

1 BEFORE THE ARIZONA STATE BOARD OF BEHAVIORAL HEALTH EXAMINERS

2 In the Matter of:

3 Terra L. Schaad, LAC-12676,  
4 Licensed Associate Counselor,  
5 In the State of Arizona.

6 RESPONDENT

CASE NO. 2017-0041

RELEASE FROM  
CONSENT AGREEMENT AND ORDER

7 The Board received a request from Respondent to release them from the terms and  
8 conditions of the Consent Agreement and Order dated July 19<sup>th</sup>, 2017. After consideration, the  
9 Board voted to release Respondent from the terms and conditions of the Consent Agreement  
10 and Order dated July 19<sup>th</sup> 2017.

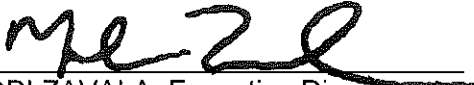
11 ORDER

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 July 19<sup>th</sup> 2017.

15 Dated this 16<sup>th</sup> day of July, 2019.

16  
17 By:

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

19 ORIGINAL of the foregoing filed

20 This 16<sup>th</sup> day of July, 2019, with:

21 Arizona Board of Behavioral Health Examiners  
22 1740 W. Adams St., Suite 3600  
Phoenix, AZ 85007

23 COPY of the foregoing mailed via

Certified mail no. 9489 0090 0027 0047 0032 39,

24 This 16<sup>th</sup> day of July, 2019, to:

25 Terra L. Schaad  
Address of Record  
Respondent

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BEFORE THE ARIZONA BOARD  
OF BEHAVIORAL HEALTH EXAMINERS

In the Matter of:  
  
Terra L. Schaad, LAC-12676,  
Licensed Associate Counselor,  
In the State of Arizona.  
  
RESPONDENT

CASE NO. 2017-0041  
CONSENT AGREEMENT

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), Terra L. Schaad ("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-12676 for the practice of  
3 counseling in Arizona.

4 2. Since 05/07, Respondent has been licensed as an associate counselor.

5 3. Respondent did not begin providing behavioral health services until 2013.

6 4. Since that time, Respondent has provided behavioral health services on a part-  
7 time basis.

8 5. As an associate counselor, Respondent is required to practice only under direct  
9 supervision.

10 6. At no point has Respondent ever worked under direct supervision, as defined.

11 7. In 2008, Respondent founded and incorporated a non-profit organization  
12 ("Agency"), which provides various services including behavioral health treatment.

13 8. As an associate counselor, Respondent is prohibited from maintaining ownership  
14 interest in, operating, or managing a behavioral health entity where she provides services.

15 9. Respondent acknowledges that she is the Executive Director, President of the  
16 Board of Directors, as well as a therapist at Agency.

17 10. In her various therapeutic, managerial and executive roles, Respondent  
18 acknowledges that her responsibilities include the following:

19 a. Staff management.

20 b. Curriculum development.

21 c. Individual and group therapy.

22 d. Maintaining the vision, purpose, and general operation of Agency.

23 e. Running board meetings.

24 11. Given Respondent's current roles and titles as the Executive Director and  
25 President of the Board of Directors, there appears to be no viable scenario where Respondent

1 could enter into a direct supervision relationship where the supervisor could have an objective  
2 assessment over Respondent's performance, as required.

3 12. During the course of the Board's investigation, Board staff subpoenaed 3  
4 randomly selected clients that were receiving Equine Assisted Psychotherapy through Agency.

5 13. In review, none of the subpoenaed clinical records contained Consent for  
6 Treatment forms.

7 14. In addition, none of the subpoenaed clinical records contained Treatment Plans.

8 **CONCLUSIONS OF LAW**

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

12 2. The conduct and circumstances described in the Findings of Fact constitute a  
13 violation of A.R.S. § 32-3251(16)(n), failing to comply with or violating, attempting to violate or  
14 assisting in or abetting the violation of any provision of this chapter, any rule adopted pursuant  
15 to this chapter, any lawful order of the Board, or any formal order, consent agreement, term of  
16 probation or stipulated agreement issues under this chapter as it relates to:

17 a. A.A.C. R4-6-210, Practice Limitations

18 b. A.A.C. R4-6-211, Direct Supervision: Supervised Work Experience:

19 General

20 3. The conduct and circumstances described in the Findings of Fact constitute a  
21 violation of A.R.S. § 32-3251(16)(q), failing or refusing to maintain adequate records of  
22 behavioral health services provided to a client.

