

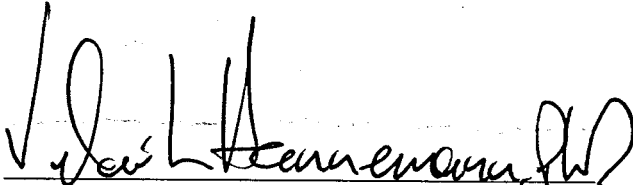



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6. Licensee has the right to consult with her attorney prior to entering into this Consent Agreement. She has read and understands the Consent Agreement, Findings of Fact, Conclusions of Law, and Order, and makes this agreement freely and voluntarily. She irrevocably waives her right to a hearing, rehearing, or judicial review.

7. The Consent Agreement and Order will be effective when signed by the Board's Executive Director. The Consent Agreement, Findings of Fact, Conclusions of Law, and Order are a public record.

**ARIZONA BOARD OF  
PSYCHOLOGIST EXAMINERS**

  
\_\_\_\_\_  
Valarie Hannemann, Ph.D.

  
\_\_\_\_\_  
Maxine McCarthy  
Executive Director

2/20/07  
\_\_\_\_\_  
Date

February 6, 2007  
\_\_\_\_\_  
Date

**FINDINGS OF FACT**

8. Licensee failed to maintain case notes for over 50 sessions between 1-8-01 and 11-6-02 for which ledger entries exist and for which Licensee billed insurance. There are also multiple instances of session notes without ledger entries or insurance billing records and instances where Licensee billed insurance for sessions which are not reflected in the ledger. However, no fraud or intent to defraud was found by the Board.

9. Licensee's records contain insufficient documentation regarding the presence or absence of suicidal ideation where such was warranted.

10. Licensee failed to adequately document consultations with other professionals or her attempts to terminate treatment with the client, K.A., in this case.

11. Licensee failed to adequately document updates of treatment plans with goals and direction of therapy regarding K.A.

12. Licensee's file maintenance system did not allow for efficient retrieval of records in this matter.

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2 13. Licensee failed to adequately document informed consent, including an explanation of  
3 policies and procedures of her practice as well as financial arrangements for the client, K.A.

4 14. Licensee engaged in a multiple relationship by agreeing to be an alternate medical  
5 decision maker by signing a Durable Mental Health Care Power of Attorney form regarding K.A.

6 15. Licensee's communicated with the client, K.A., after the complaint was filed and  
7 conveyed misinformation to K.A. about her rights regarding her client records.

8 16. Licensee used the E-mail server for a public agency to conduct her private psychology  
9 practice which may have compromised the confidentiality of the client, K.A.

10 17. Licensee failed to provide verbatim typewritten notes of all of K.A.'s session notes in  
11 response to a subpoena Duces Tecum issued by the Board.

12 18. Licensee failed to provide client records to K.A. which K.A. requested on May 12,  
13 2006, and as of December 2, 2006, Licensee still had not provided the records to K.A. without  
14 documenting appropriate exceptions.

#### 15 CONCLUSIONS OF LAW

16 19. The conduct and circumstances described above constitute a violation of A.R.S. § 32-  
17 2061(A)(13)(h) – *Failing or refusing to maintain and retain adequate business, financial or  
18 professional records pertaining to the psychological services provided to a client;*

19 20. The conduct and circumstances described above constitute a violation of A.R.S. § 32-  
20 2061(A)(13)(k) – *Violating any federal or state laws or rules that relate to the practice of  
21 psychology or to obtaining a license to practice psychology;*

22 21. The conduct and circumstances described above constitute a violation of A.R.S. § 32-  
23 2061(A)(13)(o) – *Providing services that are unnecessary or unsafe or otherwise engaging in  
24 activities (ad) a psychologist that are unprofessional by current standards of practice;*

25 22. The conduct and circumstances described above constitute a violation of A.R.S. § 32-  
26 2061(A)(13)(bb) – *Failing to furnish information in a timely manner to the board or its investigators  
27 or representatives if requested or subpoenaed by the board as prescribed by this chapter;*

28 23. The conduct and circumstances described above constitute a violation of A.R.S. § 32-  
2061(A)(13)(cc) – *Failing to make available to a client or to the client's designated representative,*

1 on written request, a copy of the client's record, excluding raw test data, psychometric testing  
2 materials and other information as provided by law; and

3 24. The conduct and circumstances described above constitute a violation of A.R.S. § 36-  
4 3281(C) - *An agent shall not be a person who is directly involved with the provision of health care*  
5 *to the principal at the time the mental health care power of attorney is executed.*

6 **ORDER**

7 Based on the foregoing Findings of Fact, and Conclusions of Law, the parties agree to the  
8 provisions and penalties imposed as follows:

9 25. **Probation:** Licensee is placed on probation for a period of 12 months. During the  
10 term of her probation, Dr. Hannemann shall engage the services of a Practice Management  
11 Consultant approved by Board staff in consultation with the Board's Chairperson.

12 26. **Practice Management Consultant:**

13 A. Licensee shall engage the services of a Practice Management Consultant  
14 ("Consultant") for a period of twelve (12) months.

15 B. Within thirty (30) days of the effective date of this Order, Licensee shall  
16 submit to the Board, the name and qualifications of a proposed Consultant. Licensee shall continue  
17 to submit names and qualifications until a Consultant is approved by the Board's Executive Director  
18 in consultation with the Board's Chairperson. Licensee shall meet face-to-face with the Consultant  
19 within fifteen (15) days of notice of approval and thereafter as necessary for the Consultant to write  
20 the reports required under this section.

