



Court: Shawnee County District Court
Case Number: 2019-CV-000233
Case Title: State of Kansas ex rel Derek Schmidt Atty General
vs. Shawn Parcels, et al.
Type: Journal Entry of Consent Judgment

SO ORDERED.

A handwritten signature in black ink, reading "M.E. Christopher". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

/s/ Honorable Mary E Christopher, District Judge

Melanie S. Jack, #13213
 Kaley Schrader, #27700
 Assistant Attorneys General
 Office of the Attorney General
 Consumer Protection Division
 120 SW 10th Ave., 2nd Floor
 Topeka, Kansas 66612-1597
 Phone: (785) 296-3751
 Fax: (785) 291-3699
melanie.jack@ag.ks.gov

**IN THE THIRD JUDICIAL DISTRICT COURT OF
 SHAWNEE COUNTY, KANSAS
 Division 8**

STATE OF KANSAS, <i>ex rel.</i>)	
DEREK SCHMIDT, Attorney General,)	
)	
Plaintiff,)	
v.)	
)	
SHAWN PARCELLS, an individual;)	
d/b/a PARCELLS REGIONAL FORENSIC SERVICES;)	Case No. 2019-CV-233
d/b/a KANSAS FORENSIC EXPERTS;)	
d/b/a KANSAS FORENSICS;)	
d/b/a KANSAS FORENSICS AND TISSUE)	
RECOVERY SERVICES; <i>et al.</i>)	
)	
Defendants.)	
)	

(Pursuant to K.S.A. Chapter 60)

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this date, the Journal Entry of Consent Judgment agreed and proposed comes before the Court pursuant to K.S.A. §50-632(b) and §60-254. The Plaintiff, State of Kansas, *ex rel.* Derek Schmidt, Attorney General, appears by and through Melanie S. Jack and Kaley Schrader, Assistant Attorneys General. Defendant corporations (“Defendants”) Parcels Forensic Pathology Group LLC; Parco-Parcels and Company, LLC; and National Autopsy and Tissue

Recovery Services, Inc. appear by Eric Kjorlie, in a limited capacity for purposes of this Consent Judgment.

WHEREUPON the parties advise the Court they have stipulated and agreed to the following:

PARTIES, JURISDICTION AND VENUE

1. Derek Schmidt is the duly elected, qualifying and acting Attorney General for the State of Kansas.

2. The Attorney General's authority to bring this action is derived from the statutory and common law of the State of Kansas, specifically the Kansas Consumer Protection Act ("KCPA"), K.S.A. §50-623, *et seq.*, and Kansas False Claims Act ("KFCA"), K.S.A. §75-7502, *et seq.*

3. Shawn Parcels is an individual with a residential address in Topeka, Kansas.

4. National Autopsy & Tissue Recovery Services, Inc., was registered with the Kansas Secretary of State, but said registration was forfeited on July 15, 2019. Shawn Parcels was the sole owner of this company.

5. Parcels Forensic Pathology Group, LLC, was registered with the Kansas Secretary of State on June 15, 2010, but said registration was forfeited on July 15, 2014. Shawn Parcels was the sole owner of this company.

6. ParCo – Parcels and Company, LLC, was registered with the Kansas Secretary of State on September 30, 2013, but said registration was forfeited on July 15, 2015. Shawn Parcels was the sole owner and operator of this company.

7. National Autopsy Services, LLC, is not registered with the Kansas Secretary of State. Shawn Parcels was the sole owner and operator of the company.

8. National Forensic Autopsy and Toxicology Services, LLC, is not registered with the Kansas Secretary of State. Shawn Parcels was the sole owner and operator of the company.

9. All references to the Defendants herein include acts performed individually, in concert, or by or through employees, directors, officers, owners, managers, agents, assigns, and all other persons or entities acting in concert with them or on their behalf, including their predecessors, subsidiaries, affiliates and successors.

10. Jurisdiction and venue are appropriate in District Court of Shawnee County, Kansas, pursuant to K.S.A. 50-638(a) and (b), respectively.

11. This Court has personal and subject matter jurisdiction over this controversy by the Kansas Consumer Protection Act, K.S.A. 50-623, *et seq.*; K.S.A. 50-638(a); and the Kansas False Claims Act, K.S.A. 75-7501, *et seq.*

ALLEGATIONS

KANSAS FALSE CLAIMS ACT K.S.A. §75-7501, *et seq.*

12. Plaintiff alleges Defendants acted as a “person” as that term is defined by K.S.A. §75-7502(d).

13. Plaintiff alleges Defendants made or caused to be made “claims” for payment, as that term is defined by K.S.A. §75-7502(b).

