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BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the First Amended Accusation and Petition to Revoke Probation Against: CHARLES NATHAN SHOOSTER 421 N. Rodeo Drive, Suite 1526 Beverly Hills, California 90210 Psychologist License No. PSY 4502, Respondent.	)))))))))))	Case No. W204 OAH No. L-2001050096

DECISION

The attached Proposed Decision of the Administrative Law Judge is hereby adopted by the Board of Psychology as its Decision in the above-entitled matter.

This Decision shall become effective April 25, 2002.

IT IS SO ORDERED March 26, 2002.

BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

By Martin R. Greenberg
Martin R. Greenberg, Ph.D.

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BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the First Amended Accusation And Petition to Revoke Probation Against:	)	Case No. W204 OAH No. L-2001050096
CHARLES NATHAN SHOOSTER, 421 N. Rodeo Drive, Suite 1526 Beverly Hills, California 90210	)	
Psychologist License No. PSY 4502,	)	
Respondent.	)	

PROPOSED DECISION

On February 5, 2002, Vincent Nafarrete, Administrative Law Judge, heard this matter in Los Angeles. Complainant was represented by Rajpal S. Dhillon, Deputy Attorney General. Respondent Charles Nathan Shooster, M.D., was present and represented by James J. Seltzer, Attorney at Law.

Oral and documentary evidence having been received and the matter submitted for decision, the Administrative Law Judge finds as follows:

FACTUAL FINDINGS

1.(A) On March 9, 2001, the Accusation and Petition to Revoke Probation, Case No. W204, was made and filed by Thomas S. O'Connor in his official capacity as Executive Officer, Board of Psychology, Department of Consumer Affairs, State of California (hereinafter Board).

(B) On February 4, 2002, the First Amended Accusations and Petition to Revoke Probation, Case No. W204, was made by the Board and filed with Administrative Law Judge by the Deputy Attorney General without objection.

2.(A) On January 19, 1976, the Board issued psychologist's license no. PSY – 4502 to Charles Nathan Shooster (hereinafter respondent). Said license is currently active and renewed through February 28, 2003.

(B) On March 29, 1995, in the Matter of the Accusation Against Charles N. Shooster, Ph.D., Case No. W-1, OAH No. L-62579, psychologist's license no. PSY – 4502 issued to respondent was revoked, revocation was stayed, and said license placed on probation for five (5) years for conviction of a crime substantially related to the qualifications, functions, or duties of a licensed psychologist. In November 1987, respondent was convicted of violating five (5) misdemeanor counts of filing false sales tax returns in connection with his ownership and operation of 17 gasoline stations.

(C) On May 5, 2000, respondent agreed to have his psychologist's license placed on inactive status because in October 1998 he had a stroke which affected his vision, he had closed his practice, and he was unable to practice psychology safely. Respondent further agreed that the five-year probation his license remained tolled until the Board approved his request to return his license to active status.

(D) Under condition no. 14 of the disciplinary order in Case No. W-1, OAH No. L-62579, the Board may, after giving notice and opportunity to be heard, revoke probation and carry out the stayed disciplinary order if respondent violates probation in any respect.

(E) Under condition no. 6 of the disciplinary order in Case No. W-1, OAH No. L-62579, respondent is required to obey all federal, state, and local laws and all regulations governing the practice of psychology in California.

3.(A) On or about May 8, 2000, before the United States District Court, Central District of California, in United States of America v. Charles Nathan Shooster, Case No. CR00-148, respondent was convicted on his plea of guilty of violating Title 18, United States Code, Sections 2 and 1341 (mail fraud and aiding and abetting), crimes involving moral turpitude.

(B) As a result of his plea and conviction, the United States District Court placed respondent on probation for three (3) years on condition, in part, that he participate in a home detention program for six months, pay restitution of $1,800 to Transamerica Medicare in monthly $100 installments, that he authorize The U.S. Probation Officer to obtain credit inquiries, tax returns, and accurate financial statements, that he not transfer any asset valued in excess of $100 without approval until restitution had been paid, and that he maintain a single checking account.

(C) The facts and circumstances of respondent's offenses and conviction are that, for an undetermined time ending in or about 1998, respondent knowingly devised and participated in a scheme to defraud and obtain money from Medicare and Medi-Cal by false and fraudulent means. Respondent submitted false and fraudulent claims for reimbursement to Medicare and Medi-Cal which falsely stated that he had provided individual psychotherapy sessions to Medicare and Medi-Cal beneficiaries in skilled nursing and board and care facilities. In truth and fact, he had not provided individual psychotherapy session to them. Respondent mailed his false and fraudulent claims to Medicare and Medi-Cal and caused

reimbursement checks to be mailed and delivered to him. The federal criminal information states Medicare and Medi-Cal paid respondent approximately $417,848 in reimbursement for false claims he submitted to the public insurance programs.

(D) Respondent's conviction for mail fraud was for crimes substantially related to the qualifications, function, or duties of a licensed psychologist. Honesty and integrity are qualities expected of a psychologist licensed by the Board.

4. On or about May 30, 2000, pursuant to his agreement with the Board, respondent filed a license renewal application with the Board, requesting renewal of his inactive license. He also disclosed that he had suffered the conviction of mail fraud.

5. Respondent admits his federal conviction for mail fraud. He indicates that he completed the home detention program for six months and has paid the price of his conviction.

6. Respondent testified that he prepared and submitted the Medicare and Medi-Cal claims himself. He states that he over-billed Medicare and Medi-Cal only $20,000 for all of the four years from 1993 through 1997 not $20,000 each year. When interviewed by the Board's investigator, respondent stated to the investigator that he did not think there was anything wrong with his billings or claims and that the scheme was a big misunderstanding. Respondent states, if he is allowed to practice, he will not treat Medicare or Medi-Cal patients and will work for a clinic where he will be supervised and not required to prepare billings.

