

**BEFORE THE  
BOARD OF BEHAVIORAL SCIENCES  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation and Statement  
of Issues Against:

**LORALEE CARTER**  
315 Wikiup Drive  
Santa Rosa, CA 95403

**Licensed Clinical Social Worker License  
Applicant**

**Associate Clinical Social Worker  
Registration No. ASW 31910**

Respondent.

Case No. AP-2012-364

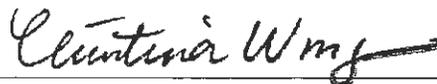
OAH No. 2014090813

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Board of Behavioral Sciences, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on May 15, 2015.

It is so ORDERED April 15, 2015.



\_\_\_\_\_  
FOR THE BOARD OF BEHAVIORAL SCIENCES  
DEPARTMENT OF CONSUMER AFFAIRS

1 KAMALA D. HARRIS  
Attorney General of California  
2 FRANK H. PACOE  
Supervising Deputy Attorney General  
3 CHAR SACHSON  
Deputy Attorney General  
4 State Bar No. 161032  
455 Golden Gate Avenue, Suite 11000  
5 San Francisco, CA 94102-7004  
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*Attorneys for Complainant*  
7

8 **BEFORE THE**  
9 **BOARD OF BEHAVIORAL SCIENCES**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
11 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation and Statement  
12 of Issues Against:

13 **LORALEE CARTER**  
14 **315 Wikiup Drive**  
**Santa Rosa, CA 95403**

15 **Licensed Clinical Social Worker License**  
16 **Applicant**

17 **Associate Clinical Social Worker**  
18 **Registration No. ASW 31910**

Respondent.

Case No. AP-2012-364

OAH No. 2014090813

**STIPULATED SETTLEMENT AND**  
**DISCIPLINARY ORDER**

19 In the interest of a prompt and speedy settlement of this matter, consistent with the public  
20 interest and the responsibility of the Board of Behavioral Sciences of the Department of  
21 Consumer Affairs, the parties hereby agree to the following Stipulated Settlement and  
22 Disciplinary Order which will be submitted to the Board for approval and adoption as the final  
23 disposition of the Accusation and Statement of Issues.

24 PARTIES

25 1. Kim Madsen (Complainant) is the Executive Officer of the Board of Behavioral  
26 Sciences. She brought this action solely in her official capacity and is represented in this matter  
27 by Kamala D. Harris, Attorney General of the State of California, by Char Sachson, Deputy  
28 Attorney General.



1 of subpoenas to compel the attendance of witnesses and the production of documents; the right to  
2 reconsideration and court review of an adverse decision; and all other rights accorded by the  
3 California Administrative Procedure Act and other applicable laws.

4 9. Respondent voluntarily, knowingly, and intelligently waives and gives up each and  
5 every right set forth above.

6 CULPABILITY

7 10. Respondent admits the truth of each and every charge and allegation in Statement of  
8 Issues No. AP-2012-364 and Accusation No. AP-2012-364.

9 11. Respondent agrees that her Associate Clinical Social Worker Registration and  
10 Licensed Clinical Social Worker License are subject to discipline and she agrees to be bound by  
11 the Board's probationary terms as set forth in the Disciplinary Order below.

12 CONTINGENCY

13 12. This stipulation shall be subject to approval by the Board of Behavioral Sciences.  
14 Respondent understands and agrees that counsel for Complainant and the staff of the Board of  
15 Behavioral Sciences may communicate directly with the Board regarding this stipulation and  
16 settlement, without notice to or participation by Respondent or her counsel. By signing the  
17 stipulation, Respondent understands and agrees that she may not withdraw her agreement or seek  
18 to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails  
19 to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary  
20 Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal  
21 action between the parties, and the Board shall not be disqualified from further action by having  
22 considered this matter.

23 13. The parties understand and agree that Portable Document Format (PDF) and facsimile  
24 copies of this Stipulated Settlement and Disciplinary Order, including Portable Document Format  
25 (PDF) and facsimile signatures thereto, shall have the same force and effect as the originals.

26 14. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an  
27 integrated writing representing the complete, final, and exclusive embodiment of their agreement.  
28 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,

1 negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary  
2 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a  
3 writing executed by an authorized representative of each of the parties.

4 15. In consideration of the foregoing admissions and stipulations, the parties agree that  
5 the Board may, without further notice or formal proceeding, issue and enter the following  
6 Disciplinary Order:

7 **DISCIPLINARY ORDER**

8 IT IS HEREBY ORDERED that Associate Clinical Social Worker Registration No. ASW  
9 31910, issued to Respondent Lorelee Carter, is revoked. It is further ordered that a Licensed  
10 Clinical Social Worker License will be issued to Respondent Lorelee Carter and immediately  
11 revoked. However, the revocation is stayed and Respondent is placed on three years probation  
12 subject to the following terms and conditions.

