



April 6, 2010

Dear Community Member,

Legendary football coach Lou Holtz said, *“Adversity is another way to measure the greatness of individuals, and I never had a crisis that didn’t make me stronger.”* This is also true of communities; and I have never seen a crisis that didn’t make a community stronger.

Our state’s economic woes continue and recent budgetary decisions are about to dramatically change the way Magellan and our provider partners do our important work. Now is the time to see just how strong we can be.

On March 18, 2010, Governor Brewer signed into law the budget for fiscal year 2011. The budget eliminates \$36 million in state funds (or non-Title 19 funds) for behavioral health services statewide for individuals experiencing serious mental illness (SMI), who do not meet Arizona Health Care Cost Containment System (AHCCCS – Arizona’s Medicaid program) eligibility requirements. This cut is on top of funding reductions over the three previous fiscal years totaling almost \$30 million for Maricopa County alone.

The FY2011 budget does include some statewide funding for limited services, specifically \$40 million for medications, \$16 million for crisis services and \$5 million for some supportive housing. This appropriation represents a significant decrease in state funding for these services and others, and will result in a hugely scaled-back benefit for more than 11,000 adults and children.

Currently, non-Title 19, SMI individuals have access to an array of state-funded services that includes case management, counseling, residential and other services; however, effective July 1, 2010, these individuals’ services will be limited to only medication, crisis services and some supportive housing. This is an enormous change that Magellan doesn’t take lightly. It requires careful, thoughtful planning, which we have already begun with our provider partners and the Division of Behavioral Health Services.

We are committed to, and have begun implementing, a highly engaged process that requires multiple “touches” or interactions with each and every affected recipient. Our goals are to ensure that those impacted fully understand the services they will receive effective July 1 and to thoughtfully transition them to available community supports.

Because services for these individuals will be limited, we will look to community and faith-based organizations to help provide additional support. However, we are cognizant that this request comes at a time when these organizations are already stretched, and there is potentially more need than help available.

It is in times like this when we have to come together and think creatively about how we utilize the resources we have. Through willing, collaborative and innovative thinking, we can figure out how to provide support to these individuals and, hopefully, grow stronger as a community as a result.

Sincerely,

A handwritten signature in black ink that reads "Richard Clarke". The signature is fluid and cursive, with the first name "Richard" and last name "Clarke" clearly legible.

Richard Clarke, Ph.D.
Chief Executive Officer
Magellan Health Services of Arizona