

IN THE MATTER OF
CAROL MARCY, PH. D.

Respondent

License Number: 02005

* BEFORE THE MARYLAND STATE
* BOARD OF EXAMINERS
* OF PSYCHOLOGISTS
* Case Number: 2012-027

* * * * *

CONSENT ORDER

On or about August 15, 2013 the Maryland State Board of Examiners of Psychologists (the "Board") charged **CAROL MARCY, PH.D.**, ("the Respondent") License Number 02005, under the Maryland Psychologists Act (the "Act"), Md. Health Occ. Code Ann. ("H .O.") §§ 18-101 *et seq.* (2009 Repl. Vol. and 2012 Supp.).

Specifically, the Board charged the Respondent with violations of the following provisions of the Act:

§18-313. Denials, reprimands, suspensions, and revocations -- Grounds
Subject to the hearing provisions of § 18-315 of this subtitle, the Board, on the affirmative vote of a majority of its members then serving, may deny a license to any applicant, reprimand any licensee, place any licensee on probation, or suspend or revoke a license of any licensee if the applicant or licensee:

(7) Violates the code of ethics adopted by the Board under § 18-311 of this subtitle;

(12) Violates any provision of this title or any regulation adopted by the Board;

(15) Promotes the sale of devices, appliances or goods to a patient so as to exploit the patient for financial gain;

(17) Commits an act of unprofessional conduct in the practice of psychology;

(20) Does an act that is inconsistent with generally accepted professional standards in the practice of psychology.

§18-311.Code of Ethics

- (a) In general—The Board shall adopt a code of ethics for psychologists in this State. The code of ethics shall be designated to protect the public interest.

Pursuant to § 18-311 of the Act, the Board further charges the Respondent with the following violations of the Board's Code of Ethics and Professional Conduct, COMAR 10.36.05

03. Responsibilities and Requirements.

A. In General.

(1) A psychologist shall:

(c) Provide psychological services only in the context of clear professional and scientific relationships and roles accepted by the standard of practice of the discipline of psychology;

(d) Make known the psychologist's commitment to the Code of Ethics and Professional Conduct and resolve potential conflicts with the Code of Ethics and Professional Conduct in a responsible manner.

04. Competence.

A. Professional Competence. A psychologist shall:

(4) Use interventions and assessment techniques only when the psychologist knows that the circumstances are appropriate applications of those interventions and techniques, supported by reliability, validation, standardization and outcome studies;

(6) Engage in ongoing consultation with other psychologists or relevant professionals and seek appropriate education, training and experience, when developing competence in a new service or technique.

B. Impaired Competence.

(1) A psychologist shall:

(b) Seek competent professional assistance to determine whether to suspend, terminate, or limit the scope of professional or scientific activities when the psychologist becomes or is made aware that that the psychologist's competence may be impaired.

(2) A psychologist may not:

(a) Undertake or continue a professional relationship with a client when the competence or objectivity of the psychologist is or could reasonably be expected to be impaired due to:

(i) Mental, emotional, physiological, pharmacological, substance abuse or personal problems; or

(ii) The psychologist's present or previous familial, social, sexual, emotional, financial, supervisory, political, administrative, or legal relationship with the client or a person associated with or related to the client; or

(b) Engage in other relationships that could limit the psychologist's objectivity or create a conflict of interest or the appearance of a conflict of interest.

05. Representation of Services and Fees.

B. Informed Consent. When conducting research or providing assessment, psychotherapy, counseling, or consulting with an individual or organization in person or by electronic transmission or other forms of communication, a psychologist shall:

(1) In general:

(b) Vary appropriate informed consent forms and procedures to ensure that the client:

(iii) Is aware of the voluntary nature of participation and has freely and without undue influence expressed consent.

07. *Client Welfare.*

A. A psychologist shall:

(1) Take appropriate steps to disclose to all involved parties conflicts of interest that arise, with respect to a psychologist's clients, in a manner that is consistent with applicable confidentiality requirements;

B. Exploitation. A psychologist may not:

(1) Exploit or harm clients, colleagues, students, research participants, or others;

(3) Exploit the trust and dependency of clients, students, or subordinates;

(4) Allow personal, social, religious, organizational, financial, or political situations and pressures to lead to a misuse of their influence.