13 **1. Reimbursement of Probation Program**

14 Respondent shall reimburse the Board for the costs it incurs in monitoring the probation to  
15 ensure compliance for the duration of the probation period. Reimbursement costs shall be  
16 \$1,200.00 per year.

17 **2. Law and Ethics Course**

18 Respondent shall take and successfully complete the equivalency of three semester units in  
19 law and ethics. Course work shall be taken at the graduate level at an accredited or approved  
20 educational institution that offers a qualifying degree for licensure as a marriage and family  
21 therapist, clinical social worker, educational psychologist, professional clinical counselor as  
22 defined in Sections 4980.40, 4996.18, 4999.32 or 4999.33 of the Business and Professions Codes  
23 and Section 1854 of Title 16 of the California Code of Regulations or through a course approved  
24 by the Board. Classroom attendance must be specifically required. Within 90 days of the effective  
25 date of this Decision, respondent shall submit a plan for prior Board approval for meeting this  
26 educational requirement. Said course must be taken and completed within one year from the  
27 effective date of this Decision. The costs associated with the law and ethics course shall be paid  
28 by the respondent. Units obtained for an approved course in law and ethics shall not be used for

1 continuing education units required for renewal of licensure.

2 **3. Obey All Laws**

3 Respondent shall obey all federal, state and local laws, all statutes and regulations  
4 governing the licensee, and remain in full compliance with any court ordered criminal probation,  
5 payments and other orders. A full and detailed account of any and all violations of law shall be  
6 reported by the respondent to the Board or its designee in writing within seventy-two (72) hours  
7 of occurrence. To permit monitoring of compliance with this term, respondent shall submit  
8 fingerprints through the Department of Justice and Federal Bureau of Investigation within 30 days  
9 of the effective date of the decision, unless previously submitted as part of the licensure  
10 application process. Respondent shall pay the cost associated with the fingerprint process.

11 **4. File Quarterly Reports**

12 Respondent shall submit quarterly reports, to the Board or its designee, as scheduled on the  
13 "Quarterly Report Form" (rev. 01/12/01). Respondent shall state under penalty of perjury  
14 whether he/she has been in compliance with all the conditions of probation. Notwithstanding any  
15 provision for tolling of requirements of probation, during the cessation of practice respondent  
16 shall continue to submit quarterly reports under penalty of perjury.

17 **5. Comply with Probation Program**

18 Respondent shall comply with the probation program established by the Board and  
19 cooperate with representatives of the Board in its monitoring and investigation of the respondent's  
20 compliance with the program.

21 **6. Interviews with the Board**

22 Respondent shall appear in person for interviews with the Board or its designee upon  
23 request at various intervals and with reasonable notice.

24 **7. Failure to Practice**

25 In the event respondent stops practicing in California, respondent shall notify the Board or  
26 its designee in writing within 30 calendar days prior to the dates of non-practice and return to  
27 practice. Non-practice is defined as any period of time exceeding thirty calendar days in which  
28 respondent is not engaging in any activities defined in Sections 4980.02, 4989.14, 4996.9, or

1 4999.20 of the Business and Professions Code. Any period of non-practice, as defined in this  
2 condition, will not apply to the reduction of the probationary term and will relieve respondent of  
3 the responsibility to comply with the probationary terms and conditions with the exception of this  
4 condition and the following terms and conditions of probation: Obey All Laws; File Quarterly  
5 Reports; Comply With Probation Program; Maintain Valid License/Registration; and Cost  
6 Recovery. Respondent's license/registration shall be automatically cancelled if respondent's  
7 period of non-practice total two years.

8 **8. Change of Place of Employment or Place of Residence**

9 Respondent shall notify the Board or its designee in writing within 30 days of any change  
10 of place of employment or place of residence. The written notice shall include the address, the  
11 telephone number and the date of the change.

12 **9. Supervision of Unlicensed Persons**

13 While on probation, respondent shall not act as a supervisor for any hours of supervised  
14 practice required for any license issued by the Board. Respondent shall terminate any such  
15 supervisory relationship in existence on the effective date of this Decision.

16 **10. Notification to Clients**

17 Respondent shall notify all clients when any term or condition of probation will affect their  
18 therapy or the confidentiality of their records, including but not limited to supervised practice,  
19 suspension, or client population restriction. Such notification shall be signed by each client prior  
20 to continuing or commencing treatment. Respondent shall submit, upon request by the Board or  
21 its designee, satisfactory evidence of compliance with this term of probation.

