

**BEFORE THE OFFICE OF ADMINISTRATIVE HEARINGS  
STATE OF OREGON  
for the  
OREGON HEALTH AUTHORITY**

|                                 |   |                                  |
|---------------------------------|---|----------------------------------|
| IN THE MATTER OF                | ) | <b>FINAL ORDER</b>               |
|                                 | ) |                                  |
|                                 | ) |                                  |
| <b>IMMERSIVE THERAPIES LLC,</b> | ) | OAH Reference No. 2025-OHA-18426 |
| Respondent                      | ) | Authority Case No. NC-b0741d20   |
|                                 | ) |                                  |

This matter came before the Oregon Health Authority (Authority) to consider the Proposed Order issued by the Administrative Law Judge (ALJ) Dorr on September 26, 2025. The Proposed Order advised Immersive Therapies LLC (Respondent), of its right to file exceptions to the Proposed Order. Respondent did not file exceptions.

**HISTORY OF THE CASE**

On March 18, 2025, the Oregon Health Authority's Public Health Division-Oregon Psilocybin Section (Authority) issued a Notice of Intent to Impose Civil Penalty to Immersive Therapies LLC, its manager-member Frank Li and member Tanh Nguyen (hereinafter collectively Respondent). On March 18, 2025, Respondent requested a hearing to contest the notice. On April 1, 2025, the Authority referred the matter to the Office of Administrative Hearings (OAH) for a contested case hearing.

On May 12, 2025, Administrative Law Judge (ALJ) Christopher Dorr of the OAH held a pre-hearing conference and set the matter for hearing on July 31, 2025.

On July 31, 2025, ALJ Dorr held a contested case hearing by telephone. Respondent appeared by and through its managing member, Frank Li, who testified in the hearing. Assistant Attorney General (AAG) Stephanie Case appeared as representative for the Authority. Oregon Psilocybin Services section manager Angela

Allbee<sup>1</sup> and compliance specialist Gabrielle Sturchio testified for the Authority. The record closed at the conclusion of the hearing on July 31, 2025.

## **ISSUES**

(1) Whether Respondent violated OAR 333-333-5070(3). Oregon Administrative Rules (OAR) 333-333-6210.

(2) Whether the Authority may impose a \$500 civil penalty against Respondent. OAR 333-333-6200.

## **EVIDENTIARY RULINGS**

Authority Exhibits A1 through A4 were admitted into evidence without objection.

## **STIPULATED FACTS**

(1) Emily Bilbao and Deborah Lee-Thornby are independently licensed psilocybin Facilitators<sup>2</sup> who are not owners, directors, managers, employees, agents or other representatives of Respondent.

(2) On September 14, 2024, Bilbao and Lee-Thornby conducted a Facilitation<sup>3</sup> session (hereinafter “administration session”) at Respondent’s Licensed Premises<sup>4</sup> (hereinafter

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<sup>1</sup> The Authority corrected the spelling of Angela Allbee’s name.

<sup>2</sup> “Facilitator” means an individual that facilitates the provision of psilocybin services in this state. OAR 333-333-1010(35)

<sup>3</sup> “Facilitation” means the provision of services to a client by a licensed facilitator before, during, and after the client’s consumption of a psilocybin product during a preparation, administration, or integration session. OAR 333-333-1010(36)

<sup>4</sup> “Licensed premises”: (a) Means the area of a location that is licensed under ORS chapter 475A, including: (A) All public and private enclosed areas at the location that are used in the licensee’s operations at the location; (B) All areas outside a building that are used in the licensee’s operations at a location for which the Authority has issued a license for a manufacturer or service center; and (C) For a location that the Authority has specifically issued a license for the operation of a psilocybin service center, any outdoor area of the location used to operate the psilocybin service center and provide psilocybin services to clients. OAR 333-333-1010(50)

“service center”) during which eight Clients<sup>5</sup> were administered a Psilocybin Product.<sup>6</sup> During the administration session, each Client was attended by a Client Support Person.<sup>7</sup>

(3) Bilbao and Lee-Thornby did not complete written Client Support Person<sup>8</sup> plans using the form published by the Authority for any participating Client/Client Support Person prior to the September 14, 2024 administration session at Respondent’s service center.

