

BEFORE THE
BOARD OF CHIROPRACTIC EXAMINERS
STATE OF OREGON

In the Matter of)	FINAL ORDER BY DEFAULT
Lance Hatch, D.C.)	
License No; 3225)	(REVOCATION)
)	
Licensee.)	Case # 2006-5005

The Oregon Board of Chiropractic Examiners (hereafter "Board" or "OBCE") is the state agency responsible for licensing, regulating and disciplining chiropractic physicians and certified chiropractic assistants in the State of Oregon. Lance Hatch, D.C. (hereafter "Licensee"), is a licensed chiropractic physician in Oregon. The Board revokes the Licensee of Licensee for the following reasons:

Findings of Fact

1.

On July 30, 2006, Licensee submitted his license renewal form. On that form he stated he had been arrested or convicted for misdemeanor or felony crimes. That lead to investigation surrounding this issue. In his attachment provided on renewal, Licensee stated that he pled guilty to one charge of conspiracy to defraud the United States Government and had agreed to be a witness for the government in several cases.

On March 16, 2004, an information was issued against Licensee in the United States District Court, District of Utah for one count of Conspiracy to Defraud the United States. The information stated that while Licensee was a chiropractor in Utah, he became involved in an entity called Advanta Strategies which later became World Contractual Services. Licensee became involved in the selling and promoting of fraudulent "trust" schemes as a licensee of Advanta Strategies. Licensee conspired with others in the sale and promotion of the trust scheme including at least five other individuals. The information stated that the scheme was to defraud the United States Department of Treasury in the collection of federal income taxes. For a substantial fee, Licensee would sell to clients a trust scheme devised to conceal client income from the IRS and caused the clients to file false and fraudulent income tax returns and fail to pay their individual income taxes. Licensee also purchased a trust in his own name as well. In the court documents, Licensee admitted that he caused a total tax loss to the United States of approximately \$1,055,000.00 and a tax loss of \$248,000 as a result of his personal participation in the trust scheme and a loss of \$807,000 as a result of participation in the conspiracy. On August 7, 2006, Licensee pled guilty to one count of the information which was a felony in violation of 18 U.S.C. section 371, Conspiracy to Defraud the United States. Licensee was

sentenced to federal prison for 20 months and taken into custody. He was also assessed a \$10,000 fine. After release, he will be on supervision for 36 months and is under supervised release.

On November 27, 2006, a Notice of Proposed Discipline or Revocation was served on Licensee. On November 29, 2006, Licensee received that notice. His attorney received it on November 30, 2006. Neither Licensee or his attorney requested a hearing within the time period required and are now in default. In the Notice of Proposed Discipline, the notice indicated that the Board file would be considered the prima facie case of record for purposes of default.

Conclusions of Law

2.

The Board finds that Licensee's conduct as described herein is in violation of the following statutes:

ORS 684.100 (1)(d)

(1) The State Board of Chiropractic Examiners may discipline a person upon any of the following grounds:

(a) Fraud or misrepresentation.

(d) A conviction of a felony or misdemeanor involving moral turpitude. A copy of the record of conviction, certified to by the clerk of the court entering the conviction, is conclusive evidence of the conviction.

OAR 811-035-0015 Unprofessional Conduct in the Chiropractic Profession

Unprofessional conduct means any unethical, deceptive, or deleterious conduct or practice harmful to the public; any departure from, or failure to conform to, the minimal standards of acceptable chiropractic practice; or a willful or careless disregard for the health, welfare or safety of patients, in any of which cases proof of actual injury need not be established.

ORS 684.100(9) provides the Board with authority for revocation.

ORDER

Due to the aforementioned violations, the OBCE orders that the Licensee's License is hereby immediately revoked effective on the date of this final order. The Board finds that Licensee's conduct as described herein constitutes unprofessional conduct. The Board also finds that the conduct alleged and eventual conviction are related to and have bearing on Licensee's

fitness and ability to engage in the licensed activity, and warrant revocation of the license of Licensee.

