



A REPORT  
TO THE  
ARIZONA LEGISLATURE

Performance Audit Division

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Performance Audit and Sunset Review

# Arizona Board of Behavioral Health Examiners

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August • 2012  
REPORT NO. 12-03



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**Debra K. Davenport**  
Auditor General

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AUDITOR GENERAL

**STATE OF ARIZONA**  
OFFICE OF THE  
**AUDITOR GENERAL**

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DEPUTY AUDITOR GENERAL

August 30, 2012

Members of the Arizona Legislature

The Honorable Janice K. Brewer, Governor

Mr. Kirk Bowden, Chair  
Arizona Board of Behavioral Health Examiners

Ms. Debra Rinaudo, Executive Director  
Arizona Board of Behavioral Health Examiners

Transmitted herewith is a report of the Auditor General, *A Performance Audit and Sunset Review of the Arizona Board of Behavioral Health Examiners (Board)*. This report is in response to Laws 2008, Ch. 70, §4, and was conducted under the authority vested in the Auditor General by Arizona Revised Statutes (A.R.S.) §41-1279.03. The Office of the Auditor General has also conducted a sunset review of the Board pursuant to an October 26, 2010, resolution of the Joint Legislative Audit Committee. This sunset review was conducted as part of the sunset review process prescribed in A.R.S. §41-2951 et seq. I am also transmitting within this report a copy of the Report Highlights for this audit to provide a quick summary for your convenience.

As outlined in its response, the Board agrees with all of the findings and plans to implement all of the recommendations.

My staff and I will be pleased to discuss or clarify items in the report.

This report will be released to the public on August 31, 2012.

Sincerely,

Debbie Davenport  
Auditor General

Attachment

cc: Arizona Board of Behavioral Health Examiners Members

**REPORT  
 HIGHLIGHTS**  
 PERFORMANCE AUDIT

**Our Conclusion**

The Arizona Board of Behavioral Health Examiners (Board) regulates the practice of behavioral health professionals by licensing counselors, marriage and family therapists, social workers, and substance abuse counselors, and by investigating allegations of unprofessional conduct and ordering appropriate discipline. The Board has had problems with the timeliness of handling complaints caused by delays in beginning substantial investigative work, commencing an investigation when none was needed, and duplicating reviews of cases proposed for dismissal. As a result, the majority of cases closed in 2010 and 2011 were resolved more than 180 days after the complaint was received. Although the Board has already taken steps to address some timeliness issues, more needs to be done.



2012

August • Report No. 12-03

**Board should improve complaint resolution timeliness**

**Board investigates complaints**—The Board is responsible for investigating complaints against licensed behavioral health professionals and taking appropriate nondisciplinary and disciplinary action, if necessary. The Board investigates two types of complaints—those received from the public and those opened by the Board’s credentialing committees. Four credentialing committees, one for each behavioral health discipline, assist the Board in regulating the four licensed professions. The committees may open complaints to determine whether licensure applicants or licensees renewing their license have committed unprofessional conduct, such as failing to disclose a criminal arrest on the application form. The Board relies on staff investigations and committee recommendations in deciding whether to dismiss complaints or take disciplinary action.

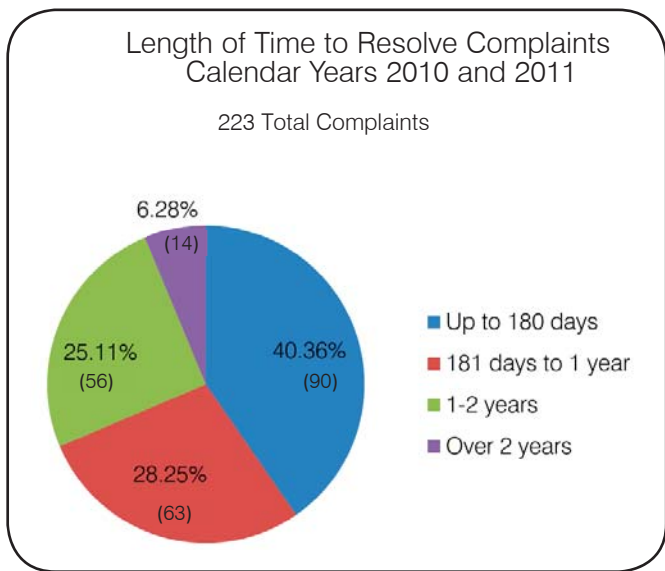
**Majority of complaints are not resolved in a timely manner**—We have found that Arizona health regulatory boards should resolve complaints within 180 days of receiving them. However, the median time it took the Board to resolve complaints was 248 days for the complaints it closed in 2010 and 2011, and about 60 percent of these complaints took longer than 180 days to resolve.

In one case involving a therapist’s inappropriate activities with a 16-year-old client, it took the Board 4.5 months to begin substantial investigative work. It took another 4.5 months before the licensee signed a consent agreement that revoked his license.

The Board has authority to restrict, limit, or summarily suspend a license if public safety warrants emergency action, and the Board acted quickly in five such cases in 2010 and 2011 where it determined that it had sufficient evidence to pursue emergency action prior to fully resolving the complaint. In those cases, it took the Board a median time of 26 days to execute consent agreements to suspend the licenses. In 2012, the Board revoked a license only 4 days after receiving the complaint, when the licensee signed a consent agreement admitting to having sexual relations with a client in prison and indirectly giving money to the client.

**Three factors hindered complaint-resolution timeliness:**

- **The length of time before substantial investigation began**—There was a delay in public complaints’ being investigated, which board officials attributed in part to not enough investigative staff. Staff took a median time of 174 days to begin substantial investigative work on 21 public complaints reviewed by auditors. This



delay in investigating cases has also contributed to the growing number of open cases. Between 2010 and 2011, the Board opened 83 more complaints than it closed, and as of March 2012, the Board had 191 open complaints, 79 of which had not been assigned to an investigator, including 20 complaints that had been waiting for over 1 year to be assigned.

- **Opening cases that could have been dismissed without investigation**—Historically, the Board opened all complaints against its licensees, including allegations that did not need to be investigated because they did not constitute violations of board statutes or rules.
- **Duplicate reviews of complaint dismissals**—Complaints that are dismissed are first reviewed by a credentialing committee and then forwarded to the Board for dismissal, which adds 30 days or more to the complaint-resolution process. However, credentialing committees have statutory authority to dismiss complaints.

The Board has taken steps to resolve complaints more quickly but should take additional steps. In May 2012, the Board directed staff to begin screening out complaints that do not need investigation, and staff developed procedures to do the screening. The Board should also develop policies to allow credentialing committees to dismiss more complaints. In addition, the Board should analyze its investigative staffing needs by continuing to assess the efficiency of the investigation process, determine the workload, and then determine staffing needs.

**Complaint priority not sufficiently based on the level of risk to the public**—Prior to the audit, the Board lacked an adequate approach to prioritize complaints based on risk to the public. For example, a licensee’s sexual contact with a client was assigned the same priority as borrowing money from or socializing with a client. In June 2012, the Board revised its procedures to use a more risk-based approach to prioritizing complaints. Now, complaints alleging conduct that poses an imminent threat of substantial danger to public safety have a high priority while potentially harmful conduct that does not pose a substantial danger or imminent threat has a medium priority. The Board

also revised its procedures to better monitor high-priority complaints and ensure that investigative work begins promptly.

**Complaint resolution time sometimes understated**—For some complaints, we found that the time it took for the Board to resolve the complaint was understated in its database. This was because board staff recorded the “closed” date as the date the Board made a decision to resolve the complaint rather than when the decision was finalized. In 3 of 30 cases we reviewed, the actual “closed” date was 1 to 2 months later than what board staff had recorded. In two additional cases, the “open” date was underreported by more than 2 months because staff recorded the date that they began to work on a case rather than the date when a credentialing committee had officially opened it. The Board has since adjusted its procedures to clearly define when a complaint is opened and closed.