14. Plaintiff alleges Defendants made or caused to be made claims for payment to Wabaunsee County a “political subdivision” in Kansas, as that term is defined by K.S.A. §75-7502(c).

15. Plaintiff alleges Defendants “knowingly” made the aforementioned claims for payment, as that term is defined by K.S.A. §75-7502(e).

16. Pursuant to K.S.A. §75-7509, liability is joint and several for any violation of the KFCA done by two or more persons which includes a corporation, firm, company, business or trust.

17. Plaintiff alleges Defendants knowingly presented a false or fraudulent claim for payment or approval by making, using or causing to be made a false record or statement submitted to Wabaunsee County, Kansas, for payment for coroner ordered autopsy reports and autopsy services in violation of the KFCA, K.S.A. §75-7503(a)(1) & (2).

18. Plaintiff alleges Defendants were paid from funds drawn from the Wabaunsee County general fund. All such funds meet the definition of “claim” and “political subdivision” under the KFCA, K.S.A. §§75-7502(b) & (c).

19. Plaintiff alleges Defendants were paid for at least fourteen (14) coroner ordered autopsy reports and autopsy services which were not performed according to the coroner statutes. K.S.A. §22a-201 *et. seq.*

KANSAS CONSUMER PROTECTION ACT
K.S.A. §50-623, *et seq.*

20. Plaintiff alleges at all times relevant hereto, Defendants have acted as a “supplier” as that term is defined by K.S.A. §50-624(l).

21. Plaintiff alleges at all times relevant hereto, Defendants conducted “consumer transactions” in Kansas as that term is defined by K.S.A. §50-624(c).

22. Plaintiff alleges Defendants engaged in consumer transactions with “consumers,” as that term is defined in K.S.A. §50-624(b).

23. Plaintiff alleges at all times relevant hereto, Defendants engaged in and solicited deceptive acts and practices in violation of the KCPA, K.S.A. §50-623, *et seq.*, which said deceptive acts and practices include:

Defendants willfully used oral or written representations, exaggeration, falsehood, innuendo or ambiguity as to a material fact by soliciting consumer transactions and representing Defendants were able to provide autopsy, pathology and medical services when Defendants had no education, license, degree, qualification, affiliation or authority, in violation of K.S.A. §50-626(b)(2).

Defendants knowingly or with reason to know willfully failed to state a material fact, or willfully concealed, suppressed or omitted a material fact for at least three consumer transactions by failing to disclose Defendants were not qualified to provide private autopsies, forensic pathology, and tissue recovery, in violation of K.S.A. §50-626(b)(3).

Defendants failed to complete the consumer transaction for at least three consumers because Defendants are not qualified to provide private autopsies, forensic pathology, and tissue recovery services, including qualified medical findings or opinions; therefore, the three consumers were unable to receive a material benefit from the subject of the consumer transaction in violation of K.S.A. §50-627(b)(3).

24. Defendants voluntarily agree to this Consent Judgment without trial or adjudication of any issue of fact or law as a compromise settlement of all disputed issues and claims raised herein. It is further understood that entering into and compliance with this judgment is not an admission of guilt by Defendants. Defendants specifically do not admit any allegation or claim contained herein.

25. Pursuant to K.S.A. §50-632(b) Defendants are not deemed to admit the alleged violations set forth above. Nothing contained herein shall be taken or construed to be an admission of any violation of the law.

INJUNCTIVE RELIEF PURSUANT TO KFCA AND KCPA

26. Defendants agree to a permanent injunction which prohibits Defendants from conducting any consumer transactions in the State of Kansas. K.S.A. §50-623, *et seq.*

27. Defendants agree to a permanent injunction which prohibits Defendants from making any claim to any political subdivision in the State of Kansas. K.S.A. §75-7502, *et seq.*

28. Defendants shall comply with all Kansas statutes that regulate any profession.

29. Defendants are prohibited from using titles and post nominal initials that include professions in the in healing arts and any other professional or educational designation for which Defendants are not educated, certified, or qualified.