22 **11. Notification to Employer**

23 Respondent shall provide each of his or her current or future employers, when performing  
24 services that fall within the scope of practice of his or her license, a copy of this Decision and the  
25 Statement of Issues and Accusation before commencing employment. Notification to the  
26 respondent's current employer shall occur no later than the effective date of the Decision or  
27 immediately upon commencing employment. Respondent shall submit, upon request by the  
28 Board or its designee, satisfactory evidence of compliance with this term of probation.

1           **12. Violation of Probation**

2           If respondent violates the conditions of her probation, the Board, after giving respondent  
3 notice and the opportunity to be heard, may set aside the stay order and impose the discipline  
4 (revocation) of respondent 's license provided in the decision.

5           If during the period of probation, an accusation, petition to revoke probation, or statement  
6 of issues has been filed against respondent's license or application for licensure, or the Attorney  
7 General's office has been requested to prepare such an accusation, petition to revoke probation, or  
8 statement of issues, the probation period set forth in this decision shall be automatically extended  
9 and shall not expire until the accusation, petition to revoke probation, or statement of issues has  
10 been acted upon by the board. Upon successful completion of probation, respondent's license  
11 shall be fully restored.

12           **13. Maintain Valid License**

13           Respondent shall, at all times while on probation, maintain a current and active license with  
14 the Board, including any period during which suspension or probation is tolled. Should  
15 respondent's license, by operation of law or otherwise, expire, upon renewal respondent's license  
16 shall be subject to any and all terms of this probation not previously satisfied.

17           **14. License Surrender**

18           Following the effective date of this decision, if respondent ceases practicing due to  
19 retirement or health reasons, or is otherwise unable to satisfy the terms and conditions of  
20 probation, respondent may voluntarily request the surrender of her license to the Board. The  
21 Board reserves the right to evaluate the respondent's request and to exercise its discretion whether  
22 to grant the request or to take any other action deemed appropriate and reasonable under the  
23 circumstances. Upon formal acceptance of the surrender, respondent shall within 30 calendar  
24 days deliver respondent's license and certificate and if applicable wall certificate to the Board or  
25 its designee and respondent shall no longer engage in any practice for which a license is required.  
26 Upon formal acceptance of the tendered license, respondent will no longer be subject to the terms  
27 and conditions of probation.

28           Voluntary surrender of respondent's license shall be considered to be a disciplinary action

1 and shall become a part of respondent's license history with the Board. Respondent may not  
2 petition the Board for reinstatement of the surrendered license. Should respondent at any time  
3 after voluntary surrender ever reapply to the Board for licensure respondent must meet all current  
4 requirements for licensure including, but not limited to, filing a current application, meeting all  
5 current educational and experience requirements, and taking and passing any and all examinations  
6 required of new applicants.

7 **15. Instruction of Coursework Qualifying for Continuing Education**

8 Respondent shall not be an instructor of any coursework for continuing education credit  
9 required by any license issued by the Board.

10 **16. Notification to Referral Services**

11 Respondent shall immediately send a copy of this decision to all referral services registered  
12 with the Board in which respondent is a participant. While on probation, respondent shall send a  
13 copy of this decision to all referral services registered with the Board that respondent seeks to  
14 join.

15 **17. Cost Recovery**

16 Respondent shall pay the Board \$6,822.50 as and for the reasonable costs of the  
17 investigation and prosecution of Case No. AP-2012-364. Respondent shall make such payments  
18 pursuant to a payment plan as agreed to by the Board. Respondent shall make the check or  
19 money order payable to the Board of Behavioral Sciences and shall indicate on the check or  
20 money order that it is the cost recovery payment for Case No. AP-2012-364. Any order for  
21 payment of cost recovery shall remain in effect whether or not probation is tolled. Probation shall  
22 not terminate until full payment has been made. Should any part of cost recovery not be paid in  
23 accordance with the outlined payment schedule, respondent shall be considered to be in violation  
24 of probation. A period of non-practice by respondent shall not relieve respondent of his or her  
25 obligation to reimburse the board for its costs.

26 Cost recovery must be completed six months prior to the termination of probation. A  
27 payment plan authorized by the Board may be extended at the discretion of the Enforcement  
28 Manager based on good cause shown by the probationer.