## FINDINGS OF FACT

(1) At all material times, Respondent Immersive Therapies LLC was a psilocybin service center licensed and regulated by the Authority. Frank Li is Respondent’s managing member. (Pld. P1.)

(2) On September 13, 2024, the Authority received a complaint alleging the following:

It has come to my attention that [Respondent] has scheduled [a] group session for Saturday September 14<sup>th</sup>, 2024 [for] a large group (14-15 people) \* \* \* led by licensed facilitators working with [Respondent]. The group of participants are all AEDP<sup>9</sup> trained therapists \* \* \* who are attending an administration that has been deemed a “training” in psilocybin therapy. However, these therapists are not licensed facilitators nor currently in a licensed training program approved by [the Authority,] nor to my knowledge does the licensed facilitator who organized this group and is listed on Immersive’s web site have [authorization to conduct]

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<sup>5</sup> “Client” means an individual that is provided psilocybin services in this state. OAR 333-333-1010(17)

<sup>6</sup> “Psilocybin product” means psilocybin-producing fungi, mycelium and mixtures or substances intended for human consumption that contain a detectable amount of greater than 1 part per million (ppm) of psilocybin analyte, including whole fungi, homogenized fungi, psilocybin extract and edible psilocybin products. OAR 333-333-1010(75)

<sup>7</sup> “Client support person” means a person who will be present during a client’s administration session for any purposes described in OAR 333-333-5070. OAR 333-333-1010(21)

<sup>8</sup> The Authority replaced the acronym “CSP” with “Client Support Person” throughout this order for clarity.

<sup>9</sup> Accelerated Experiential Dynamic Psychotherapy

psilocybin practicum/trainings. The plan is to have only half of the scheduled group take the psilocybin while the other half learns, observes and actively participates in the administration session. Perhaps half of the group that is not taking the psilocybin may appear as “support person” and even fill out the proper paperwork to do so. The fact of the matter is that all parties are paying to attend. They may even be switching roles for a Sunday session as well, however I don’t have confirmation of this.

I am tired of seeing facilitators and service centers, especially Immersive, continually operating outside the scope of [Authority] rules, while a great deal of psychedelic practitioners are working hard to stay in compliance.

(Ex. A2 at 2.)

(3) On September 14, 2024, Li and Licensee Representative<sup>10</sup> Nicole Ehrbar supplied the Psilocybin Product to be used at the administration session that day. Several participating Clients indicated on their enrollment forms that they used medical devices with which they required assistance from another person. Client Safety Plans were drafted for each Client prior to the September 14, 2024 administration session, but not Client Support Person plans. Non-licensee Facilitators Bilbao and Lee-Thornby did not draft Client Support Person plans because they “believed [Respondent] was taking care of it through the DocuSign system.” (Ex. A2 at 3.) Prior to distributing the Psilocybin Product for the September 14, 2024 administration session, Li and Ehrbar did not draft Client Support Person plans or verify that Client Support Person plans were included in the Client Records.<sup>11</sup> Respondent Li mistakenly believed that Client Support Person plans (or at least the information required to be included in a Client Support Person plan) had already been incorporated into the written Client Safety plans included in each Client Record. (Test. of Li.)

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<sup>10</sup> “Licensee representative”: (a) Means an owner, director, officer, manager, employee, agent or other representative of a manufacturer, service center, or laboratory licensee. (b) Does not mean a facilitator who provides services at a service center unless that facilitator is also an owner, director, officer, manager, employee, agent or other representative of the service center. (c) Includes an independent contractor of a manufacturer, service center, or laboratory licensee who acts in a representative capacity. OAR 333-333-1010(49)

<sup>11</sup> “Client records” means information held or known by a service center or facilitator, including 303 client data, that may be used to identify a client or prospective client, including any communication made by a client or prospective client and any information related to providing psilocybin services or selling psilocybin products to a client.