7. After his mail fraud conviction in May 2000, respondent worked as a staff psychologist for The Block Medical Clinic of Los Angeles for 14 months. He counseled and treated patients with work-related injuries for eight (8) -hour days. He wrote an article on psychiatric injury. The administrator for Block Medical Clinic states respondent was punctual, demonstrated a caring and helpful attitude towards patients, and achieved positive outcomes while dealing with a variety of patients (Exh. A). A staff psychologist at Block Medical Clinic writes that respondent is an outstanding psychologist who achieved excellent results and showed exceptional understanding and insight into the psychotherapeutic process (Exh. B). Respondent left said employment because he had to undergo surgery.

8. About two years ago, respondent suffered a stroke which damaged the retina in his left eye and impaired his vision. Respondent has been under the care of a physician. He has high-blood pressure and a shortened life span. Respondent will be 71 years old this year.

9. Respondent is the sole means of support for his 57 year old spouse and adopted 10 year old daughter. He and his wife together receive $660 each month including social security income. His wife is also ill with a blood disorder. Respondent wants to keep working as a psychologist to provide for his family. He has no other job skills other than as a psychologist. He has worked as a psychologist for almost 30 years since attaining his doctorate in 1972.

10. Currently, respondent lives with his wife and daughter in a 2-bedroom apartment in Beverly Hills that costs $2,000 per month in rent. Earlier, respondent had lived in a one-bedroom apartment in Beverly Hills that cost $1,300 per month in rent. Respondent and his wife own two old vehicles: a 1991 Toyota and a 1993 Plymouth. It was not established how respondent is able to pay rent on his limited monthly income. He states he has no savings or investments.

11. Following his conviction for filing false tax returns in 1987, respondent indicates he lost all of his money and his home from the failed investment in the gasoline stations venture. Three other persons were likewise convicted.

12. The reasonable costs of investigation and enforcement in this matter total $2,672.94, as evidenced by Exhibit 3.

LEGAL CONCLUSIONS

1. Grounds exist to revoke or suspend respondent's license pursuant to Business and Professions Code Sections 2960(a) and 2963 in that respondent was convicted of a crime substantially related to the qualifications, functions, or duties of a licensed psychologist, as set forth in Finding 3 and 5 above.

2. Grounds exist to revoke or suspend respondent's license pursuant to Business and Professions Code Section 2960(n) in that respondent committed dishonest, corrupt, or fraudulent acts by filing false Medicare and Medi-Cal claims and receiving reimbursements therefor, based on Findings 3 and 6 above.

3. Grounds exist to revoke respondent's probation and impose the stayed disciplinary order pursuant to Business and Professions Code Sections 2960 and 2961 and Condition Nos. 14 and 6 of his disciplinary order in Case No. W-1, OAH No. L-62579, in that respondent failed to obey all laws by filing false and fraudulent Medicare and Medi-Cal claims and having been convicted of mal fraud, based on Findings 2 and 6 above.

4. It was not established that respondent is rehabilitated from his mail fraud conviction or that there were any mitigating circumstances to his crime or failure to comply with his disciplinary order. While on probation for a conviction for filing false tax returns, respondent suffered a second conviction for mail fraud based on his filing of false and fraudulent Medi-Cal and Medicare claims. Respondent's financial hardship and inability to support his family are not sufficient reasons by themselves to continue licensure.

5. Grounds exist to direct respondent to pay the reasonable costs of investigation and enforcement of this matter pursuant to Business and Professions Code Section 125.3 based on Conclusions of Law nos. 1 – 3 above.

ORDER

The prior disciplinary order of the Board of Psychology in Case No. W-1, OAH No. L-62579, which revoked said license, stayed revocation, and imposed probation shall be now enforced. Accordingly, psychologist's license no. PSY-4502 and licensing rights issued to respondent Charles Nathan Shooster, Ph.D., shall be revoked.

Dated: March 7, 2002

VINCENT NAVARRETE
Administrative Law Judge
Office of Administrative Hearings

VN:rfm

DANIEL E. LUNGREN, Attorney General
of the State of California
GLORIA A. BARRIOS,
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Attorneys for Complainant

BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: **CHARLES N. SHOOSTER, Ph.D.,** 421 North Rodeo Drive Beverly Hills, California 90201 Psychology License No. PSY 4502, Respondent.	NO. W-1 OAH No. L-62579 **STIPULATED SETTLEMENT AND DISCIPLINARY ORDER**

IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-entitled proceedings that the following matters are true:

1. An Accusation in case number W-1 was filed with the Board of Psychology, Department of Consumer Affairs (the "Board"), on January 4, 1994, and is currently pending against CHARLES N. SHOOSTER, Ph.D., (the "respondent").

2. The Accusation, together with all statutorily required documents, was duly served on the respondent on or about

January 11, 1994, and respondent filed his Notice of Defense contesting the Accusation on or about January 14, 1994. A copy of Accusation No. W-1 is attached as Attachment "A" and hereby incorporated by reference as if fully set forth.

3. The Complainant, Thomas S. O'Connor, is the Executive Officer of the Board of Psychology and brought this action solely in his official capacity. The Complainant is represented by the Attorney General of California, Daniel E. Lungren, by and through Deputy Attorney General Gloria A. Barrios.

4. The respondent is represented in this matter by Ronald D. Miller, Esq., 13412 Ventura Boulevard, Suite 250, Sherman Oaks, California 91423.

5. The respondent and his attorney have fully discussed the charges contained in Accusation number W-1, and the respondent has been fully advised regarding his legal rights and the effects of this stipulation.