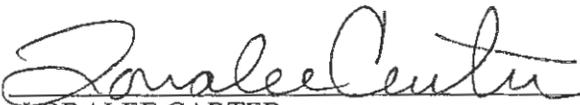
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**18. Monitor Billing System**

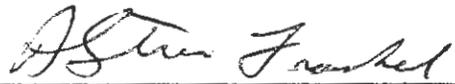
Within fifteen (15) days from the effective date of the decision, respondent shall submit to the Board or its designee for prior approval the name of one or more independent billing systems which monitor and document the dates and times of client visits. Respondent shall obtain the services of the independent billing system monitoring program within fifteen (15) days after notification of the board's approval of such program. Clients are to sign documentation stating the dates and time of services rendered by respondent and no bills are to be issued unless there is a corresponding document signed by the client in support thereof. The billing system service shall submit quarterly written reports concerning respondent's cooperation with this system. The cost of the service shall be borne by respondent.

ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Steven Frankel, Ph.D, J.D. I understand the stipulation and the effect it will have on my Licensed Clinical Social Worker License and Associate Clinical Social Worker Registration. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of Behavioral Sciences.

DATED: 3/13/15   
LORALEE CARTER  
Respondent

I have read and fully discussed with Respondent Lorelee Carter the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: 3/17/15   
STEVEN FRANKEL, PH.D, J.D.  
Attorney for Respondent

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ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board of Behavioral Sciences.

Dated: 4/7/15

Respectfully submitted,

KAMALA D. HARRIS  
Attorney General of California  
FRANK H. PACOE  
Supervising Deputy Attorney General



CHAR SACHSON  
Deputy Attorney General  
*Attorneys for Complainant*

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**Exhibit A**

**Statement of Issues No. AP-2012-364**

1 KAMALA D. HARRIS  
Attorney General of California  
2 FRANK H. PACOE  
Supervising Deputy Attorney General  
3 CHAR SACHSON  
Deputy Attorney General  
4 State Bar No. 161032  
455 Golden Gate Avenue, Suite 11000  
5 San Francisco, CA 94102-7004  
Telephone: (415) 703-5558  
6 Facsimile: (415) 703-5480  
*Attorneys for Complainant*

8 **BEFORE THE**  
**BOARD OF BEHAVIORAL SCIENCES**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

11 In the Matter of the Statement of Issues  
Against:

Case No. AP-2012-364

12 **LORALEE CARTER**

**STATEMENT OF ISSUES**

13 **Licensed Clinical Social Worker License**  
14 **Applicant**

15 Respondent.

17 Complainant alleges:

18 PARTIES

19 1. Steve Sodergren (Complainant) brings this Statement of Issues solely in his official  
20 capacity as the Acting Executive Officer of the Board of Behavioral Sciences, Department of  
21 Consumer Affairs.

22 2. On or about February 22, 2012, the Board of Behavioral Sciences, Department of  
23 Consumer Affairs, received an application for a Licensed Clinical Social Worker License from  
24 Loralee Carter (Respondent). On or about February 18, 2012, Respondent certified under penalty  
25 of perjury to the truthfulness of all statements, answers, and representations in the application.  
26 The Board denied the application on September 4, 2013.

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THIRD CAUSE FOR DENIAL OF APPLICATION  
(FAILURE TO PROVIDE INFORMED CONSENT)

11. Respondent's application is subject to denial under section 4992.3 in that she acted unprofessionally when she failed to provide informed consent to her clients regarding the treatment and billing described in paragraphs 7 and 8 above, and the limitations and risks involved in submitting bills to third party payors as a result of Respondent's lack of proper licensure in California.

FOURTH CAUSE FOR DENIAL OF APPLICATION  
(DISHONESTY, FRAUD AND DECEPTION)

12. Respondent's application is subject to denial under sections 4992.3(k) and/or 480 and California Code of Regulations, title 16, section 1881(e), in that she committed dishonest, corrupt or fraudulent acts substantially related to the qualifications, functions, or duties of a licensee or registrant as alleged above in paragraph 8 when she represented to the Board that she was providing consultations to her clients rather than treatment.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Board of Behavioral Sciences issue a decision:

- 1. Denying the application of Lorelee Carter for a Licensed Clinical Social Worker License;
- 2. Taking such other and further action as deemed necessary and proper.