(4) Li cooperated with the Authority's investigation and took responsibility for the failure. Respondent has no history of prior compliance failures or warnings. (Test. of Li, Sturchio.)

(5) On March 18, 2025, the Authority concluded Respondent violated program rules by failing to ensure written Client Support Person plans had been completed for each Client prior to the September 14, 2024 administration session. The Authority also determined that non-licensee Facilitators Bilbao and Lee-Thornby had violated the same program rule. The Authority determined Respondent's violation was "technical in nature" (Category IV violation<sup>12</sup>) and determined that imposition of a \$500 civil penalty (first violation in a two-year period) was appropriate. The Authority identified no mitigating or aggravating circumstances associated with Respondent's program violation. (Ex. A2; test. of Albee.)

### **CONCLUSIONS OF LAW**

(1) Respondent is responsible for non-licensee representative facilitators' violation of OAR 333-333-5070(3).

(2) The Authority may impose a \$500 civil penalty against Respondent.

### **OPINION**

#### *Burden and Standard of Proof*

The Authority seeks to impose a \$500 first-violation civil penalty against Respondent for failing to complete written Client Support Person plans (using the required Authority form) or failing to ensure that non-licensee Facilitators Bilbao and Lee-Thornby had completed such plans for each Client/ Client Support Person participating in the September 14, 2024 administration session at Respondent's Service Center.

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<sup>12</sup> Category IV violations are "violations that are technical in nature and are inconsistent with the orderly regulation of the testing, sale or manufacture of psilocybin products and the provision of psilocybin services. OAR 333-333-6200(3)(d).

In *Harris v. SAIF*, 292 Or 683 (1982), the Oregon Supreme Court cited ORS 183.450(2) for the proposition that the burden of proof is on “the party who would be unsuccessful if no evidence were introduced on either side.” *Harris*, 292 Or at 690. In the absence of legislation specifying another standard, the standard of proof in an administrative hearing is a preponderance of evidence. *Dixon v. Board of Nursing*, 291 Or App 207, 213 (2018). A preponderance of evidence is evidence sufficient to persuade the fact finder (in this case, the ALJ) that the facts asserted are more probably true than false. *Riley Hill General Contractor v. Tandy Corp.*, 303 Or 390, 402 (1987).

The Authority bears the burden to prove, by a preponderance of evidence, that the alleged violation occurred, that Respondent was responsible for the violation and that it may impose the proposed civil penalty based upon that violation. The Authority met its evidentiary burden.

#### *Violation and Civil Penalty*

OAR 333-333-5070(3) requires a written Client Support Person plan for each participating Client who will have a Client Support Person present during an administration session. Some Clients participating at the September 14, 2024 administration session indicated they used medical devices for which they required assistance from another person. Those Clients were required to have written Client Support Person plans in place prior to the administration session. Respondent’s managing member, Li, conceded that none of the Clients/Client Support Persons who participated in the September 14, 2024 administration session at Respondent’s service center had written Client Support Person plans in place prior to the administration session. Li testified that this was an oversight on his part, based upon a mistaken belief the information required in a Client Support Person plan was already included in the Client Safety plans of the participating Clients.

Notwithstanding Respondent’s mistaken belief, there are no good faith exceptions to technical compliance with all requirements set forth in the Psilocybin program rules. Moreover, Respondent, as the Licensee, is responsible for the acts or omissions of non-licensee Facilitators, if the violation occurs on the Licensed Premises and the service center fails to take reasonable steps to prevent the violation. OAR 333-333-6210(3). A reasonable step would have been for Respondent to verify, prior to distributing the Psilocybin product for the administration session, that Client Records for each participating Client/ Client Support Person contained a completed Client Support Person plan that utilized the form

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published by the Authority. Respondent is responsible for Bilbao's and Lee-Thornby's failures to complete those Client Support Person plans.

