



Community member:

Earlier this month, I wrote to share that action taken in mid-December by the legislature and the governor's executive cabinet would result in additional budget cuts for state agencies. For the Division of Behavioral Health Services, this equated to a \$15.5 million cut in titled and non-titled funding for children and adults receiving general mental health, substance abuse (GMHSA) and prevention services. Maricopa County's portion of this funding cut was \$13.7 million.

Cuts of this magnitude would significantly reduce, and in some cases, eliminate services for Arizonans facing behavioral health challenges. However, due to Magellan's and the provider community's responsible fiscal planning—that included careful management of funding distribution in anticipation of cuts due to the state's declining economic environment—the impact of this round of cuts will be mitigated and services for GMHSA services will continue for now. Some funding will be cut from prevention programs, but primarily in non-essential services.

While this round of funding cuts has been mitigated due to good planning, and Magellan has a solid fiscal plan that ensures services remain intact through June 2010 (barring any additional cuts), we have to plan for the transition of some services by July 2010, in particular for a significant number of children. As ideas solidify and translate into actionable plans over the next five months, I will share them with you.

I want to express my pride that Magellan's planning and preventative efforts have allowed us to preserve services for the remainder of the current fiscal year despite these cuts, and provided us with valuable time to thoughtfully and strategically plan on how to best transition those affected. However, this kind of effort would not have been possible without the collaboration, insight and hard work of our provider partners. We have been and will continue to work together to minimize the impact of any funding cuts on the people we serve and maximize our resources to provide high-quality services to as many Arizonans as possible.

The state's fiscal outlook continues to be uncertain, but Magellan and our provider partners remain focused on our mission to transform the public behavioral health system in Maricopa County. Together, we will ensure that those we serve have access to the resources and the care they need to achieve recovery and enjoy the quality of life they deserve.

Sincerely,

A handwritten signature in black ink that reads "Richard Clarke". The signature is written in a cursive style with a large, prominent 'R' and 'C'.

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