#### **Recommendations:**

The Board should:

- Continue to screen and better prioritize complaints, monitor high-priority complaints, and ensure that complaint data accurately reflects the time it takes to resolve complaints.
- Develop policies allowing credentialing committees to dismiss more complaints.
- Analyze investigative staffing needs by continuing to assess the efficiency of the investigation process, determine the workload, and then determine staffing needs.

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## INTRODUCTION

### Scope and Objectives

The Office of the Auditor General has conducted a performance audit of the Arizona Board of Behavioral Health Examiners (Board) pursuant to Laws 2008, Ch. 70, §4. This audit was conducted under the authority vested in the Auditor General by Arizona Revised Statutes (A.R.S.) §41-1279.03. The Office of the Auditor General has also conducted a sunset review of the Board pursuant to an October 26, 2010, resolution of the Joint Legislative Audit Committee. This review was conducted as part of the sunset review process prescribed in A.R.S. §41-2951 et seq. This performance audit and sunset review addresses the Board's complaint resolution process and includes responses to the statutory sunset factors.

## Board responsible for regulating licensed behavioral health professionals

### Board's mission

Created in 1988, the Board's mission is to establish and maintain standards of qualifications and performance for licensed behavioral health professionals in the fields of counseling, marriage and family therapy, social work, and substance abuse counseling, and to regulate the practice of licensed behavioral health professionals for the protection of the public (see textbox). The Board accomplishes this mission by licensing behavioral health professionals, investigating and resolving complaints, and disciplining violators.

#### Licensed behavioral health professionals

**Counselors**—Work with individuals, families, and groups to treat mental, behavioral, and emotional problems and disorders.

**Marriage and family therapists**—Diagnose and treat mental and emotional disorders within the context of marriage, couples, and family systems.

**Social workers**—Counsel individuals, families, and communities, and provide social service assistance through various organizations, such as schools and public social agencies.

**Substance abuse counselors**—Counsel individuals and families on addiction prevention, treatment, recovery support, and education.

Source: Auditor General staff analysis of behavioral health professional associations' Web sites.

The Board was originally established to offer voluntary certification to behavioral health professionals. However, Laws 2003, Ch. 65, revised state laws to require behavioral health professionals practicing psychotherapy to be licensed beginning July 1, 2004.<sup>1</sup> Statute exempts certain individuals from licensure, including those employed by an agency licensed by the Arizona Department of Health Services and individuals employed by the Arizona Department of Economic Security or an agency it licenses.

The change from voluntary certification to licensure was initiated by a coalition of professional associations representing the four professions regulated by the Board. The coalition sought this change to better protect vulnerable clients

<sup>1</sup> A.R.S. §32-3251 defines psychotherapy as "a variety of treatment methods developing out of generally accepted theories about human behavior and development."



from unqualified professionals who were allowed to practice under the State's voluntary certification program. Further, Arizona was reportedly one of the few states that did not require licensure. Laws 2003, Ch. 65, also made numerous changes to the Board's statutes. These changes included providing the Board with more disciplinary options, expanding the Board's ability to investigate complaints, and establishing procedures for complaint hearings and due process for licensees.

## Licensing requirements

General requirements for licensure are similar across all four professions that the Board regulates and include: (1) obtaining an approved college degree; (2) passing an approved exam, such as those from the National Board for Certified Counselors or the Association of Social Work Boards; and (3) obtaining a certain amount of supervised work experience when applying for a license to practice independently. However, as shown in Table 1 (see page 3), the educational and supervision requirements vary by profession as prescribed in the Board's statutes and rules. Statute also requires the Board to perform criminal background checks on applicants before approving an initial license. As shown in Table 1, the Board had 8,639 active licenses across the four professions as of May 2012.

Professionals licensed in another state who wish to practice in Arizona may apply for a reciprocal license. According to A.R.S. §32-3274, the Board may issue reciprocal licenses to behavioral health professionals if they are currently licensed or certified in their particular behavioral health profession by another state regulatory agency at an equivalent or higher practice level as determined by the Board. In addition to meeting the State's basic requirements for licensure as defined in statute, an applicant for a reciprocal license must also be currently licensed or certified in the discipline applied for and have been licensed at the same practice level for at least 5 years and have engaged in the practice of behavioral health for at least 6,000 hours during those 5 years. Further, statute requires that there were minimum education, work experience, and clinical supervision requirements in effect at the time the person was licensed or certified by the other state regulatory agency and that the licensing or certifying state agency verifies that the person met those requirements in order to be licensed or certified in the other state.

## Complaint investigation and discipline

The Board is responsible for investigating complaints against licensed behavioral health professionals and taking appropriate nondisciplinary or disciplinary action, if necessary. A.R.S. §32-3281 states that the Board may investigate any evidence that appears to show that a licensee is or may be incompetent, guilty of unprofessional conduct, or mentally or physically unable to safely engage in the practice of

Table 1: License Types, Number of Active Licenses, and Education and Experience Requirements for Licensure by Behavioral Health Profession  
As of May 2012  
(Unaudited)

License Types	Number of Active Licenses	Education and Experience Requirements for Licensure <sup>1</sup>
<b>Counseling</b>		
Associate Counselor	814	Master's degree or higher in counseling
Professional Counselor <sup>2</sup>	2,353	In addition to the above, 3,200 hours of supervised work completed in no less than 2 years
<b>Marriage and Family Therapy</b>		
Associate Marriage and Family Therapist	129	Master's degree or higher in a behavioral science with specialized coursework in marriage and family therapy
Marriage and Family Therapist <sup>2</sup>	316	In addition to the above, 3,200 hours of supervised work completed in no less than 2 years
<b>Social Work</b>		
Bachelor Social Worker	118	Bachelor's degree in social work
Master Social Worker	1,259	Master's degree or higher in social work
Clinical Social Worker <sup>2</sup>	2,028	Master's degree or higher in social work and 3,200 hours of supervised work completed in no less than 2 years
<b>Substance Abuse Counseling</b>		
Substance Abuse Technician	34	Associate degree in chemical dependency or a bachelor's degree in behavioral science
Associate Substance Abuse Counselor	193	Bachelor's degree in a behavioral science and 3,200 hours of supervised work completed in no less than 2 years; or a master's degree
Independent Substance Abuse Counselor <sup>2</sup>	<u>1,395</u>	Master's degree or higher and 3,200 hours of supervised work completed in no less than 2 years
<b>Total Active Licenses</b>	<b><u>8,639</u></b>	

<sup>1</sup> In addition to education and experience requirements, behavioral health professionals must also pass professional exams to obtain a license.

<sup>2</sup> Independent license that allows a licensee to practice without supervision.

Source: Auditor General staff analysis of A.R.S. §§32-3291 through 32-3321; Arizona Administrative Code R4-6-401 through R4-6-707; and licensing data provided by board staff.

behavioral health. Unprofessional conduct includes misrepresentation of a fact by an applicant or licensee, either oral or written, and any conduct or practice that is contrary to recognized standards of ethics in the behavioral health profession or that constitutes a danger to the health, welfare, or safety of a client. In addition, A.R.S.

§32-3275 requires the Board to ensure that license applicants have not engaged in any conduct that would constitute grounds for disciplinary action against a licensee. After completing an investigation, the Board may dismiss the complaint or take nondisciplinary or disciplinary actions (see textbox).

In addition, the Board provides the public with information about licensed behavioral health professionals on its Web site. A search for professionals retrieves their licensing status and disciplinary history, including any pending complaints. The Web site also informs the public that they may call the board office to obtain additional information about dismissed complaints and nondisciplinary actions taken against a professional.

### Board's nondisciplinary and disciplinary options

#### Nondisciplinary options

- Dismiss the complaint
- Issue a letter of concern
- Require continuing education

#### Disciplinary options

- Impose civil monetary penalties of up to \$1,000 per violation
- Issue a decree of censure
- Impose a probation term
- Accept the voluntary surrender of a license
- Suspend, revoke, or deny licensure

Source: Auditor General staff review of A.R.S. §32-3281.

