



**Board of Behavioral Sciences**  
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## BOARD PROBATIONER INFORMATION AND INSTRUCTIONS FOR MONITOR BILLING SYSTEM AUDIT

Pursuant to the Disciplinary Guidelines adopted pursuant to [California Code of Regulations, Title 16, section 1888](#) and according to your Decision, you are required to have annual audits of your billing practices by a Board-approved auditor who performs audits in accordance with accepted auditing/accounting standards and practices. You are prohibited from providing services as a Board licensee if these annual audits are not conducted on your billing records. You must pay for the auditor's services in the manner set forth by the auditor. **Failure to comply with the auditor's requirements, including cooperating with the auditor and/or paying for the auditor's services as required, are violations of your probation terms and conditions.**

It is not necessary to explain to your clients that you are undergoing mandatory audits. However, upon Board approval of your proposed auditor and prior to continuing or commencing treatment with clients, you will be required to notify clients that you are receiving auditor services and that such services will affect the confidentiality of their records. You must maintain records demonstrating that all of your clients have signed such notification and that they consent to the release of their confidential information to your Board-approved auditor. It is not acceptable to use a code system for audit purposes, and it is not acceptable to see any client who declines to consent to the release of their confidential information to the auditor.

If you and/or your auditor are unavailable for the annual audits, you must notify your assigned Probation Analyst IMMEDIATELY.

### Quarterly Reports

For the entire duration of your probation period, document your compliance with the audit process by attaching a separate sheet to your Quarterly Report and describing what you have done during the quarter to maintain compliance.

**Complete the audit process according to the following steps. DO NOT proceed to a subsequent step until all requirements listed in each step are met.**

## Step 1: Find an Auditor

1. Find one or more individuals who meet **ALL** of the following requirements:
  - a. Hold a current, valid, and unrestricted certified public accountant (CPA) license to practice public accountancy by the California Board of Accountancy;
  - b. Are authorized to perform audits of your billing practices for compliance with the Monitor Billing System term and condition of your probation.
  - c. Have no current or prior relationship with you, including but not limited to a financial, personal, professional, or business relationship;
  - d. Have never been the subject of a disciplinary action<sup>1</sup> against their license.
2. Next, provide each proposed auditor with all of the following:
  - Copy of the BOARD PROBATIONER INFORMATION AND INSTRUCTIONS FOR MONITOR BILLING SYSTEM AUDIT document;
  - Copy of the INFORMATION AND INSTRUCTIONS FOR BILLING AUDITOR document;
  - Copy of your Decision, including your Stipulated Settlement or Proposed Decision and Accusation or Statement of Issues; and,
  - Completed RELEASE OF INFORMATION – MONITOR BILLING SYSTEM AUDIT form with your original signature.

**NOTE:** Although it is not required, you may want to discuss payment arrangements in advance with the proposed auditor(s), since you will be required to pay for the audits in the manner set forth by the Board-approved auditor.

## Step 2: Submit the Auditor Proposal Packet

You must submit your auditor proposal packet to the Board by either of the following deadlines:

1. **For Board licensees**—Within 60 days of the effective date of your Decision; or,
2. **For Board associates**—Within 60 days of the issuance of your Board license.

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<sup>1</sup> *Examples of disciplinary action include, but are not limited to, probation, revoked, suspended, reprobated, censured, reprimanded, restricted, limited or conditioned.*

This enables the Board to have adequate time to process your auditor proposal packet and, if the Board approves your proposed auditor, allows sufficient time for you to secure and schedule your annual audits with the approved auditor.

**Incomplete auditor proposal packets submitted to the Board will be denied.**

Assemble **ALL** of the following documentation for your auditor proposal packet:

- 1. The names and qualifications, including license numbers, of one or more proposed auditors** who meet the criteria as listed in **Step 1: Find an Auditor** section.
- 2. A letter written by each proposed auditor**, signed under penalty of perjury, stating that the proposed auditor:
  - Has no current or prior relationship with you, including but not limited to a financial, personal, business, or professional relationship;
  - Has never been the subject of a disciplinary action (*see Footnote 1*) against their license;
  - Has been given a copy of your Decision, including your Stipulated Settlement or Proposed Decision and Accusation or Statement of Issues;
  - Has read and understood the above-listed documents; and,
  - Is willing to conduct the annual audits as required.
- 3. Proposed audit plans written by each proposed auditor** that are consistent with the terms and conditions of your Decision and that specify how the auditors would audit your billing practices.
- 4. A letter written by you**, signed under penalty of perjury, stating that:
  - You have no current or prior relationship with the proposed auditor(s) [specifying the names of the proposed auditor(s) in your letter], including but not limited to a financial, personal, business, or professional relationship; and,
- 5. Notification to Clients and Release of Information** documents (a.k.a. “Notification and Release”), written by you, as separate documents each listing one of the proposed auditors (if you are only proposing one auditor, you only need to submit one document; if you have proposed two or more auditors you must submit one for each proposed auditor). **DO NOT** provide the Notification and Release to your clients until the Board approves it. Although it is not necessary to state in the Notification and Release that you are subject to mandatory audits, it must state the following:
  - a. The name and license number of your proposed auditor(s);
  - b. That the audits occur on an annual basis;

- c. Consent for the release of the client's confidential information to the auditor; and,
- d. Designated space for client name (printed), client signature and date. DO NOT use a code system in this document—the client's full name must be listed on this form.

6. A completed **RELEASE OF INFORMATION – MONITOR BILLING SYSTEM AUDIT** form for EACH proposed auditor with your original signature.

Next, within 60 days of the effective date of your Decision (for Board licensees) OR within 60 days of the issuance of your Board license (for Board associates), email #1 - #6 (listed above) **AS A SINGLE PACKET** to your assigned Board Probation Analyst OR to [BBS.Probation@dca.ca.gov](mailto:BBS.Probation@dca.ca.gov).

### Step 3: Receive Board Notification

If the proposed auditor(s) meet all requirements, the Board will select and **approve ONE** auditor to perform the annual audits as required.

If the proposed auditor(s) are **denied** by the Board, return to **Step 1: Find an Auditor** (on Page 2).

### Step 4: Prepare for Audits

**Immediately upon receipt of Board approval of the auditor, do the following:**

1. **Obtain signed and dated Notification and Release** documents from all clients prior to continuing or commencing treatment.
2. **Provide copies of signed Notification and Release forms to the auditor** prior to the audits.
3. **Meet with the approved auditor on an annual basis** for the entire duration of your probation period.

### PROBATIONER QUESTIONS

If you have any questions, contact your assigned Board Probation Analyst.