



STATE OF ARIZONA  
BOARD OF BEHAVIORAL HEALTH EXAMINERS  
1740 WEST ADAMS STREET, SUITE 3600  
PHOENIX, AZ 85007  
PHONE: 602.542.1882 FAX: 602.364.0890  
Board Website: [www.azbbhe.us](http://www.azbbhe.us)  
Email Address: [information@azbbhe.us](mailto:information@azbbhe.us)

DOUGLAS A. DUCEY  
Governor

TOBI ZAVALA  
Executive Director

June 16, 2021

Lisa Soto  


Dear Ms. Soto:

On June 11, 2021, the Arizona Board of Behavioral Health Examiners ("Board") reviewed your application for licensure as a licensed associate counselor and determined that you are not eligible for licensure pursuant to A.R.S. § 32-3275(A)(6). Specifically, the Board found that you engaged in conduct that had you been licensed would have constituted grounds for disciplinary action. The Board determined that the disciplinary action invoked the following violations that were based upon the conduct referenced thereafter:

1. A.R.S § 32-3251(16)(l), engaging in any conduct, practice or condition that impairs the ability of the licensee to safely and competently practice the licensee's profession.
2. A.R.S § 32-3251(16)(b), using fraud or deceit in connection with rendering services as a licensee or in establishing qualifications pursuant to this chapter.
3. A.R.S. § 32-3251(16)(k), engaging in any conduct or practice that is contrary to recognized standards of ethics in the behavioral health profession or that constitutes a danger to the health, welfare or safety of a client, as it relates to the following section of the ACA Code of Ethics:
  - a. A.6.e. Nonprofessional Interactions or Relationships (Other Than Sexual or Romantic Interactions or Relationships)  
Counselors avoid entering into nonprofessional relationships with former clients, their romantic partners, or their family members when the interaction is potentially harmful to the client. This applies to both in-person and electronic interactions or relationships.
4. A.R.S. § 32-3251(16)(c)(i), making any oral or written misrepresentation of a fact to secure the issuance of renewal of a license.

These violations were based on the following findings:

1. On 11/09/20, Applicant was involuntarily terminated from Agency for falsifying behavioral health documents.

2. After a subsequent internal investigation, Agency's billing Department Director concluded that 41 claims submitted to Medicaid for services documented by Applicant were fraudulent.
3. On 11/20/20, Applicant and Owner signed a letter which included the following:
  - a. Upon auditing Applicant's time log and interviewing staff, it was discovered that on 10/31/20 and 11/01/20, Applicant was not onsite until 11:30 a.m., but Applicant's planner states she started at 8 a.m.
  - b. Applicant confirmed she was not onsite even though she documented being onsite on the following days/times:
    - On 11/03/20, Applicant left Agency at 5 p.m., despite documenting being onsite from 5 p.m. – 8:30 p.m.
    - On 11/05/20, Applicant left Agency at 6:30 p.m., despite documenting being onsite until 8:30 p.m.
  - c. "Thank you for agreeing to pay back the money owed for the false documentation you engaged in during those two weeks."
4. Owner and Applicant ultimately entered into a settlement agreement which included the following:
  - a. Applicant paying owner \$3,510.
  - b. In exchange, Agency waived and released all claims for damages against Applicant arising from Applicant's employment from Agency.
5. Owner represented the following to Board staff:
  - a. The \$3,510 figure was established based on the number of hours billed.
  - b. Applicant erroneously billed 58.5 hours and was paid \$60 per hour.
6. Board staff discovered the following after comparing Applicant's progress notes, Facebook posts, and work schedule planner:
  - a. Between 06/20 – 10/20, Licensee billed for 19 sessions that allegedly occurred during the same period of time that Applicant was live streaming on Facebook.
  - b. Comparing the 19 sessions with Applicant's work schedule planner revealed the following:
    - On 17 days, Applicant had scheduled sessions during her entire shift with no gaps between sessions.
    - On 1 day, Applicant had scheduled sessions during her entire shift with only one 15-minute gap between sessions.
7. Additionally, when reviewing the progress notes for these 19 sessions, Board staff found that on 3 separate days, Applicant submitted progress note for 3 unrelated clients that included identical content.
8. Applicant represented the following to Board staff regarding her fraudulent documentation:
  - a. On 11/09/20, Applicant admitted to Owner that on two occasions she billed for services that never occurred.
  - b. Applicant admitted she fabricated the progress notes on these occasions for compensation reasons.
  - c. Applicant denied fabricating progress notes on the days she live streamed on Facebook.
  - d. On the days Applicant live streamed, the sessions took place earlier in the day and she documented the time incorrectly to "fill in the afternoon gap."