F. Termination of Services. A psychologist shall:

(1) Make or recommend referral to other professional, technical or administrative resources if the referral is clearly in the best interest of the client; and

(2) Unless precluded by the actions of the client, terminate the professional relationship in an appropriate manner, notify the client in writing of this termination, and assist the client in obtaining services from another professional, if:

(b) A multiple relationship develops or is discovered after the professional relationship has been initiated;

(c) Impaired competency or objectivity develops or is discovered after a professional relationship has been initiated.

08. Confidentiality and Client Records.

A. A psychologist shall:

(1) Maintain confidentiality regarding information obtained from a client in the course of the psychologist's work.

C. Record Keeping. A psychologist shall:

(1) Keep records of a patient's condition and assessment results;

(2) Maintain clinical records of informed consent, presenting problems, diagnosis, fee arrangements, dates and substance of each billed service, original test date with results and other evaluative material, and the results of any formal consultations with other professionals.

On or about November 8, 2013, the parties appeared before a Case Resolution Conference ("the CRC") Committee of the Board in order to explore a potential mutually agreeable resolution of the Charges. On or about January 10, 2014, a quorum of the Board agreed to accept the proposed settlement and the parties agreed to enter into this Consent Order.

FINDINGS OF FACT

I. BACKGROUND

1. On or about November 22, 1985, the Respondent was initially licensed by the Board to practice psychology in the State of Maryland, under License Number 02005. The Respondent's license will expire on or about March 31, 2015.

2. At all times relevant to these charges, the Respondent maintained a private practice of psychology located in Hollywood, Maryland 20636. The Respondent was also founder and president of the Board of Directors of the Joy Lane Healing Center ("Joy Lane"), a non-profit holistic educational organization located at the same address as the Respondent's private practice. The Respondent's private residence is also located in the same building as Joy Lane.

II. THE COMPLAINT

3. On or about April 16, 2012, the Board received a Complaint filed by a former patient of the Respondent ("Patient A"), alleging professional and ethical boundary violations.

4. The Complaint alleged¹, among other things, that the Respondent:
 - a) Encouraged Patient A to participate in a private Native American initiation ritual at which the Respondent served as an “elder”;
 - b) Requested Patient A to house-sit and dog-sit while the Respondent was away on vacation;
 - c) Requested Patient A to transport the Respondent’s dog to a veterinarian for an emergency visit;
 - d) Allowed two (2) dogs to remain in the treatment rooms while therapy took place, resulting in an intimidating therapy environment;
 - e) Breached confidentiality between patients;
 - f) Introduced Patient A to the Respondent’s family members, some of whom also provided fee-for-service classes and workshops at Joy Lane;
 - g) Pressured Patient A to participate in fee-for-service activities offered at Joy Lane; and
 - h) Encouraged Patient A to purchase items/materials from Joy Lane.

5. On or about May 8, 2012, the Board initiated an investigation of the

allegations set forth in the Complaint.

III. BOARD INVESTIGATION

6. The Board’s investigation revealed that Patient A sought psychological treatment from the Respondent from September 2, 2003-December 11, 2011. The Respondent was aware from the inception of treatment that Patient A suffered from bipolar disorder, with manic episodes, co-dependent personality disorder, clinical depression; and Post Traumatic Stress Disorder (“PTSD”) triggered by childhood sexual abuse perpetrated by a classmate.

¹ The parties have summarized and paraphrased the findings into an abridged format for purposes of clarity and succinctness.

7. For a period of approximately eight (8) years, Patient A attended therapy sessions from one (1) to three (3) times weekly.

8. During the course of therapeutic treatment, the Respondent failed to establish and maintain clear therapeutic boundaries and further failed to recognize inherent conflicts of interest. The Respondent engaged in dual relationships with Patient A and otherwise acted with disregard for Patient A's mental well being and history of sexual trauma.

9. Specifically, the Board's investigation revealed that the Respondent suggested that Patient A become involved in various activities at Joy Lane, many of which were led and/or organized by the Respondent or her family members.

