L. MITCHELL JONES (U.S.B. 5979)
Assistant Attorney General
SEAN D. REYES (U.S.B. 7969)
Utah Attorney General
Commercial Enforcement Division
Heber M. Wells Building
160 East 300 South - Box 146741
Salt Lake City, Utah 84114-6741
Telephone: (801) 366-0310

BEFORE THE DIVISION OF OCCUPATIONAL & PROFESSIONAL LICENSING
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF THE ISSUANCE OF
A PROBATIONARY LICENSE TO
JOHN SMITH KRAGE TO
PRACTICE AS A CHIROPRACTIC PHYSICIAN
IN THE STATE OF UTAH

) ) MEMORANDUM OF
) ) UNDERSTANDING AND
) ) ORDER
) ) CASE NO. DOPL 2017-75

JOHN SMITH KRAGE (“Respondent”) submitted an application for initial licensure as a chiropractic physician in the State of Utah on or about October 13, 2016. On the Medical Qualifying Questionnaire submitted Respondent answered “yes” to questions #1 and #4. On the Qualifying Questionnaire submitted Respondent answered “yes” to questions #1 and #3. Documentation has been received by the Division of Occupational and Professional Licensing of the Department of Commerce of the State of Utah (“Division”) showing that:

Respondent was issued a chiropractor license #DC 14672 in the State of California on or about January 1, 1982.

On or about April 17, 2012, Respondent was issued a citation by California authorities for advertising that was found to be misleading, sensational, and deceptive. Respondent was issued an order of abatement and to pay a $300 fine.

On or about December 30, 2013, Accusation #2014-991 was entered by the State of California. The causes for discipline included failure to perform a competent foot exam including x-rays; failure to document progress or other relevant information for a 74 year-old patient on whom he performed excessive and unnecessary treatment; and engaging in dishonesty and moral turpitude by overcharging the patient. The causes for discipline also included advertising and use of a laser treatments on a device not approved by the FDA.

On April 21, 2016, Respondent entered into a stipulated settlement and disciplinary order with the State of California, which is incorporated by reference into this Memorandum of
Understanding and Order and attached as Exhibit A. Exhibit A included 21 terms and conditions.

On October 25, 2016, Respondent’s application for licensure in the State of Utah and the related disciplinary documents from the State of California were reviewed by the Division and the Utah Chiropractic Physician Licensing Board. Respondent participated in the discussion via telephone.

Based upon Respondent’s conduct described above, Respondent and Division, as evidenced by their signatures on this Memorandum of Understanding and Order, agree that Respondent shall be issued a probationary license to practice as a chiropractic physician in the State of Utah, subject to the following terms and conditions, which shall be in effect for a period of five years, commencing upon the date this Memorandum of Understanding and Order is approved by the Division Director as evidenced by his signature.

1. Respondent admits the jurisdiction of the Division over Respondent and over the subject matter of this action. Respondent admits that Respondent’s conduct described above is unprofessional conduct as defined in Utah Code Ann. § 58-1-501(2)(a) and (d). Respondent understands that the issuance of the Order in this matter is disciplinary action against Respondent’s license by the Division pursuant to Utah Administrative Code R156-1-102(7) and Utah Code Ann. § 58-1-401(2)(a). Respondent agrees that Respondent engaged in conduct that led to Respondent’s disciplinary action in the State of California, and the conduct that was the basis for the California discipline would constitute unprofessional and/or unlawful conduct in the State of Utah.

2. Respondent acknowledges that Respondent enters into this Memorandum of Understanding and Order knowingly and voluntarily, and other than what is contained in this Memorandum of Understanding and Order, no promise or threat whatsoever has been made by the Division, or any member, officer, agent or representative of the Division to induce Respondent to enter into this agreement.

3. Respondent understands that Respondent has the right to be represented by an attorney in this matter, and the Respondent has either sought the advice of counsel or knowingly waives Respondent’s right to counsel in this matter.

4. Respondent acknowledges that this Memorandum of Understanding and Order, if adopted by the Director of the Division, will be classified as a public document. The Division may release this Memorandum of Understanding and Order, and will release other information about this disciplinary action against Respondent’s license, to other persons and entities.

