STATE OF NORTH CAROLINA

BEFORE THE NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

IN THE MATTER OF:)	
RITA TERRAGO, LPC, Respondent.)	FINAL DECISION

The North Carolina Board of Licensed Professional Counselors ("Board") heard this cause on March 1, 2012. A Notice of Hearing was served on Respondent on January 31, 2012, notifying her that the hearing would take place on March 1, 2012, at 1 pm. at the Wingate Inn located at 1542 Mechanical Blvd, in Garner, North Carolina. Respondent was not represented by counsel, nor did she appear at the hearing before the Board. Ms. Sondra C. Panico, Assistant Attorney General, appeared on behalf of the Board.

At the hearing of this matter, the Board heard testimony from Barbara Awad, Nurse Consultation, Division of Medical Assistance, North Carolina Department of Health and Human Services, and Beth Holder, Board Administrator, North Carolina Board of Licensed Professional Counselors, and accepted exhibits into evidence in a public session. After hearing the closing argument of counsel for the Board, the Board retired into an executive session to deliberate, during which deliberations it made the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

The Board finds, by a preponderance of the evidence, that the following facts are true and relevant:

- 1. At all relevant times the Respondent was a professional counselor licensed by the Board.
- Beth Holder, Administrator, Board of Licensed Professional Counselors, testified at hearing that she served Respondent with the Notice of Hearing via certified mail at the most current address that Respondent provided to the Board. The United States Postal Service track and confirm system verified that the notice was delivered on January 31, 2012. (Board Exhibit Number 1).
- 3. On July 1, 2011, Respondent was served with the charge letter in this matter, through her attorney at that time, Donna Eyster. (Board Exhibit Number 2).
- 4. Respondent requested a hearing in this matter on July 21, 2011. In the letter she notified the Board that she would be representing herself. (Board Exhibit Number 3).
- 5. Barbara Awad, Nurse Consultation, Division of Medical Assistance, North Carolina Department of Health and Human Services, testified at hearing to the following facts:

- 6. A case was opened by the Behavioral Health Review Section of the Division of Medical Assistance, as a result of an anonymous complaint letter which accused Respondent of Medicaid fraud and client/counselor abuse. (Board Exhibit Numbers 4 and 7). Ms. Awad conducted an onsite review of the medical records at Respondent's office in Clayton, N.C.
- 7. The review found that Respondent billed Medicaid for therapeutic services which she did not perform under her own provider number. Specifically, the full time and contract staff hired by Respondent billed under Respondent's Medicaid provider number, as "incident to Respondent. These included provisionally licensed and unlicensed individuals. (Board Exhibit Numbers 4 and 5).
- 8. The review found that Respondent employed unqualified staff to provide therapeutic services. Specifically, Respondent has missing or incomplete records of staff qualifications, licensure information, degrees, and transcripts. Further, Respondent hired staff to perform therapeutic services, which were not licensed to perform such services. (Board Exhibit Numbers 4 and 5).
- 9. The review found that Respondent employed provisionally licensed providers who were not receiving required supervision. Specially, there was no documentation of supervision in the personnel files and one staff member resigned because she was not receiving supervision. (Board Exhibit Numbers 4 and 14).
- 10. The review found that Respondent was excessively and improperly billing Medicaid at a higher rate than was allowable for the services that were provided. Specifically, she billed two to three hours per recipient per date of service for play therapy and family counseling at a higher rate than was allowable under Medicaid on an excessive basis. (Board Exhibit Numbers 4 and 5).
- 11. The review found that Respondent inappropriately diagnosed clients. Specifically, she diagnosed a 6 month old and a 1 ½ year old with post traumatic stress disorder. In addition, her treatment plans did not include complete records and documentation. (Board Exhibit Numbers 4 and 5).
- 12. Ms. Awad testified that according to the American Psychiatric Association it was difficult to diagnose children between the ages of 0-3 with post traumatic stress disorder. Specifically, it is difficult to determine if trauma occurs in infants. Young children are often not able to describe in words the event or how they feel about it. Therefore, the American Psychiatric Association has looked at other diagnoses that would be more appropriate for children 0 to 3 years of age. (Board Exhibit Numbers 4 and 5).
- 13. Respondent represented herself to the public as having a "Ph.D. ABD." The transcript which Respondent provided to the Board does not document that she has been awarded a Ph.D. (Board Exhibit Number 13). Respondent has published an article in which she

represented herself as "Dr. Terrago" and as having a "Ph.D., ABD" (Board Exhibit Number 11). She represents herself on her professional disclosure statement to clients as having a "Ph.D., ABD." (Board Exhibit Number 12).