10. Among other things, the Respondent requested that Patient A become involved in: participating in a Joy Lane women's circle and a healing retreat class; enrolling in Native American classes and participating in a private naming ceremony; and volunteering at the Joy Lane gift store.

11. Although aware that Patient A had repressed memories of childhood sexual abuse the Respondent led Patient A through a Native American ceremony during which Patient A, the sole participant, was placed in a reclined position, led through a relaxation exercise, and given a new Native American name. The Respondent failed to recognize the likelihood that Patient A would experience psychological transference and/or that the ceremony would trigger sexual abuse memories.

12. The Respondent breached patient confidentiality through the encouragement of patients, including Patient A, to enroll in Joy Lane classes and to

socialize outside the therapeutic relationship. She further breached confidentiality and acted unprofessionally by encouraging Patient A to serve as a caretaker for another patient's aging mother-in-law who had been diagnosed with Alzheimer's disease.

13. The Respondent also involved Patient A in multiple aspects of her personal life, including requests for Patient A to walk her two (2) dogs; to take one of them to a veterinary appointment; to house and dog sit, and to meet family members.

14. The Respondent allowed her pet dogs to remain during therapy sessions with Patient A, failing to appreciate Patient A's fear and discomfort. The Respondent stated to Patient A that the dogs were certified "therapy dogs". The dogs were not certified to assist with the therapeutic process.

15. In December 2011, Patient A was hospitalized at a psychiatric facility ("Hospital A") in Washington D.C. During her stay, she was diagnosed with dissociative disorder and began disclosing the nature of her relationship with the Respondent. Her health care providers at Hospital A strongly urged her to terminate the therapy relationship with the Respondent and begin therapy with a different therapist.

16. Shortly after discharge from Hospital A, Patient A sought treatment from another therapist ("Therapist A") who supported Patient A's decision to terminate the therapeutic relationship with the Respondent due to "a very strong attachment", "extreme amounts of guilt", "sexual triggers", "cutting" and other "self-harming behaviors", and "many boundary violations in the relationship between [the Respondent] and [Patient A]...that gave rise to considerable confusion for [Patient A].

17. Therapist A noted serious concern that following the filing of the complaint to the Board and participation in an investigative interview, Patient A wrote "traitor" across her arm, blaming herself for having betrayed the Respondent.

IV. EXPERT REVIEW

18. On or about October 11, 2012, the Board referred the matter to an independent expert in psychology ("Board Expert"). On or about January 25, 2012, the Board Expert issued an extensive report. Following receipt of the Respondent's treatment records of Patient A, from 2008-2011, the Board Expert issued an Addendum Report dated May 8, 2013.

19. The Board Expert found that the Respondent breached client confidentiality within the context of multiple relationships by facilitating the introduction of Patient A to her family, friends and other patients.

20. Further, the Respondent created conflicts of interests through encouraging the Patient A's participation and enrollment in activities at Joy Lane, thereby misusing the therapeutic relationship for her personal interests.

21. The Board Expert opined that the Respondent failed to give clinically appropriate consideration to the implications associated with Patient A's dependency and interpersonal boundary issues and the significant risks associated with the Respondent's psychological vulnerabilities.

22. Despite admitted awareness of Patient A's complex and serious psychological history, including sexual abuse, the Respondent violated the established ethical standards for the practice of psychology. She established a personal and non-therapeutic dual relationship, allowing Patient A to develop a physical attraction towards

the Respondent. This harmful relationship led to considerable stress, guilt, shame, confusion and ultimately precipitated a self-admission to Hospital A for an episode of “cutting behaviors”.

23. The Board Expert noted that the Respondent demonstrated a loss of objectivity resulting in a serious compromise to her competency to practice as a psychologist. Despite expressing regret for some of her professional and ethical mistakes, recognize the need for termination of the therapeutic relationship, or take necessary measures to address the array of ethical concerns that contributed to the ongoing compromise of Patient A’s mental health status.

