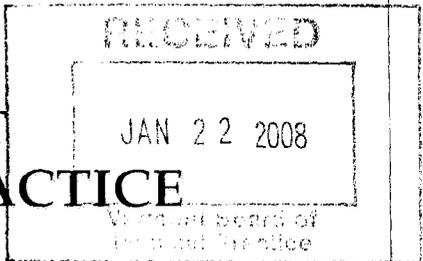


STATE OF VERMONT
BOARD OF MEDICAL PRACTICE



In re: Katherine Schulz-Heik, M.D.

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Licensing Committee Matter

STIPULATION AND AGREEMENT

NOW COMES, Katherine Schulz-Heik, M.D., applicant for medical licensure, and the State of Vermont, by and through Attorney General William H. Sorrell and James S. Arisman, undersigned Assistant Attorney General, and agree and stipulate as follows:

1. Katherine Schulz-Heik, M.D. (hereinafter, "Applicant"), on November 3, 2007 filed application with the Vermont Board of Medical Practice for medical licensure in the State of Vermont.
2. Jurisdiction in this matter vests with the Vermont Board of Medical Practice under 26 V.S.A. §§ 1353, 1391, and other authority.

I. Background.

3. Applicant received her medical degree at the State University of New York at Stony Brook in 2005. During 2005-2006, Applicant completed PGY-1 as a resident in pathology at the University of Virginia Medical Center. However, due to significant health concerns of a chronic nature, Applicant made the decision not to complete her residency. The Vermont Board has received documentation verifying that Applicant's withdrawal from her residency was voluntary and necessitated by her medical needs. Applicant agrees

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

that all information provided by her to the Vermont Board of Medical Practice in support of her application for licensure is accurate and complete.

A. Current Position.

4. In March 2007, Applicant assumed duties as practice manager for a Rutland neurologist who is associated with the Rutland Regional Medical Center. In this position, Applicant does not provide care or treatment to patients. Her duties are limited to "medical administration".

B. Form of Licensure.

5. Applicant wishes to continue to work in the area of "medical administration". She has requested issuance to her of a conditioned medical license that would limit her to "medical administration" duties and that would specify that she may not provide direct medical care or treatment to patients, including any prescribing.

6. The Vermont Board of Medical Practice agrees that Applicant may be granted a conditioned medical license, as she has requested, subject to the terms set forth below and her full compliance with these.

II. Application for Vermont Licensure.

7. Applicant appears to have completed all necessary steps in the Board's licensing process. The Board's Licensing Committee has reviewed her application materials and will recommend approval of licensure, subject, to the express terms of this agreement. The parties agree that following approval of the instant agreement, the Vermont Board of

Medical Practice, the Board, in its sole discretion, may issue to Applicant a conditioned medical license.

8. In exchange for the issuance of a conditioned medical license, Applicant agrees to faithfully abide by the express terms set out in Section III, below.

III. Agreement as to Licensure.

A. Conditioned Licensure.

9. Applicant agrees that if granted a conditioned medical license in the State of Vermont by the Board of Medical Practice, such licensure shall limit her activities solely to "medical administration" duties. The parties agree that the term "medical administration" does not include and does not authorize the direct care and/or treatment of individual patients by Applicant, e.g., as defined within 26 V.S.A. § 1311 and as commonly understood under law and within the field of medicine.

10. Applicant's Vermont license to practice medicine shall be designated as "conditioned" until such times as all terms and limitations upon her medical license have been removed, by written order of the Board.

B. Notice to Employers and Practice Sites.

11. Applicant agrees that she shall provide a complete copy of this Stipulation and Agreement to any and all employers, hospitals, offices, clinics, institutional care settings, or physicians with whom she is associated in practice, to any prospective employer, and to any State medical board or other licensing authority in any location or jurisdiction where she may seek to practice or where she may make application, so long as this agreement remains in effect.

C. Possible Interruption of Activity.

12. In the unlikely event that such a circumstance might occur, Applicant agrees that she shall promptly cease any and all "medical administration" duties and activities should a treating physician so recommend to her. Applicant agrees that noncompliance by her with such recommendation may be deemed a sufficient ground for summary suspension of her medical license by the Vermont Board of Medical Practice.