## Organization and Staffing

The Board consists of eight governor-appointed members, including one professional member from each of the licensed professions and four public members. Board members are eligible to serve two consecutive 3-year terms. The Board is assisted in its duties by four credentialing committees as well as board staff led by an executive director. Specifically:

- A.R.S. §32-3261 establishes four credentialing committees to represent each of the licensed professions. Each committee consists of four professional members, including the respective professional serving on the Board, and one public member. Similar to the Board, committee members are appointed by the Governor and may serve two consecutive 3-year terms. These committees review initial and renewal license applications and recommend the approval or denial of licenses to the Board. The committees also review complaint investigations and make recommendations to the Board regarding complaint dismissals and nondisciplinary or disciplinary actions.
- The Board was appropriated 17 full-time equivalent (FTE) staff positions for fiscal year 2012. In addition to the executive director, the Board employs staff to process license applications and renewals, investigate complaints, prepare

license application and complaint files for credentialing committee and/or board review, and provide information to the public. As of June 2012, the Board had four vacant positions that it reported were primarily dedicated to complaint investigations.

## Budget

The Board does not receive any State General Fund monies. Rather, the Board's revenue comes primarily from initial and renewal license application fees. The Board's initial license application fee is \$250 plus an additional fee of either \$100 for a license to practice under direct supervision or \$250 for a license to practice without supervision. The fee for a biennial renewal license application is \$350. The Board is also required to remit 10 percent of all its revenues to the State General Fund. As shown in Table 2 (see page 6), during fiscal year 2012, the Board received approximately \$1.7 million in revenues and remitted nearly \$175,000 to the State General Fund. The Board's expenditures were approximately \$1.5 million in fiscal year 2012, with nearly 70 percent of this amount spent for personnel costs, including employee-related costs. Specifically, for fiscal year 2012, the Board's personnel costs totaled more than \$1 million, which is within the Board's authorized appropriation. This represented an increase of more than \$200,000 from the Board's fiscal year 2011 personnel costs of nearly \$800,000. According to a board official, the increase in personnel costs was needed to fill critical staff vacancies, for the legislatively authorized addition of an extra pay period to fiscal year 2012, and for competitive staff salary adjustments to be comparable with staff salaries at other Arizona regulatory boards. Finally, the Board's end-of-year fund balance has nearly doubled since fiscal year 2009, from \$684,146 to more than \$1.2 million at the end of fiscal year 2012.

Table 2: Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Fiscal Years 2010 through 2012  
(Unaudited)

	2010	2011	2012
<b>Revenues:</b>			
Licenses and fees <sup>1</sup>	\$ 1,589,088	\$ 1,537,568	\$ 1,700,194
Charges and sales for goods and services	27,328	29,350	29,729
Fines, forfeitures, and penalties	15,975	19,400	15,700
Other			324
Gross revenues	1,632,391	1,586,318	1,745,947
Remittances to the State General Fund <sup>2</sup>	(163,341)	(158,746)	(174,632)
Net revenues	1,469,050	1,427,572	1,571,315
<b>Expenditures and transfers:</b>			
Personal services and related benefits	840,305	792,349	1,016,609 <sup>3</sup>
Professional and outside services	188,213	229,754	228,675
Travel	2,316	2,426	7,201
Other operating	168,988	152,741	171,876
Equipment	11,742	25,779	40,823
Total expenditures	1,211,564	1,203,049	1,465,184
Net operating transfers out <sup>4</sup>	1,100	34,273	22,279
Total expenditures and transfers	1,212,664	1,237,322	1,487,463
Net change in fund balance	256,386	190,250	83,852
Fund balance, beginning of year	684,146	940,532	1,130,782
Fund balance, end of year	\$ 940,532	\$ 1,130,782	\$ 1,214,634

<sup>1</sup> Licenses and fees fluctuate because the Board renews licenses every 2 years and the number of license renewals varies.

<sup>2</sup> As required by A.R.S. §32-3254, the Board remits 10 percent of all revenues to the State General Fund.

<sup>3</sup> According to a board official, the increase in personnel costs was needed to fill critical staff vacancies, for the legislatively authorized addition of an extra pay period to fiscal year 2012, and for competitive staff salary adjustments to be comparable with staff salaries at other Arizona regulatory boards.

<sup>4</sup> Amount primarily consists of transfers to the State General Fund in accordance with Laws 2010, 7th S.S., Ch. 1, §148; and Laws 2011, Ch. 24, §§108, 129, and 138 to provide support for state agencies.

Source: Auditor General staff analysis of the Arizona Financial Information System (AFIS) *Accounting Event Transaction File* and the AFIS Management Information System *Status of General Ledger-Trial Balance* screen for fiscal years 2010 through 2012.

## FINDING 1

The Arizona Board of Behavioral Health Examiners (Board) has not resolved many of its complaints in a timely manner, and should continue taking steps to address the timeliness of its complaint handling. More than half of the complaints closed by the Board in calendar years 2010 and 2011 were not resolved within the 180-day standard used to evaluate Arizona health regulatory boards. Lengthy complaint resolution times can put public safety at risk because licensees can continue practicing unchecked until the Board takes action. Three factors contributed to lengthy complaint resolution time frames: (1) long periods often elapsed before investigations of the allegations began, (2) some complaints were opened for investigation even when no investigation was needed, and (3) complaints that were recommended for dismissal were reviewed more than statutorily required. In addition to its problems with timeliness, the Board did not have adequate procedures to classify and monitor high-priority complaints, or to ensure that complaint open and close dates entered into the Board's complaint database accurately reflected the total time taken to resolve complaints. The Board has already taken steps to address several of these matters, but more needs to be done.

# Board should improve complaint resolution timeliness

## Board investigates complaints

The Board is responsible for investigating complaints against licensed behavioral health professionals and taking appropriate nondisciplinary or disciplinary action, if necessary. According to Arizona Revised Statutes (A.R.S.) §32-3281, the Board may investigate complaints indicating that a licensee may be incompetent, guilty of unprofessional conduct, or mentally or physically unable to safely practice behavioral health. In addition, A.R.S. §32-3275 requires the Board to ensure that license applicants have not engaged in any conduct that would constitute grounds for disciplinary action against a licensee. The Board investigates two types of complaints—those received from the public and those opened by the Board's credentialing committees as part of the license application or renewal process (see textbox).<sup>1</sup>

### Two types of complaints

- **Public complaints**—Complaints received from members of the public, usually in a written document, which are then opened for investigation.
- **Committee-opened complaints**—Complaints opened by the Board's credentialing committees as part of the licensure process to determine whether licensure applicants or licensees renewing their license have committed unprofessional conduct.

Source: Auditor General staff analysis of 30 complaint case files and the Board's written procedures.

Examples of public complaints that the Board has received include licensees engaging in a nonprofessional relationship with a client, practicing outside the appropriate scope of practice, and abusing drugs and alcohol at work. Examples of complaints opened by credentialing committees include applicants failing to disclose a criminal arrest on the application form and receiving unfavorable reviews from supervisors. The Board opened 172 complaints for investigation in calendar year 2011. The Board's complaint-handling procedures include steps for determining which complaints should have processing priority and for taking emergency action, if warranted, in advance of fully resolving a complaint.

<sup>1</sup> A.R.S. §32-3261 establishes four credentialing committees, each representing one of the four licensed professions. These committees assist the Board by reviewing license applications and complaint investigations. See the Introduction, pages 4 through 5, for additional information.

After a complaint is investigated by board staff, the applicable credentialing committee reviews the investigation and recommends a course of action to the Board, such as dismissing the complaint, denying licensure to an applicant, or entering into a consent agreement with a licensee to limit or restrict the licensee's practice or rehabilitate the licensee. After reviewing the investigation and the committee's recommendation, the Board makes the final decision for resolving the complaint.

