

WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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ASTATE OF WISCONSIN
BEFORE THE DEPARTMENT OF REGULATION AND LICENSING

IN THE MATTER OF A PETITION FOR AN
ADMINISTRATIVE INJUNCTION INVOLVING

DANIEL R. PAULSON,

RESPONDENT.

Case Number: LS9907281RAL

FINAL DECISION AND SPECIAL ORDER OF INJUNCTION
(SEC. 440.21(2), STATS.)

The parties to this action for the purposes of Wis. Stats. sec. 227.53 are:

*Daniel R. Paulson
1027 Russet St.
Racine, WI 53405*

*Wisconsin Department of Regulation and Licensing
P.O. Box 8935
Madison, WI 53708-8935*

*Wisconsin Department of Regulation and Licensing
Division of Enforcement
P.O. Box 8935
Madison, WI 53708-8935*

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final decision of this matter, subject to the approval of the Department. The Department has reviewed this Stipulation and considers it acceptable.

Accordingly, the Department in this matter adopts the attached Stipulation and makes the following:

FINDINGS OF FACT

1. Daniel R. Paulson, Respondent, is not now, and never has been, licensed by the Wisconsin Psychology Examining Board, pursuant to Chapter 455 of the Wisconsin Statutes, to engage in the practice of psychology in the state of Wisconsin.
2. Respondent's address is 1027 Russet St., Racine, WI 53405.
3. Since October 1, 1996, §455.02(1m), Stats., has prohibited any person from engaging in the practice of psychology, without a license issued by the Psychology Examining Board.
4. §455.01(5), Stats., defines "Practice of psychology" to mean: "rendering to any person for a fee a psychological service involving the application of principles, methods and procedures of understanding, predicting and influencing behavior, such as the principles pertaining to learning, perception, motivation, thinking, emotions and interpersonal relationships; the methods and procedures of interviewing, counseling, psychotherapy, psychoanalysis and biofeedback; and the methods and procedures of constructing, administering and interpreting

tests of mental abilities, aptitudes, interests, attitudes, personality characteristics, emotion and motivation. The application of these principles and methods includes, but is not restricted to, all of the following:

- (a) Psychological diagnosis, prevention and treatment of problems in behavioral, vocational, educational, emotional, sexual, neuropsychological and mental disorders.
- (b) Treatment for alcohol and other substance abuse, disorders of habit and conduct, and the psychological and behavioral aspects of physical illness, accident or other disabilities.
- (c) Any other activity authorized by statute or by rules promulgated by the examining board."

5. From January of 1993 until the end of February, 1999, Respondent worked in Racine, Wisconsin at the Altenberg Clinic, an outpatient psychotherapy clinic certified by the Department of Health and Family Services under Wisconsin Adm. Code § HSS 61.95. At that clinic, Respondent used the title "independent mental health consultant" and provided services which constituted engaging in the practice of psychology.

6. At the time Respondent was employed at the Altenberg Clinic, Respondent met the qualifications under Wis. Adm. Code § HSS 61.96 for employment as a mental health professional in an outpatient psychotherapy clinic certified by the Department of Health and Family Services under Wis. Adm. Code § HSS 61.95.

7. Although Respondent was not licensed to engage in the practice of psychology, Respondent was able to engage in the practice of psychology at the Altenberg Clinic, while he was performing activities that were a part of the duties for which he was employed by the clinic and was performing those activities solely within the confines of or under the jurisdiction of the clinic. That authority came from § 455.02(2m)(L), Stats., which provides that a license to engage in the practice of psychology is not required by:

"a mental health professional who has met all of the qualifications under s. HSS 61.96, Wis. adm. code, for employment as a mental health professional in an outpatient psychotherapy clinic certified by the department of health and family services under s. HSS 61.95, Wis. adm. code, if the person is performing activities that are a part of the duties for which he or she is employed by such a certified outpatient psychotherapy clinic and is performing those activities solely within the confines of or under the jurisdiction of the clinic by which he or she is employed."

8. There was no other applicable statutory exception which allowed Respondent to engage in the practice of psychology without a license during the time he was employed at the Altenberg Clinic.

9. Respondent's employment at the Altenberg clinic required Respondent to maintain records of the treatment provided to clients.

10. Respondent's employment at the Altenberg clinic required that all billing of clients was to be done by the clinic office and all payments from clients were to be made to the clinic. Respondent would then receive a percentage of the fees collected from Respondent's clients.

