

STATE OF NORTH CAROLINA

**BEFORE THE
NORTH CAROLINA BOARD OF
LICENSED CLINICAL MENTAL
HEALTH COUNSELORS**

IN THE MATTER OF:

**Lakia Lateefah Washington, LCMHC
No. 11670**

Respondent

FINAL AGENCY DECISION

THIS MATTER was heard before the North Carolina Board of Licensed Clinical Mental Health Counselors (“Board”) on December 6, 2024, pursuant to N.C. Gen. Stat. §§ 90-340 and 150B-38. The Board consisted of Board members, Dr. Yasmin Gay, Dr. Nicole Stargell, Dr. Mark Schwarze, LCMHC-S Bruce Garris, Dr. Levette Scott, and Dr. Vanessa Diggs, public member. Doug Brocker of The Brocker Law Firm, P.A., represented the Ethics Committee of the Board (“Counsel”). F. Lane Williamson served as the Administrative Hearing Officer for the Board. Lakia Lateefah Washington (“Respondent”) was properly served with notice but did not attend the hearing.

Based upon the evidence admitted at the hearing, the Board enters the following:

FINDINGS OF FACT

Parties and Licensure

1. The Board is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding pursuant to the authority granted to it in Chapter 90 of the North Carolina General Statutes (the Licensed Clinical Mental Health Counselors Act) and the Rules and Regulations of the Board.

2. The Board issued a counseling license to Respondent on April 18, 2017. Respondent's license expired on June 30, 2024, after she failed to renew it, and it has remained expired.

3. At the times relevant to this matter, Respondent was subject to the Licensed Professional Counselors Act, currently titled the Licensed Clinical Mental Health Counselors Act, and the Rules promulgated thereunder.

Respondent's Criminal Conduct and Charges

4. On March 2, 2023, a Criminal Information was filed against Respondent in the United States District Court for the Eastern District of North Carolina (EDNC), Case No. 5-23-CR-65-BO.

5. The Criminal Information generally asserted that Respondent participated in a scheme to defraud the North Carolina Medicaid program ("Medicaid"), in violation of Title 18, United States Code, Section 1347.

6. Specifically, the Criminal Information stated:

- a. Beginning in or around January 2018 and continuing up to in or about December 2020, Respondent received names, dates of birth, and/or Medicaid beneficiary numbers of NC Medicaid beneficiaries for which she paid a finder's fee of approximately \$50-\$100 per beneficiary.
- b. Respondent would then use this data to submit claims through the NC Tracks system for mental health services never rendered.
- c. Respondent did not inform the beneficiaries that she would be submitting false claims on their behalf.

- d. Respondent fraudulently billed for services rendered to non-verbal, very young infants and in some instances unborn beneficiaries.
- e. In at least one hundred (100) instances, Respondent fraudulently billed between approximately 12 and 23 one-hour in-person appointments exclusive of travel in a single day. In several instances, Respondent fraudulently billed over twenty-four (24) one-hour appointments rendered in a single day.
- f. Respondent fraudulently billed for in-person services rendered in disparate locations in the Eastern District of North Carolina within close temporal proximity. For example, Respondent billed for services in Wake County and New Hanover County within one hour apart.
- g. When Respondent provided bona-fide mental health services to a beneficiary, her billing far exceeded legitimate claims. For example, Respondent regularly used a beneficiary's Medicaid identification number to continue billing for many counseling sessions after mental health treatment for that beneficiary had ceased.
- h. In some instances, Respondent provided counseling to every member of a large family, only one of whom (typically a child) was enrolled in Medicaid. Respondent billed as if each family member's session was rendered to the child enrolled in Medicaid.

7. On March 22, 2023, Respondent pled guilty to the Sole Count in the Criminal Information for violating Title 18, United States Code, Section 1347, which is a felony.

8. On September 4, 2024, Judge Terrance Boyle entered a Criminal Judgment against Respondent in the EDNC matter based on her guilty plea to the felony charge in the Criminal Information.

9. The Criminal Judgment imposed the following sentence and requirements:

- a. Cooperate in the collection of DNA as directed by the probation officer;
- b. Five years of probation, with standard conditions and a special condition of home confinement program for up to 12 months with an electronic monitoring device;
- c. Pay restitution in the amount of \$860,357.39 due and payable immediately; and
- d. Forfeit interest in the subject of the Preliminary Order of Forfeiture filed on 4/30/24.

Board's Informal Proceedings, Respondent's Failures to Respond, and Service of Respondent

10. The Board opened a complaint against Respondent based on information it obtained concerning the pending criminal investigation and resulting charge for health care fraud.

11. On March 24, 2023, the Board staff sent a letter to Respondent and requested a response to the complaint, which it attached.

12. The Board's notice to Respondent about the complaint and request for a response was more than a year prior to Respondent allowing her license to expire on June 30, 2024

13. The Respondent never submitted a response to the complaint or otherwise communicated with the Board about the matter.

14. On August 20, 2024, Counsel sent a letter via email and regular mail to Respondent's address on file with the Board seeking to resolve the matter to avoid a hearing and

advising Respondent that, if unsuccessful, the Board's Ethics Committee would be proceeding with a hearing potentially on December 6, 2024.

15. On September 17, 2024, Counsel sent a follow-up letter again seeking to resolve the matter to avoid a hearing and advising Respondent that, if unsuccessful, the Board's Ethics Committee would be proceeding with a hearing potentially on December 6, 2024.

16. On October 2, 2024, Respondent sent an email to Counsel's office from the same email address she designated with the Board stating, "I have been through enough the board can keep the license if they want to band (sic) me."

17. On October 4, 2024, Counsel sent another letter to Respondent making a final effort to resolve the matter and advising Respondent that, if unsuccessful, the Board's Ethics Committee would be proceeding with a hearing on December 6, 2024. The letter was sent to the same email address she designated with the Board.