## Complaint resolution often untimely

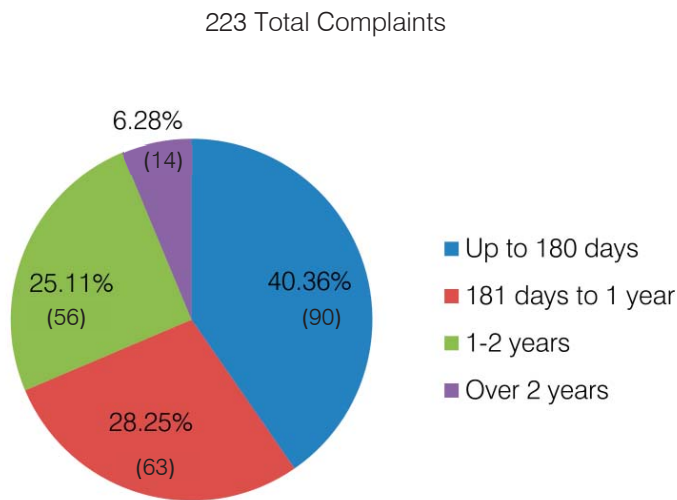
Many of the Board's complaints—including complaints that it designates as high priority—have not been resolved in a timely manner. Lengthy complaint resolution can put the public at risk because licensees under investigation can continue to practice. Conversely, if the complaint proves to be unwarranted, lengthy resolution can adversely affect the licensee.

**Majority of complaints not resolved in timely manner**—The Office of the Auditor General has found that Arizona health regulatory boards should resolve complaints within 180 days of receiving them, which includes the time to both

investigate and adjudicate complaints. This is the standard against which other Arizona health regulatory boards are evaluated. Auditors' analysis of board data for the 223 complaints the Board closed in calendar years 2010 and 2011 showed that the median time to resolve these complaints was 248 days. As shown in Figure 1, approximately 60 percent of these complaints took longer than 180 days to resolve, and some took much longer. Specifically, 28 percent of the complaints took between 181 days to 1 year to resolve, 25 percent took between 1 and 2 years to resolve, and 6 percent took more than 2 years to resolve.<sup>1</sup>

Complaints taking more than 180 days to be resolved included some that the Board had designated as high priority. Auditors reviewed 10 such complaints closed in calendar years 2010 and 2011 and found that 6 of the 10 high-priority complaints took more than 180 days to resolve. Specifically, the number of days it took the Board to

Figure 1: Length of Time to Resolve Complaints  
Calendar Years 2010 and 2011



Source: Auditor General staff analysis of the Board's database for all complaints closed in calendar years 2010 and 2011.

<sup>1</sup> The percentage of complaints taking longer than 180 days to resolve is potentially even higher than reported in Figure 1. In a review of 30 complaint files closed between January 2010 and January 2012, auditors found that, in some instances, board data understated the time it took to resolve complaints by approximately 1 to more than 2 months (see page 15 for additional information).

resolve the 10 high-priority complaints ranged from 153 to 420 days, with a median time of 237 days. For example:

- **Board took 9 months to revoke license for inappropriate conduct with a minor**—This high-priority complaint involved allegations that a licensee had engaged in inappropriate, nontherapeutic conduct when providing home-based therapy for a 16-year-old client whom the licensee had treated for more than 1 year. In all, the Board took approximately 9 months to substantiate the complaint's allegations and take disciplinary action. Board documentation indicated that staff did not begin substantial investigative work until more than 4.5 months after receiving the complaint. Once substantial investigative work began, board staff found that three of the licensee's prior supervisors had concerns about his failure to maintain appropriate professional boundaries. The investigation found that the licensee stayed at the client's house very late on several occasions, gave the client a massage, watched television with the client, and bought some clothing for the client. The licensee eventually admitted that some of his nontherapeutic activities with the client were inappropriate and signed a consent agreement that revoked his license approximately 4.5 months after substantial investigative work began.

The Board acted more quickly in instances auditors reviewed where the Board determined that it had sufficient evidence to pursue emergency action prior to fully resolving the complaint. According to statute, if the Board finds that public safety imperatively requires emergency action, the Board may restrict, limit, or summarily suspend a license pending proceedings for disciplinary action. The Board indicated that once it has sufficient evidence that public safety is at risk and that emergency action can be taken, it will summarily suspend a license or, more typically, offer an interim consent agreement to suspend a license. Although board records indicated that it has not summarily suspended a license since 2009, the Board executed interim consent agreements to suspend licensees from practicing in five instances during calendar years 2010 and 2011.<sup>1</sup> The median length of time between receiving the complaint and executing the consent agreements in these five cases was 26 days.<sup>2</sup> In addition, board officials reported that when licensees immediately admit to serious unprofessional conduct, the Board will offer a consent agreement to revoke a license. For example, in March 2012, the Board held an emergency meeting to accept a consent agreement to revoke the license of a counselor employed at a prison within 4 days of receiving a complaint after she admitted to engaging in a sexual relationship with a client and indirectly giving money to the client.

The Board acted more quickly on complaints when it determined it had sufficient evidence to pursue emergency action.

<sup>1</sup> The Board entered into two other interim consent agreements during calendar years 2010 and 2011, but these two agreements had unique characteristics that led auditors to exclude them from the group cited above. In one case, the agreement suspended a license that had already been inactivated before the complaint was opened, and in the other, the case was elevated to emergency status less than a month before the agreement was executed. The first of these two cases took more than 180 days to enter into an interim consent agreement; the second took nearly 180 days.

<sup>2</sup> For these five complaints, the range of time taken to execute the interim consent agreements was 19 to 92 days.



Lengthy complaint processing can affect public safety and licensees—Delays in resolving complaints can affect public safety. Licensees alleged to have violated board statutes and rules can continue to practice while under investigation, even though they may be unfit to do so or may need supervision. In such instances, lengthy investigations may delay board actions that protect the public, such as suspending or revoking a license. Conversely, if complaints turn out to have no merit, licensees themselves can be affected by a lengthy resolution process. For example, a board official said that it may be difficult for those with open complaints to find a new job, obtain new professional liability insurance, or obtain licensure in another state. In addition, a licensee's practice could also be impacted because, although complaint allegations and investigations are confidential, potential clients can find out on the Board's Web site whether licensees have a pending complaint against them.

## Board should address factors contributing to untimely complaint resolution

Auditors identified three factors that contributed to untimely complaint resolution. First, public complaints waited a long time to be investigated, which board officials attributed in part to not enough investigative staff. Second, the Board opened complaints for investigation even when the complaints did not constitute violations of board statutes or rules. Third, complaints that credentialing committees recommend for dismissal continue on to board review, taking additional time and attention even though statute authorizes the committees to dismiss complaints that are without merit. To resolve complaints in a more timely manner, the Board should continue implementing newly established processes for screening out complaints that do not need investigation; allow credentialing committees to dismiss more complaints without forwarding them to the Board for approval as allowed by statute; and conduct analyses to determine investigative staffing needs.

Three factors hindered complaint resolution timeliness—Auditors identified three factors that slowed complaint resolution in the following ways:

- **Public complaints waited a long time to be investigated**—Public complaints auditors reviewed waited for a median time of nearly 6 months before substantial investigative work began (see textbox, page 7, for a definition of public complaints). Auditors reviewed 21 public complaints closed in calendar years 2010 and 2011, including the 10 high-priority complaints discussed previously, and found that board staff took a median time of 174 days to begin substantial investigative work on these complaints, including one complaint where it took board staff 558 days to begin substantial investigative work.<sup>1</sup>

<sup>1</sup> Auditors determined the approximate date that substantial investigative work began based on documents available in complaint case files. Substantial investigative work includes activities such as sending out subpoenas for information or interviewing witnesses, and does not include administrative work done soon after a complaint is received, such as notifying the licensee of the complaint.

It took board staff a median time of 174 days to begin substantial investigative work on 21 public complaints auditors reviewed.

Waiting to begin substantial investigative work accounted for the majority of time it took to resolve 11 of these 21 complaints.

The inability to complete investigations is contributing to an increase in the number of open complaints. As shown in Table 3, auditors' analysis of the Board's database indicated that the Board opened more complaints than it closed in calendar years 2010 and 2011, resulting in a growing number of open complaints. Specifically, during calendar years 2010 and 2011, the Board opened 83 complaints more than it closed. Additionally, as of March 2012, the Board's database indicated that it had 191 open complaints, 79 of which had not yet been assigned to an investigator, including 20 complaints that had been waiting to be assigned to an investigator for more than 1 year.