- e. Applicant acknowledges documenting the incorrect time was done to show owner she was working a full day despite live streaming at these times.
  - f. Applicant cannot recall how many times she incorrectly documented the times and duration of sessions, but believes it occurred fairly regularly.
  - g. Applicant believed the amount of the settlement agreement was for hours she was clocked in, but not actually working.
  - h. Owner never explicitly told Applicant that she would be paying Owner back for fraudulent services.
  - i. Although Applicant denied fabricating notes, she admits there were sessions she overbilled.
  - j. Applicant gave the following example of how sessions were overbilled:
    - A session that was scheduled from 10 a.m. to 12 p.m. would end early, but Applicant documented the session for the full 2 hours.
    - Applicant would see another client from the time the session ended to 12 p.m., but not document the session at the time it occurred.
    - Instead, Applicant would document the session as having occurred during a time that she was live streaming on Facebook.
  - k. Applicant admitted using copy and paste in some progress notes when she used similar interventions for different clients.
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9. Applicant intentionally falsified session times, which led to overbilling, in order to deceive Agency and Owner for her personal financial gain.
10. On at least two separate occasions, Applicant fraudulently and deceitfully fabricated clinical documents in connection with rendering behavioral health services.
11. By her own admission, Applicant falsified and/or fabricated nearly 2 dozen behavioral health documents for her own personal benefit.
12. Applicant represents she took remedial measures after receiving the Board complaint by registering for the following continuing education courses:
- a. Documentation and Record-Keeping: Essentials for Mental Health Professionals.
  - b. Fees, Fee-Splitting, Bartering, Gifts, and Other Billing Issues.
13. From 01/20 – present, an adult male client (“W.B.”) received behavioral health services from Agency and its affiliates.
14. A 02/20 psychological evaluation documented several of W.B.’s vulnerabilities, such as:
- a. Bipolar-depressive disorder
  - b. Being molested as a young boy
  - c. Feeling anxious, shameful, and scared about being molested
  - d. Major depressive disorder, severe
  - e. Alcohol use disorder, severe
15. W.B.’s progress notes and treatment plans included the following:
- a. Feelings of anger, sadness, guilt, and abandonment surrounding the loss of a loved one.
  - b. Learning how to deal with relationships better and attachment issues.
  - c. Reported feeling supported by clinicians and feeling able to trust again.
  - d. Reported having anxiety about recent changes in clinician schedules and how it related to past memories of being let down.
16. From 06/20 – 11/20, Applicant provided behavioral health services to W.B. at Agency.