6. At all times relevant herein, respondent has been licensed by the Board of Psychology under Psychology License No. PSY 4502.

7. Respondent understands the nature of the charges alleged in the Accusation and that, if proven at hearing, the charges and allegations would constitute cause for imposing discipline upon his psychology license. Respondent is fully aware of his right to a hearing on the charges contained in the Accusation, his right to confront and cross-examine witnesses against him, his right to the use of subpoenas to compel the

attendance of witnesses and the production of documents in both defense and mitigation of the charges, his right to reconsideration, appeal and any and all other rights accorded by the California Administrative Procedure Act and other applicable laws. Respondent knowingly, voluntarily and irrevocably waives and give up each of these rights.

8. Respondent admits the truth of paragraph 7, subdivision A, of the Accusation No. W-1, and agrees that respondent has thereby subjected his psychology license to disciplinary action. Respondent agrees to be bound by the Board's Disciplinary Order as set out below.

9. Based on the foregoing admissions and stipulated matters, the parties agree that the Board shall, without further notice or formal proceeding, issue and enter the following order:

DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Psychology License number PSY 4502 issued to CHARLES N. SHOOSTER, Ph.D., is revoked. However, the revocation is stayed and respondent is placed on probation for 5 years on the following terms and conditions:

1. BILLING MONITOR

Within 90 days of the effective date of this decision, respondent shall submit to the Board for its prior approval, the name and qualifications of one or more California licensed psychologists whose license is clear and current and who has agreed to serve as a billing monitor. Once approved, the monitor shall submit to the Board a plan by which respondent's practice shall be

monitored. The monitor's education and experience shall be in the same field of practice as that of the respondent. The monitor shall submit written reports to the Board on a quarterly basis verifying that monitoring has taken place and providing an evaluation of respondent's billing practices. It shall be respondent's responsibility to assure that the required reports are filed in a timely fashion. The respondent shall provide access to the monitor of respondent's fiscal and client records and shall be permitted to make direct contact with patients. The monitor shall not be the same person as the respondent's therapist. Further, the monitor shall have no prior business, professional, personal or other relationship with respondent. Respondent shall execute a release authorizing the monitor to divulge any information that the Board may request.

Respondent shall notify all current and potential clients of any term or condition of probation which will affect their therapy or the confidentially of their records (such as this condition which requires a billing monitor). Such notification shall be signed by each client prior to continuing or commencing treatment.

If the monitor quits or is otherwise no longer available, respondent shall not practice until a new monitor has been approved by the Board. All costs of monitoring shall be borne by the respondent. Monitoring shall consist of at least one hour per month of individual face to face meetings.

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2. AUDIT

Within 90 days of the effective date of this decision, respondent shall submit to the Board for its prior approval, the name and qualifications of one or more California certified public accountants whose license is clear and current and who has agreed to serve as an auditor. Once approved, the auditor shall submit to the Board a plan by which respondent's practice shall be audited. The auditor shall submit written reports to the Board on a yearly basis verifying that the audit has taken place. It shall be respondent's responsibility to assure that the required audits are filed in a timely fashion. The respondent shall provide access to the auditor of respondent's fiscal and client records and shall be permitted to make direct contact with patients. The auditor shall not be the same person as the respondent's billing monitor. Further, the auditor shall have no prior business, professional, personal or other relationship with respondent. Respondent shall execute a release authorizing the auditor to divulge any information that the Board may request.

Respondent shall notify all current and potential clients of any term or condition of probation which will affect their therapy or the confidentially of their records (such as this condition which requires an auditor). Such notification shall be signed by each client prior to continuing or commencing treatment.

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If the auditor quits or is otherwise no longer available, respondent shall not practice until a new auditor has been approved by the Board. All costs of auditing shall be borne by the respondent.

3. REIMBURSEMENT FOR PROBATION SURVEILLANCE MONITORING

Respondent shall reimburse the Board for the hourly costs it incurs in monitoring the probation to ensure compliance for the duration of the probation period.

4. ETHICS COURSE

Within 60 days of the effective date of this decision, respondent shall submit to the Board for its prior approval a course in Ethics, which respondent shall successfully complete during the first year of probation.

5. COMMUNITY SERVICE

Within 60 days of the effective date of this decision, respondent shall submit to the Board for its prior approval a community service program in which respondent shall provide free counseling service to community or charitable facility or agency for at least 20 hours a year for 5 years.

6. OBEY ALL LAWS

Respondent shall obey all federal, state and local laws and all regulations governing the practice of psychology in California. A full and detailed account of any and all violations of law shall be reported by the respondent to the Board in writing within seventy-two hours of occurrence.

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7. QUARTERLY REPORTS

Respondent shall submit quarterly declarations under penalty of perjury on forms provided by the Board, stating whether there has been compliance with all the conditions of probation.

8. SURVEILLANCE PROGRAM

Respondent shall comply with the Board's surveillance program and shall, upon reasonable notice, report to the assigned District Office of the Medical Board of California. Respondent shall contact the assigned probation surveillance monitor regarding any questions specific to the probation order. Respondent shall not have any unsolicited or unapproved contact with: (1) victims or complainants associated with the case; (2) Board members or members of its staff; or (3) persons serving the Board as expert evaluators.

9. INTERVIEW WITH BOARD OR ITS DESIGNEE

Respondent shall appear in person for interviews with the Board or its designee upon request at various intervals and with reasonable notice.

10. CHANGES OF EMPLOYMENT

Respondent shall notify the Board in writing, through the assigned probation surveillance compliance officer of any and all changes of employment, location, and address within 30 days of such change.

11. TOLLING FOR OUT-OF-STATE PRACTICE OR RESIDENCE

In the event respondent should leave California to reside or to practice outside the State, respondent must notify the Board in writing of the dates of departure and return. Periods of

residency or practice outside California will not apply to the reduction of this probationary period.