DATED: 8/28/14

  
 STEVE SODERGREN  
 Acting Executive Officer  
 Board of Behavioral Sciences  
 Department of Consumer Affairs  
 State of California  
 Complainant

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**Exhibit B**

**Accusation No. AP-2012-364**

1 KAMALA D. HARRIS  
Attorney General of California  
2 FRANK H. PACOE  
Supervising Deputy Attorney General  
3 CHAR SACHSON  
Deputy Attorney General  
4 State Bar No. 161032  
455 Golden Gate Avenue, Suite 11000  
5 San Francisco, CA 94102-7004  
Telephone: (415) 703-5558  
6 Facsimile: (415) 703-5480  
*Attorneys for Complainant*

7  
8 **BEFORE THE**  
**BOARD OF BEHAVIORAL SCIENCES**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

10  
11 In the Matter of the Accusation Against:

Case No. AP-2012-364

12 **LORALEE CARTER**  
13 **315 Wikiup Dr.**  
**Santa Rosa, CA 95403**

**ACCUSATION**

14 **Associate Clinical Social Worker**  
15 **Registration No. ASW 31910**

16 Respondent.

17  
18 Complainant alleges:

19 **PARTIES**

20 1. Steve Sodergren (Complainant) brings this Accusation solely in his official capacity  
21 as the Acting Executive Officer of the Board of Behavioral Sciences, Department of Consumer  
22 Affairs.

23 2. On or about November 17, 2011, the Board of Behavioral Sciences issued Associate  
24 Clinical Social Worker Registration Number ASW 31910 to Lorelee Carter (Respondent). The  
25 Associate Clinical Social Worker Registration was in full force and effect at all times relevant to  
26 the charges brought herein and will expire on November 30, 2014, unless renewed.

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JURISDICTIONAL AND STATUTORY PROVISIONS

3. This Accusation is brought before the Board of Behavioral Sciences (Board), Department of Consumer Affairs, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

4. Section 4996.11 of the Code states that "[t]he board may suspend or revoke the license of any person who is guilty on the grounds set forth in Section 4992.3. The proceedings for the suspension or revocation of licenses under this article shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted in that chapter."

5. Section 118, subdivision (b), of the Code provides that the expiration of a license shall not deprive the Board of jurisdiction to proceed with a disciplinary action during the period within which the license may be renewed, restored, reissued or reinstated.

6. Section 4992.3 of the Code states:

"The board may deny a license or a registration, or may suspend or revoke the license or registration of a licensee or registrant if he or she has been guilty of unprofessional conduct.

Unprofessional conduct includes, but is not limited to, the following:

...

"(d) Incompetence in the performance of clinical social work.

"(e) An act or omission that falls sufficiently below the standard of conduct of the profession as to constitute an act of gross negligence.

...

"(k) The commission of any dishonest, corrupt, or fraudulent act substantially related to the qualifications, functions, or duties of a licensee or registrant."

7. California Code of Regulations, title 16, section 1881 states:

"The board may suspend or revoke the license of a licensee or may refuse to issue a license to a person who:

...



1 SECOND CAUSE FOR DISCIPLINE

2 (INCOMPETENCE)

3 12. Respondent is subject to disciplinary action under section 4992.3(d) in that she was  
4 incompetent when she engaged in the billing practices described in paragraphs 9 and 10 above.

5 THIRD CAUSE FOR DISCIPLINE

6 (FAILURE TO PROVIDE INFORMED CONSENT)

7 13. Respondent is subject to disciplinary action under section 4992.3 in that she acted  
8 unprofessionally when she failed to provide informed consent to her clients regarding the  
9 treatment and billing described in paragraphs 9 and 10 above, and the limitations and risks  
10 involved in submitting bills to third party payors as a result of Respondent's lack of proper  
11 licensure in California.

12 FOURTH CAUSE FOR DISCIPLINE

13 (DISHONESTY, FRAUD AND DECEPTION)

14 14. Respondent is subject to disciplinary action under section 4992.3(k) and/or California  
15 Code of Regulations, title 16, section 1881(e) in that she committed dishonest, corrupt or  
16 fraudulent acts substantially related to the qualifications, functions, or duties of a licensee or  
17 registrant as alleged above in paragraph 10 when she represented to the Board that she was  
18 providing consultations to her clients rather than treatment.

19 PRAYER

20 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,  
21 and that following the hearing, the Board of Behavioral Sciences issue a decision:

22 1. Revoking or suspending Associate Clinical Social Worker Registration Number ASW  
23 31910, issued to Lorelee Carter;

24 2. Ordering Lorelee Carter to pay the Board of Behavioral Sciences the reasonable costs  
25 of the investigation and enforcement of this case, pursuant to Business and Professions Code  
26 section 125.3;

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3. Taking such other and further action as deemed necessary and proper.

DATED: 8/28/14



STEVE SODERGREN  
Acting Executive Officer  
Board of Behavioral Sciences  
Department of Consumer Affairs  
State of California  
*Complainant*

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