Table 3: Number of Complaints Opened and Closed  
Calendar Years 2010 and 2011

Calendar Year	Complaints Opened	Complaints Closed <sup>1</sup>	Increase to Total Open Complaints
2010	134	95	39
2011	<u>172</u>	<u>128</u>	<u>44</u>
Totals	<u>306</u>	<u>223</u>	<u>83</u>

<sup>1</sup> Includes complaints opened in prior calendar years.

Source: Auditor General staff analysis of the Board's database.

Board officials reported several reasons why the number of open complaints has increased, including increases in the number of complaints opened over the past several years and an increase in the severity and complexity of complaints. As shown in Table 3, the number of complaints opened increased from 134 complaints in calendar year 2010 to 172 complaints in calendar year 2011. Board officials also provided documentation showing an increase in the percentage of closed complaints resulting in suspensions and revocations that has occurred since fiscal year 2009, which they cited as evidence of the increasing severity and complexity of complaints. In addition, board officials reported that many licensees deny complaint allegations and that the allegations are often difficult to prove, which increases the time needed to investigate and gather sufficient evidence to substantiate the allegations.

Finally, board officials indicated that vacancies in its investigative staff positions have affected the Board's ability to keep up with complaints. According to a board official, few investigators the Board has hired have the skills and abilities to effectively investigate complaints, and as of June 2012, only 3 of the 10 investigators that it had hired since January 2007 still worked for the Board. Further, two of the Board's seven investigative staff positions were vacant as of June 2012, although a contractor filled one of the vacant positions. In addition, the Board had two other vacant positions that board officials reported would mostly be dedicated to helping investigate complaints.

Prior to the audit, the Board investigated all complaints it received, including allegations that did not constitute violations of board statutes or rules.

- **Board has opened complaints that did not need investigation**—Historically, the Board has opened all complaints against its licensees, including allegations that did not need to be investigated because they did not constitute violations of board statutes or rules. Statute does not require the Board to investigate all complaints it receives, and other Arizona health regulatory boards screen out complaints if the alleged activity does not violate statutes or rules. Board staff screen out complaints that are not within its jurisdiction, such as complaints against professionals regulated by another state board, and forward them to the appropriate state agencies. However, prior to the audit, the Board opened for investigation all other complaints it received, including allegations that did not constitute violations of board statutes or rules. For example, board staff investigated a complaint from a counselor's ex-wife who alleged that the counselor had abused their son even though the counselor, after being notified of the complaint, promptly mailed the Board documentation from Arizona's Child Protective Services stating that the child-abuse allegation had been unsubstantiated. Board staff began substantial investigative work 18 months after the complaint was received, and the Board dismissed the case approximately 2 months later.
- **Dismissed complaints reviewed by both a credentialing committee and the Board**—Complaints that are dismissed are reviewed by both a credentialing committee and the Board, and this dual review can add approximately 30 days or more to the complaint resolution process. According to statute, all complaints must be reviewed by both a credentialing committee and the Board before discipline can be administered. However, statute allows the Board's credentialing committees to dismiss complaints that the committees determine have no merit. Despite this authority, board staff indicated that the credentialing committees typically forward dismissal recommendations for board consideration at the next board meeting, where the Board generally accepts the committees' recommendations for dismissal. Between January 2010 and May 2012, the Board accepted all but one of the credentialing committees' recommendations for dismissal. As a result, most dismissed complaints take longer to resolve than may be necessary. This additional step affects a substantial number of complaints: approximately 35 percent of complaints closed in calendar years 2010 and 2011 were dismissed.

Board should take steps to resolve complaints more quickly—The Board should improve complaint resolution timeliness by doing the following:

- **Screen out complaints that do not need investigation**—To reduce unnecessary work, the Board should screen out complaints that do not need to be opened for investigation. The Board has already taken initial steps in this regard. Specifically, in response to the audit, the Board directed its staff in May 2012 to begin screening out complaints that do not need to be opened for investigation, including allegations that do not constitute unprofessional conduct as defined by statute. By June 2012, board staff developed related

procedures for screening out these types of complaints. Following these procedures should help the Board and its staff screen out complaints that do not need to be opened. The Board should further revise these procedures, if necessary, to ensure they appropriately accomplish their intended effect.

- **Allow credentialing committees to dismiss more complaints**—To help speed up the final stages of complaint resolution, the Board should develop and implement policies and procedures to allow its credentialing committees to dismiss more complaints. Specifically, the Board should establish written guidelines regarding (1) the types of complaints that the credentialing committees can dismiss without forwarding for board review and (2) the types of dismissal recommendations the committees should still forward to the Board for review—for example, dismissal recommendations involving high-risk or complex complaints.
  
- **Conduct analyses to determine investigative staffing needs**—As discussed previously, board officials reported that investigative staff vacancies have affected the Board’s ability to keep pace with incoming complaints. As a result, the Board should:
  - Continue to assess the efficiency of its complaint investigation processes. This would help ensure these processes are as efficient as possible. In addition to some steps it has already taken, the Board should continue to identify ways to streamline investigative processes; eliminate tasks, as appropriate; and assign appropriate administrative investigative tasks to support staff.
  - Determine its investigative workload, including an estimate of its future investigative workload, and document the results. Doing so will help give the Board the information it needs to then determine its investigative staffing needs.
  - Determine investigative staffing needs and document the results. The Board should conduct separate analyses to identify both its staffing needs and how it can better hire and retain qualified investigators. First, based on ensuring the efficiency of its complaint investigation processes and its workload estimate, the Board should determine how many investigators it needs to process complaints in a timely manner. Second, the Board should determine how it can better identify, hire, and retain qualified investigators. If after completing these analyses and improving its retention of investigative staff the Board determines that additional investigators are needed, the Board may be able to request additional appropriations to use some of its increasing end-of-year fund balance to hire additional staff if needed (see Table 2, page 6).

Board officials reported that investigative staff vacancies have affected complaint resolution timeliness.

## Board should immediately investigate high-priority complaints and better monitor their progress

Prior to the audit, the Board lacked an adequate approach to prioritize complaints based on risk and did not monitor high-priority complaints to ensure they were resolved in a timely manner. As a result of the audit, the Board has taken some steps to improve its processes in these areas. The Board should ensure that its changes are adequate to ensure high-priority cases are quickly resolved and modify or augment these steps as necessary.

**Board procedures not sufficiently risk-based**—Prior to the audit, the Board lacked an adequate risk-based approach to prioritize complaints. The Board's identification of high-priority complaints was not based on the level of risk to the public. Rather, its approach called for designating complaints as high-priority across a wide range of potential risk levels. For example, engaging in inappropriate sexual contact with a client, having a dual relationship with a client by borrowing money from or socializing with the client, and engaging in inappropriate actions toward supervisees were all considered high-priority complaints, even though the risk to the public varied among these types of allegations. The Board's criteria for medium-priority complaints likewise did not address public risk. Rather, medium-priority complaints were mainly those opened by a credentialing committee and needing to be resolved within a certain time frame to meet licensing requirements. Because priorities were not risk-based, complaints with lower public risk were potentially investigated before complaints that carried greater public risk. Further, the Board did not have guidance for staff to determine when a high-priority complaint required emergency action.

In response to the audit, the Board revised its procedures to better prioritize complaints.

In response to the audit, the Board revised its written procedures in June 2012 to improve its risk-based approach to prioritizing complaints. Specifically, the revised procedures classify high-priority complaints as complaints regarding actions that pose substantial danger to public safety and represent an imminent threat, and classify medium-priority complaints as complaints regarding actions that are potentially harmful but not a substantial danger or imminent threat. The revised procedures also give examples of each type of complaint. Additionally, the Board revised its written procedures in June 2012 to identify when the risk to public safety requires emergency action on a complaint. Following these revised procedures will help ensure that higher-risk complaints are investigated before lower-risk complaints, and that emergency action is taken when appropriate. The Board should further revise these procedures, if necessary, to ensure they appropriately accomplish their intended effect.