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           1.       Respondent's license, LAC-12676, will be placed on probation, effective from the  
2       date of entry as signed below.

3           2.       Respondent shall not practice under their license, LAC-12676, unless they are  
4       fully compliant with all terms and conditions in this Consent Agreement. If, for any reason,  
5       Respondent is unable to comply with the terms and conditions of this Consent Agreement, they  
6       shall immediately notify the Board in writing and shall not practice under their license until they  
7       submit a written request to the Board to re-commence compliance with this Consent  
8       Agreement. All such requests shall be pre-approved by the Board Chair or designee.

9           3.       In the event that Respondent is unable to comply with the terms and conditions  
10       of this Consent Agreement, all remaining time frames shall be tolled and remain tolled until  
11       such time as they are granted approval to re-commence compliance with the Consent  
12       Agreement.

#### 13   Practice Restriction

14           4.       Respondent is restricted from practicing under their license, LAC 12376,  
15       indefinitely while she holds an ownership interest in, operates, or manages the Agency with  
16       immediate responsibility for the behavioral health services provided by Respondent. If or when,  
17       Respondent no longer holds an ownership interest in, operates, or manages the Agency with  
18       immediate responsibility for the behavioral health services provided by Respondent, she may  
19       submit a written request to the Board for release from the terms of this Consent Agreement  
20       pursuant to paragraph 17 below.

#### 21   Continuing Education

22           5.       In addition to the continuing education requirements of A.R.S. § 32-3273, within  
23       12 months of the effective date of this Consent Agreement, Respondent shall complete 6 clock  
24       hours of the NASW Staying Out of Trouble continuing education course or an equivalent course.  
25       All required continuing education shall be pre-approved by the Board Chair or designee. Upon

1 completion, Respondent shall submit a certificate of completion of the required continuing  
2 education.

3 6. In addition to the continuing education requirements of A.R.S. § 32-3273, within  
4 12 months of the effective date of this Consent Agreement, Respondent shall take and pass a  
5 three semester credit hour graduate level behavioral health ethics course from a regionally  
6 accredited college or university, pre-approved by the Board Chair or designee. Upon  
7 completion, Respondent shall submit to the Board an official transcript establishing completion  
8 of the required course.

### 9 GENERAL PROVISIONS

#### 10 Provision of Clinical Supervision

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

#### 13 Civil Penalty

14 8. Subject to the provisions set forth in paragraph 9, the Board imposes a civil  
15 penalty against the Respondent in the amount of \$1,000.00.

16 9. Respondent's payment of the civil penalty shall be stayed so long as Respondent  
17 remains compliant with the terms of this Consent Agreement. If Board staff determines that  
18 Respondent is noncompliant with the terms of this Consent Agreement in any respect, with the  
19 exception of the tolling provision under paragraph 3, the stay of the civil penalty payment shall  
20 be automatically lifted and payment of the civil penalty shall be made by certified check or  
21 money order payable to the Board within 30 days after being notified in writing of the lifting of  
22 the stay.

23 10. Within 10 days of being notified of the lifting of the stay, Respondent may request  
24 that the matter be reviewed by the Board for the limited purpose of determining whether the  
25 automatic lifting of the stay was supported by clear and convincing evidence. If the Board

1 receives the written request within 10 days or less of the next regularly scheduled Board  
2 meeting, the request will not be heard at that meeting, but will be heard at the next regularly  
3 scheduled Board meeting. The Board's decision on this matter shall not be subject to further  
4 review.

5 11. The Board reserves the right to take further disciplinary action against  
6 Respondent for noncompliance with this Consent Agreement after affording Respondent notice  
7 and an opportunity to be heard. If a complaint is filed against Respondent for failure to comply  
8 with this Consent Agreement, the Board shall have continuing jurisdiction until the matter is final  
9 and the period of probation shall be extended until the matter is final.

10 12. If Respondent currently sees clients in their own private practice, and obtains any  
11 other type of behavioral health position, either as an employee or independent contractor, where  
12 they provide behavioral health services to clients of another individual or agency, they shall  
13 comply with requirements set forth in paragraphs 13 through 15 below.

14 13. Within 10 days of the effective date of this Order, if Respondent is working in a  
15 position where Respondent provides any type of behavioral health related services or works in a  
16 setting where any type of behavioral health, health care, or social services are provided,  
17 Respondent shall provide the Board Chair or designee with a signed statement from  
18 Respondent's employer(s) confirming Respondent provided the employer(s) with a copy of this  
19 Consent Agreement. If Respondent does not provide the employer's statement to the Board  
20 within 10 days of the effective date, the Board will provide Respondent's employer(s) with a  
21 copy of the Consent Agreement.