30. Defendants are prohibited from any representation, whether by statement, misrepresentation, omission, or association, that Shawn Parcels has a medical degree, medical education, or training in the healing arts, including, but not limited to the use of the following titles: doctor, physician, pathologist, forensic pathologist, forensic clinical anatomist, physician assistant, or professor. Defendants shall not in any manner represent that defendant Shawn Parcels is qualified to independently conduct an autopsy or independently perform any pathology services without the direct supervision of a licensed, Board-certified or Board-eligible pathologist.

31. Defendants are prohibited from:

- a. Soliciting or conducting autopsy pathology business in Kansas;
- b. Soliciting or conducting autopsy pathology business anywhere while physically in Kansas;
- c. Review medical records for others;
- d. Maintaining any websites or social media accounts promoting or advertising pathology or autopsy services, or any other service for which Shawn Parcels is not legally competent to perform independently.

e. Maintaining any websites or social media accounts promoting or advertising Shawn Parcells' qualifications and/or ability to perform forensic pathology or autopsy services, or any other pathology services.

32. Defendants are prohibited from offering any services in connection with the human body, including but not limited to the healing arts, epidemiology, infectious disease, coronavirus, COVID-19 and any treatment, protocol, diagnosis, medication, opinion, or other recommendation.

33. Defendants are prohibited from advertising, soliciting, accepting payment for, contracting, performing, or in any manner conducting business or consumer transactions in the healing arts pursuant to K.S.A. §65-2801, *et seq.*

34. Defendants are prohibited from advertising, soliciting, accepting payment for, contracting, performing, or in any manner conducting business or consumer transactions in epidemiology and infectious disease, including coronavirus and COVID-19.

35. Defendants are prohibited from advertising, soliciting, accepting payment for, contracting, performing, or in any manner conducting business or consumer transactions performed by an enrolled agent of the Internal Revenue Service and offering services exclusive to Certified Public Accountants.

36. Defendants are prohibited from advertising, soliciting, accepting payment for, contracting, performing, or in any manner conducting business or consumer transactions related to the examination, review or inspection of human remains and post-mortem, including retrieval of any part of the human body or seek authorization, permission or authority to perform such actions.

37. Defendants prohibited from using the post-nominal initial of “PA” and from using any post nominal initial for which he has not been conferred a recognized academic degree.

38. Defendants shall not cause or encourage third parties, nor knowingly permit third parties acting on their behalf, to engage in practices from which Defendants are prohibited by this Consent Judgment.

39. Defendants shall not participate, directly or indirectly, in any activity or form a separate entity or corporation for the purpose of engaging in acts or practices which are prohibited in this Consent Judgment or for any other purpose which would otherwise circumvent the spirit or purposes of this Consent Judgment.

40. Defendants agree the terms of this Consent Judgment apply to acts performed individually, in concert, or by or through its employees, agents, representatives, affiliates, assignees and successors.

41. Defendants agree to cooperate fully with the Office of the Kansas Attorney General regarding future consumer complaints filed with the Consumer Protection Division seeking restitution. Defendants agree consumer complaints shall be resolved to the satisfaction of the Office of the Kansas Attorney General within no more than 30 days from the time they were received by Defendants. The amount of restitution will become due and payable as if included in this judgment and order. The Office of the Kansas Attorney General will have sole authority to determine the verified amount of restitution in such complaints.

42. Defendants agree for the State of Kansas, Office of Attorney General, and Department of Health and Environment, to take possession of biological samples in Defendants’ current or past possession, free and clear of any recourse and liability. Defendants further agree

to release the State of Kansas and its agents and representative from all claims for damages which Defendants may sustain as a result of executing the Order for Receiver approved on November 26, 2019, in the above captioned matter.

43. Defendants agree that any biological samples subject to the Order for Receiver or any order of this Court shall be released to Plaintiff prior to, but no later than, upon entering into this Consent Judgment. In the event Defendants become aware of additional biological samples after filing of the Consent Judgment, Defendants agrees to notify the Office of Attorney General of the location of the samples and make arrangements for delivery to the Receiver.

44. Defendants agree to comply with K.S.A, 50-6,139 *et seq.* known as the Wayne Owen Act (“the Act) and K.S.A. 50-7a01-7a02. Defendants may be considered a “holder of personal information” and subject to requirements of the Act including implementation of reasonable procedures and practices to protection personal information from unauthorized access, use, modification or disclosure. A holder of such information shall take reasonable steps to destroy or arrange for the destruction of any records within such holders custody or control which contain personal information. Such destruction shall be by shredding, erasing or otherwise modifying the person identifying information to make it unreadable or undecipherable through any means.

