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FILED

September 19, 2006

**NEW JERSEY STATE BOARD
OF MEDICAL EXAMINERS**

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STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
BOARD OF MEDICAL EXAMINERS

IN THE MATTER OF THE APPLICATION :
OF :
DAVID E. STERNBERG, M.D. : Administrative Action
: :
TO PRACTICE MEDICINE AND SURGERY : CONSENT ORDER
IN THE STATE OF NEW JERSEY :
:

This matter was opened to the New Jersey State Board of Medical Examiners ("Board") upon review of Dr. David E. Sternberg's ("Respondent") application for licensure. In Respondent's application for licensure he disclosed that on November 26, 1997, he was found guilty in the U.S. District Court, District of Kansas, in *United States of America v. David E. Sternberg* (Case No. 2:07CR20014-001), on thirteen felony counts of Mail Fraud and Aiding and Abetting, a Class D Felony (18 U.S.C. §§1341 and 2); one count of Interstate Transportation in Aid of Racketeering and Aiding and Abetting, a Class D Felony (18 U.S.C. §§1952 and 2); and twenty-one counts of Money Laundering and Aiding and Abetting, a

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Class D Felony (18 U.S.C. §§1956 and 2). The convictions were for acts which took place within Respondent's practice of medicine and psychiatry in the State of Kansas. On or about May 4, 1998, Respondent was sentenced to five (5) years of incarceration, to three (3) years of supervised release, and to pay restitution in the amount of \$926,940.43. Respondent served three (3) of the five (5) years of incarceration and completed the supervised release term on January 3, 2005.

On or about June 22, 1998, the Kansas State Board of Healing Arts, ("Kansas Board") entered a Final Order revoking Respondent's license to practice medicine and surgery. The action taken by the Kansas Board was based on Respondent's felony conviction.

On or about November 30, 1998, the Department of Health and Human Services, Office of the Inspector General, issued a letter excluding Respondent from participating in the Medicare, Medicaid, and all Federal health care programs as defined in §1128B(f) of the Social Security Act ("Act") for a minimum period of fifteen (15) years. The action taken by the Department of Health and Human Services was based on Respondent's conviction in the U.S. District Court, District of Kansas, of a criminal offense related to the delivery of an item or service under the Medicare program and pursuant to §1128(a)(1) of the Act (42 U.S.C. 1320a-7(a)).

On or about April 26, 1999, the Missouri Board of Healing Arts ("Missouri Board") revoked Respondent's license to practice

medicine based upon the felony conviction. On or about May 6, 2005, the Missouri Board entered an Order reissuing Respondent's license to practice medicine and placing Respondent on probation for a period of five (5) years. On or about May 6, 2005, the Missouri Board terminated Respondent's probationary period based upon Respondent's compliance. Respondent's license to practice medicine in the State of Missouri remains current and active.

Respondent appeared pro se before the Credentials Committee of the Board on March 3, 2006, to discuss his application for licensure and his criminal conviction. Respondent was remorseful for his misconduct which led to the conviction and provided proof of his compliance with the sentencing terms and completion of the supervised release term on January 3, 2005. Following his appearance the Board declined to grant licensure to Respondent until such time as Respondent provided evidence of reinstatement of an unrestricted license to practice medicine in the State of Kansas and provided proof of his compliance with the payment schedule for restitution for further consideration by the Board.

On July 20, 2006, the Kansas Board issued a Final Order reinstating Respondent's license to practice medicine based upon a determination by clear and convincing evidence that Respondent is "sufficiently rehabilitated to warrant the public trust and does not pose a threat to the public health, safety and welfare."

On August 9, 2006, the Board approved the Credentials Committee July 31, 2006, recommendation to grant Respondent a license to practice medicine in the State of New Jersey. In making its determination, the Board considered Respondent's testimony in which he demonstrated remorse and was forthright with the Board regarding his misconduct. The Board also considered Respondent's reinstatement of licensure in the sister states of Missouri and Kansas where he was disciplined by revocation of licensure based upon his criminal conviction for approximately eight (8) years and considered evidence that Respondent passed a special purpose SPEX examination on June of 2003. Lastly, the Board considered evidence of Respondent's compliance with the sentencing terms and repayment schedule of the restitution ordered in the above criminal matter.

The Board finding the following disposition of this matter is adequately protective of the public interest, and other good cause appearing;

IT IS on this 21st day of September, 2006, ORDERED AND AGREED THAT:

1. The New Jersey State Board of Medical Examiners grants Respondent licensure to practice medicine and surgery in the State of New Jersey based on his agreement to abide by the conditions set forth in this Consent Order.

2. Respondent is reprimanded pursuant to N.J.S.A. 45:1-21(f), in that he has been convicted of, or engaged in acts

constituting, a crime or offense involving moral turpitude or relating adversely to the practice regulated by the Board.

3. Respondent shall obey all of the statutes and regulations governing the practice of medicine in the State of New Jersey.

4. Respondent shall attend and complete a medical professional ethics course pre-approved by the Board within six (6) months of licensure. Respondent shall submit proof of full attendance and successful completion of the course within two (2) weeks of completion of the course. This course shall not be used to fulfill the minimum required hours of continuing medical education for any renewal period.

5. Respondent shall continue to make timely restitution and satisfy the restitution obligation imposed by the U.S. District Court, District of Kansas, in *United States of America v. David E. Sternberg* (Case No. 2:07CR20014-001), on November 26, 1997.

6. Respondent agrees that any violation of this Consent Order may serve as the basis for additional disciplinary action pursuant to N.J.S.A. 45:1-21, including revocation or suspension of his New Jersey license to practice medicine and surgery.

NEW JERSEY STATE BOARD OF
MEDICAL EXAMINERS

By: Sindy Paul, MD
Sindy Paul, M.D.
Board President

I have read the within Consent Order and agree to be bound by its terms. Consent is hereby given to the Board to enter into this Order.



David E. Sternberg, M.D.



Date