

1 **BEFORE THE ARIZONA STATE BOARD OF BEHAVIORAL HEALTH EXAMINERS**

2 **In the Matter of:**

3 **Catherine A. Stacey, LAC-13694,**
4 **Licensed Associate Counselor,**
5 **In the State of Arizona.**

CASE NO. 2016-0056

**RELEASE FROM
CONSENT AGREEMENT AND ORDER**

6 **RESPONDENT**

7 The Board received a request from Respondent to release them from the terms and
8 conditions of the Consent Agreement and Order dated May 17, 2016. After consideration, the
9 Board voted to release Respondent from the terms and conditions of the Consent Agreement
10 and Order dated May 17, 2016.

11 **ORDER**

12 GOOD CAUSE APPEARING, IT IS THEREFORE ORDERED THAT:

13 Respondent is hereby released from all terms and conditions of the Consent Agreement
14 and Order dated May 17, 2016.

15 Dated this 24th day of October, 2016.

16 By:



17 TOBI ZAVALA, Executive Director
18 Arizona Board of Behavioral Health Examiners

19 **ORIGINAL** of the foregoing filed
20 This 24th day of October, 2016, with:

21 Arizona Board of Behavioral Health Examiners
22 3443 N. Central Ave., Suite 1700
Phoenix, AZ 85012

23 **COPY** of the foregoing mailed via
24 Certified mail no. 70130600000581012
This 24th day of October, 2016, to:

25 Catherine A. Stacey
Address of Record
Respondent

BEFORE THE ARIZONA BOARD
OF BEHAVIORAL HEALTH EXAMINERS

In the Matter of:

**Catherine A. Stacey, LAC-13694,
Licensed Associate Counselor,
In the State of Arizona.**

**CASE NO. 2016-0056
CONSENT AGREEMENT**

RESPONDENT

In the interest of a prompt and speedy settlement of the above captioned matter, consistent with the public interest, statutory requirements and responsibilities of the Arizona State Board of Behavioral Health Examiners ("Board"), and pursuant to A.R.S. §§ 32-3281(F) and 41-1092.07(F)(5), Catherine A. Stacey ("Respondent") and the Board enter into this Consent Agreement, Findings of Fact, Conclusions of Law and Order ("Consent Agreement") as a final disposition of this matter.

RECITALS

Respondent understands and agrees that:

1. Any record prepared in this matter, all investigative materials prepared or received by the Board concerning the allegations, and all related materials and exhibits may be retained in the Board's file pertaining to this matter.

2. Respondent has the right to a formal administrative hearing at which Respondent can present evidence and cross examine the State's witnesses. Respondent hereby irrevocably waives their right to such formal hearing concerning these allegations and irrevocably waives their right to any rehearing or judicial review relating to the allegations contained in this Consent Agreement.

3. Respondent has the right to consult with an attorney prior to entering into this Consent Agreement.

1 4. Respondent acknowledges and agrees that upon signing this Consent
2 Agreement and returning it to the Board's Executive Director, Respondent may not revoke their
3 acceptance of this Consent Agreement or make any modifications to it. Any modification of this
4 original document is ineffective and void unless mutually approved by the parties in writing.

5 5. The findings contained in the Findings of Fact portion of this Consent Agreement
6 are conclusive evidence of the facts stated herein and may be used for purposes of determining
7 sanctions in any future disciplinary matter.

8 6. This Consent Agreement is subject to the Board's approval, and will be effective
9 only when the Board accepts it. In the event the Board in its discretion does not approve this
10 Consent Agreement, this Consent Agreement is withdrawn and shall be of no evidentiary value,
11 nor shall it be relied upon or introduced in any disciplinary action by any party hereto, except
12 that Respondent agrees that should the Board reject this Consent Agreement and this case
13 proceeds to hearing, Respondent shall assert no claim that the Board was prejudiced by its
14 review and discussion of this document or of any records relating thereto.

15 7. Respondent understands that once the Board approves and signs this Consent
16 Agreement, it is a public record that may be publicly disseminated as a formal action of the
17 Board, and that it shall be reported as required by law to the National Practitioner Data Bank.

18 8. Respondent further understands that any violation of this Consent Agreement
19 constitutes unprofessional conduct pursuant to A.R.S. § 32-3251(16)(n) and may result in
20 disciplinary action pursuant to A.R.S. § 32-3281.

21 9. The Board therefore retains jurisdiction over Respondent and may initiate
22 disciplinary action against Respondent if it determines that they have failed to comply with the
23 terms of this Consent Agreement or of the practice act.