MONETARY JUDGMENT PURSUANT TO THE KCPA AND KFCA

45. Defendants pay the Office of Kansas Attorney General two hundred thousand dollars (\$200,000.00), which consists of civil penalties for violations of the KCPA, pursuant to K.S.A. §50-636.

46. Defendants pay the Office of Kansas Attorney General one hundred thousand dollars (\$100,000.00), which consists of enhanced civil penalties for alleged violations of the KCPA, pursuant to K.S.A. §§50-676 through 50-679.

47. Defendants pay the Office of Kansas Attorney General forty nine thousand six hundred eighty dollars (\$16,560.00 actual damages X 3 = \$49,680.00) in damages sustained by Wabaunsee County, Kansas for Defendants acts alleged in violation of the KFCA, K.S.A. §75-7503(a).

48. Defendants pay the Office of Kansas Attorney General civil penalties of one hundred thousand dollars (\$100,000.00) for violations of the KFCA, pursuant to K.S.A. §75-7503.

49. Defendants pay the Office of Kansas Attorney General for restitution to consumers totaling two hundred fifty four thousand seven hundred sixty two dollars and ninety-eight cents (\$254,762.98) for violations of the KCPA, pursuant to K.S.A. §50-632.

50. If Defendants pay restitution for consumer transactions in other litigation, it is Defendants responsibility to provide sufficient proof of such payment, which will be credited against consumer restitution in this matter.

51. Defendants pay investigation fees of twenty thousand dollars (\$20,000.00) to the Office of the Kansas Attorney General pursuant to the KCPA, K.S.A. §50-636.

52. Defendants pay investigative fees of ten thousand dollars (\$10,000.00) to the Office of the Kansas Attorney General pursuant to the KFCA, K.S.A. §75-7503(a).

53. Defendants pay the Kansas Department of Health and Environment the costs of executing the Order for Receiver in the amount of thirty thousand dollars (\$30,000.00) pursuant to K.S.A. §§50-632(c) and 50-637.

54. Defendants shall be held jointly and severally liable for the aforementioned violations of the KCPA, K.S.A. §50-623, *et seq.*, and the KFCA, K.S.A. §75-7502, *et seq.*

55. Payment shall be made in the form of a cashier's check, money order or other certified funds payable to the Office of the Kansas Attorney General, **marked CP-16-3119** and mailed to:

Melanie S. Jack, Assistant Attorney General
Consumer Protection/Antitrust
Office of the Kansas Attorney General
120 SW 10th Ave., 2nd Floor
Topeka, Kansas 66612

OTHER PROVISIONS

56. Jurisdiction is retained pursuant by this Court for the purpose of enabling any of the parties to this Consent Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of violations thereof.

57. If any portion, provision, or part of this Consent Judgment is held to be invalid, unenforceable, or void for any reason whatsoever, that portion shall be severed from the remainder and shall not affect the validity or enforceability of the remaining provisions, portions, or parts.

58. Compliance with this Consent Judgment does not relieve Defendants of any obligation imposed by applicable federal, state, or local law, nor shall this Consent Judgment

preclude the Plaintiff from taking appropriate legal action to enforce any other statutes under his jurisdiction or from any other Federal or State agency to enforce any other federal, state, or local law under its jurisdiction.

59. The parties understand this Consent Judgment shall not be construed as an approval of or sanction by the Attorney General of the Defendants' business practices, nor shall Defendants represent the Consent Judgment as such approval. The parties further understand and agree any failure by the State of Kansas or by the Attorney General to take any action in response to any information submitted pursuant to this Consent Judgment shall not be construed to be an approval of or sanction of any representations, acts, or practices of Defendants', nor shall any inaction by the Attorney General be considered a waiver by the Attorney General of any rights under this Consent Judgment or applicable law.

60. This Consent Judgment represents the entire agreement between Plaintiff and Defendants, and there are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Consent Judgment which are not fully expressed herein or attached hereto.

61. Defendants hereby represent and warrant that Defendants have had the opportunity to consult with and receive the advice of legal counsel regarding all matters relative to this Consent Judgment, including the rights and obligations of Defendants under this Consent Judgment and the consequences of breach hereunder. Defendants represent that the Defendants have read the Consent Judgment and know and understand the contents thereof. Defendants further represent and warrant that Defendants are signing this Consent Judgment as the result of their own free act, and any relevant promise(s), statement(s) or representation(s) of the Attorney

General or anyone acting on his behalf regarding this matter are contained in this Consent Judgment.

