

BEFORE THE MINNESOTA
BOARD OF PSYCHOLOGY

In the Matter of
Warren H. Peterson, M.A., L.P.
License No. LP1551

**STIPULATION AND
CONSENT ORDER**

IT IS HEREBY STIPULATED AND AGREED by Warren H. Peterson, M.A., 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 he 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:

Criminal Convictions for Fraud

a. On February 4, 1994, Licensee was convicted in the Ramsey County District Court of two felony counts of Theft by False Representation and one felony and one misdemeanor count of Attempted Theft by False Representation. Licensee submitted bills to Medicaid that misrepresented the psychological services he rendered; he submitted bills for dates on which he did not provide services; he submitted bills for people who were not receiving his services; and he submitted bills that misrepresented the provider of the services. Licensee's conduct included attempted theft from the Medicaid program and from Blue Cross Blue Shield of Minnesota.

b. On May 18, 1994, a judge for Ramsey County District Court sentenced Licensee for each separate offense. The judge stayed imposition of the sentences contingent upon the following: (1) Licensee must serve ten years of probation; (2) Licensee must concurrently serve 60 and 40 days in the Ramsey County workhouse; (3) Licensee must pay fines or perform community service worth a total of \$7,350; (4) Licensee must complete

chemical dependency treatment and aftercare; (5) Licensee must comply with the recommendations of his psychiatrist for medicine and therapy; (6) Licensee must remain law abiding; and (7) Licensee must make restitution in the amount of \$5,449.40, to be paid jointly and severally by Licensee and his accomplice.

c. As a result of his 1994 convictions, the Minnesota Department of Human Services notified Licensee in a letter dated February 23, 1994, that he was indefinitely suspended from participation in the Minnesota Medical Assistance ("MA") program effective February 7, 1994.

d. As a result of his 1994 convictions, the United States Department of Health and Human Services ("USDHHS") excluded Licensee for a period of five years effective December 7, 1994, from participation in the Medicare program and any state health care program as defined in 42 U.S.C. § 1320a-7(h). Specifically, Licensee may not receive payment for services provided to recipients of Medicare or Medicaid. As a result of USDHHS's action, the Minnesota Department of Human Services again notified Licensee that he was indefinitely suspended from participation in the Minnesota MA program. Licensee may not be reinstated to the Minnesota MA program until he is first reinstated to the Medicare program.

e. On October 27, 1997, Licensee was convicted by a jury in the Ramsey County District Court of one felony count of Theft by False Representation. The jury concluded that after Licensee had been indefinitely suspended from the Minnesota MA program, he aided and abetted another professional in misrepresenting to MA the individual who was professionally responsible for Licensee's psychological services and aided and abetted this professional to fraudulently and deceptively obtain reimbursement from MA for the services. This professional received \$3,701.25 from MA funds for Licensee's services to five clients; the professional paid Licensee for his services.

f. On December 10, 1997, Licensee appeared in Ramsey County District Court for violating the terms of his probation for the 1994 convictions. Specifically, based on

Licensee's 1997 conviction, he had failed to remain law-abiding. The judge ordered execution of Licensee's original 1994 sentence, thereby requiring Licensee to serve eight months in the Ramsey County workhouse.

g. On December 12, 1997, a judge for Ramsey County District Court sentenced Licensee for the 1997 conviction of Theft by False Representation. Licensee was sentenced to 17 months incarceration, a \$6,000 fine, and 10 years of probation. The judge stayed execution of the sentence with the following conditions of probation: (1) Licensee must serve 120 days in the Ramsey County workhouse to run concurrently with the 8 months in the workhouse imposed as a result of his probation violation; (2) Licensee must pay a \$500 fine and perform 200 hours of community service; (3) Licensee must surrender his license to practice psychology on December 15, 1997; (4) Licensee must remain law abiding; and (5) Licensee must make restitution in the amount of \$3,701.25, to be paid jointly and severally by Licensee and the principal perpetrator.

h. On December 15, 1997, Licensee gave his psychology license to his attorney, who delivered it to the prosecuting attorney that same day. On December 16, 1997, the prosecuting attorney sent Licensee's license to the Board's Executive Director.

Misrepresentation and Improper Representation of Credentials

i. Licensee made misleading and deceptive statements to the Board about his training to treat sex offenders and their families by giving the impression that he had received education, training, or supervised experience from a specific treatment program for sexual offenders ("the program"). Upon further inquiry by the Board about the listing of this competency, Licensee, through his attorney, stated that while working at the University Avenue Counseling Center ("UACC"), another licensed psychologist at the center represented to him that he had been trained by the program and stated that the licensed psychologist imparted that training to Licensee. In actuality, neither Licensee nor the licensed psychologist at UACC had received education, training, or supervised experience from the program.

j. Licensee used letterhead at one time which failed to include his academic degree with his license status, as required since 1991 by Minnesota Statutes section 148.96, subdivision 1, when representing himself to the public through written materials. Furthermore, in his therapeutic notes and in summaries of sessions that he has provided to a client, Licensee signed "L.P." after his name, but did not include his academic degree.