IT IS SO ORDERED.

Dated this 1st day of February 2007.

BOARD OF CHIROPRACTIC EXAMINERS
State of Oregon

Original signature on file
at the OBCE office.

Dave McTeague
Executive Director

A party is entitled to judicial review of the Final Order. Judicial review is by the Oregon Court of Appeals pursuant to the provisions of ORS 183.482. Judicial review may be obtained by filing a petition for review with the Office of State Court Administrator, Supreme Court Building, Salem, Oregon 97310. ORS 183.482 requires that an appeal is requested by filing a petition in the Court of Appeals within 60 days following the date the order upon which the petition is based is served.

* * * * *

Certificate of Service

I, Dave McTeague, certify that on February 1, 2007, I served the foregoing Final Order by Default upon the party hereto by mailing, certified mail, postage prepaid, a true, exact and full copy thereof to:

Lance Hatch DC
Stateline Chiropractic
85458 Highway 11
Milton-Freewater, Oregon 97862

A handwritten signature in cursive script, reading "Dave McTeague", is written over a horizontal line.

Dave McTeague
Executive Director
Oregon Board of Chiropractic Examiners

BEFORE THE
BOARD OF CHIROPRACTIC EXAMINERS
STATE OF OREGON

In the Matter of)	
)	NOTICE OF PROPOSED
Lance Hatch, D.C.)	
License No: 3225)	DISCIPLINARY ACTION
)	(REVOCATION)
Licensee.)	Case # 2006-5005
_____)	

The Oregon Board of Chiropractic Examiners (hereafter "Board" or "OBCE") is the state agency responsible for licensing, regulating and disciplining chiropractic physicians and certified chiropractic assistants in the State of Oregon. Lance Hatch, D.C. (hereafter "Licensee"), is a licensed chiropractic physician in Oregon. The Board proposes to revoke Licensee for the following reasons:

1.

On July 30, 2006, Licensee submitted his license renewal form. On that form he stated he had been arrested or convicted for misdemeanor or felony crimes. That lead to investigation surrounding this issue. In his attachment provided on renewal, Licensee stated that he pled guilty to one charge of conspiracy to defraud the United States Government and had agreed to be a witness for the government in several cases.

On March 16, 2004, an indictment was issued against Licensee in the United States District Court, District of Utah for one count of Conspiracy to Defraud the United States. The indictment stated that while Licensee was a chiropractor in Utah, he became involved in an entity called Advanta Strategies which later became World Contractual Services. Licensee became involved in the selling and promoting of fraudulent "trust" schemes as a licensee of Advanta Strategies. Licensee conspired with others in the sale and promotion of the trust scheme including at least five other individuals. The information stated that the scheme was to defraud the United States Department of Treasury in the collection of federal income taxes. For a substantial fee, Licensee would sell to clients a trust scheme devised to conceal client income from the IRS and caused the clients to file false and fraudulent income tax returns and fail to pay their individual income taxes. Licensee also purchased a trust in his own name as well. In the court documents, Licensee admitted that he caused a total tax loss to the United States of approximately \$1,055,000.00 and a tax loss of \$248,000 as a result of his personal participation in the trust scheme and a loss of \$807,000 as a result of participation in the conspiracy. On August 7, 2006, Licensee pled guilty to one count of the information which was a felony in violation of 18 U.S.C. section 371, Conspiracy to Defraud the United States. Licensee was sentenced to federal prison for 20 months and taken into custody. He was also assessed a

\$10,000 fine. After release, he will be on supervision for 36 months and is under supervised release.

2.

The Board finds that Licensee's conduct as described herein warrants violation of the following statutes:

ORS 684.100 (1)(d)

(1) The State Board of Chiropractic Examiners may discipline a person upon any of the following grounds:

(a) Fraud or misrepresentation.