**Board should better monitor high-priority complaints**—Prior to the audit, the Board lacked written procedures to monitor high-priority complaints to ensure that investigative work began promptly and to ensure these complaints were resolved in a timely manner. Instead, board officials reported that they informally

monitored the progress of these complaints. However, as discussed previously, auditors reviewed 10 complaints that the Board identified as high-priority and found that the Board took more than 180 days to resolve 6 of the 10 complaints. Further, auditors found that board staff took a median time of about 2.5 months to begin substantial investigative work on these 10 complaints, with specific times ranging from 5 to 196 days.

In response to the audit, board staff revised its written monitoring procedures in June 2012. Based on these changes, the procedures now state that high-priority complaints will be immediately investigated, that high-priority cases that warrant emergency action—such as a possible summary suspension—should be scheduled before the Board within 1 month of receipt, that all other high-priority cases should be resolved within 4 months of receipt, and that medium-priority cases should be resolved within 5 months of receipt. In addition, the procedures state that high- and medium-priority cases should be monitored monthly on a tracking log and that investigators will report to the investigations manager on the progress of specific complaints at defined intervals. Following these revised procedures will help ensure that high-priority complaints are monitored. The Board should further revise these procedures, if necessary, to ensure they appropriately accomplish their intended effect.

In response to the audit, the Board revised its procedures to better monitor priority complaints.

## Complaint data understated total time to resolve some complaints

Based on a review of the 21 public and 9 committee-opened complaints closed between January 2010 and January 2012, auditors found that board data understated the time it took to resolve some of these complaints. Specifically, the database understated the time it took to resolve 3 of the 30 complaints by approximately 1 to 2 months because, consistent with board policy at the time, board staff entered the “closed” date as the date the Board made a decision to resolve the complaint rather than when the decision was finalized. For example, in one case, the Board’s executive director signed a board order revoking a professional’s license about 1 month after the Board made its decision to do so. In addition, the database understated the time it took to resolve two additional complaints by more than 2 months because board staff incorrectly entered the “open” date as the date when staff began working on the complaint rather than the date when one of the Board’s credentialing committees opened the complaint. In response to the audit, the Board revised its procedures in June 2012 to clearly define which dates should be used to accurately reflect when a complaint is opened and closed. Following its revised procedures will help ensure that complaint data accurately reflect the time it takes to resolve complaints. The Board should further revise these procedures, if necessary, to ensure they appropriately accomplish their intended effect.

## Recommendations:

- 1.1 To ensure that recent changes to the Board's complaint-handling policies and procedures are improving various aspects of the complaint resolution process, the Board should continue the steps it has taken to (1) screen out complaints that do not need to be opened for investigation, (2) better prioritize complaints on the basis of risk, (3) monitor high-priority complaints, and (4) ensure that complaint data accurately reflect the time it takes to resolve complaints. The Board should further revise these procedures, if necessary, to ensure they appropriately accomplish their intended effect.
- 1.2 The Board should develop and implement policies and procedures allowing its credentialing committees to dismiss more complaints, and should establish written guidelines regarding (1) the types of complaints that the credentialing committees can dismiss without forwarding for board review and (2) the types of dismissal recommendations the committees should still forward to the Board for review—for example, dismissal recommendations involving high-risk or complex complaints.
- 1.3 The Board should conduct analyses to determine investigative staffing needs. Specifically, the Board should:
  - a. Continue to assess the efficiency of its complaint investigation processes. In addition to some steps it has already taken, the Board should continue to identify ways to streamline investigative processes; eliminate tasks, as appropriate; and assign appropriate administrative investigative tasks to support staff.
  - b. Determine its investigative workload, including an estimate of its future investigative workload, and document the results.
  - c. Determine investigative staffing needs and document the results. The Board should conduct separate analyses to identify both its staffing needs and how it can better hire and retain qualified investigators. First, based on ensuring the efficiency of its complaint investigation processes and its workload estimate, the Board should determine how many investigators it needs to process complaints in a timely manner. Second, the Board should determine how it can better identify, hire, and retain qualified investigators.
  - d. If after completing these analyses and improving its retention of investigative staff the Board determines that additional investigators are needed, the Board may be able to request additional appropriations to use some of its increasing end-of-year fund balance to hire additional staff if needed.

## SUNSET FACTORS

## Sunset factor analysis

In accordance with Arizona Revised Statutes (A.R.S.) §41-2954, the Legislature should consider the factors included in this report in determining whether the Arizona Board of Behavioral Health Examiners (Board) should be continued or terminated.

This analysis includes a recommendation for the Board to continue working with stakeholders to help resolve concerns regarding various board processes and requirements (see Sunset Factor 2, pages 19 through 22).

### 1. The objective and purpose in establishing the Board and the extent to which the objective and purpose are met by private enterprises in other states.

Created in 1988, the Board's mission is to establish and maintain standards of qualifications and performance for licensed behavioral health professionals in the fields of counseling, marriage and family therapy, social work, and substance abuse counseling, and to regulate the practice of licensed behavioral health professionals for the protection of the public. The Board was originally established to offer voluntary certification to behavioral health professionals. However, Laws 2003, Ch. 65, revised state laws to require behavioral health professionals practicing psychotherapy to be licensed beginning July 1, 2004.<sup>1</sup> This change was initiated by a coalition of professional associations representing the four professions regulated by the Board to better protect vulnerable clients from unqualified professionals who were allowed to practice under the State's voluntary certification program. Statute exempts certain individuals from licensure, including those employed by an agency licensed by the Arizona Department of Health Services and individuals employed by the Arizona Department of Economic Security or an agency it licenses.

Auditors did not identify any states that met the objective and purpose of the Board through private enterprises.

### 2. The extent to which the Board has met its statutory objective and purpose and the efficiency with which it has operated.

The Board has generally met its statutory objective and purpose, but needs improvement in some areas. Some examples in which the Board has efficiently met its objectives and purposes include:

- **Board licenses qualified applicants in a timely manner**—The Board has implemented policies and procedures to help ensure it issues licenses to qualified applicants that meet requirements established in board statutes and rules. In addition, the application forms contain detailed requirements and instructions for licensure. Further, applicants are required to demonstrate completion of needed supervision hours and have their supervisors provide notarized statements that those requirements have been met. Board

<sup>1</sup> A.R.S. §32-3251 defines psychotherapy as "a variety of treatment methods developing out of generally accepted theories about human behavior and development."



procedures require staff to review license applications to ensure that required information is submitted, and communicate to applicants if they have not provided necessary documentation.

Auditors reviewed a sample of nine licensing applications approved or denied between April 2009 and December 2011 and found that board staff and credentialing committee members reviewed the applications to ensure applicants were qualified. Specifically, after receiving these applications, board staff used a checklist form to document that applicants submitted all necessary paperwork. Next, two members of the applicable credentialing committee reviewed the applications to determine whether applicants met the minimum qualifications, and documented their review on the checklist. According to statute, credentialing committees can review and recommend that the Board approve or deny the applications, or request additional information based on their review. The committees' decisions were then sent to the Board for final approval.

In addition, board records indicated that licenses are generally processed within the overall time frame allowed by board rules. Arizona Administrative Code (AAC) R4-6-302 requires the Board to complete its overall review of licensing applications within 270 days. The Board's annual reports to the Governor's Regulatory Review Council for fiscal years 2009 through 2011 indicated that nearly 100 percent of the initial license applications were issued or denied within the required time frames. The nine applications auditors reviewed were also processed within the overall time frame allowed by board rules.

- **Board disciplines acts of unprofessional conduct**—The Board investigates complaints and administers discipline when it finds that licensees have engaged in unprofessional conduct. Auditors reviewed 10 complaints closed in calendar years 2010 or 2011 and found that the Board appropriately dismissed complaints without merit and took disciplinary action when complaint allegations were substantiated.
- **Board provides appropriate public information**—Auditors' review of the Board's public information practices found that its staff provide appropriate public information over the phone and on its Web site. The Board has written procedures for its staff to follow regarding written public records requests and the provision of public information. Auditors placed two anonymous phone calls to the Board in February and April 2012 to request information about specific licensees and found that the board staff provided appropriate information, including the status of a professional's license and any disciplinary actions taken against the professional. In addition, auditors reviewed the Board's Web site for information about specific licensees and found that the information complied with A.R.S. §32-3214, which prohibits state agencies from providing information on their Web sites regarding

dismissed complaints and nondisciplinary actions or orders taken against licensees.