24. The Board Expert noted that the Respondent admitted during the Board’s investigation that there were “dependency issues”, that Patient A “wanted to please [her]”, and that there was a history of sexual abuse. Despite these admissions, the Respondent continued to mismanage the obvious transference relationship.

25. Specifically, the Board Expert found in her initial report and Addendum² that the Respondent failed to:

- a) Document appropriate informed consent, limits of confidentiality and fee arrangements;
- b) Document an adequate treatment plan; and
- c) Correlate documented treatment with established standards of practice based on clinical history, presenting symptoms and changes in mental status during the course of treatment.

² Following receipt of Patient A’s treatment records from 2008-2011, the Board issued a second subpoena for Patient A’s treatment records from 2003-2008. The 2003-2008 treatment records were not reviewed by the Board Expert prior to the execution of this Consent Order. The Respondent stated that she documented informed consent, limits of confidentiality, treatment plans, and fee information in her 2003-2008 records.

27. The Board Expert concluded that the Respondent exhibited an overall disregard for professional standards and established a clear pattern of unprofessional and unethical conduct resulting in direct patient harm to Patient A.

CONCLUSIONS OF LAW

Based on the foregoing Findings of Fact, the Board concludes as a matter of law that the Respondent violated the following provisions of the Act: H.O. § 18-313 (7) Violates the code of ethics adopted by the Board under § 18-311 of this subtitle; (12) Violates any provision of this title or any regulation adopted by the Board; (17) Commits an act of unprofessional conduct in the practice of psychology; (20) Does an act that is inconsistent with generally accepted professional standards in the practice of psychology and COMAR tit. 10 §§ 36.05.03A(1)(c)(d), 36.05.04A(4), 36.05.04B(1)(b) 36.05.04B (2)(a)(ii)(b), 36.05.05B(1)(b)(iii) 36.05.07A(1), 36.05.07F(1)(2)(b)(c), and 36.05.08A(1) . The Board dismisses the Charges under H.O. § 18-313 (15) and COMAR 10.36.05.07B (1) (3) and (4) and 10.36.05.08C(1) and (2).

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, it is this 7th day of March 2014, by a majority of the Board considering this case, it is:

ORDERED that Respondent's license to practice psychology shall be placed on **PROBATION** for a period of **THREE (3)** years effective the date that this Consent Order is executed by both parties; and it is further

ORDERED that within fifteen (15) days of the effective date of this Consent Order, the Respondent shall formally retain the services of a Board-approved clinical supervisor who shall:

- a. Conduct an initial review of all of Respondent's patient records to determine which patients are suitable for continued, **supervised** treatment by the Respondent;
- b. Supervise the transfer and referral of clients to other mental health care providers when in the supervisor's clinical judgment, the Respondent is not be the appropriate practitioner to provide ongoing, adequate, psychological treatment;
- c. Ensure that appropriate written notice be provided to all patients referred to other health care providers and/or discharged from the care of the Respondent;
- d. Provide ongoing, in- person clinical supervision for a minimum of ninety (90) minutes per week until such a time as the Board determines that weekly supervision is no longer necessary;
- e. Provide the Board with quarterly written reports assessing the competence and quality of the Respondent's psychological clinical treatment and the integration of clinical supervision into her existing practice.

ORDERED that within one (1) year of the effective date of this Order, the Respondent shall enroll in³ and satisfactorily complete a Board-approved, in-person twenty (20) hour tutorial in professional ethics. Such tutorial shall address all aspects of professional ethics, dual relationships, patient confidentiality and maintenance of appropriate therapeutic boundaries; and it if further

ORDERED that the Respondent shall authorize the Board to provide the tutor with the entire investigative file, including all investigative interviews and investigative reports, the Board's Disciplinary Charges and the Consent Order. Respondent shall

³ For purposes of this provision, "enroll in" means to contact and retain a Board approved tutor for the professional ethics tutorial.

authorize the tutor to send reports to and communicate with the Board and/or its agents;
and it is further