(d) A conviction of a felony or misdemeanor involving moral turpitude. A copy of the record of conviction, certified to by the clerk of the court entering the conviction, is conclusive evidence of the conviction.

OAR 811-035-0015 Unprofessional Conduct in the Chiropractic Profession

Unprofessional conduct means any unethical, deceptive, or deleterious conduct or practice harmful to the public; any departure from, or failure to conform to, the minimal standards of acceptable chiropractic practice; or a willful or careless disregard for the health, welfare or safety of patients, in any of which cases proof of actual injury need not be established.

ORS 684.100(9) provides the Board with authority for revocation.

3.

Due to the aforementioned violations, the OBCE proposes to revoke Licensee's license to practice chiropractic in Oregon. The Board finds that Licensee's conduct as described herein constitutes unprofessional conduct. The conduct alleged and eventual conviction are related to and have bearing on Licensee's fitness and ability to engage in the licensed activity, and warrant revocation of the license of Licensee.

4.

Licensee shall pay costs of this disciplinary proceeding, including investigative costs and attorney fees pursuant to ORS 684.100(9)(g).

5.

Licensee has the right, if Licensee requests, to have a formal contested case hearing before the OBCE or its Administrative Law Judge to contest the matter set out above. At the hearing, Licensee may be represented by an attorney and subpoena and cross-examine witnesses. That request for hearing must be made in writing to the OBCE, must be received by the OBCE within 30 days from the mailing of this notice (or if not mailed, the date of personal service), and must be accompanied by a written answer to the charges contained in this notice.

6.

The answer shall be made in writing to the OBCE and shall include an admission or denial of each factual matter alleged in this notice, and a short plain statement of each relevant affirmative defense Licensee may have. Except for good cause, factual matters alleged in this notice and not denied in the answer will be considered a waiver of such defense; new matters alleged in this answer (affirmative defenses) shall be presumed to be denied by the agency and evidence shall not be taken on any issue not raised in the notice and answer.

7.

If Licensee requests a hearing, before commencement of that hearing, Licensee will be given information on the procedures, rights of representation and other rights of the parties relating to the conduct of the hearing as required under ORS 183.413-415.

8.

If Licensee fails to request a hearing within 30 days, or fails to appear as scheduled at the hearing, the OBCE may issue a final order by default and impose the above sanctions against Licensee. Upon default order of the Board or failure to appear, the contents of the Board's file regarding the subject of this automatically become part of the evidentiary record of this disciplinary action upon default for the purpose of proving a prima facie case.

Dated this 27th day of November 2006.

BOARD OF CHIROPRACTIC EXAMINERS
State of Oregon

Original signature on file
at the OBCE office.

Dave McTeague
Executive Director

State of Oregon) Case # 2006-5005
County of Marion) Lance Hatch D.C.

I, Dave McTeague, being first duly sworn, state that I am the Executive Director of the Oregon Board of Chiropractic Examiners, and as such, am authorized to verify pleadings in this case: and that the foregoing Notice of Proposed Disciplinary Action is true to the best of my knowledge as I verily believe.

Original signature on file
at the OBCE office.

Dave McTeague, Executive Director
Oregon Board of Chiropractic Examiners

SUBSCRIBED AND SWORN to before me

this 27th day of November, 2006

Original signature on file
at the OBCE office.

NOTARY PUBLIC FOR OREGON

My Commission Expires: 10-7-07



Certificate of Service

I, Dave McTeague, certify that on November ⁰⁷27, 2006, I served the foregoing Notice of Proposed Disciplinary Action upon the party hereto by mailing, certified mail, postage prepaid, a true, exact and full copy thereof to:

Lance Hatch DC
Stateline Chiropractic
85458 Highway 11
Milton-Freewater, Oregon 97862

Rebecca C. Hyde, AAL
9 Exchange Place
Suite 1104 Boston Building
Salt Lake City, Utah 84111

Original signature on file
at the OBCE office.

Dave McTeague
Executive Director
Oregon Board of Chiropractic Examiners