24 The Board issues the following Findings of Fact, Conclusions of Law and Order:

25 ...

1 **FINDINGS OF FACT**

2 1. Respondent is the holder of License No. LAC-13694 for the practice of associate
3 counseling in Arizona.

4 2. On 08/05/15, Respondent submitted an application for Licensed Professional
5 Counselor ("LPC") licensure.

6 3. The LPC application included a verification of supervised work experience
7 completed by the clinical director of a behavioral health agency ("Agency") where Respondent
8 had previously been employed.

9 4. Upon review of Respondent's LPC application, Board staff sent Respondent a
10 09/28/15 letter indicating the following:

- 11 a. Respondent's LPC application is deficient.
12 b. Please submit the contemporaneous documentation that the clinical director
13 relied upon to verify the total and direct client contact hours.

14 5. Shortly after notifying Respondent of their deficient LPC application, the Board
15 received a complaint against Respondent, filed by Agency's CEO ("CEO").

16 6. CEO's complaint indicated the following:

- 17 a. Respondent asked that CEO verify Respondent's supervised work
18 experience at Agency for the period of 07/11 – 08/12.
19 b. CEO had no way of verifying that supervision occurred, so they asked
20 Respondent for copies of their supervision notes.
21 c. Respondent subsequently sent CEO copies of their supervision notes
22 however; many of the notes were dated prior to 07/11.
23 d. Of further concern was that, Respondent ended employment with Agency in
24 08/12, yet some of the supervision notes were dated after 08/12.
25 e. The supervision notes were falsified.

1 f. CEO informed Respondent that they could not verify the supervision hours
2 and they were very disappointed that Respondent forged the supervision
3 notes.

4 7. Upon Board staff's review of the supervision notes, the following appeared
5 evident:

6 a. Content from the 2012 supervision notes were reproductions of the 2010
7 supervision notes.

8 b. The 2010 supervision notes had the date altered to falsely present
9 themselves as 2012 notes.

10 c. In some instances, some content was added to the falsified 2012 supervision
11 notes.

12 8. Although Respondent acknowledges that the supervision notes were "undeniably
13 altered," Respondent maintains that they had no knowledge of how that happened.

14 9. During the Board's investigation, Respondent's previous clinical director who had
15 formerly submitted a verification of supervised work experience form to the Board, provided
16 Board staff with a 03/16 letter indicating the following:

17 a. A cursory review of the documents Respondent had sent them appeared to
18 be appropriate and as a result, they submitted the verification forms to the
19 Board.

20 b. Once they were informed that the supervision notes were being questioned,
21 they reviewed the documents that Respondent had sent them.

22 c. As they were looking through their files, they realized they had copies of
23 notes from one of the other therapists they supervised who had previously
24 asked them to complete supervisory forms.

25 d. As they looked through that set of notes, they were stunned to find exact

1 duplicates of four of Respondent's submitted notes.

2 e. The dates were the same, except for the year.

3 f. It was obvious that the year 2010 had been altered both at the top of the note
4 and by their signature.

5 g. Even more disturbing was discovering copies of notes sent by Respondent
6 that had text added, which was not on the original note.

7 10. Although Respondent denies falsifying any clinical supervision notes,
8 Respondent did in fact submit to Clinical Supervisor for approval, supervision notes that were
9 created fraudulently and wrongfully dated.

10 11. When presented with the issues regarding the clinical supervision notes, rather
11 than take any accountability, Respondent offered disparaging comments toward Agency,
12 Clinical Supervisor and their previous clinical director.

13 **CONCLUSIONS OF LAW**

14 1. The Board has jurisdiction over Respondent pursuant to A.R.S. § 32-3251 *et seq.*
15 and the rules promulgated by the Board relating to Respondent's professional practice as a
16 licensed behavioral health professional.

17 2. The conduct and circumstances described in the Findings of Fact constitute a
18 violation of A.R.S. § 32-3251(16)(c)(i), any oral or written misrepresentation of a fact by an
19 applicant or licensee in an attempt to secure the issuance or renewal of a license

20 3. The conduct and circumstances described in the Findings of Fact constitute a
21 violation of A.R.S. § 32-3251(16)(c)(ii), any oral or written misrepresentation of a fact by an
22 applicant or licensee in statements provided during an investigation or disciplinary proceeding.

23 **ORDER**

24 Based upon the foregoing Findings of Fact and Conclusions of Law, the parties agree to
25 the provisions and penalties imposed as follows:

1 Stayed Revocation

2 1. As of the effective date of this Consent Agreement, Respondent's license, LAC-
3 13694, shall be **REVOKED**. However, the revocation shall be stayed and Respondent's license
4 shall be placed on probation.