ORDERED that the Respondent shall ensure that the tutor submits to the Board written documentation of the contractual tutorial arrangement between the Respondent and the tutor. Respondent shall also be responsible for ensuring that the tutor submits to the Board a report of attendance, participation and completion of assignments. At the conclusion of the twenty (20) hour tutorial, the tutor shall provide the Board with a written report detailing the topics and issues addressed, the Respondent's level of participation and cooperation, the tutor's opinion as to the Respondent's success in gaining insight from the material presented, and any concerns regarding the Respondent's ability to effectively apply the presented objectives; and it is further

ORDERED that the Board reserves the right to conduct a peer review by an appropriate peer review entity, or a chart review by a Board designee, to be determined at the discretion of the Board; and it is further

ORDERED that after the conclusion of the three (3) year period of probation, the Respondent may file a written petition for termination of her probationary status. After consideration of her petition, probation may be terminated through an order of the Board or designated Board committee. The Respondent may be required to appear before the Board or designated Board committee. The Board, or designated Board committee, shall grant termination only if the Respondent has fully and satisfactorily complied with all of the probationary terms and conditions of this Consent Order, including the expiration of the three (3) year period of probation, and if there are no

outstanding complaints similar to or related to the current charges before the Board; and it is further

ORDERED that any ethics tutorial or continuing education requirements mandated by this Consent Order or by the clinical supervisor shall not count toward fulfilling other continuing education requirements that the Respondent must fulfill in order to renew her license to practice psychology; and it is further

ORDERED that the Respondent shall practice at all times, in accordance with the Maryland Psychologists Act and with all applicable laws, statutes, and regulations pertaining to the practice of psychology. Any violation of the Act may constitute grounds for violation of probation; and it is further

ORDERED that if Respondent violates any of the terms and conditions of this probation and/or this Consent Order, the Board, in its discretion, after notice and an opportunity for an evidentiary hearing before the Board or an Administrative Law Judge or after an opportunity for a show cause hearing before the Board, may impose any sanction which the Board may have imposed in this case under the Maryland Psychologists Act, including a reprimand, probation, suspension, revocation and/or a monetary fine, said violation being proved by a preponderance of the evidence; and it is further

ORDERED that Respondent is responsible for all costs incurred in fulfilling the terms and conditions of this Consent Order; and it is further

ORDERED that this Consent Order is a public document pursuant to Md. State Gov't Code Ann. § 10-611 et seq. (2009 Repl. Vol. and 2012 Supp.).

3/7/2014

Date

Steven Sobleman, Ph.D
Chair, Board of Examiners of Psychologists

CONSENT OF CAROL MARCY, Ph.D.

I, Carol Marcy Ph.D. acknowledge that I have had the opportunity to consult with my counsel, Richard Bloch, Esquire, before signing this document. By this Consent, I agree and accept to be bound by the foregoing Consent Order and its conditions and restrictions. I waive any rights I may have had to contest the Findings of Fact and Conclusions of Law.

I acknowledge the validity of this Consent Order as if entered into after the conclusion of a formal evidentiary hearing in which I would have had the right to counsel, confront witnesses, to give testimony, to call witnesses on my own behalf, and to all other substantive and procedural protections as provided by law. I acknowledge the legal authority and jurisdiction of the Board to initiate these proceedings and to issue and enforce the Consent Order. I also affirm that I am waiving my right to appeal any adverse ruling of the Board that might have followed any such hearing.

I sign this Consent Order after having had an opportunity to consult with counsel, without reservation, and I fully understand and comprehend the language, meaning and terms of this Consent Order. I voluntarily sign this Order, and understand its meaning and effect.

3/5/2014
Date

Carol Marcy Ph.D.
Respondent

Read and approved by:

Richard Bloch, Esq., Attorney for the Respondent

NOTARY

STATE OF MARYLAND

CITY/COUNTY OF St. Marys :

I HEREBY CERTIFY that on this 5 day of March, 2014,
before me, a Notary Public of the foregoing State personally appeared Carol Marcy
Ph.D. License Number 02005, and made oath in due form of law that signing the
foregoing Consent Order was her voluntary act and deed, and the statements made
herein are true and correct.

AS WITNESSETH my hand and notarial seal. _____

Notary Public

My Commission Expires: October 10, 2017

