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Governor

ORIGINAL

New Jersey Office of the Attorney General

Division of Consumer Affairs
State Board of Chiropractic Examiners
124 Halsey Street, 6th Floor, Newark, NJ 07102



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By Certified and Regular Mail

FILED

June 9, 2009

JUN 25 2009

**NEW JERSEY BOARD OF
CHIROPRACTIC EXAMINERS**

Michael Magwood, D.C.
Chiropractic Wellness Center
1425 Broad Street #4
Clifton, New Jersey 07013

Re: Offer of Settlement In Lieu of Filing a
Formal Disciplinary Complaint

Dear Dr. Magwood:

This letter is to advise you that the New Jersey State Board of Chiropractic Examiners (the "Board") has had an opportunity to review information concerning the advertisement of your practice via websites at : <http://opthealth.nutrametrix.com> and <http://www.drmagwood.com>, together with information posted on a linked website described as an associate to your practice at: <http://www.beinginbalance.com>. In addition, the Board has reviewed your testimony before its Preliminary Investigative Committee provided on March 19, 2009.

It appears from that review that you have dispensed vitamins and/or nutritional supplements from your practice through J.C., who was employed as a CA in your practice at the time; and that you were listed as an associate D.C., and paid as an independent contractor to provide "Relaxation Breathing" and "Straighten Up New Jersey" sessions, among other services, at Being In Balance, Inc.

At this juncture, the Board has preliminarily concluded that probable cause exists to support a finding that you have violated N.J.A.C. 13:44E-1.1(d) by dispensing vitamins and/or nutritional supplements from your chiropractic practice; and that you have violated N.J.A.C. 13:44E-2.15(d) by being employed by a general business corporation that is not a permissible practice structure as set forth in N.J.A.C. 13:44E-2.15(b)1 through 4, or under the exceptions set forth in N.J.A.C. 13:44E-2.15(c)1 through 6; whether you were denominated as an employee or independent contractor.

The above violations are sufficient to warrant the initiation of formal disciplinary proceedings against you. Notwithstanding that decision, however, the Board has determined that it will first offer you an opportunity to settle this matter, and thereby avoid the initiation of formal disciplinary proceedings, should you consent to:

1. cease and desist from dispensing vitamins or supplements and from being employed by an impermissible practice structure;
2. pay a penalty in the total amount of \$3,500.00, comprised of \$2,500.00 for violations of N.J.A.C. 13:44E-1.1(d) and \$1,000.00 for violation of N.J.A.C. 13:44E-2.15(d) (to be paid immediately upon your signing of the acknowledgment at the bottom of this letter by certified check or money order made payable to the State of New Jersey);
3. pay costs incurred by the Board in the amount of \$325.50.

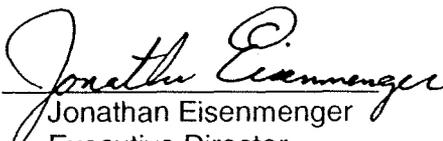
Dr. Michael Magwood, D.C.
Settlement Letter
June 9, 2009

If you are willing to settle this matter on the offered settlement terms, you may do so by signing the acknowledgment at the bottom of this letter, and returning it to the Board office together with any required payment at the address set forth above. Upon your signature, this letter will be a matter of public record.

In the event you are unwilling to settle this matter on the offered terms, it will be referred to the Attorney General's office for the initiation of appropriate enforcement action. In such event, you will be afforded an opportunity to defend against the alleged violations. If an evidentiary hearing is deemed warranted, the Board will either conduct that hearing at a date and time to be scheduled or refer the matter to the Office of Administrative Law. You are advised, however, that in the event formal charges are filed, the Board may assess civil penalties in an amount greater than those herein offered in settlement should any charges against you be sustained. Additionally, the Board may, if the facts are found to so warrant, enter an order requiring you to reimburse certain monies and/or requiring you to pay the additional costs incurred by the Board. Should you have any questions concerning this letter or the settlement offer herein, I suggest that you have your attorney contact Deputy Attorney General John D. Hugelmeyer, who may be reached at (973) 693-5056.

If you elect to settle this matter now you should sign the acknowledgment at the bottom of this letter and return it to the Board within fifteen (15) days following your receipt of this letter. In the event that the Board receives no response from you within fifteen (15) days, the Board's settlement offer will be withdrawn, and the matter will be referred to the Attorney General's Office for the initiation of appropriate enforcement proceedings.

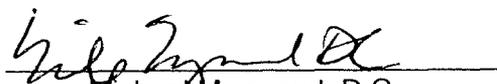
NEW JERSEY STATE BOARD
CHIROPRACTIC EXAMINERS

By: 
Jonathan Eisenmenger
Executive Director

cc: John D. Hugelmeyer, Deputy Attorney General
Jeffrey B. Randolph, Esq.

ACKNOWLEDGMENT: I, Michael Magwood, D.C., hereby acknowledge that I have read and reviewed the settlement proposal set forth in the above letter. I acknowledge the conduct which has been charged. I am aware that, by signing this acknowledgment, I am waiving any rights I may have to defend myself against any charges of wrongdoing at an administrative hearing. I am also aware that the action taken against me by the Board herein is a matter of public record, and that this letter is a public document. I hereby agree to pay a penalty in the amount of \$3,500.00 plus costs in the amount of \$325.50 (to be paid upon signing of this acknowledgment), and to comply with all other requirements set forth in the settlement letter.

Dated: 6/17/09


Michael Magwood, D.C.