5 2. During the stayed revocation portion of the Order, if Respondent is noncompliant
6 with the terms of the Order in any way, the stay of the revocation shall be lifted and
7 Respondent's license shall be automatically revoked as set forth above.

8 3. If Respondent contests the lifting of the stay as it relates to this paragraph,
9 Respondent shall request in writing, within 10 days of being notified of the automatic revocation
10 of licensure, that the matter be placed on the Board agenda for the Board to review and
11 determine if the automatic revocation of Respondent's license was supported by clear and
12 convincing evidence.

13 4. If the written request is received within 10 days of a regularly scheduled Board
14 meeting, the request will not be heard at that meeting, but will be heard at the next regularly
15 scheduled Board meeting.

16 5. Pending the Board's review, Respondent's license shall be reported as revoked -
17 under review. Respondent may not work in any capacity as a licensed behavioral health
18 professional pending the Board's review. The Board's decision and Order shall not be subject
19 to further review.

20 Probation

21 6. Respondent's license, LAC-13694, will be placed on probation, effective from the
22 date of entry as signed below.

23 7. Respondent shall not practice under their license, LAC-13694, unless they are
24 fully compliant with all terms and conditions in this Consent Agreement. If, for any reason,
25 Respondent is unable to comply with the terms and conditions of this Consent Agreement, they

1 shall immediately notify the Board in writing and shall not practice under their license until they
2 submit a written request to the Board to re-commence compliance with this Consent
3 Agreement. All such requests shall be pre-approved by the Board Chair or designee.

4 8. In the event that Respondent is unable to comply with the terms and conditions
5 of this Consent Agreement, all remaining time frames shall be tolled and remain tolled until
6 such time as they are granted approval to re-commence compliance with the Consent
7 Agreement.

8 Continuing Education

9 9. In addition to the continuing education requirements of A.R.S. § 32-3273, within
10 12 months of the effective date of this Consent Agreement, Respondent shall complete 6 clock
11 hours of the NASW Staying Out of Trouble continuing education course or an equivalent course
12 addressing current behavioral health documentation standards in Arizona. All required
13 continuing education shall be pre-approved by the Board Chair or designee. Upon completion,
14 Respondent shall submit a certificate of completion of the required continuing education.

15 10. In addition to the continuing education requirements of A.R.S. § 32-3273, within
16 12 months of the effective date of this Consent Agreement, Respondent shall take and pass a
17 three semester credit hour graduate level behavioral health ethics course from an accredited
18 college or university, pre-approved by the Board Chair or designee. Upon completion,
19 Respondent shall submit to the Board an official transcript establishing completion of the
20 required course.

21 Early Release

22 11. After completion of the continuing education requirements set forth in this
23 Consent Agreement, Respondent may request early release from the Consent Agreement if all
24 other terms of the Consent Agreement have been met.

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GENERAL PROVISIONS

Provision of Clinical Supervision

12 Respondent shall not provide clinical supervision while subject to this Consent Agreement.

Civil Penalty

13. Subject to the provisions set forth in paragraph 14, the Board imposes a civil penalty against the Respondent in the amount of \$1,000.00.

14. Respondent's payment of the civil penalty shall be stayed so long as Respondent remains compliant with the terms of this Consent Agreement. If Board staff determines that Respondent is noncompliant with the terms of this Consent Agreement in any respect, with the exception of the tolling provision under paragraph 8, the stay of the civil penalty payment shall be automatically lifted and payment of the civil penalty shall be made by certified check or money order payable to the Board within 30 days after being notified in writing of the lifting of the stay.

15. Within 10 days of being notified of the lifting of the stay, Respondent may request that the matter be reviewed by the Board for the limited purpose of determining whether the automatic lifting of the stay was supported by clear and convincing evidence. If the Board receives the written request within 10 days or less of the next regularly scheduled Board meeting, the request will not be heard at that meeting, but will be heard at the next regularly scheduled Board meeting. The Board's decision on this matter shall not be subject to further review.

16. The Board reserves the right to take further disciplinary action against Respondent for noncompliance with this Consent Agreement after affording Respondent notice and an opportunity to be heard. If a complaint is filed against Respondent for failure to comply with this Consent Agreement, the Board shall have continuing jurisdiction until the matter is final.

1 and the period of probation shall be extended until the matter is final.