21 C. After evaluating Licensee's practice, Licensee shall cause the Consultant to  
22 submit reports to the Board which shall include, at a minimum, an assessment of Licensee's practice  
23 and written recommendations to the Board and to Licensee regarding suggestions for improvement  
24 of Licensee's record-keeping system, confidentiality of records, structure of session notes, billing  
25 system, copying, filing and all other tasks associated with the practice of psychology, including the  
26 revision of Licensee's psychology practice forms to document session notes, records or other  
27 communications with clients or collaterals and all related psychology practice forms.

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2 D. The written reports shall be submitted by consultant to the Board within  
3 fifteen (15) calendar days of the last day of each month for the first three (3) months. Consultant  
4 shall submit three additional reports at the end of month six (6), month nine (9), and month twelve  
5 (12).

6 E. The Consultant shall communicate with and provide information to the Board  
7 or its designee upon reasonable request.

8 27. **Education:**

9 A. During the term of probation, Licensee shall successfully complete twelve  
10 (12) continuing education hours as follows: A minimum of four (4) hours in Legal, Ethical and Risk  
11 Management Issues; a minimum of four (4) hours in Record-keeping; and a minimum of four (4)  
12 hours in either or both of the above courses.

13 B. Licensee shall obtain prior approval of the courses from the Board's  
14 Executive Director in consultation with the Board's Chairperson. In person classroom attendance is  
15 specifically required. Licensee shall provide written documentation from the sponsor of the course  
16 that she attended the continuing education course(s) as ordered.

17 C. The continuing education must be in addition to the continuing education  
18 required for license renewal.

19 28. **Compliance Certification:** Thirty days after the effective date of this Order and on  
20 the first day of each month thereafter, Licensee shall submit a written statement under penalty of  
21 perjury to the Board certifying whether Licensee has complied with this Order. The certification  
22 shall also certify that Licensee is implementing the recommendations of the Practice Management  
23 Consultant. Licensee's compliance certifications will be reviewed by the Chairperson of the Board  
24 or by a committee of the Board. The compliance certification must be received at the Board's office  
25 by the due date.

26 29. **Access:** Upon reasonable request, the Board and its representative shall have  
27 reasonable access to Licensee's records related to the practice of psychology.

28 30. **Payment:** Licensee shall promptly pay all costs of compliance with this Order.  
Failure to promptly pay the costs shall be considered a violation of probation.

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2 31. **Current Address and Phone Number:** Within five days of changing her home or  
3 business address or telephone number, License shall notify the Board in writing.

4 32. **Non-renewal and Reapplication:** If Licensee fails to renew her license while under  
5 probation and subsequently applies for a license, the remaining term of probation shall be imposed if  
6 the application for license is granted.

7 33. **Appearance:** Upon reasonable notice, Licensee shall appear before the Board  
8 regarding her compliance with this Order.

9 34. **Compliance with Law:** Licensee shall obey all state and federal laws pertaining to  
10 the practice of psychology.

11 35. **Tolling for Periods of Non-practice:** If Licensee for any reason stops practicing  
12 psychology in Arizona for more than 30 days or leaves Arizona to reside or practice psychology  
13 outside Arizona, the periods of temporary or permanent residency or practice outside Arizona or the  
14 non-practice within Arizona do not apply to reduce the duration of probation under this Order.  
15 License shall notify the Board in writing within five days of the dates of departure and return or the  
16 dates of non-practice in Arizona.

17 36. **Modification or Termination:** Respondent shall not request modification or  
18 termination of this Order.

19 37. **Strict Enforcement:** The Board shall strictly enforce the terms of this Order. Any  
20 violation of the Order by Respondent shall be grounds for disciplinary action, including summary  
21 suspension, pending hearing for revocation or other action. Licensee bears responsibility for the  
22 timely delivery to the Board's office of all reports, information, and documents required to be  
23 submitted under this Order. Lack of timely receipt at the Board's office constitutes a violation of  
24 this Order unless the Licensee can demonstrate compliance with all aspects of the Board Order and  
25 has provided written documentation and proof that Licensee has requested the timely submission of  
26 all required reports, information and documents; but, that the consultant has failed to comply and  
27 compliance was beyond the control of the Licensee.

28 38. Licensee acknowledges that she has the right to retain counsel, and she has done so.  
Further, Licensee acknowledges that, by this settlement, she waives all present and future rights to

1 administrative or court appeal of this matter, including the right to hearing, rehearing, or judicial  
2 review.

3 DATED this 22<sup>nd</sup> day of February, 2007.

4  
5 ARIZONA BOARD OF  
6 PSYCHOLOGIST EXAMINERS

7 By Maxine McCarthy  
8 Maxine McCarthy  
9 Executive Director  
10 1400 West Washington Street, Suite 235  
11 Phoenix, Arizona 85007  
12 (602) 542-8162

13 **ORIGINAL** of the foregoing filed this  
14 22<sup>nd</sup> day of February, 2007, with:  
15 The Arizona Board of Psychologist Examiners  
16 1400 West Washington, Suite 235  
17 Phoenix, Arizona 85007

18 **COPY** of the foregoing mailed certified mail  
19 No. 7000 1670 0009 3607 8523  
20 this 22<sup>nd</sup> day of February, 2007, to:

21 Valarie Hannemann, Ph.D.  
22 Address of record

23 **COPY** of the foregoing mailed this  
24 22<sup>nd</sup> day of February, 2007, to:

25 Steven Horton, Esq.  
26 MANGUM, WALL, STOOPS, & WARDEN  
27 100 N. Elden St. , PO Box 10  
28 Flagstaff, Arizona 86002

**COPY** of the foregoing sent by interagency/regular mail  
this 22<sup>nd</sup> day of February, 2007, to:

Keely Verstegen, Esq., Assistant Attorney General  
Office of the Attorney General, Civil/LES  
1275 West Washington  
Phoenix, Arizona 85007

By Shari S Courtney