OAR 333-333-6200(2) provides that the Authority may impose a civil penalty for violation of ORS chapter 475A or the Psilocybin program rules, in accordance with the Authority's published Suspension, Cancellation, Civil Penalties, Sanction Schedule.<sup>13</sup> The Authority determined that Respondent's violation was a Category IV, the lowest level violation besides a Category V which only applies to violations of OAR 333-333-4190 (relating to required annual reporting of data). The Authority's Schedule provides that the civil penalty for a first violation in a 2-year period is \$500. This is Respondent's first violation ever. The Authority may therefore impose the proposed \$500 civil penalty.

OAR 333-333-6200(4)(c) provides that the Authority has discretion to "decrease or increase a sanction to prevent inequity or to take account of particular circumstances" in a case. OAR 333-333-6200(4)(d) provides that "[m]itigating circumstances include but are not limited to: (A) making a good faith effort to prevent a violation[;] and (B) Extraordinary cooperation in the violation investigation demonstrating the licensee or permittee accepts responsibility." Respondent Li took responsibility for the technical violation and expressed that Respondent had no issue with the amount of the proposed civil penalty; Li inquired about a warning in lieu of a recorded violation because the violation resulted from a good faith mistake. Respondent fully cooperated with the investigation and accepted responsibility for the violation.

Even if the Authority had found there were mitigating circumstances to Respondent's violation (it did not), OAR 333-333-6200(4)(c) provides that mitigating circumstances can never result in dismissal of a violation. Thus, Respondent's preferred outcome—a warning in lieu of a record of violation—is not permitted under the Authority's rules.<sup>14</sup>

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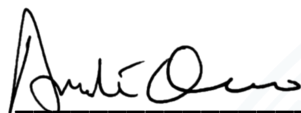
<sup>13</sup> The Authority's Schedule is available online through the Oregon Secretary of State's website at <https://secure.sos.state.or.us/oard/viewAttachment.action?ruleVrsnRsn=319996>

<sup>14</sup> Respondent did not argue (nor is there any evidence in this hearing record to support finding) that the Authority abused its discretion when it found there were no mitigating circumstances to support decreasing the amount of the proposed civil penalty.

## FINAL ORDER

The Authority's March 18, 2025 Notice of Intent to Impose Civil Penalty is AFFIRMED.  
**IT IS SO ORDERED.**

Dated this 9<sup>th</sup> day of October.



Andre Ourso, MPH, JD  
Administrator, Center for Health Protection  
Oregon Health Authority  
Public Health Division

### NOTICE OF APPEAL RIGHTS

YOU ARE ENTITLED TO JUDICIAL REVIEW OF THIS ORDER. JUDICIAL REVIEW MAY BE OBTAINED BY FILING A PETITION FOR REVIEW WITHIN 60 DAYS FROM THE SERVICE OF THIS ORDER. JUDICIAL REVIEW IS PURSUANT TO THE PROVISIONS OF ORS 183.482 TO THE OREGON COURT OF APPEALS

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 10th<sup>th</sup> day of October, 2025, I directed to be served the within **FINAL ORDER** upon the parties hereto, a full, true, and correct copy thereof, by the method indicated below:

Immersive Therapies, LLC  
Frank Li, Manager  
Thanh Nguyen, Member  
5 SE Martin Luther King Blvd  
#1601  
Portland OR 97214

☒ by Regular Mail, postage prepaid  
☒ by Certified Mail  
☐ Via Fax

Immersive Therapies, LLC  
Frank Li, Registered Agent  
Thanh Nguyen, Member  
5 SE Martin Luther King Blvc  
#1601  
Portland OR 97214

☒ by Regular Mail, postage prepaid  
☒ by Certified Mail  
☐ Via Fax

Frank Li  
Primary Point of Contact  
frankmd@gmail.com

☒ Via Email



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Angela Allbee, MPA  
Section Manager  
Oregon Psilocybin Services Section  
Oregon Health Authority  
Public Health Division  
Center for Health Protection