11. From 1990 to 1993, Respondent had provided psychotherapy to Mr. A and to Mr. A's partner, Mr. B, at Harbor Medical Services in Racine, where Respondent was then employed.

12. In late 1997, Mr. A was suffering from depression and sought psychotherapy from Respondent for the depression and relationship issues. Respondent conducted individual psychotherapy sessions with Mr. A and joint sessions with Mr. A and Mr. B. Some of the sessions took place at Carthage College in Kenosha, Wisconsin, where Respondent was also an instructor. Other sessions took place at night at the Altenberg Clinic.

13. Respondent did not maintain any records at the Altenberg clinic regarding his 1997 sessions with Mr. A or Mr. B, and the clinic was not aware Respondent was providing psychological services to Mr. A or Mr. B. Respondent had Mr. A and Mr. B. pay Respondent directly rather than billing them through the clinic and Respondent kept all fees paid by Mr. A and Mr. B. Respondent told Mr. A and Mr. B that he was only renting space from Altenberg and that they were to pay Respondent and not Altenberg Clinic.

14. The psychological services Respondent provided to Mr. A and Mr. B in 1997 were not activities performed as a part of the duties for which he was employed by the Altenberg Clinic and were not activities performed solely within the confines of or under the jurisdiction of the Altenberg Clinic

15. In August of 1998, Respondent stopped by the home of Mr. A and Mr. B and asked to borrow \$2,000 from them. Mr. A and Mr. B agreed to lend the \$2,000 to Respondent because Respondent had helped them through his professional services. On September 5, 1998, Respondent signed a note indicating that he would repay the \$2,000 to Mr. A and Mr. B within 90 days.

16. While Respondent was at the home of Mr. A and Mr. B, obtaining the \$2,000 loan, Respondent told Mr. A and Mr. B that Mr. A looked terrible and offered to provide them with psychological services. From September, 1998 to December, 1998, Respondent provided psychotherapy to Mr. A and Mr. B on several occasions. These sessions

took place at a McDonald's restaurant in Racine, at the clients' home, and at Respondent's home. At Respondent's request, Mr. A and Mr. B paid \$700 directly to Respondent for those sessions.

17. On December 21, 1998, while Mr. A was in a psychotherapy session with Respondent in a McDonald's restaurant parking lot in the Racine area, Respondent asked Mr. A if Respondent could charge a cellular phone contract to Mr. A's credit card. Mr. A agreed to allow Respondent to do so. The monthly fee for the cellular service was to be in excess of \$100 per month. Respondent agreed to give Mr. A \$1,400, which represented one year's advance fee for the cellular service.

18. Respondent gave Mr. A a check for \$3,400 written on Respondent's mother's checking account, which was payment on the loan and for the cellular service. Respondent instructed Mr. A to cash the check after January 10, 1999. Mr. A cashed the check on January 11 and it was returned by the bank for insufficient funds. Respondent has neither repaid the loan nor paid Mr. A for the cellular services charged to Mr. A's credit card.

19. The psychological services Respondent provided to Mr. A and Mr. B in 1998 were not activities performed as a part of the duties for which he was employed by the Altenberg Clinic and were not activities performed solely within the confines of or under the jurisdiction of the Altenberg Clinic

CONCLUSIONS OF LAW

1. The Wisconsin Department of Regulation and Licensing has jurisdiction over this matter, pursuant to § 440.21(1) and (2), Stats.

2. The Wisconsin Department of Regulation and Licensing is authorized to enter into this stipulated resolution of this matter pursuant to § 227.44(5), Stats.

3. Respondent, Daniel R. Paulson has engaged in the unlicensed practice of psychology in Wisconsin, in violation of § 455.02(1m), Stats..

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that Respondent, Daniel R. Paulson, is prohibited from engaging in the practice of psychology, until such a time as Respondent qualifies under one of the exceptions set out at § 455.02(2m), Stats. or becomes licensed under Chapter 455, Stats., or successor statute.

IT IS FURTHER ORDERED that Respondent, Daniel R. Paulson, be, and hereby is, notified that any person who violates a special order, such as this, issued under § 440.21, Stats., may be required to forfeit not more than \$10,000.00 for each offense and that each day of continued violation constitutes a separate offense.

Dated at Madison, Wisconsin this 27th day of July, 1999.

Marlene A. Cummings, Secretary

Department of Regulation and Licensing