12. EMPLOYMENT AND SUPERVISION OF TRAINEES

Respondent shall not employ or supervise or apply to employ or supervise psychological assistants, interns or trainees during the course of this probation. Respondent shall terminate any such supervisorial relationship in existence on the effective date of this probation.

13. COST RECOVERY

Respondent shall pay to the Board its costs of investigation and enforcement in the amount of $ 2,644.55. This amount must be paid in full within 1 year of the effective date of this decision.

14. VIOLATION OF PROBATION

If respondent violates probation in any respect, the Board may, after giving respondent notice and the opportunity to be heard, revoke probation and carry out the disciplinary order that was stated. If an accusation or petition to revoke probation is filed against respondent during probation, the Board shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final. No petition for modification or termination of probation shall be considered while there is an accusation or petition to revoke probation pending against respondent.

15. COMPLETION OF PROBATION

Upon successful completion of probation, respondent's psychology license will be fully restored.

CONTINGENCY

This stipulation shall be subject to the approval of the Board. If the Board fails to adopt this stipulation as its Order, the stipulation shall be of no force or effect, and shall be inadmissible in any legal action between the parties.

ACCEPTANCE

I have read the above Stipulated Settlement and Disciplinary Order. I have fully discussed the terms and conditions and other matters contained therein with my attorney, Ronald D. Miller. I understand the effect this Stipulated Settlement and Disciplinary Order will have on my Psychology license, and agree to be bound thereby. I enter this stipulation freely, knowingly, intelligently and voluntarily.

DATED: 12-9-94

CHARLES N. SHOOSTER, Ph.D.,
Respondent

I have read the above Stipulated Settlement and Disciplinary Order and approve of it as to form and content. I have fully discussed the terms and conditions and other matters therein with respondent CHARLES N. SHOOSTER, Ph.D.

DATED: 12-12-94.

Ronald D. Miller
Attorney for Respondent

ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for the consideration of the Board of Psychology, Department of Consumer Affairs.

DATED: Dec. 15, 1994.

DANIEL E. LUNGREN, Attorney General
of the State of California

GLORIA A. BARRIOS
Deputy Attorney General

Attorneys for Complainant

DECISION AND ORDER
OF THE
BOARD OF PSYCHOLOGY

The foregoing Stipulation and Order, in case number W-1, is hereby adopted as the Order of the Board of Psychology, Department of Consumer Affairs. An effective date of March 29, 19 95, has been assigned to this Decision and Order.

Made this 22 day of March, 19 95.

BRUCE W. EBERT, Ph.D., J.D
Chairperson
Board of Psychology

Attachment: Accusation

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Attorneys for Complainant

BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: Charles N. Shooster, Ph.D. 421 N. Rodeo Dr., Suite 1526 Beverly Hills, CA 90210 Psychology Certificate No. PSY 4502 Respondent.	No. W-1 ACCUSATION

PARTIES

Complainant, Thomas S. O'Connor, alleges:

1. Complainant is the Executive Officer of the Board of Psychology and makes and files this accusation solely in his official capacity.

2. On January 19, 1976, Charles N. Shooster, Ph.D., (hereinafter "respondent") was issued Psychology License No. PSY 4502 by the Board of Psychology of the Department of Consumer Affairs (hereinafter "Board"). At all times relevant to the charges brought herein, said license was in full force and effect.

JURISDICTION

3. This accusation is brought under the authority of the following sections of the California Business and Professions Code (hereinafter the "Code"):

4. Section 125.3 of the Code provides that respondent pay to the Board reasonable costs of the investigation and prosecution of the matter.

5. Section 490 of the Code provides that the Board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business and profession for which the license was issued.

6. Section 2960 of the Code provides that the Board may order the suspension or revocation of a license of a psychologist for any of the following causes:

> "(a) conviction of a crime substantially related to the qualifications, functions or duties of a psychologist . . .
>
> ". . . . . .
>
> "(n) the commission of any dishonest, corrupt, or fraudulent act . . . which is substantially related to the qualifications, functions or duties of a psychologist or psychological assistant."

FIRST CAUSE OF ACTION

7. Charles N. Shooster, Ph.D., is subject to disciplinary action pursuant to sections 490 and 2960 (a) of the Code in that he was convicted of a crime which is substantially

related to the qualifications, functions or duties of a psychologist. The circumstances are as follows:

A. On or about November 3, 1987, respondent pleaded nolo contendere to five counts of Revenue and Taxation Code section 7152, misdemeanors, filing false sales tax return in Municipal Court of Los Angeles Judicial District, People v. Charles N. Shooster, Case No. 31369844.

B. On or about June 4, 1990, respondent was sentenced to one year in county jail as to count 1 and 180 days in county jail as to count 2. Respondent was granted parole for a period of 2 years on January 31, 1991.

C. Respondent embezzled approximately 4 million dollars from 1980 through 1985. The embezzlement was the result of his filing false income tax returns from his 17 gasoline service stations located in Los Angeles County.

SECOND CAUSE OF ACTION

8. Charles N. Shooster, Ph.D., is subject to disciplinary action pursuant to section 2960 (n) of the Code in that he committed dishonest acts which are substantially related to the qualifications, functions or duties of a psychologist.

A. The facts and circumstances set forth above in paragraph 7 are incorporated here by reference.

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PRAYER

WHEREFORE, complainant prays that a hearing be held on the matters alleged herein and that following said hearing the Board issue a decision:

1. Revoking or suspending respondent's license to practice psychology;

2. Directing respondent to pay to the Board the reasonable costs of the investigation and prosecution of this matter, pursuant to Business and Professions Code section 125.3.