62. By signing this Consent Judgment, Defendant Shawn Parcels represents and warrants he is duly and legally authorized to execute this Consent Judgment on behalf of these Defendants, thus binding Defendants to the provisions of this Consent Judgment.

63. Defendants are jointly and severally liable for the monetary judgment entered herein.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED the stipulation and agreement of the parties contained herein are adopted and approved as findings of fact and conclusions of law of the Court and any monies owed hereunder by Defendants immediately becomes a judgment upon filing.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED Defendants be permanently enjoined from conducting consumer transactions (as defined by K.S.A. §50-624(c)) and solicitation of consumer transactions pursuant to the KCPA, K.S.A. §50-632(a)(2) and K.S.A. §50-632(c).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED Defendants be permanently enjoined from making any claim to any political subdivision in the state of Kansas, pursuant to KFCA, K.S.A. §75-7501, *et seq.*

IT IS FURTHER ORDERED, ADJUDGED AND DECREED Defendants and officers, directors, employees, shareholders and agents be permanently enjoined from these and other practices in violation of the KCPA, pursuant to K.S.A. §50-632(a)(2) and the KFCA, K.S.A. §75-7503(a).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against Defendants and in favor of Plaintiff in the amount of two hundred thousand dollars (\$200,000.00) in civil penalties pursuant to the KCPA, pursuant to K.S.A. §50-636.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against Defendants and in favor of Plaintiff in the amount of one hundred thousand dollars (\$100,000.00) in enhanced civil penalties, pursuant to the KCPA pursuant to K.S.A. §§50-676 through 50-679.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against the Defendants in favor of Plaintiff in the amount of twenty thousand dollars, (\$20,000.00) for reasonable investigation fees and expenses pursuant to K.S.A. §50-632(a).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against the Defendants in favor of Plaintiff in the amount of thirty thousand dollars, (\$30,000.00) for costs incurred by the Receiver, Kansas Department of Health and Environment for expenses pursuant to K.S.A. §50-632(c) and §50-637.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against the Defendants in favor of Plaintiff for the amount of damages incurred by Wabaunsee County Kansas pursuant to the KFCA in the amount of forty nine thousand six hundred eighty dollars (\$49,680.00) pursuant to K.S.A. §75-7503(a).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against the Defendants in favor of Plaintiff for reasonable expenses and attorney fees incurred under the KFCA in the amount of ten thousand dollars (\$10,000.00) pursuant to K.S.A. §75-7503(a).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against Defendants for restitution to known consumers in the amount of two hundred fifty four thousand seven hundred sixty two dollars and ninety-eight cents (\$254,762.98), pursuant to K.S.A. §50-632(a).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED judgment is entered against Defendants and in favor of Plaintiff for civil penalties of one hundred thousand dollars (\$100,000.00) for violation of the KFCA, pursuant to K.S.A. §75-7503(a).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED Defendants shall pay all costs associated with this action.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED Defendants are jointly and severally liable for all damages, restitution, civil penalties, expenses and investigative fees.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED the Court hereby approves the terms of the Consent Judgment and adopts the same as the Order of the Court.

IT IS SO ORDERED.

**THIS ORDER IS EFFECTIVE AS OF THE DATE AND TIME OF ITS
ELECTRONIC FILING.**

**HONORABLE MARY CHRISTOPHER
DISTRICT COURT JUDGE**

Prepared and approved by:

**OFFICE OF ATTORNEY GENERAL
DEREK SCHMIDT**



DEREK SCHMIDT, #17781
Kansas Attorney GENERAL
Office of the Kansas Attorney General
120 S.W. 10th Avenue, 2nd Floor
Topeka, Kansas 66612-1597
Tel: (785) 296-3751
Fax: (785) 291-3699



Melanie S. Jack, #13213
Assistant Attorney General
Office of the Kansas Attorney General
120 S.W. 10th Avenue, 2nd Floor
Topeka, Kansas 66612-1597
Tel: (785) 296-3751
Fax: (785) 291-3699
melanie.jack@ag.ks.gov

Attorneys for Plaintiff

APPROVED BY:



#8065

Eric Kjolli

Limited Appearance for Corporate Defendants:

National Autopsy and Tissue Recovery Services, Inc.;
Parcells Forensic Pathology Group, LLC; and
ParCo – Parcells and Company, LLC.

Corporate Defendants