

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

3 **In the Matter of:**

4 **Candace K. Bailey, LCSW-10968,**
5 **Licensed Clinical Social Worker,**
6 **In the State of Arizona.**

7 **RESPONDENT**

CASE NO. 2022-0073
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), Candace K. Bailey (“Respondent”) and the Board enter into this Consent
12 Agreement, Findings of Fact, Conclusions of Law and Order (“Consent Agreement”) as a final
13 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11 Consent Agreement, this Consent Agreement is withdrawn and shall be of no evidentiary value,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. LCSW-10968 for the practice of Social
9 Work in the State of Arizona.

10 2. Since 07/04, Respondent has held this license with the Board.

11 3. Subsequently, every two years Respondent submitted license renewal
12 applications with the Board attesting, under penalty of perjury, that she was in compliance with
13 the statutory requirements of A.R.S. § 32-3211, which relates to the security, storage, and
14 access of patient records.

15 4. Since 2014, Respondent has submitted at least 3 renewal applications, each
16 falsely attesting that she was in compliance with A.R.S. § 32-3211.

17 5. On 11/04/21, the Board received a complaint from a former client of Respondent
18 (“Complainant”) alleging that when she requested her records from Respondent, Respondent
19 indicated she had not taken notes for their sessions.

20 6. In Respondent’s 12/05/21 response to the Board complaint, she indicated the
21 following in relevant part:

22 a. Respondent does not take notes.

23 b. Respondent’s record keeping habits according to the Board’s standards are
24 poor at best.

25 ...

1 c. Respondent has not been motivated in any personal logical sense to take
2 notes.

3 7. Due to Respondent's statements that she does not take notes, Board staff
4 subpoenaed Respondent for all records in her possession for Complainant and a list of all
5 clients she has seen since 01/20.

6 8. In response to Board staff subpoenas, Respondent indicated the following:

7 a. Respondent does not possess any written documentation regarding
8 Complainant.

9 b. Respondent is unable to provide a list of clients seen in the year 2020.

10 9. Board staff subsequently sent additional subpoenas to Respondent requesting all
11 client files for the five most recent clients Respondent treated and billing records for all clients.

12 10. Respondent provided the following in response to these additional subpoenas:

13 a. Intake and informed consent documents that were missing a majority of
14 Board requirements for at least 290 different clients since 05/19.

15 b. Monthly invoices for charges submitted to insurance carriers from 07/18 –
16 10/21, outlining the month's claims rather than individually billed services.

17 11. During a 12/10/21 phone conversation with Board staff, Respondent represented
18 the following:

19 a. Respondent has not maintained progress notes or treatment plans for any
20 clients for approximately 7 years.

21 b. Complainant was the first client in the past 7 years to request their records.

22 c. Some of the intake records Respondent provided Board staff are the original
23 records and Respondent may not have copies of those records for herself.

24 d. Respondent does not have any billing records for her private-pay clients.

25 e. Respondent should have given up her license sooner.

1 f. Respondent is grateful for the Board and apologizes for her conduct.

2 12. For at least the past 7 years, Respondent has failed to maintain adequate clinical
3 records for clients except for intake and informed consent documents that fail to include a
4 majority of Board requirements.

5 13. Respondent also failed to maintain accurate billing records for at least 7 years.

6 **CONCLUSIONS OF LAW**

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

10 2. The conduct and circumstances described in the Findings of Fact constitute a
11 violation of A.R.S. § 32-3251(16)(j), engaging in any conduct that the board determines is gross
12 negligence or repeated negligence in the licensee's profession.

13 3. The conduct and circumstances described in the Findings of Fact constitute a
14 violation of A.R.S. § 32-3251(16)(l), engaging in any conduct, practice or condition that impairs
15 the ability of the licensee to safely and competently practice the licensee's profession.

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

19 **ORDER**

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

22 1. Respondent's license, LCSW-10968, shall be surrendered to the Board, effective
23 from the date of entry as signed below.

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

25 ...