18. Respondent did not respond to any of these efforts, except for the one message she sent to Counsel's office on October 2, 2024.

19. After not being able to resolve the matter, the Board's Executive Director, Melonie Davis, subsequently issued a Notice of Hearing on October 17, 2024.

20. On October 18, 2024, Respondent was properly served with the Notice of Hearing by UPS Ground at the physical address on file with the Board. She was also provided with a copy of the document via email.

21. On October 18, 2024, Respondent was also served with the Notice of Hearing by FedEx Ground at a residential address that Counsel believed to be her current address.

22. The Notice of Hearing advised Respondent that once properly served, if she failed to appear, the hearing may proceed and a decision be rendered in her absence.

Based upon the foregoing Findings of Fact and evidence admitted at the hearing, the Board enters the following:

CONCLUSIONS OF LAW

1. The Board has jurisdiction over the subject matter of this action and over the person of Respondent.
2. Pursuant to N.C. Gen. Stat. § 90-340 (h), the Board retains full jurisdiction to investigate and take disciplinary action even after Respondent relinquished her license by allowing it to expire on June 30, 2024 by failing to renew it.
3. Respondent was properly served with the Notice of Hearing and failed to appear at the hearing.
4. Respondent's conduct set forth above in Findings of Fact 4-9 above, including her guilty plea and Criminal Judgment, violated the North Carolina Licensed Clinical Mental Health Counselors Act including N.C. Gen. Stat. §§ 90-340 (a)(1), (4), (7), and (9).

In addition to the foregoing Findings of Fact and Conclusions of Law, and based on the evidence presented in the record, the Board makes the following findings and conclusions relevant to the appropriate discipline to impose for the violations found and any conditions necessary to protect the public:

ADDITIONAL FINDINGS AND CONCLUSIONS REGARDING DISCIPLINE

1. Respondent failed to respond, participate, or cooperate with the Board demonstrating a lack of respect for the Board's authority and the licensure and disciplinary process.
2. Respondent's sole communication demonstrated a lack of remorse for her misconduct and an indifference to her licensure.

3. The Medicaid program was fraudulently deprived of money as a result of Respondent's pattern of dishonesty and misconduct. Those funds potentially could have been used to provide much-needed counseling services or increase access to care for disadvantaged citizens of our State.

4. Respondent's conduct involved dishonesty, a significant character flaw in a professional entrusted with the health and safety of the citizens of North Carolina.

5. If Respondent is permitted to continue practicing counseling, there is a risk that she will engage in further misconduct and pose a significant risk to the public.

6. Respondent's misconduct involved such serious, numerous violations of the Licensed Clinical Mental Health Counselors Act that revocation is the only discipline sufficient to protect the public.

7. Respondent's numerous violations and the other misconduct set forth herein would require lengthy and substantial reformation, including addressing and reforming the underlying significant character flaws causing her pattern of dishonest and fraudulent misconduct, before she potentially could even be considered eligible for reinstatement of a counseling license in the future. Respondent would have the burden to establish any such reformation in any future potential proceedings.

8. Based on the findings and conclusions contained herein, the one-year time period after which Respondent can reapply for licensure after being revoked, pursuant to N.C. Gen. Stat. § 90-340 (g), should not begin to run until after Respondent has completed all the terms of the Criminal Judgment against her.

Based on the above Findings and Conclusions and the evidence presented at the hearing, the Board enters the following:

ORDER OF DISCIPLINE

1. Respondent's North Carolina LCMHC license No. 11670 is hereby **REVOKED** which becomes effective upon entry of this Final Agency Decision.

2. Respondent may not reapply for or regain a license to practice clinical mental health counseling in North Carolina until at least one year after the date on which she completes all the terms of her federal sentence, including completion of probation and payment of the full restitution amount. The terms and conditions of Respondent's sentence and Criminal Judgment are incorporated herein by reference

3. If Respondent applies for or otherwise seeks to regain a license to practice clinical mental health counseling in North Carolina at any time in the future, Respondent will have to meet all the requirements for licensure at that time, in addition to demonstrating lengthy and substantial reformation as noted herein. If Respondent satisfies all those requirements and burdens, the Board may impose conditions on Respondent's potential future licensure, including ones based on the findings and conclusions contained herein.

4. Respondent is not authorized to engage in any acts constituting the practice of clinical mental health counseling under the North Carolina Licensed Clinical Mental Health Counselors Act in this State or concerning residents of this State, unless she obtains reinstatement of a license or is granted a privilege authorizing her to do so in the future.

5. This Final Agency Decision shall constitute disciplinary action against the license of Respondent, pursuant to N.C. Gen. Stat. §90-340(a) and (b).

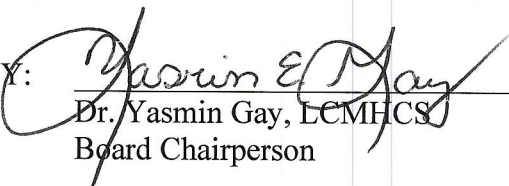
6. The Board shall maintain this Final Agency Decision as a public record pursuant to N.C. Gen. Stat. §§132-1 and 90-340(f), shall submit a report to the National Practitioner Databank

("NPDB"), and shall provide copies to the American Counseling Association and the National Board of Certified Counselors, and to other agencies or individuals as required by law.

7. The Board shall retain jurisdiction of this matter to enforce the provisions herein or enter orders as necessary in the future.

This the 6th day of December, 2024.

NORTH CAROLINA BOARD OF LICENSED
CLINICAL MENTAL HEALTH COUNSELORS

BY: 
Dr. Yasmin Gay, LCMHCS
Board Chairperson