

**BEFORE THE MINNESOTA
BOARD OF PSYCHOLOGY**

In the Matter of
Karen LaBounty, Ph.D., L.P.
License No. LP3141

**STIPULATION AND
CONSENT ORDER**

IT IS HEREBY STIPULATED AND AGREED by Karen LaBounty, Ph.D., L.P. (Licensee), and the Minnesota Board of Psychology (Board) as follows:

1. During all times herein, Licensee has been and now is subject to the jurisdiction of the Board from which she holds a license to practice psychology in the State of Minnesota.

FACTS

2. For the purpose of this stipulation, the Board may consider the following facts as true:

a. On, or about, September 16, 2004, Licensee was licensed by the Board as a Licensed Psychologist.

b. From approximately 1997 to June 23, 2014, Licensee practiced as a psychologist at a hospital in St. Paul ("Hospital").

c. From approximately 2001 to January 14, 2010, Licensee provided psychological counseling to Client #1 at the Hospital.

d. In 2010, Licensee began providing psychological counseling to Client #1 through a private practice Licensee established in River Falls, Wisconsin.

e. In approximately 2010, Licensee breached professional boundaries with Client #1.

f. On, or about, April 20, 2014, Licensee informed her supervisor at the Hospital that Licensee would need to adjust her schedule due to memory problems.

g. On, or about, June 23, 2014, Licensee was diagnosed with early onset Alzheimer's disease. Licensee's doctor recommended that Licensee cease working and driving.

h. On, or about, June 24, 2014, Licensee resigned her employment at the Hospital.

REGULATIONS

3. The Board views Licensee's practices as described above to be in violation of statutes and rules enforced by the Board. Licensee agrees that the conduct cited above constitutes a violation of Minn. Stat. § 148.941, subd. 2(a)(1) (violated a Board statute, rule, or order); Minn. Stat. § 148.941, subd. 2(a)(3), and Minn. R. 7200.5700 (engaged in unprofessional conduct); Minn. Stat. § 148.941, subd. (10), and Minn. R. 7200.4850 (inability to practice psychology with reasonable skill and safety to clients due to any mental or physical illness or condition); Minn. Stat. § 148.98 and Minn. R. 7200.4500 (violated the rules of conduct/code of ethics); Minn. R. 7200.4810, subp. 1.A (impaired objectivity by a dual relationship).

REMEDY

4. Upon this stipulation and all the files, records, and proceedings herein, and without further notice or hearing herein, Licensee does hereby consent that until further order of the Board, made after notice and hearing upon application by Licensee or upon the Board's own motion, the Board may make and enter an order as follows:

a. Licensee's license to practice psychology is **REVOKED**.

b. Licensee shall not practice, attempt to practice, offer to practice, or advertise or hold out as authorized to practice as a psychologist in the State of Minnesota for which licensure is required.

c. Licensee shall not use the title psychologist or any designation which indicates psychology licensure.

d. No sooner than ten years from the date of this Order, Licensee may apply for licensure. Upon application, Licensee must prove by a preponderance of the evidence that he is fit and competent to practice psychology. The Board will be the sole determiner of whether Licensee is fit and competent to practice as a psychologist.

e. Upon application for licensure, Licensee may be required to meet with the Complaint Resolution Committee ("Committee"). Licensee must provide the Committee with information it reasonably requests. Based on the evidence presented by Licensee, the Committee will make a recommendation to the Board as to whether Licensee has proved by a preponderance that she is fit and competent to practice as a psychologist. The full Board, however, must make the final decision regarding whether to license Licensee. The Board may include conditions, limitations, and/or other penalties which the Board is authorized to impose on Licensee's license.

f. Upon applying to the Board for licensure, Licensee shall submit a completed application for licensure, pay the licensure fee, and meet all other licensure requirements in effect at the time of application.

5. Licensee is represented by Timothy Webb, Esq., Neve Webb, PLLC. The Complaint Resolution Committee is represented by Nicholas Lienesch, Assistant Attorney General.

6. Licensee waives all formal hearings on this matter and all other procedures before the Board to which Licensee may be entitled under the Minnesota or United States constitutions, statutes, or rules and agrees that the order to be entered pursuant to the stipulation shall be the final order herein.

7. Licensee hereby knowingly and voluntarily waives any and all claims against the Board, the Minnesota Attorney General's Office, the State of Minnesota and their agents, employees and representatives which may otherwise be available to Licensee under the Americans With Disabilities Act or the Minnesota Human Rights Act relative to the action taken or authorized against Licensee's license to practice psychology under this stipulation.

8. Licensee hereby acknowledges that she has read, understands, and agrees to this stipulation and has freely and voluntarily signed the stipulation without threat or promise by the Board or any of its members, employees, or agents. When signing the stipulation, Licensee acknowledges she is fully aware the stipulation is not binding unless and until it is approved by the Board. The Board may approve the Stipulation and Consent Order as proposed, approve the Stipulation and Consent Order subject to specified change, or reject it. If the changes are acceptable to Licensee, the stipulation will then take effect and the order as modified will be issued. If the changes are unacceptable to Licensee or the Board rejects the stipulation, it will be of no effect except as specified herein.

9. This Stipulation and Consent Order constitutes a disciplinary action against Licensee.

10. This Stipulation and Consent Order is a public document and will be sent to all appropriate data banks.

11. This stipulation contains the entire agreement between the parties there being no other agreement of any kind, verbal or otherwise, which varies this stipulation.

BOARD OF PSYCHOLOGY

COMPLAINT RESOLUTION
COMMITTEE

Karen S LaBounty
Karen LaBounty, Ph.D., L.P.
Licensee

Patricia Stankovitch, PsyD, CP
For the Committee

Dated: 2/4/16

Dated: 2/18/16

ORDER

Upon consideration of this stipulation and all the files, records, and proceedings herein,

IT IS HEREBY ORDERED that the license of Licensee is hereby **REVOKED** and that all other terms of this stipulation are adopted and implemented by the Board this 19th day of

February, 2015.
[Signature]

MINNESOTA BOARD OF PSYCHOLOGY

Angelina M. Barnes
ANGELINA M. BARNES
Executive Director