5. Respondent shall successfully complete and satisfy the following terms and conditions:
   a. Respondent shall meet with the Board at the Board’s next scheduled meeting following the signing of the accompanying Order. Respondent shall meet with Division, Compliance Specialist, Brandie Rigby within **two weeks** of the signing of the accompanying Order. Ms. Rigby may be reached at (801) 530-6128, or by
email at brandierigby@utah.gov. After the initial meeting with the Board, Respondent shall meet with the Board on quarterly basis or at such other greater or lesser frequency as determined by the Board and the Division for the duration of the Stipulation and Order.

b. If Respondent is arrested or charged with a criminal offense by any law enforcement agency, in any jurisdiction, inside or outside the State of Utah, for any reason, Respondent agrees to cause the Division and Board to be notified immediately. If Respondent at any time during the period of this agreement is convicted of a criminal offense of any kind, or enters a plea in abeyance to a criminal offense of any kind, including a pending criminal charge, the Division may take appropriate action against Respondent, including imposing appropriate sanctions, after notice and opportunity for hearing. Such sanctions may include revocation or suspension of Respondent’s license, or other appropriate sanctions.

c. Respondent shall complete all terms and conditions of any criminal sanctions, incurred before or during the period of this agreement, including probation or parole. Respondent shall provide documentation of completion of Respondent’s criminal probation to the Division and the Board. If Respondent has not successfully completed all the terms and conditions of Respondent’s criminal probation at the time Respondent’s administrative probationary period ends, the period of Respondent’s administrative probation shall be extended until all the conditions of Respondent’s criminal probation have been successfully completed.

d. Respondent shall notify the Board in writing within one (1) week of any change of employer, employment status, or practice status. This notification is required regardless of whether Respondent is employed in Respondent’s profession.

e. If Respondent leaves the State of Utah for a period longer than fifteen (15) days, Respondent shall notify the Division and Board in writing of the dates of Respondent’s departure and return. The licensing authorities of the jurisdiction to which Respondent moves shall be notified by Respondent in writing of the provisions of this Memorandum of Understanding and Order. Periods of residency or practice outside the State of Utah may apply to the reduction of the period this Memorandum of Understanding and Order is in effect, if the new state of residency places equal or greater conditions upon the Respondent as those contained in this Memorandum of Understanding and Order.

f. Respondent shall maintain an active license at all times during the period of this agreement.

g. Respondent shall immediately notify the Division in writing of any change in Respondent’s residential or business address.

h. Failure of Respondent to pay the costs associated with this Memorandum of Understanding and Order constitutes a violation of the Memorandum of Understanding and Order.
i. In the event Respondent does not practice as a chiropractic physician for a period of fifteen (15) days or longer, Respondent shall notify the Board in writing of the date Respondent ceased practicing. The period of time in which Respondent does not practice shall not be counted toward the time period of this Memorandum of Understanding and Order. Respondent must work at least eight (8) hours per week and no more than forty-eight (48) hours per week to be considered “practicing” in Respondent’s profession. It shall be within the discretion of the Board to modify this requirement if Respondent satisfactorily explains to the Board that compliance in Respondent’s case was impractical or unduly burdensome.

j. Respondent shall practice only under the supervision of a chiropractic physician who is licensed and in good standing with the Division. The supervisor shall be primarily one (1) person who may periodically delegate his or her responsibilities over Respondent to other qualified personnel.

k. While employed in Respondent’s licensed occupation, Respondent shall notify any employer-supervisor of Respondent’s restricted status and the terms of this agreement. Respondent shall further cause Respondent’s employer-supervisor to submit performance evaluations to the Board on a monthly basis for six months and quarterly thereafter. The receipt of an unfavorable report from an employer-supervisor may be considered to be a violation of the terms of this Memorandum of Understanding and Order. If the Respondent is not employed as a chiropractic physician, Respondent shall submit the required employer report form to the Board on the date it is due and indicate on that form that Respondent is not currently employed in Respondent’s licensed occupation or that Respondent is not currently working.

l. Respondent shall provide to Respondent’s employer-supervisor(s) a copy of this Memorandum of Understanding and Order and cause each employer-supervisor to acknowledge to the Board in writing that a copy of this Memorandum of Understanding and Order has been provided to the employer-supervisor.