However, the audit found that the Board can better meet its statutory objectives by:

- **Improving the timeliness of its complaint resolutions**—As discussed in Finding 1 (see pages 7 through 16) the Board has not resolved many complaints in a timely manner, and should continue taking steps to improve complaint resolution timeliness. Specifically, more than half of the 223 complaints the Board closed in calendar years 2010 and 2011 were not resolved in the 180-day standard used to evaluate the complaint-processing time for Arizona health regulatory boards. Approximately 25 percent of these complaints took between 1 and 2 years to resolve, and 6 of the 10 high-priority complaints auditors reviewed took longer than 180 days to resolve.

Three factors contributed to untimely complaint resolution. First, public complaints waited a long time to be investigated. Second, the Board opened complaints for investigation that did not allege violations of board statutes or rules. Third, complaints that credentialing committees recommend for dismissal continue on to board review, taking additional time and attention. As a result, the Board should continue implementing newly established processes for screening out complaints that do not need investigation, allow credentialing committees to dismiss more complaints without forwarding them to the Board for approval, and conduct analyses to determine investigative staffing needs.

In addition to its problems with timeliness, the Board did not have adequate procedures to classify and monitor high-priority complaints, or to ensure that complaint open and close dates entered into the Board's complaint database accurately reflected the total time taken to resolve complaints. As a result of the audit, the Board has taken some steps to improve its processes in these areas. The Board should ensure that its changes are adequate and modify or augment these steps as necessary.

- **Continuing to work with stakeholders to address concerns**—During the audit, various stakeholders expressed concerns to the Board regarding its processes and requirements. Stakeholders also communicated concerns to auditors. For example:
  - **Licensing process**—Some stakeholders reported that the Board did not provide a user-friendly licensure process and that it could do more to help applicants through the process—especially when they were applying for an independent license, which allows a licensee to practice without supervision. To qualify for a license to practice independently, applicants must document that they have worked a certain number of

hours under the supervision of a qualified supervisor, including clinical supervision hours.<sup>1</sup> In addition, applicants must ensure their supervisors maintain documentation for each instance of clinical supervision that includes the names and signatures of the supervisor and supervisee. Further, applicants' clinical supervisors must have completed continuing education on specific topics, such as the role and responsibility of a clinical supervisor and concepts of supervision methods and techniques, to be considered qualified supervisors. Although the Board began to offer courtesy reviews in November 2011 to help clinical supervisors determine if their training met requirements, stakeholders still reported having difficulty meeting some independent licensure requirements and suggested that the Board could help resolve this difficulty by creating standard forms to document supervision hours and pre-approving qualified supervisors (see Sunset Factor 11, page 26, for additional information about the Board's independent licensure requirements).

Additionally, some stakeholders reported disagreeing with or not understanding the Board's application of licensure requirements specified in statute and rule during its review of license applications. Although auditors observed that credentialing committee and board members strictly applied licensure requirements during their review of license applications and were particular about the documentation applicants provided, this strict review appeared to be within the Board's statutory authority. Additionally, based on the nine license applications auditors reviewed, the Board followed an adequate process to determine whether applicants met application requirements. Further, legislation passed in 2012 should help license applicants to request assistance during the application process. Specifically, Laws 2012, Ch. 352, added A.R.S. §41-1001.02, which states that, before submitting an application for a license, an applicant for licensure may make a written request for clarification of an agency's interpretation or application of a statute, rule, or substantive policy statement. The law requires the agency to respond within 30 days of receiving the request and to give the requestor an opportunity to meet to discuss the agency's clarification.

- **Licensing requirements**—Some stakeholders said it was challenging to obtain a reciprocal license because they found it difficult to meet the Board's standards involving education, supervision, and continuous practice of behavioral health for 5 years prior to applying. Auditors found that requirements for obtaining a reciprocal license varied

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<sup>1</sup> AAC R4-6-101 defines clinical supervision as face-to-face, videoconferencing, or telephonic direction or oversight provided by a qualified individual to evaluate, guide, and direct all behavioral health services provided by a licensee to assist the licensee to develop and improve the necessary knowledge, skills, techniques, and abilities to allow the licensee to engage in the practice of behavioral health ethically, safely, and competently.

among eight other western states auditors reviewed (see Sunset Factor 11, page 27, for additional information).

- **Other concerns**—Some stakeholders also reported other areas of concern. For example, one stakeholder questioned the Board's practice of not allowing licensees with complaints against them to review investigative materials prior to staff submitting them to the credentialing committee members for their initial review. According to A.R.S. §32-3206, Arizona health regulatory boards must provide certain investigative information to licensees before a formal interview or a hearing, but the Board's statutes do not otherwise require the Board to provide a licensee with access to investigative materials. Although not required, the Arizona Medical Board reported it provides licensees with copies of all investigative information before a complaint is reviewed by a committee, and the Arizona State Board of Nursing reported it provides access to some investigative material before a licensee's case is initially discussed in a public meeting. However, a board official reported that the Board's limited staff resources prevent it from providing the type of early access to investigative materials provided by these two boards.

Stakeholders provided other examples of concerns with how the Board dealt with specific licensure applicants. After reviewing the information provided and the Board's related processes, auditors did not find that the Board acted outside of its authority. For example, one concern was that, as an applicant continued through the licensure process, a credentialing committee found a problem with the applicant's documentation after it had not found a problem in a prior review. However, the Board and its credentialing committees are responsible for ensuring that applicants meet the qualifications established in the Board's statutes and rules, and re-examining previously submitted forms when an applicant is still in the process of applying for a license is within the Board's purview.

The Board began meeting with organizations that represent various behavioral health professionals in March 2012 to discuss their concerns and held a total of four meetings with these stakeholders through June 2012. In addition, the Board took other steps during the audit to help resolve some stakeholder concerns. For example, in June 2012, the Board revised two of its form letters to applicants and posted guidance for applicants on its Web site to clarify the licensing process and help prevent common errors made by applicants. In addition, the Board revised its Web site in June 2012 to update its guidance regarding substance abuse licensure requirements, which had previously been incomplete. For example, the guidance had not described coursework that would not meet licensure requirements. Further, as of August 2012, the Board was in the process of drafting a standardized

clinical supervision form that applicants for a license to practice independently and their supervisors could use to document this supervision.

Several stakeholders reported that some progress had been made in addressing their concerns but indicated that additional progress is needed. In addition, some stakeholders expressed interest in continuing to meet to address outstanding concerns. One stakeholder group did express dissatisfaction with the progress that the Board has made to address certain concerns, such as reciprocal licensure requirements and licensee access to investigative materials. Therefore, the Board should continue meeting with stakeholders to discuss their concerns and take actions, as appropriate, to address them.

**3. The extent to which the Board serves the entire State rather than specific interests.**

The Board serves licensees, their clients, and the public throughout the State by ensuring that behavioral health professionals licensed in this State are qualified to practice psychotherapy. In addition, it provides a mechanism for the public to file complaints against behavioral health professionals. Further, the Board provides the public with information through its Web site regarding licensed behavioral health professionals' licensing status and disciplinary history, as well as whether they have any pending complaints. The Web site also informs the public that it may call the board office to obtain information about dismissed complaints and nondisciplinary actions taken against a licensee.

**4. The extent to which rules adopted by the Board are consistent with the legislative mandate.**

General Counsel for the Office of the Auditor General has analyzed the Board's rule-making statutes and believes that the Board has established rules required by statute, with one exception. Specifically, the Board has not created rules to address A.R.S. §32-3271(A)(2), which permits a nonresident to perform behavioral health services, without a license, for not more than 90 days in a calendar year. Although this statute requires that the Board establish a rule limiting behavioral health services performed by nonresidents, the statute appears to establish the parameters for such services without the need for additional explanation in rules.