3. Taking such other and further action as may be deemed proper and appropriate.

DATED: January 4, 1994.

Thomas S. O'Connor

Thomas S. O'Connor
Executive Officer
Board of Psychology
Department of Consumer Affairs
State of California

Complainant

B

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Attorneys for Complainant

FILED
STATE OF CALIFORNIA
BOARD OF PSYCHOLOGY
SACRAMENTO March 9 2001
BY M. Jackman ANALYST

BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: **CHARLES NATHAN SHOOSTER** 421 N. Rodeo Drive Suite 1526 Beverly Hills, California 90210 Psychologist License No. PSY 4502 Respondent.	Case No. W204 **PETITION TO REVOKE PROBATION**

Complainant alleges:

PARTIES

1. Thomas S. O'Connor ("Complainant") brings this Accusation solely in his official capacity as the Executive Officer of the Board of Psychology, Department of Consumer Affairs.

2. On or about January 19, 1976, the Board of Psychology issued Psychologist License Number PSY 4502 to CHARLES NATHAN SHOOSTER ("Respondent"). On March 22, 1995, the Board entered its Decision and Order in case number W-1, effective March 29, 1995, revoking Psychologist License number 4502 with revocation stayed and the imposition of a five-year term of probation. Subsequently, on December 1, 1999 a Petition to

Revoke Probation was filed, which resulted in an agreement that Respondent place his license on inactive status until he was able to resume practice and continue to serve out the remainder of his five-year probationary period. At this time, Respondent's license is renewed and active until February 28, 2001.

JURISDICTION

3. This petition to revoke probation is brought before the Board under the authority of section 2961 which in part provides that the Board may revoke or impose probationary conditions on a license or registration, as well as sections 2960 and 2963.

4. Section 2960 of the Business and Professions Code provides in pertinent part: The board may refuse to issue any registration or license, or may issue a registration or license with terms and conditions, or may suspend or revoke the registration or license of any registrant or licensee if the applicant, registrant, or licensee has been guilty of unprofessional conduct. Unprofessional conduct shall include, but not be limited to:

(a) Conviction of a crime substantially related to the qualifications, functions or duties of a psychologist or psychological assistant.

(n) The commission of any dishonest, corrupt, or fraudulent act.

5. Section 2963 of the Code states:

A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge which is substantially related to the qualifications, functions and duties of a psychologist or psychological assistant is deemed to be a conviction within the meaning of this article. The committee may order the license suspended or revoked, or may decline to issue a license when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

6. Section 125.3 of the Code states, in pertinent part, that the Board may request the administrative law judge to direct a licentiate found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

7. By order of the Board dated March 22, 1995, and effective March 29, 1995, issued pursuant to a Stipulated Settlement and Disciplinary Order in Case No. W-1, Psychologist License No. 4502 was revoked with revocation stayed and respondent placed on probation for five years. A true and correct copy of the Stipulated Settlement and Disciplinary Order is attached as Exhibit A and incorporated here by reference.

8. In December 1999, a Petition to Revoke respondent's probation was filed on the grounds that he had failed to submit billing monitor and accounting reports, did not pay probation monitoring costs, did not perform community service, and did not submit his quarterly reports. By order of the Board dated May 5, 2000, issued pursuant to an Agreement to Toll the Probationary Period and Place License on Inactive Status in case No. W-1 and W-179, respondent's license was placed in an inactive status due to the fact that in October 1998, respondent suffered a stroke which affected his vision and required the closure of his practice. Respondent agreed that because of his poor health, he was unable to practice psychology safely and was eligible to have his license placed on inactive status. A true and correct copy of the Agreement to Toll the Probationary Period and Place License on Inactive Status is attached as Exhibit B and incorporated herein by reference.

CAUSES FOR REVOCATION OF PROBATION

(Conviction of a Crime)

9. Respondent's probation is subject to revocation for his federal conviction for mail fraud and aiding and abetting, in violation of Business and Professions Code section 2960, in conjunction with sections 2961, and 2963. The circumstances are as follows.

A. On or about February 18, 2000, in an Information filed in the United States District Court for the Central District of California, in case No. CR 00-148, respondent

was charged with violation of 18 U.S.C. section 1341 (Mail Fraud); and 18 U.S.C. section 2 (Aiding and Abetting)

B. The information alleged that beginning on an unknown date and continuing through in or about 1998, respondent participated in a scheme to defraud and to obtain money from Medi-Cal by means of false and fraudulent pretensed, representations, and promises.

C. As part of his scheme, respondent knowingly caused the submission of false and fraudulent claims for reimbursement to Medicare and Medi-Cal. These claims falsely stated that respondent had provided individual psychotherapy sessions to Medicare and Medi-Cal beneficiaries when, he had not provided individual sessions to these beneficiaries.

D. On or about May 8, 2000, respondent entered a plea of guilty to the charges. Respondent was sentenced to three years probation, ordered to pay $1,800 in restitution and ordered to be in an electronically monitored home detention program for six months.

DISCIPLINE CONSIDERATIONS

10. To Complainant alleges that on or about January 4, 1994, in a prior disciplinary action entitled In the Matter of the Accusation and Petition to Revoke Probation Against CHARLES NATHAN SHOOSTER before the Board of Psychology, in Case Numbers W-1, and W-179. Respondent's license was placed on probation for five years, and later placed on inactive status. Those decisions are now final and are incorporated by reference as if fully set forth.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Board of Psychology issue a decision:

1. Revoking Psychologist License Number PSY 4502, issued to CHARLES NATHAN SHOOSTER;

2. Ordering CHARLES NATHAN SHOOSTER to pay the Board of

Psychology the reasonable costs of the investigation and enforcement of this case.

3. Taking such other and further action as deemed necessary and proper.

DATED: March 9, 2001.