2 17. Within 10 days of the effective date of this Order, if Respondent is working in a
3 position where Respondent provides any type of behavioral health related services or works in a
4 setting where any type of behavioral health, health care, or social services are provided,
5 Respondent shall provide the Board Chair or designee with a signed statement from
6 Respondent's employer(s) confirming Respondent provided the employer(s) with a copy of this
7 Consent Agreement. If Respondent does not provide the employer's statement to the Board
8 within 10 days of the effective date, the Board will provide Respondent's employer(s) with a
9 copy of the Consent Agreement.

10 18. If Respondent is not employed as of the effective date of this Order, within 10
11 days of accepting employment in a position where Respondent provides any type of behavioral
12 health related services or in a setting where any type of behavioral health, health care, or social
13 services are provided, Respondent shall provide the Board Chair or designee with a written
14 statement providing the contact information of their new employer and a signed statement from
15 Respondent's new employer confirming Respondent provided the employer with a copy of this
16 Consent Agreement. If Respondent does not provide the employer's statement to the Board
17 within 10 days, as required, Respondent's failure to provide the required statement to the Board
18 shall be deemed a violation of A.R.S. § 32-3251(16)(n) and the Board will provide Respondent's
19 employer(s) with a copy of the Consent Agreement.

20 19. If, during the period of Respondent's probation, Respondent changes
21 employment, resigns, is involuntarily terminated, resigns in lieu of termination, or goes on
22 extended leave of absence for whatever reason that may impact their ability to timely comply
23 with the terms of probation, Respondent shall, within 10 days of the aforementioned acts, inform
24 the Board of their change of employment status. After the change and within 10 days of
25 accepting employment in a position where Respondent provides any type of behavioral health

1 related services or in a setting where any type of behavioral health, health care, or social
2 services are provided, Respondent shall provide the Board Chair or designee a written
3 statement providing the contact information of their new employer(s) and a signed statement
4 from Respondent's new employer(s) confirming Respondent provided the employer(s) with a
5 copy of this Consent Agreement. If Respondent does not provide the employer's statement to
6 the Board within 10 days, as required, Respondent's failure to provide the required statement to
7 the Board shall be deemed a violation of A.R.S. § 32-3251(16)(n) and the Board will provide
8 Respondent's employer(s) with a copy of the Consent Agreement.

9 20. Respondent shall practice behavioral health using the name under which they
10 are licensed. If Respondent changes their name, they shall advise the Board of the name
11 change as prescribed under the Board's regulations and rules.

12 21. Prior to the release of Respondent from probation, Respondent must submit a
13 written request to the Board for release from the terms of this Consent Agreement at least 30
14 days prior to the date they would like to have this matter appear before the Board. Respondent
15 may appear before the Board, either in person or telephonically. Respondent must provide
16 evidence that they have successfully satisfied all terms and conditions in this Consent
17 Agreement. The Board has the sole discretion to determine whether all terms and conditions of
18 this Consent Agreement have been met and whether Respondent has adequately demonstrated
19 that they have addressed the issues contained in this Consent Agreement. In the event that the
20 Board determines that any or all terms and conditions of this Consent Agreement have not been
21 met, the Board may conduct such further proceedings as it determines are appropriate to
22 address those matters.

23 22. Respondent shall bear all costs relating to probation terms required in this
24 Consent Agreement.

25 23. Respondent shall be responsible for ensuring that all documentation required in

1 this Consent Agreement is provided to the Board in a timely manner.

2 24. This Consent Agreement shall be effective on the date of entry below.

3 25. This Consent Agreement is conclusive evidence of the matters described herein
4 and may be considered by the Board in determining appropriate sanctions in the event a
5 subsequent violation occurs.

6 **PROFESSIONAL ACCEPTS, SIGNS AND DATES THIS CONSENT AGREEMENT**

7 C. Stacey
8 Catherine A. Stacey

5/12/16
Date

9 **BOARD ACCEPTS, SIGNS AND DATES THIS CONSENT AGREEMENT**

10 Dated this 17th day of May, 2016.

11 By: Tobi Zavala
12 TOBI ZAVALA, Executive Director
13 Arizona Board of Behavioral Health Examiners

14 **ORIGINAL** of the foregoing filed
15 This 17th day of May, 2016 with:

16 Arizona Board of Behavioral Health Examiners
17 3443 N. Central Ave., Suite 1700
Phoenix, AZ 85012

18 **COPY** of the foregoing mailed via Interagency Mail
19 This 17th day of May, 2016, to:

20 Marc Harris
21 Assistant Attorney General
1275 West Washington
Phoenix, Arizona 85007

22 **COPY** of the foregoing mailed via
23 Certified mail no. 70142870000189576539
This 17th day of May, 2016, to:

24 Catherine A. Stacey
25 Address of Record
Respondent