Client #1

k. In approximately October 1990, Licensee began assisting and providing consultation to a colleague in the treatment of client #1, a woman who had an obsession with spanking. Licensee's colleague had been providing therapy to client #1 for approximately fourteen years.

l. Licensee failed to provide adequate and appropriate consultation to his colleague. Licensee participated in twenty to thirty therapy sessions with client #1. However, despite Licensee's knowledge of the long-term nature of client #1's therapy, Licensee failed to suggest adequate changes to client #1's treatment plan. Furthermore, Licensee failed to recognize and discourage his colleague's inappropriate behavior with client #1.

m. Licensee failed to effectively manage the transference issues of client #1, who was a particularly vulnerable patient. Both Licensee and his colleague were aware of and noted client #1's desire for love and attention.

n. In late July and early August 1991, client #1 wrote a song about spanking. As a preface to her song, client #1 wrote: "A song by [client #1.] [T]he words of the person who is spanking me is singing to me about me (for example my psychologists [colleague] and [Licensee])[.] [T]he words I made up to the tune (song) of Jesus Our [B]rother Kind and Good." In one verse, client #1 wrote: "A boyfriend is not what you need[.] [Y]ou still need the love of a father."

o. The Board's investigation determined that Licensee inappropriately visited client #1 at her residence in October 1991. Licensee neither admits nor denies this, but acknowledges that it would have been inappropriate to have done so.

p. At client #1's request, Licensee wrote what he called "therapeutic notes" to client #1 on inappropriate greeting cards which client #1 provided. Licensee wrote on at least 18 greeting cards to client #1 in 1991 and 1992. After therapy sessions, Licensee gave client #1 the original greeting cards containing the therapeutic note. Examples include the following:

- 1) Licensee wrote a therapeutic note dated November 13, 1991, on a Thanksgiving card with a preprinted message which stated, "Special people like you . . . are such a special blessing."
- 2) Licensee wrote a therapeutic note dated November 20, 1991, on a Thanksgiving card with a preprinted message which stated, "I'm thankful for smiles and hugs and memories and fun and sunshine and you!"
- 3) Licensee wrote a therapeutic note dated December 18, 1991, on a Christmas card with a preprinted message which stated, "A nana who is loved a lot, Especially one like you, Should have a merry Christmas--Sure hope you really do!"
- 4) Licensee wrote a therapeutic note dated January 9, 1992, on a Valentine's Day card with a preprinted message which stated: "You Mean a Lot to Me[.] Here's hoping in your heart you know That in my heart you're treasured so!"
- 5) Licensee wrote a therapeutic note dated January 22, 1992, on a Valentine's Day card with a preprinted message which stated: "Your friendship means so much to me."
- 6) Licensee wrote a therapeutic note on an undated Valentine's card with preprinted phrases such as "Love You." Client #1 wrote on the card: "I would like [Licensee] to be my daddy. I'm proud that he is my psychologist."
- 7) Licensee wrote a therapeutic note dated March 11, 1992, on an Easter card with a preprinted message which stated: "But I think about you often and the thoughts are always warm--When you come to mind, you always bring a smile."

8) Licensee wrote a therapeutic note dated April 8, 1992, on an Easter card with a preprinted message which stated, "Thoughts of you are like roses in the spring--oh, what happiness they bring!"

9) Licensee wrote a therapeutic note dated May 6, 1992, on a birthday card with a preprinted message which stated: "How many birthday hugs does a girl like you deserve? I don't think they make a number that big!"

q. Despite client #1's obsession with spanking, including the word "spanking," Licensee used the word in almost all of his therapeutic notes to client #1.

Client #2

r. While Licensee provided therapy to client #2 from approximately June 1993 to January 1994, client #2 told Licensee she had engaged in a sexual relationship with her former psychologist. Licensee knew that client #2 had filed a complaint with the Board; Licensee himself failed to report the alleged sexual relationship to the Board as required by Minnesota Rules 7200.4900, subpart 10, in part as a result of discussions with client #2 and her treating psychiatrist. Licensee wrote in client #2's records, "I encouraged [client #2] to find out definitely my responsibility for reporting this behavior as she had already filed a report."

REGULATIONS

3. The Board views Licensee's practices as described in paragraph 2 above to be in violation of statutes and rules enforced by the Board. Licensee agrees that the conduct cited above constitutes a violation of Minnesota Statutes section 148.98 (code of ethics); Minnesota Statutes section 148.941, subdivision 2(a)(4) (felony conviction, an element of which is dishonesty or fraud, and engaging in conduct reflecting adversely on Licensee's fitness to engage in the practice of psychology); Minnesota Statutes section 148.941, subdivision 2(a)(2) (engaging in fraudulent, deceptive, and dishonest conduct that adversely affects Licensee's fitness to practice psychology); Minnesota Statutes section 148.941, subdivision 2(a)(5) (employment of deception in renewing a license); Minnesota Statutes sections 148.941,