THOMAS S. O'CONNOR
Executive Officer
Board of Psychology
Department of Consumer Affairs
State of California
Complainant

03598-1-60-LA-00AD-1684
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KC/ic

EXHIBIT "A"

DANIEL E. LUNGREN, Attorney General
of the State of California
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Attorneys for Complainant

BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: CHARLES N. SHOOSTER, Ph.D., 421 North Rodeo Drive Beverly Hills, California 90201 Psychology License No. PSY 4502, Respondent.	NO. W-1 OAH No. L-62579 **STIPULATED SETTLEMENT AND DISCIPLINARY ORDER**

IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-entitled proceedings that the following matters are true:

1. An Accusation in case number W-1 was filed with the Board of Psychology, Department of Consumer Affairs (the "Board"), on January 4, 1994, and is currently pending against CHARLES N. SHOOSTER, Ph.D., (the "respondent").

2. The Accusation, together with all statutorily required documents, was duly served on the respondent on or about

January 11, 1994, and respondent filed his Notice of Defense contesting the Accusation on or about January 14, 1994. A copy of Accusation No. W-1 is attached as Attachment "A" and hereby incorporated by reference as if fully set forth.

3. The Complainant, Thomas S. O'Connor, is the Executive Officer of the Board of Psychology and brought this action solely in his official capacity. The Complainant is represented by the Attorney General of California, Daniel E. Lungren, by and through Deputy Attorney General Gloria A. Barrios.

4. The respondent is represented in this matter by Ronald D. Miller, Esq., 13412 Ventura Boulevard, Suite 250, Sherman Oaks, California 91423.

5. The respondent and his attorney have fully discussed the charges contained in Accusation number W-1, and the respondent has been fully advised regarding his legal rights and the effects of this stipulation.

6. At all times relevant herein, respondent has been licensed by the Board of Psychology under Psychology License No. PSY 4502.

7. Respondent understands the nature of the charges alleged in the Accusation and that, if proven at hearing, the charges and allegations would constitute cause for imposing discipline upon his psychology license. Respondent is fully aware of his right to a hearing on the charges contained in the Accusation, his right to confront and cross-examine witnesses against him, his right to the use of subpoenas to compel the

attendance of witnesses and the production of documents in both defense and mitigation of the charges, his right to reconsideration, appeal and any and all other rights accorded by the California Administrative Procedure Act and other applicable laws. Respondent knowingly, voluntarily and irrevocably waives and give up each of these rights.

8. Respondent admits the truth of paragraph 7, subdivision A, of the Accusation No. W-1, and agrees that respondent has thereby subjected his psychology license to disciplinary action. Respondent agrees to be bound by the Board's Disciplinary Order as set out below.

9. Based on the foregoing admissions and stipulated matters, the parties agree that the Board shall, without further notice or formal proceeding, issue and enter the following order:

DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Psychology License number PSY 4502 issued to CHARLES N. SHOOSTER, Ph.D., is revoked. However, the revocation is stayed and respondent is placed on probation for 5 years on the following terms and conditions:

1. BILLING MONITOR

Within 90 days of the effective date of this decision, respondent shall submit to the Board for its prior approval, the name and qualifications of one or more California licensed psychologists whose license is clear and current and who has agreed to serve as a billing monitor. Once approved, the monitor shall submit to the Board a plan by which respondent's practice shall be

monitored. The monitor's education and experience shall be in the same field of practice as that of the respondent. The monitor shall submit written reports to the Board on a quarterly basis verifying that monitoring has taken place and providing an evaluation of respondent's billing practices. It shall be respondent's responsibility to assure that the required reports are filed in a timely fashion. The respondent shall provide access to the monitor of respondent's fiscal and client records and shall be permitted to make direct contact with patients. The monitor shall not be the same person as the respondent's therapist. Further, the monitor shall have no prior business, professional, personal or other relationship with respondent. Respondent shall execute a release authorizing the monitor to divulge any information that the Board may request.

Respondent shall notify all current and potential clients of any term or condition of probation which will affect their therapy or the confidentially of their records (such as this condition which requires a billing monitor). Such notification shall be signed by each client prior to continuing or commencing treatment.

If the monitor quits or is otherwise no longer available, respondent shall not practice until a new monitor has been approved by the Board. All costs of monitoring shall be borne by the respondent. Monitoring shall consist of at least one hour per month of individual face to face meetings.

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2. AUDIT

Within 90 days of the effective date of this decision, respondent shall submit to the Board for its prior approval, the name and qualifications of one or more California certified public accountants whose license is clear and current and who has agreed to serve as an auditor. Once approved, the auditor shall submit to the Board a plan by which respondent's practice shall be audited. The auditor shall submit written reports to the Board on a yearly basis verifying that the audit has taken place. It shall be respondent's responsibility to assure that the required audits are filed in a timely fashion. The respondent shall provide access to the auditor of respondent's fiscal and client records and shall be permitted to make direct contact with patients. The auditor shall not be the same person as the respondent's billing monitor. Further, the auditor shall have no prior business, professional, personal or other relationship with respondent. Respondent shall execute a release authorizing the auditor to divulge any information that the Board may request.

Respondent shall notify all current and potential clients of any term or condition of probation which will affect their therapy or the confidentially of their records (such as this condition which requires an auditor). Such notification shall be signed by each client prior to continuing or commencing treatment.

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If the auditor quits or is otherwise no longer available, respondent shall not practice until a new auditor has been approved by the Board. All costs of auditing shall be borne by the respondent.

3. REIMBURSEMENT FOR PROBATION SURVEILLANCE MONITORING

Respondent shall reimburse the Board for the hourly costs it incurs in monitoring the probation to ensure compliance for the duration of the probation period.