14. The Board finds the testimony of Barbara Awad to be credible.

CONCLUSIONS OF LAW

- I. The Board has jurisdiction of the subject matter of this contested case and over the Respondent.
- II. The Respondent's conduct violated N.C. Gen. Stat. 90-340(7), which alone warrants the disciplinary action taken by the Board.
- III. The Respondent's conduct violated A.1b of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- IV. The Respondent's conduct violated A.1c of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- V. The Respondent's conduct violated A.2a of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- VI. The Respondent's conduct violated A.2b of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- VII. The Respondent's conduct violated A.4a of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- VIII. The Respondent's conduct violated C 2a of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- IX. The Respondent's conduct violated C 4a of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- X. The Respondent's conduct violated C 6b of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- XI. The Respondent's conduct violated D 1f of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- XII. The Respondent's conduct violated F 1a of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.

- XIII. The Respondent's conduct violated F 1b of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- XIV. The Respondent's conduct violated F 4a of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- XV. The Respondent's conduct violated F 4c of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board.
- XVI. The Respondent's conduct violated F 5a of the American Counseling Association Code of Ethics, which alone warrants the disciplinary action taken by the Board

NOW, THEREFORE, the NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS ORDERS:

- I. The license of the Respondent, Rita Terrago, is hereby REVOKED.
- II. Respondent shall turn in her license to practice counseling in North Carolina to the Board no later than thirty days after she receives a copy of this Order. She shall mail her license to: North Carolina Board of Licensed Professional Counselors, Post Office Box 1369, Garner, North Carolina 27529-1369.
- III. No later than thirty days from Respondent's receipt of this Final Decision, Respondent shall terminate services to all of her patients/clients and make provisions for the appropriate transition of her patients/clients to another therapist, as appropriate. Respondent shall also cease to engage in any other activities that meet the definition of the practice of counseling in N.C. Gen. Stat. 90-330(a)(3), including the supervision of any other professionals that are engaged in activities that meet the definition of the practice of counseling. Respondent shall provide a signed affidavit (a written statement made under oath or affirmation taken before a person having authority to administer such oath or affirmation) to the Board no later than thirty days after the execution of this Final Decision attesting that she has terminated and transferred all of her patients/clients within the thirty day period. She shall further attest that she is no longer engaged in the practice of counseling in any way.
- IV. The Board shall maintain this Final Decision as a public record pursuant to N.C. Gen. Stat. 132-1 and 90-340(f) and shall provide copies to the American Counseling Association and the National Board of Certified Counselors, and to other agencies or individuals as required by law.

This the 26th day of March, 2012.

NORTH CAROLINA BOARD OF LICENSED PROFESSIONAL COUNSELORS

BY:

LORIANN STRETCH, PH.D., LPC

BOARD CHAIRPERSON

APPEAL

Pursuant to N.C. Gen. Stat. ' 150B-45, any party wishing to appeal this Final Decision may commence their appeal by filing a Petition for Judicial Review in the Superior Court of Wake County or in the Superior Court of the county in which the party resides. The party seeking review must file the petition within 30 days after being served with a written copy of this Final Decision.

CERTIFICATE OF SERVICE

I, Beth Holder, Administrator of the North Carolina Board of Licensed Professional Counselors, do hereby certify that I have this day served a copy of the foregoing ORDER upon the following by depositing a copy of same in the United States mail, postage prepaid addressed as follows:

Rita Terrago Jacobs Ladder 8928 Business Highway 70 West, Suit 100 Clayton, North Carolina 27520

Sondra C. Panico Assistant Attorney General Service to State Agencies Post Office Box 629 Raleigh, North Carolina 27602

This the the day of March, 2012.

Beth Holder Administrator

North Carolina Board of Licensed

Professional Counselors