subdivision 2(a)(1), and 148.96 (failure to include Licensee's academic degree with his license status when representing himself to the public through written materials); Minnesota Statutes section 148.941, subdivision 2(a)(3), former Minnesota Statutes section 148.941, subdivision 2(a)(9) (repealed 1996), former Minnesota Statutes section 148.95 (repealed 1993), and Minnesota Rules 7200.4500, subpart 3, and 7200.5700 (engaging in unprofessional conduct and violation of the code of ethics adopted by the Board); Minnesota Rules 7200.5200, subpart 3 (misrepresentation to a third-party payor of the nature of services provided to a client and of the individual who is professionally responsible for the services provided); Minnesota Rules 7200.5600 (engaging in conduct likely to deceive or defraud the public or the Board); Minnesota Rules 7200.4600, subpart 2 (failure to accurately represent areas of competence, education, training, and experience); Minnesota Rules 7200.4900, subpart 6 (failure to terminate a professional relationship even though the client was not likely to benefit from continued professional services); Minnesota Rules 7200.4900, subpart 10 (failure to file a complaint with the Board when Licensee had reason to believe another psychologist had sexual contact with a client); and Minnesota Rules 7200.5500 (violation of a law which relates to the provision of psychological services) and constitutes a reasonable basis in law and fact to justify the disciplinary action provided for in the Order.

REMEDY

4. Upon this stipulation and all of the files, records and proceedings herein, and without any further notice of proceedings, 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 **REVOKING** his license to practice psychology in the State of Minnesota. Should Licensee reapply for licensure as a licensed psychologist in Minnesota in the future, he must meet the requirements for licensure in effect at the time of that application. At the time of application, Licensee shall demonstrate by clear and convincing evidence that he is capable of practicing psychology in a fit, competent and ethical manner and with reasonable skill and safety to clients.

5. Licensee shall pay a **CIVIL PENALTY** to the Board in the amount of five thousand (\$5,000.00) dollars for engaging in the conduct described in paragraph 2 above. Licensee must pay \$1,000 of this amount within one year of the date of the Order; the remaining \$4,000 shall be due at the time of any application for licensure. If Licensee fails to pay \$1,000 within one year of the date of the Order, he must pay the entire \$5,000 within one year and 30 days of the date of the Order. Payment of the civil penalty shall be remitted to the Minnesota Board of Psychology at Suite 320, 2829 University Avenue SE, Minneapolis, Minnesota, 55414.

6. This stipulation shall not in any way or manner limit or affect the authority of the Board to proceed against Licensee by initiating a contested case hearing or by other appropriate means on the basis of any act, conduct, or omission of Licensee justifying disciplinary action which occurred before or after the date of this stipulation and which is not directly related to the specific facts and circumstances set forth herein.

7. In the event the Board at its discretion does not approve this settlement or a lesser remedy than indicated in this settlement, then, and in that event, this stipulation is withdrawn and shall be of no evidentiary value and shall not be relied upon nor introduced by either party to this stipulation, except that Licensee agrees that should the Board reject this stipulation and this case proceeds to hearing, Licensee will assert no claim that the Board was prejudiced by its review and discussion of this stipulation or of any records relating to this matter.

8. Any appropriate court may, upon application of the Board, enter its decree enforcing the Order of the Board.

9. Licensee has been advised by Board representatives that he may choose to be represented by legal counsel in this matter. Licensee has been represented by Michael C. Davis.

10. 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.

11. Licensee hereby acknowledges that he 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 that he is fully aware that the stipulation shall be approved by the Board. The Board may either 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.

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

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

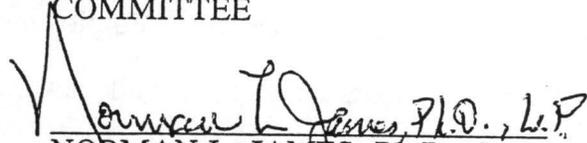
14. This stipulation contains the entire agreement between the parties there being no other agreement of any kind, verbal or otherwise, which varies this stipulation.

BOARD OF PSYCHOLOGY

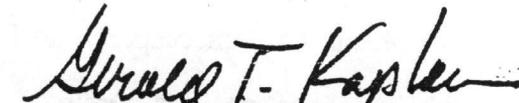
COMPLAINT RESOLUTION
COMMITTEE


WARREN H. PETERSON, M.A., L.P.
Licensee

Dated: April 24, 1998


NORMAN L. JAMES, Ph.D., L.P.

Dated: 4/30, 1998


GERALD T. KAPLAN, M.A., L.P.

Dated: May 1, 1998


SAMUEL ALBERT, Ph.D., L.P.

Dated: 5/1, 1998


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(612) 222-4396

Attorney for Licensee

Dated: 4/24, 1998


MICHAEL J. WEBER
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525 Park Street
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(612) 297-1050

Attorney for Complaint
Resolution Committee

Dated: April 28, 1998

ORDER

Upon consideration of the stipulation and all the files, records, and proceedings herein,
IT IS HEREBY ORDERED that Licensee's license to practice psychology in the State
of Minnesota is **REVOKED**, the **CIVIL PENALTY** is imposed, and all other terms of the
stipulation are adopted and implemented by the Board this 15th day of May, 1998.

MINNESOTA BOARD

OF PSYCHOLOGY


PAULINE WALKER-SINGLETON
Executive Director

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