22 14. If Respondent is not employed as of the effective date of this Order, within 10  
23 days of accepting employment in a position where Respondent provides any type of behavioral  
24 health related services or in a setting where any type of behavioral health, health care, or social  
25 services are provided, Respondent shall provide the Board Chair or designee with a written



1 statement providing the contact information of their new employer and a signed statement from  
2 Respondent's new employer confirming Respondent provided the employer with a copy of this  
3 Consent Agreement. If Respondent does not provide the employer's statement to the Board  
4 within 10 days, as required, Respondent's failure to provide the required statement to the Board  
5 shall be deemed a violation of A.R.S. § 32-3251(16)(n) and the Board will provide Respondent's  
6 employer(s) with a copy of the Consent Agreement.

7 15. If, during the period of Respondent's probation, Respondent changes  
8 employment, resigns, is involuntarily terminated, resigns in lieu of termination, or goes on  
9 extended leave of absence for whatever reason that may impact their ability to timely comply  
10 with the terms of probation, Respondent shall, within 10 days of the aforementioned acts, inform  
11 the Board of their change of employment status. After the change and within 10 days of  
12 accepting employment in a position where Respondent provides any type of behavioral health  
13 related services or in a setting where any type of behavioral health, health care, or social  
14 services are provided, Respondent shall provide the Board Chair or designee a written  
15 statement providing the contact information of their new employer(s) and a signed statement  
16 from Respondent's new employer(s) confirming Respondent provided the employer(s) with a  
17 copy of this Consent Agreement. If Respondent does not provide the employer's statement to  
18 the Board within 10 days, as required, Respondent's failure to provide the required statement to  
19 the Board shall be deemed a violation of A.R.S. § 32-3251(16)(n) and the Board will provide  
20 Respondent's employer(s) with a copy of the Consent Agreement.

21 16. Respondent shall practice behavioral health using the name under which they  
22 are licensed. If Respondent changes their name, they shall advise the Board of the name  
23 change as prescribed under the Board's regulations and rules.

24 17. Prior to the release of Respondent from probation, Respondent must submit a  
25 written request to the Board for release from the terms of this Consent Agreement at least 30

1 days prior to the date they would like to have this matter appear before the Board. Respondent  
2 may appear before the Board, either in person or telephonically. Respondent must provide  
3 evidence that they have successfully satisfied all terms and conditions in this Consent  
4 Agreement. The Board has the sole discretion to determine whether all terms and conditions of  
5 this Consent Agreement have been met and whether Respondent has adequately demonstrated  
6 that they have addressed the issues contained in this Consent Agreement. In the event that the  
7 Board determines that any or all terms and conditions of this Consent Agreement have not been  
8 met, the Board may conduct such further proceedings as it determines are appropriate to  
9 address those matters.

10 18. Respondent shall bear all costs relating to probation terms required in this  
11 Consent Agreement.

12 19. Respondent shall be responsible for ensuring that all documentation required in  
13 this Consent Agreement is provided to the Board in a timely manner.

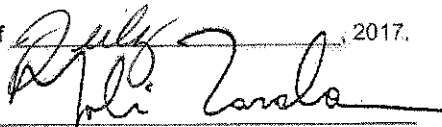
14 20. This Consent Agreement shall be effective on the date of entry below.

15 21. This Consent Agreement is conclusive evidence of the matters described herein  
16 and may be considered by the Board in determining appropriate sanctions in the event a  
17 subsequent violation occurs.

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

19   
20 Terra L. Schaad Date 7.17.17

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

22 Dated this 19th day of July, 2017.  
23 By:   
24 TOBIN ZAVALA, Executive Director  
25 Arizona Board of Behavioral Health Examiners

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**ORIGINAL** of the foregoing filed  
This 19<sup>th</sup> day of July, 2017 with:

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

**COPY** of the foregoing mailed via Interagency Mail  
This 19<sup>th</sup> day of July, 2017, to:

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

**COPY** of the foregoing mailed via  
Certified mail no. 7016 2140 0000 1804 22416  
This 19<sup>th</sup> day of July, 2017, to:

Terra L. Schaad  
Address of Record  
Respondent

**COPY** of the foregoing mailed via Mail  
This 19<sup>th</sup> day of July, 2017, to:

Susan McLellan  
Schneider & Onofry, P.C.  
3101 N. Central Ave, #600  
Phoenix, AZ 85012  
Attorney for Respondent