



Office of the Director

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JANICE K. BREWER, GOVERNOR
WILL HUMBLE, DIRECTOR

March 12, 2010

RE: Arnold v. Sarn Update

TO: Behavioral Health Stakeholders

Dear Friend,

On March 9, 2010 Judge O'Connor signed a court order approving the Joint Stipulation to Stay Litigation During Fiscal Budget Crisis. This Joint Stipulation was filed by the parties on March 3, 2010. On March 5 and March 8, Judge O'Connor held public hearings to provide an opportunity for behavioral health recipients, family members, providers, and other interested stakeholders to be heard.

The Stipulation essentially does the following:

1. Puts a "hold" on litigation and enforcement of all current Court Orders through June 30, 2012, including the Appointment Order for the Court Monitor, enforcement, monitoring and compliance activity.
2. Suspends some of the requirements in Article 3 of the SMI Rules (Title 9, Chapter 21, Article 3 of the Arizona Administrative Code) to the extent that compliance with those rules is impacted by the budget crisis. This section of the Rules addresses assessments and service planning and can be found at http://www.azsos.gov/public_services/Title_09/9-21.htm.
3. Requires the Defendants to use their best efforts to serve the class members with all available resources during the time period of this stay.
4. Requires the parties to, in good faith, revisit and revise the Court Orders with the following directives:
 - a. Consider funding;
 - b. Define terms and conditions regarding the potential use of a Court monitor in the future;
 - c. Redefine the services, supports, and benefits that must be provided. This will require evaluation of the current delivery system, the current array of community-based services, the eligibility criteria for those services, and the funding needed to meet any agreed upon revised obligations and compliance measures. As a result, revisions to the Rules for Behavioral Health Services for Persons with Serious Mental Illness may be necessary in accordance with A.R.S. Title 41, Chapter 6.

- d. Redefine the obligations that must be met in order to exit the case. The obligations must take into account the following:
 - i. Flexibility in order to respond to system transformation and new treatment modalities, as well as to promote consumer voice, recovery principles and innovations in clinical practice and service delivery;
 - ii. A mechanism for regular and periodic review of Court orders and ability to make adjustments as needed; and
 - iii. A mechanism for member and family input in the development of revised Court orders;
- e. Clarify how the revised obligations will be measured in order to exit the case, including:
 - i. Align compliance measures with recovery principles;
 - ii. Base these measures on outcomes rather than solely on process;
 - iii. Incorporate nationally recognized professional standards used in public sector behavioral health systems;
 - iv. Assess overall system performance, which may include a case review component;
 - v. Align compliance measurement activities with ADHS' operations in order to ensure sustainability;
 - vi. Task ADHS with the primary responsibility for auditing and monitoring ongoing performance using objective, reliable, accurate, flexible, cost-effective and data-driven processes; and
 - vii. A mechanism for member and family input in the assessment of ongoing performance.

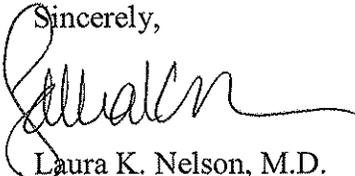
The parties were very clear—and Judge O'Connor agreed—that the current budget crisis and stay of litigation makes continued funding for the Office of Court Monitor impossible. Accordingly, she will be winding down activities and closing the Office effective June 8, 2010. While the Court Monitor has provided behavioral health recipients a place to voice concerns and receive assistance, we want to emphasize in the strongest possible terms to behavioral health recipients, their families, and all stakeholders that **ADHS/DBHS has a solid system in place to hear and respond to all concerns, complaints, issues or any matter that affects services or service delivery.** We take our responsibility to hear, respond and resolve concerns very seriously, and stand ready to demonstrate our ability to serve in this capacity. We strongly encourage class members or anyone acting on behalf of class members to contact the ADHS/DBHS Customer Service line (602-364-4558 or 1-800-867-5808) or the Magellan Customer Service Line (1-800-564-5465) with concerns and complaints. In addition to responding to and resolving concerns and complaints, we also carefully document and track each and every complaint in order to hold contractors accountable and make improvements to the system.

ADHS is aware of the perception that there will now be a decrease in service delivery or service quality as a result of the Court-Ordered Stay. I want to reassure everyone that ADHS is committed to maintaining current service delivery and service quality commensurate with available funding. To that end, **ADHS/DBHS will maintain our intensive oversight and monitoring of contractors. You have my promise that we will not compromise service**

delivery or service quality that is consistent with available funding during this stay. We will hold our T/RBHAs and their contracted service providers accountable for the quality of services they provide and how public funds are used. We are working on bringing much more transparency to the behavioral health system, so stakeholders can easily see for themselves how RBHAs and providers are performing. We will continue to promote recovery and consumer choice.

Most importantly, we need your help. As we continue to face very difficult decisions in the months ahead with anticipated and significant funding reductions, we must work together as a community to retool our behavioral health system in the best way possible. ADHS Director Will Humble, me and all of the staff at ADHS/DBHS will do everything in our power to make the best decisions and provide the best services for all class members during the stay.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Nelson', written over the word 'Sincerely,'.

Laura K. Nelson, M.D.
Acting Deputy Director

Cc: Will Humble
Beth Kohler-Lazare
ADHS/DBHS Executive Team