17. Despite W.B.'s vulnerabilities, Applicant began an inappropriate and nonprofessional relationship with W.B. after being terminated from Agency.
18. Between 01/21 – 04/21, Applicant exchanged numerous text messages with W.B., which included the following:
  - a. "I am so proud of u son!!!"
  - b. Applicant will always be there for W.B.
  - c. Applicant cannot wait until she can see W.B. again.
  - d. "Of course I'm gonna visit!"
  - e. "I'll take u to airport too"
  - f. "Hi son, hope u are well."
  - g. "Get an Uber and I'll pay for it son."
  - h. **NOTE:** Applicant sent \$25 via Venmo to W.B. on the same day she texted W.B. that she would pay for an Uber.
19. Applicant represented the following to Board staff:
  - a. She was aware of W.B.'s depression, anxiety, sexual abuse, trauma and abandonment issues.
  - b. W.B. reached out to Applicant.
  - c. Applicant responded because she puts her heart into her clients.
  - d. She genuinely cared about W.B.
  - e. She visited W.B. at his sober living home.
  - f. Applicant drove W.B. to the grocery store, airport and job interview.
20. Additionally, Applicant made the following representations:
  - a. Applicant did not see any issues with calling W.B. son despite being aware of his abandonment issues involving his mother.
  - b. Had other clients reached out to applicant, she probably would have engaged with them as she did with W.B.
  - c. Applicant admitted informing W.B. of the Board investigation, but denies trying to involve him.
21. Although Applicant represents she terminated her relationship with W.B., now sees how her contact with W.B. was inappropriate, and acknowledged violating section A.6.e from the ACA Code of Ethics, Applicant made the following representations:
  - a. Applicant does not intend to have future contact with W.B. unless the Board allows her to.
  - b. Applicant knows the Board probably will not allow this but if they did, Applicant would continue to help W.B. as she has.
22. While Applicant represents her decision to have a nonprofessional relationship with W.B. was altruistic, her actions crossed a professional boundary that ultimately give rise to ethical codes advising counselors to avoid nonprofessional relationships.
23. Applicant represents she took remedial measures after receiving the Board complaint by registering for the following continuing education courses:
  - a. Ethics and Boundary Issues.
  - b. Resolving Ethical Issues and Ethical Decision-Making.
24. On 11/24/20, the Board received Applicant's LAC application
25. Applicant marked "no" to background question 8 which asked the following:
  - a. Have you ever been involuntarily terminated or resigned in lieu of termination from any behavioral health position or related employment?

26. Additionally, on the employment history portion of the application, Applicant provided the following answer regarding her reason for leaving Agency:
  - a. "Resigned – New Position."
27. On 11/23/20, over two weeks after being involuntarily terminated from Agency, Applicant signed a certifying statement on her LAC application that included the following:
  - a. "I, [Applicant] certify under penalty of perjury that all information contained in my application, including all supporting documents, is true and correct to the best of my knowledge and belief, and with full knowledge that any false statements or misrepresentations made in this application may be grounds for refusal, subsequent revocation or suspension of my license(s), or other disciplinary action."
28. Applicant represented the following to Board staff regarding her LAC application:
  - a. Applicant worried informing the Board of her termination would have had a negative impact on her LAC application.
  - b. Applicant admitted she can now see this was a misrepresentation.
29. On 11/18/20, 9 days after being involuntarily terminated from Agency, Applicant submitted an application to her current employer, another behavioral health agency, which included the following:
  - a. Applicant listed her reason for leaving Agency as, "Downsizing due to COVID-19."
  - b. Applicant signed the employment application certifying the facts provided in her employment application were true and complete to the best of her knowledge.

Pursuant to A.R.S. § 41.1092.03 (B), you may request a formal hearing by notifying the Board, in writing, within 35 days from the date of this letter. The hearing will be held within 60 days after the Board receives your request. (A.R.S. § 41-1092.05)(A)) At the hearing, you will have the burden of proof to demonstrate that you are qualified for licensure regarding the matters set forth above. The Office of the Attorney General will represent the State of Arizona at the hearing. In addition, if you request a hearing, you have the right to request a settlement conference. (A.R.S. § 41-1092.06) Please note that if you do not request a hearing by the close of business on **July 21, 2021**, your file will be closed without recourse to appeal. If you desire licensure in the future you will be required to submit a new application and fee. Please be further advised that pursuant to the Board's licensure statutes only persons holding licenses to practice behavioral health may do so unless they are exempt from licensure pursuant to A.R.S. § 32-3271.

#### Notice to Licensure Applicant:

Pursuant to A.R.S. § 41-1093.01, an agency shall limit all occupational regulations to regulations that are demonstrated to be necessary to specifically fulfill a public health, safety or welfare concern. Pursuant to A.R.S. § 41-1093.02 and A.R.S. § 41-1093.03, you have the right to petition this agency to repeal or modify the occupational regulation or bring an action in a court of general jurisdiction to challenge the occupational regulation and to ensure compliance with A.R.S. § 41-1093.01.

If you have any questions, I can be reached at (602) 542-1617.

Sincerely,

A handwritten signature in black ink, appearing to read "Tobi Zavala". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tobi Zavala  
Executive Director