13. Applicant agrees that upon any such recommendation, as described in Paragraph 12, above, she shall promptly and voluntarily cease and desist from any and all duties and activities that might be deemed to be authorized under her Vermont medical license and this agreement until: (a) such time as it is deemed safe for her to return to these duties and activities, such determination to be made by the Board, in its sole discretion; and/or (b) the Board approves any additional or revised conditions and requirements that shall regulate any future duties and activities by Applicant, her care and treatment, or monitoring by the Board; and/or (c) further order of the Board. Applicant agrees that the Board, in its sole discretion, may seek and obtain any evaluation, assessment, and/or records it may deem necessary to effect the purposes of this paragraph and this agreement. Applicant agrees to provide her full, good faith cooperation with any such request from the Board or any of its operating committees. Applicant shall bear all costs.

14. The Board agrees to promptly (a) decide any petition from Applicant for: review of any recommendation made to Applicant by a practitioner that she temporarily cease her "medical administration" duties; or b) decide any petition from Applicant for Board approval of her return to such duties.

15. Applicant understands and agrees that the Board, in its sole discretion and at any time, may determine that Applicant's further involvement in "medical administration" duties is inconsistent with the public health, safety, and welfare or public policy or law. Applicant understands that the Board, thereafter, pursuant to the State's motion and due process, may suspend or revoke Applicant's conditioned license to practice medicine.

16. In acceptance and recognition of all of the above and due to her medical condition, Applicant voluntarily assures and agrees that she shall not act contrary to the terms, conditions, and limitations of this agreement at any time.

IV. Other Terms.

17. Applicant acknowledges and agrees that any failure by her to comply with the terms and conditions herein may constitute unprofessional conduct and, if established by the State's evidence, could result in immediate suspension of Applicant's conditioned Vermont medical license and such further disciplinary action as the Board might deem necessary.

18. Applicant acknowledges that she is voluntarily agreeing to the terms set forth in this Stipulation and Agreement and agrees and understands that by executing this document she is waiving any right to challenge the jurisdiction and continuing jurisdiction of the Board in this matter and as to the terms of this agreement. The parties agree that this Stipulation and Agreement and the terms set forth herein, do not constitute discipline of Applicant and are not intended to do so.

19. Applicant understands and agrees that she has had at all times the right to be represented by and receive advice of counsel in reviewing this Stipulation and

Agreement. Applicant has read and carefully considered all terms herein and agrees to accept and be bound by such terms while medically licensed in the State of Vermont and to do so until further order of the Board. In its sole discretion, the Board may consider at a later date a petition from Applicant for modification of this agreement.

20. Should Applicant at any time in the future present a petition to the Board seeking removal of the terms applicable to her conditioned Vermont medical license, she agrees that she shall set forth in detail the basis for so requesting. Applicant agrees and acknowledges that the Board in its sole discretion may either accept or deny such a petition from her, in whole or in part. Should such petition be denied, in whole or in part, all unaffected terms, conditions, and limitations of licensure, as set forth herein, shall continue.

21. The parties agree that this Stipulation and Agreement shall be a public document and shall be made part of Applicant's licensing file. The parties agree that this Stipulation and Agreement is intended only to establish the terms of conditioned licensure pertaining to Applicant's "medical administration" duties.

22. This Stipulation and Agreement is subject to review and acceptance by the Vermont Board of Medical Practice. If the Board rejects any part of this Stipulation and Agreement, the entire agreement shall be considered void. However, should the Board deem the terms of this Stipulation and Agreement to be acceptable, the parties request that the Board enter an order providing for the issuance to Applicant of a conditioned Vermont medical license, subject to the terms herein.

23. Applicant agrees to be bound by all terms of this Stipulation and Agreement. Applicant expressly agrees that noncompliance with the terms of this Stipulation and Agreement may and shall be subject to action by the Board under 26 V.S.A. §1354 and other authority.

Dated at Montpelier, Vermont, this 17th day of January 2008.

STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

by: [Signature]
JAMES S. ARISMAN
Assistant Attorney General

Dated at Rutland, Vermont, this 15 day of January 2008.

[Signature]
KATHERINE SCHULZ-HEIK, M.D.
Applicant for Licensure

* * *

FOREGOING AS TO KATHERINE SCHULZ-HEIK, M.D.
APPROVED AND ORDERED
VERMONT BOARD OF MEDICAL PRACTICE

<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	

DATED: 3/5/08

ENTERED AND EFFECTIVE: 3/5/08

108; 16A, AAC; re Schulz-Heik. Not Approved by BNP Until Entered Above