4. ETHICS COURSE

Within 60 days of the effective date of this decision, respondent shall submit to the Board for its prior approval a course in Ethics, which respondent shall successfully complete during the first year of probation.

5. COMMUNITY SERVICE

Within 60 days of the effective date of this decision, respondent shall submit to the Board for its prior approval a community service program in which respondent shall provide free counseling service to community or charitable facility or agency for at least 20 hours a year for 5 years.

6. OBEY ALL LAWS

Respondent shall obey all federal, state and local laws and all regulations governing the practice of psychology in California. A full and detailed account of any and all violations of law shall be reported by the respondent to the Board in writing within seventy-two hours of occurrence.

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7. QUARTERLY REPORTS

Respondent shall submit quarterly declarations under penalty of perjury on forms provided by the Board, stating whether there has been compliance with all the conditions of probation.

8. SURVEILLANCE PROGRAM

Respondent shall comply with the Board's surveillance program and shall, upon reasonable notice, report to the assigned District Office of the Medical Board of California. Respondent shall contact the assigned probation surveillance monitor regarding any questions specific to the probation order. Respondent shall not have any unsolicited or unapproved contact with: (1) victims or complainants associated with the case; (2) Board members or members of its staff; or (3) persons serving the Board as expert evaluators.

9. INTERVIEW WITH BOARD OR ITS DESIGNEE

Respondent shall appear in person for interviews with the Board or its designee upon request at various intervals and with reasonable notice.

10. CHANGES OF EMPLOYMENT

Respondent shall notify the Board in writing, through the assigned probation surveillance compliance officer of any and all changes of employment, location, and address within 30 days of such change.

11. TOLLING FOR OUT-OF-STATE PRACTICE OR RESIDENCE

In the event respondent should leave California to reside or to practice outside the State, respondent must notify the Board in writing of the dates of departure and return. Periods of

residency or practice outside California will not apply to the reduction of this probationary period.

12. EMPLOYMENT AND SUPERVISION OF TRAINEES

Respondent shall not employ or supervise or apply to employ or supervise psychological assistants, interns or trainees during the course of this probation. Respondent shall terminate any such supervisorial relationship in existence on the effective date of this probation.

13. COST RECOVERY

Respondent shall pay to the Board its costs of investigation and enforcement in the amount of $ 2,644.55. This amount must be paid in full within 1 year of the effective date of this decision.

14. VIOLATION OF PROBATION

If respondent violates probation in any respect, the Board may, after giving respondent notice and the opportunity to be heard, revoke probation and carry out the disciplinary order that was stated. If an accusation or petition to revoke probation is filed against respondent during probation, the Board shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final. No petition for modification or termination of probation shall be considered while there is an accusation or petition to revoke probation pending against respondent.

15. COMPLETION OF PROBATION

Upon successful completion of probation, respondent's psychology license will be fully restored.

CONTINGENCY

This stipulation shall be subject to the approval of the Board. If the Board fails to adopt this stipulation as its Order, the stipulation shall be of no force or effect, and shall be inadmissible in any legal action between the parties.

ACCEPTANCE

I have read the above Stipulated Settlement and Disciplinary Order. I have fully discussed the terms and conditions and other matters contained therein with my attorney, Ronald D. Miller. I understand the effect this Stipulated Settlement and Disciplinary Order will have on my Psychology license, and agree to be bound thereby. I enter this stipulation freely, knowingly, intelligently and voluntarily.

DATED: 12-9-94

CHARLES N. SHOOSTER, Ph.D.,
Respondent

I have read the above Stipulated Settlement and Disciplinary Order and approve of it as to form and content. I have fully discussed the terms and conditions and other matters therein with respondent CHARLES N. SHOOSTER, Ph.D.

DATED: 12-12-94.

Ronald D. Miller
Attorney for Respondent

ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for the consideration of the Board of Psychology, Department of Consumer Affairs.

DATED: Dec. 15, 1994.

DANIEL E. LUNGREN, Attorney General
of the State of California

GLORIA A. BARRIOS
Deputy Attorney General

Attorneys for Complainant

DECISION AND ORDER
OF THE
BOARD OF PSYCHOLOGY

The foregoing Stipulation and Order, in case number W-1, is hereby adopted as the Order of the Board of Psychology, Department of Consumer Affairs. An effective date of March 29 19 95, has been assigned to this Decision and Order.

Made this 22 day of March, 19 95.

BRUCE W. EBERT, Ph.D., J.D
Chairperson
Board of Psychology

Attachment: Accusation

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of the State of California
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Attorneys for Complainant

BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: Charles N. Shooster, Ph.D. 421 N. Rodeo Dr., Suite 1526 Beverly Hills, CA 90210 Psychology Certificate No. PSY 4502 Respondent.	No. W-1 **ACCUSATION**

PARTIES

Complainant, Thomas S. O'Connor, alleges:

1. Complainant is the Executive Officer of the Board of Psychology and makes and files this accusation solely in his official capacity.

2. On January 19, 1976, Charles N. Shooster, Ph.D., (hereinafter "respondent") was issued Psychology License No. PSY 4502 by the Board of Psychology of the Department of Consumer Affairs (hereinafter "Board"). At all times relevant to the charges brought herein, said license was in full force and effect.

JURISDICTION

3. This accusation is brought under the authority of the following sections of the California Business and Professions Code (hereinafter the "Code"):

4. Section 125.3 of the Code provides that respondent pay to the Board reasonable costs of the investigation and prosecution of the matter.

5. Section 490 of the Code provides that the Board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business and profession for which the license was issued.

