters 233B, 622, 622A, and 633 of the NRS and the NAC. Dr. McAnallen is
voluntarily waiving all these rights in exchange for the Board’s acceptance of this Settlement
Agreement.

8. Should the Settlement Agreement be rejected by the Board, it is agreed that presentation to
and consideration by the Board of such proposed Settlement Agreement or other documents or matters
pertaining to the consideration of this Settlement Agreement shall not unfairly or illegally prejudice the
Board or any of its members from further participation, consideration, adjudication, or resolution of
these proceedings and that no Board member shall be disqualified or challenged for bias. Likewise,
should this Settlement Agreement be rejected by the Board, it is agreed that the terms of the Settlement
Agreement, and any facts contained herein, shall not be used against Dr. McAnallen in any future
prosecution or other action by the Board.

9. Dr. McAnallen for himself, his executors, administrators, successors, and assigns hereby
releases and forever discharges and holds harmless the State of Nevada, the Nevada Board of
Osteopathic Medicine and each of their members, agents, investigators and employees in their
individual and representative capacities, from any and all manner of actions, causes of action, suit,
debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity,
that Licensee ever had, now has, may have or claim to have against any or all of the persons or entities
named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this
settlement agreement or its administration.

10. In consideration for the execution of this Settlement Agreement, Dr. McAnallen hereby
releases and forever discharges the State of Nevada, the Board of Osteopathic Medicine, and the
Nevada Attorney General’s Office (as counsel for the Board), and each of their representatives,
investigators, and employees, in their individual and representative capacity from any and all manner of
actions, causes of actions, suits, debts, judgments, executions, claims and demands whatsoever, known
or unknown, in law and in equity, that he may have had, now has, or claim to have against any and all
of the persons and entities named in this paragraph arising out of or by reason of the investigation of
the allegations raised herein and other matters relating thereto.

11. Dr. McAnallen acknowledges that the Settlement Agreement shall only become effective
after both the Board and he have duly executed it.

12. Dr. McAnallen enters into this Settlement Agreement voluntarily after being fully advised
of his rights and as to the consequences of this Settlement Agreement. This Settlement Agreement
embodies the entire agreement reached between the Board and Dr. McAnallen. It may not be altered,
amended, or modified without the express consent of the parties.

13. Both parties acknowledge that the Board has jurisdiction to consider and ratify this
Settlement Agreement and order because Dr. McAnallen is an osteopathic physician licensed by the
Board. Dr. McAnallen expressly, knowingly, and intentionally waives the 21-day notice requirement
contained in the Nevada Open Meeting Law and acknowledges that this Settlement Agreement and
order may be presented to the Board for its consideration and potential ratification at the Board’s
meeting on October 11, 2016.

AGREED DISCIPLINARY ACTION

THE PARTIES DO HEREBY AGREE as a result of the admissions and acknowledgements
contained in paragraphs 1 through 13 above that the following discipline is fair and appropriate and
should be imposed by the Board by way of resolution of this matter:

1. Dr. McAnallen shall pay the Board’s fees and costs in the investigation and prosecution of
this matter totaling $175.00, payable by cashier’s or certified check or money order made payable to:
“Nevada State Board of Osteopathic Medicine.” Payment shall be due within 90 days of the effective
date of this Settlement Agreement and Order, but if Dr. McAnallen cannot make payment in full by that
time, he may make payment arrangements with and as are acceptable to the Board’s Executive Director.

2. Dr. McAnallen shall pay a fine of $2,500.00 in this matter, payable by cashier’s or certified
check or money order made payable to: “Nevada State Board of Osteopathic Medicine.” Payment shall
be due within 90 days of the effective date of this Settlement Agreement and Order, but if Dr.
McAnallen cannot make payment in full by that time, he may make payment arrangements with and as are acceptable to the Board’s Executive Director.

3. Dr. McAnallen shall never again pre-sign a prescription blank. Dr. McAnallen shall assure that he records or charts all medical diagnoses and treatment he renders, including any diagnoses or treatment he might render in the future to his patients, members of his staff, friends, acquaintances, or family members.

4. The parties acknowledge that the Board must report this Settlement Agreement to the National Practitioners Data Bank (“Data Bank”).

5. Dr. McAnallen shall meet with the Board or its representatives upon request and shall cooperate with such representatives in their supervision, monitoring, investigation, or auditing to assure compliance with the terms and conditions of this order. Dr. McAnallen shall pay any and all reasonable and necessary costs incurred by the Board resultant from this paragraph.

6. In the event Dr. McAnallen fails to materially comply with any term of this Settlement Agreement, Dr. McAnallen agrees his license in the State of Nevada shall be automatically suspended without any action of the Board other than the issuance of an Order of Suspension by the Executive Director. Upon complying with the term, Dr. McAnallen’s license in the State of Nevada will be automatically reinstated, assuming all other provisions of the Settlement Agreement are in compliance. Additionally, Dr. McAnallen’s failure to comply with any term or condition of this Settlement Agreement may result in discipline by the Board, up to and potentially including revocation of his license. Board Staff may take any and all actions it deems necessary to collect any sums ordered that remain unpaid. If Board Staff is required to pursue judicial action to effect such collections, it shall be entitled to recover its attorney’s fees and costs incurred in pursuing such judicial action.

Signed this 14th day of September 2016.

Respondent Terry J. McAnallen

By

Terry J. McAnallen, D.O.
Respondent

Nevada State Board of Osteopathic Medicine

By

C. Dean Milne, D.O.
Investigating Board Member
ORDER

WHEREAS, on October 11, 2016, the Nevada State Board of Osteopathic Medicine approved and adopted the terms and conditions set forth in the Agreed Settlement and Order with Terry J. McAnallen, D.O. IT IS SO ORDERED.

SIGNED AND EFFECTIVE this 11 day of October, 2016.

NEVADA STATE BOARD OF OSTEOPATHIC MEDICINE

Ronald Hedger, D.O.
Chairman
BEFORE THE NEVADA STATE BOARD OF OSTEOPATHIC MEDICINE

IN THE MATTER OF:  
TERRY J. McANALLEN, D.O.  
License No. DO1484  
RESPONDENT.

Case No.: AD1607002

CERTIFICATE OF SERVICE

I hereby certify that on the 12th day of October, 2016, I served a copy of the ABOVE Notice with attachment upon the parties to this matter, via U.S. Postal Service, postage thereon prepaid, at their last known address on file with this Board.

Terry J. McAnallen, D.O.

An employee of the Nevada State Board of Osteopathic Medicine