m. Respondent’s employer-supervisor shall review and approve Respondent’s advertising, billing practices, and records. Respondent’s employer-supervisor shall have access to review patient records.

n. Respondent shall successfully and timely comply with all terms and conditions in Exhibit A.

o. Respondent shall submit a practice plan to the Division and Board within 90 days of the effective date of this Stipulation and Order. The practice plan shall be submitted in a format prescribed by the Division and Board.

p. Respondent shall comply with paragraphs 6, 9, 13, 17, 18, 19, 21, and 22 under the Disciplinary Order section of Exhibit A, even if Respondent surrenders his
California chiropractic physician license. Report of compliance with those paragraphs shall be made to the Division.

6. Respondent agrees to abide by all applicable federal and state laws, regulations, rules or orders related to Respondent’s licensed area of practice.

7. Respondent understands that the issuance of a license pursuant to this Memorandum of Understanding and Order is a partial denial of licensure, and Respondent hereby waives the right to any administrative or judicial review of that partial denial of licensure.

8. If Respondent successfully completes the terms of this Memorandum of Understanding and Order, the conditions on Respondent’s license will be lifted and Respondent’s license will not be subject to further restriction.

9. If Respondent violates any term or condition of this Memorandum of Understanding and Order, the Division may take action against Respondent, including imposing appropriate sanction, in the manner provided by law. Such sanction may include revocation or suspension of Respondent’s license, citation or fine, or other appropriate sanction.

10. The terms and conditions of this Memorandum of Understanding and Order become effective immediately upon the approval of this Memorandum of Understanding and signing of the Order by the Division Director. Respondent must comply with all the terms and conditions of this Memorandum of Understanding and Order immediately after the Division Director signs the Order page of this Memorandum of Understanding and Order. Respondent shall complete all the terms and conditions contained in the Memorandum of Understanding and Order in a timely manner. If a time period for completion of a term or condition is not specifically set forth in this Memorandum of Understanding and Order, Respondent agrees that the time period for completion of that term or condition shall be set by the Board. Failure to complete a term or condition in a timely manner shall constitute a violation of the Memorandum of Understanding and Order and may subject Respondent to revocation or other sanctions.

11. If the Division files a Petition alleging that Respondent has engaged in new misconduct or files an Order to Show Cause Petition alleging that Respondent has violated any of the terms and conditions contained in this Memorandum of Understanding and Order, the period of Respondent’s probation shall be tolled during the period that the Petition or Order to Show Cause Petition has been filed and is unresolved.

12. Respondent understands that the disciplinary action taken by the Division in this Memorandum of Understanding and Order may adversely affect any license that Respondent may possess in another state or any application for licensure Respondent may submit in another state.

13. This document constitutes the entire agreement between the parties and supersedes and cancels any and all prior negotiations, representations, understandings or agreements between the parties. There are no verbal agreements that modify, interpret, construe or affect this Memorandum of Understanding and Order.
14. Respondent has read each and every paragraph contained in this Memorandum of Understanding and Order. Respondent understands each and every paragraph contained in this Memorandum of Understanding and Order. Respondent has no questions about any paragraph or provision contained in this Memorandum of Understanding and Order.

DIVISION OF OCCUPATIONAL & PROFESSIONAL LICENSING

BY: ALLYSON PELTLE
ALLYSON PETTLEY
Bureau Manager

DATE: 1/26/17

RESPONDENT

BY: JOHN SMITH KRAGE

DATE: 1-25-2017

SEAN D. REYES
UTAH ATTORNEY GENERAL

BY: L. MITCHELL JONES
Assistant Attorney General

DATE: 26 Jan 17
ORDER

THE ABOVE MEMORANDUM OF UNDERSTANDING, in the matter of JOHN SMITH KRAGE, is hereby approved by the Division of Occupational and Professional Licensing. The issuance of this Order is disciplinary action pursuant to Utah Administrative Code R156-1-102(7) and Utah Code Ann. § 58-1-401(2). The terms and conditions of the Memorandum of Understanding are incorporated herein and constitute my final Order in this case.

DATED this __26__ day of __January__ 2017.

DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING

MARK B. STEINAGEL
Director