6. Section 2960 of the Code provides that the Board may order the suspension or revocation of a license of a psychologist for any of the following causes:

> "(a) conviction of a crime substantially related to the qualifications, functions or duties of a psychologist . . .
>
> ". . . . . .
>
> "(n) the commission of any dishonest, corrupt, or fraudulent act . . . which is substantially related to the qualifications, functions or duties of a psychologist or psychological assistant."

FIRST CAUSE OF ACTION

7. Charles N. Shooster, Ph.D., is subject to disciplinary action pursuant to sections 490 and 2960 (a) of the Code in that he was convicted of a crime which is substantially

related to the qualifications, functions or duties of a psychologist. The circumstances are as follows:

A. On or about November 3, 1987, respondent pleaded nolo contendere to five counts of Revenue and Taxation Code section 7152, misdemeanors, filing false sales tax return in Municipal Court of Los Angeles Judicial District, People v. Charles N. Shooster, Case No. 31369844.

B. On or about June 4, 1990, respondent was sentenced to one year in county jail as to count 1 and 180 days in county jail as to count 2. Respondent was granted parole for a period of 2 years on January 31, 1991.

C. Respondent embezzled approximately 4 million dollars from 1980 through 1985. The embezzlement was the result of his filing false income tax returns from his 17 gasoline service stations located in Los Angeles County.

SECOND CAUSE OF ACTION

8. Charles N. Shooster, Ph.D., is subject to disciplinary action pursuant to section 2960 (n) of the Code in that he committed dishonest acts which are substantially related to the qualifications, functions or duties of a psychologist.

A. The facts and circumstances set forth above in paragraph 7 are incorporated here by reference.

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PRAYER

WHEREFORE, complainant prays that a hearing be held on the matters alleged herein and that following said hearing the Board issue a decision:

1. Revoking or suspending respondent's license to practice psychology;

2. Directing respondent to pay to the Board the reasonable costs of the investigation and prosecution of this matter, pursuant to Business and Professions Code section 125.3.

3. Taking such other and further action as may be deemed proper and appropriate.

DATED: January 4, 1994.

Thomas S. O'Connor

Thomas S. O'Connor
Executive Officer
Board of Psychology
Department of Consumer Affairs
State of California

Complainant

EXHIBIT "B"

BILL LOCKYER, Attorney General
of the State of California
ADRIAN K. PANTON, State Bar No. 64459
Deputy Attorney General
California Department of Justice
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Attorneys for Board of Psychology

BEFORE THE
BOARD OF PSYCHOLOGY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: **CHARLES SHOOSTER, Ph.D.** 9191 Burton Way Beverly Hills, CA 90210 Psychologist License No. PSY 4502, Respondent.	Case No. W-1; W-179 **AGREEMENT TO TOLL THE PROBATIONARY PERIOD AND PLACE LICENSE ON INACTIVE STATUS**

IT IS HEREBY STIPULATED AND AGREED by and between the parties to this proceeding as follows:

1. Thomas S. O'Connor is the Executive Officer of the Board of Psychology (hereinafter "Board") who initiated the proceeding in Case No. W-1 solely in his official capacity and is represented in this matter by Bill Lockyer, Attorney General of the State of California, by Adrian K. Panton, Deputy Attorney General.

2. On or about January 19, 1976, Psychology License No. 4502 was issued by the Board to Charles Shooster, Ph.D. (hereinafter "respondent"). On March 22, 1995, the Board entered its Decision and Order in Case No. W-1, effective March 29, 1995, revoking Psychology License number 4502 with revocation stayed and the imposition of a five-year term

of probation. This license expired on February 28, 1999 and has not been renewed.

3. In October 1998, respondent suffered a stroke which affected his vision and required the closure of his practice. Respondent agrees that because of his poor health, he is unable to practice psychology safely and is eligible to have his license placed on inactive status.

4. Respondent agrees that by **May 15, 2000,** he will submit to the Board an application to have Psychology License number 4502 placed on inactive status. Respondent further agrees that the license shall remain on inactive status until such time that the Board approves a request by respondent that his psychology license be returned to active status. The Board will not approve any request by respondent for the return of his license to active status unless the request is accompanied by a written statement from a physician and surgeon licensed to practice medicine in the State of California establishing that respondent's medical condition does not affect his ability to practice psychology safely.

5. Respondent agrees that the five-year period of probation imposed by the Board in the Decision and Order in Case No. W-1, is tolled from October 1, 1998, and shall remain tolled until such time that the Board approves a request by respondent that his psychology license be returned to active status. Respondent understands that the period during which his psychology license is tolled, that is from October 1, 1998 until the date the Board approves the return of the license to active status, is not counted in the computation of the five-year probationary period which became effective March 29, 1995.

6. Respondent enters this agreement freely, voluntarily, intelligently, and with the knowledge and understanding of each of the terms herein contained.

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ACCEPTANCE

I have carefully read and understand the above Agreement to Toll the Probationary Period and Place License on Inactive Status. I understand the effect this agreement will have on my Psychology License and agree to be bound thereby. I enter into this Agreement to Toll the Probationary Period and Place License on Inactive Status knowingly, voluntarily, freely and intelligently.

DATED: 4-20-00.

Charles Shooster, Ph.D.
Respondent

ENDORSEMENT

The foregoing Agreement to Toll the Probationary Period and Place License on Inactive Status is hereby respectfully submitted for consideration of the Executive Officer or his designee, Board of Psychology, Department of Consumer Affairs, State of California.

DATED: 4-27-00.

BILL LOCKYER, Attorney General
of the State of California

Adrian K. Panton
Deputy Attorney General

Attorneys for Board of Psychology

APPROVAL

The foregoing Agreement to Toll the Probationary Period and Place License on Inactive Status in Case No. W-1 is hereby approved.

Made this 5th day of May, 2000.

FOR THE BOARD OF PSYCHOLOGY