

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

3 **In the Matter of:**

4 **Arturo R. Hernandez, LPC-21796,**  
5 **Licensed Professional Counselor,**  
6 **In the State of Arizona.**

7 **RESPONDENT**

**CASE NO. 2025-0029**  
**CONSENT AGREEMENT**  
**FOR VOLUNTARY SURRENDER**

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

14 **RECITALS**

15 Respondent understands and agrees that:

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

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

24 3. Respondent has the right to consult with an attorney prior to entering into this  
25 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 between only Respondent and the Board for  
7 the final disposition of this matter and may be used for purposes of determining sanctions in any  
8 future disciplinary matter.

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11 Consent Agreement, this Consent Agreement is withdrawn and shall be of no evidentiary value,  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

16           7.     Respondent acknowledges and agrees that the acceptance of this Consent  
17 Agreement is solely to settle this Board matter and does not preclude the Board from instituting  
18 other proceedings as may be appropriate now or in the future. Furthermore, and  
19 notwithstanding any language in this Consent Agreement, this Consent Agreement does not  
20 preclude in any way any other state agency or officer or political subdivision of this state from  
21 instituting proceedings, investigating claims, or taking legal action as may be appropriate now or  
22 in the future relating to this matter or other matters concerning Respondent, including but not  
23 limited to violations of Arizona's Consumer Fraud Act. Respondent acknowledges that, other  
24 than with respect to the Board, this Consent Agreement makes no representations, implied or

25 ...

1 otherwise, about the views or intended actions of any other state agency or officer or political  
2 subdivision of the state relating to this matter or other matters concerning Respondent.

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

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

7 **FINDINGS OF FACT**

8 1. Respondent is the holder of License No. LPC-21796 for the practice of  
9 counseling in the State of Arizona.

10 2. From 01/21 – 08/24, Respondent was employed at a behavioral health agency  
11 (“Agency”) as a clinician.

12 3. Respondent was responsible for providing individual, couples, and family therapy  
13 services to clients of Medicaid, commercial, and self-pay.

14 4. According to his personnel records, Respondent was required to complete a  
15 progress note, also known as a billing note, for all therapy sessions that were conducted.

16 5. On 08/10/24, Respondent admitted to Complainant, the owner of Agency, that he  
17 wrote notes for non-provided services since approximately six months after starting at Agency.

18 6. Respondent subsequently self-reported the following:

19 a. Within 6 months of his start date with Agency, Respondent was billing notes  
20 of individuals who did not attend any session with him.

21 b. He was in a negative financial situation, and he made unethical choices, even  
22 after receiving a raise in salary.

23 7. A 08/11/24 Agency report noted the following:

24 ...

25 ...

- 1 a. Respondent entered multiple non-existent appointments into the EHR system  
2 and created fraudulent progress notes that corresponded to the non-existent  
3 appointments.
- 4 b. The completed progress notes that are entered into Agency's EHR system  
5 are what determine the payroll for an employee.
- 6 c. During his employment, the amount billed to Medicaid by Respondent is  
7 estimated to be approximately \$360,121.00.
- 8 d. This includes both legitimate and potential claims, but Agency needs to repay  
9 the whole amount of Medicaid is unable to differentiate between the  
10 fraudulent and legitimate claims.

11 4. A Medicaid Claims Analysis by Agency indicates they suspect that the fraudulent  
12 billing committed by Respondent made a profit of approximately \$69,729.20.

13 5. Respondent represented the following during his investigative interview:

- 14 a. Respondent began to feel his pay was commission based, and not receiving  
15 payment for no show appointments started taking a toll on him financially.
- 16 b. This led to Respondent fraudulently billing for sessions.
- 17 c. He recognized it became a habit that was happening too frequently.
- 18 d. Once a client did not show up for their appointment, Respondent would  
19 create a progress note and submit it as if the session had taken place.
- 20 e. Respondent estimates profiting approximately \$35,000 and roughly over 100  
21 clients being affected by this method.

22 6. Respondent fraudulently billed insurance by creating notes and billing for  
23 sessions that did not occur for approximately three years.

24 7. Respondent represented the following during his investigative interview:  
25

- 1 a. Respondent understands his actions were inappropriate, and that the clients  
2 who were affected may experience issues trusting another providing.  
3 b. Respondent regrets his actions and understands it could possibly lead to a  
4 bad reputation for Agency.  
5 c. He understands how his actions affected Complainant and he takes full  
6 responsibility for his actions.

7 **CONCLUSIONS OF LAW**

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

11 2. The conduct and circumstances described in the Findings of Fact constitute a  
12 violation of A.R.S. § 32-3251(16)(h), obtaining a fee by fraud, deceit or misrepresentation.

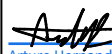
13 **ORDER**

14 Based upon the foregoing Findings of Fact and Conclusion of Law, the parties agree to  
15 the provision and penalties imposed as follows:

16 1. Respondent's license, LPC-21796, shall be surrendered to the Board, effective  
17 from the date of entry as signed below.


18 2. The surrender shall be considered a revocation of Respondent's license.

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

20   
21 Arturo Hernandez (Nov 4, 2024 13:22 MST)  
Arturo R. Hernandez

Nov 4, 2024  
Date

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

23  
24 By:   
Tobi Zavala (Nov 4, 2024 13:29 MST)  
25 TOBI ZAVALA, Executive Director  
Arizona Board of Behavioral Health Examiners

Nov 4, 2024  
Date

1 **ORIGINAL** of the foregoing filed Nov 4, 2024  
with:

2  
3 Arizona Board of Behavioral Health Examiners  
4 1740 West Adams Street, Suite 3600  
Phoenix, AZ 85007

5 **EXECUTED COPY** of the foregoing sent electronically Nov 4, 2024  
to:

6 Mona Baskin  
7 Assistant Attorney General  
8 2005 North Central Avenue  
Phoenix, AZ 85004

9 Arturo R. Hernandez  
10 Address of Record  
Respondent

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