**5. The extent to which the Board has encouraged input from the public before adopting its rules and the extent to which it has informed the public as to its actions and their expected impact on the public.**

The audit found that the Board has encouraged input from stakeholders before adopting rules. Although the Board was exempt from the formal rule-making process when mandatory licensure began in fiscal year 2005, it submitted its

proposed rules in the Arizona Administrative Register and obtained stakeholder input before adopting rules implementing licensure. In addition, the Board reported that it participated in a workgroup with stakeholders that spent 2 years developing proposed changes to reciprocal license requirements (see Sunset Factor 8, pages 24 through 25, for additional information).

The audit also found that the Board has complied with the State's open meeting law for its November 2011 board meeting and credentialing committee meetings. For example, as required by the open meeting law, the Board and its credentialing committees posted meeting notices and agendas on the Board's Web site at least 24 hours in advance.<sup>1</sup> In addition, the Board posted the notices and agendas at the locations where the Board's Web site states they will be posted. The Board posts written meeting minutes on its Web site, and staff reported that audio recordings of meetings are available within 3 business days. However, in accordance with its records retention policy, the Board destroys the audio recordings 3 months after the Board approves the written meeting minutes. In addition, auditors determined that the Board's meeting notices and written minutes complied with statute. The Board also provided a call to the public during board and committee meetings auditors observed, inviting members of the public and professional stakeholders to address board/committee members regarding items on the agenda or professional concerns. Finally, the Board notifies licensees of changes in its practices through its Web site and written correspondence.

**6. The extent to which the Board has been able to investigate and resolve complaints that are within its jurisdiction.**

The Board has sufficient statutory authority to investigate and resolve complaints within its jurisdiction and has various nondisciplinary and disciplinary options available to use, such as issuing a letter of concern, and suspending or revoking a license. However, as discussed in Finding 1 (see pages 7 through 16), auditors found that the Board did not resolve many complaints in a timely manner and that it should continue taking steps to address the timeliness of its complaint handling (see Sunset Factor 2, page 19, for additional information).

**7. The extent to which the Attorney General or any other applicable agency of state government has the authority to prosecute actions under the enabling legislation.**

The Attorney General is the Board's attorney according to A.R.S. §41-192, and, as such, has authority to prosecute a class 2 misdemeanor such as a violation of board law or rule according to A.R.S. §32-3286. In addition, a county attorney could also prosecute a class 2 misdemeanor pursuant to A.R.S. §11-532.

<sup>1</sup> In addition to November 2011 board and committee meetings, auditors observed the posting of notices and agendas for the May 2012 board meeting and one June 2012 committee meeting.

**8. The extent to which the Board has addressed deficiencies in its enabling statutes that prevent it from fulfilling its statutory mandate.**

The Board reported that it has sought statutory changes, usually in conjunction with its stakeholders, to address deficiencies in its statutes. These include the following:

- Laws 2008, Ch. 134, §2, amended A.R.S. §32-3272 to authorize the Board to raise its licensing fee cap from \$250 to \$500.
- Laws 2008, Ch. 134, §4, amended A.R.S. §32-3321 to expand the types of degrees that would qualify an applicant for the substance abuse technician license to include any bachelor's degree in behavioral health science with an emphasis in counseling. Prior to the amendment, the only acceptable degree was an associate of applied science degree in chemical dependency with an emphasis in counseling. As of January 1, 2009, either type of degree may be used to obtain licensure as a substance abuse technician.
- Laws 2008, Ch. 134, §3, amended A.R.S. §32-3274 to clarify requirements for a reciprocal license. Prior to this amendment, statute allowed the Board to grant reciprocal licenses to applicants from other states if applicants could provide documentation of active licensure or certification at an equivalent designation. More specifically, board rules required an applicant for a reciprocal license to "substantially meet the current requirements for Arizona licensure." However, a board official reported that this requirement was unclear and a workgroup of board representatives and stakeholders spent 2 years developing proposed changes to reciprocal license requirements. As a result, statute was revised to require recipients of a reciprocal license to:
  - Hold a license or certificate in good standing in behavioral health by another state regulatory agency;
  - Have held this credential in the same discipline and practice level for a minimum of 5 years;
  - Have practiced a minimum of 6,000 hours in the 5 years prior to application;
  - Be licensed or certified in a state with minimum education, work experience, and clinical supervision requirements in effect at the time the person was licensed or certified and provide verification from the other state licensing or certifying agency that the person met those requirements in order to be licensed or certified;
  - Have passed an exam required for the license sought; and

- Meet any other requirements prescribed by the Board.

In addition, before practicing without supervision in Arizona, reciprocal license holders must practice under the direct supervision of a licensee for a minimum of 1,600 hours within at least 1 year after issuance of the reciprocal license, receive a minimum of 50 hours of qualifying clinical supervision during that period, and demonstrate competency.

**9. The extent to which changes are necessary in the laws of the Board to adequately comply with the factors listed in this sunset law.**

The audit did not identify any needed changes to board statutes.

**10. The extent to which the termination of the Board would significantly affect the public health, safety, or welfare.**

Terminating the Board would affect the public's health, safety, and welfare if its regulatory responsibilities were not transferred to another entity. As stated in Sunset Factor 1 (see page 17), the State's transition from voluntary certification to mandatory licensure of behavioral health professionals was initiated by a coalition of professional associations representing the four professions regulated by the Board to better protect vulnerable clients from unqualified professionals who were allowed to practice under the State's voluntary certification program. Further, as discussed in Sunset Factor 11, all 50 states license counselors, marriage and family therapists, and social workers, and regulate the substance abuse treatment profession.

The Board protects the public by ensuring that licensed behavioral health professionals are qualified to practice psychotherapy and by receiving and investigating complaints against licensees alleging incompetence or unprofessional conduct and taking appropriate disciplinary action against licensees when allegations have been substantiated. The Board also provides information to the public about licensees' licensing status, disciplinary history, and pending complaints. These functions appear necessary to help protect the public from potential harm. For example, auditors reviewed complaints investigated by the Board alleging actions by licensees that posed a threat to the public, including sexual misconduct, substance abuse, and practicing outside a licensee's appropriate scope of practice.

**11. The extent to which the level of regulation exercised by the Board compares to other states and is appropriate and whether less or more stringent levels of regulation would be appropriate.**

The audit found that the level of regulation exercised by the Board is generally similar to that in other states and appears appropriate. According to professional organizations' Web sites, all 50 states license counselors, marriage and family



therapists, and social workers.<sup>1</sup> In addition, according to an official from an international credentialing organization that establishes standards for the credentialing of addiction-related professionals, all 50 states also regulate the substance abuse treatment profession, but the form of regulation varies from state to state. For example, some states regulate the profession through licensure or certification of professionals, while other states may license or certify treatment programs and/or treatment facilities. According to the Addiction Technology Transfer Center Network Web site, at least 30 states have agencies that oversee the licensing or certification of substance abuse counselors, including the following western states: Arizona, Colorado, Montana, Nevada, New Mexico, Utah, Washington, and Wyoming.

Auditors reviewed specific licensing requirements in eight western states regarding independent licensure and licensing exemptions and found that Arizona's requirements were generally in line with those in the other states.<sup>2</sup> Specifically:

- **Independent licensure**—The Board's requirements for obtaining an independent license to practice without supervision were generally similar to the other states' requirements. For example, all nine states, including Arizona, typically required the following:
  - A relevant master's degree or higher degree;
  - Passing the prescribed examination;
  - Working a certain number of hours under supervision, which generally ranged from 1,000 to 4,000 hours depending on the state and profession; and
  - Obtaining a certain number of clinical supervision hours, which generally ranged from 50 to 200 hours depending on the state and profession.<sup>3</sup>
- **Licensing exemptions**—Similar to Arizona, others states also exempt some professionals from licensure. For example, six of the other eight states exempt persons employed by specified government agencies or by an employer that is certified or licensed by certain government agencies. Arizona exempts certain individuals from mandatory licensure, including

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<sup>1</sup> Auditors reviewed the Web sites from the American Association of State Counseling Board, Association of Marital and Family Therapy Regulatory Boards, and Association of Social Work Boards to obtain licensing information for the 50 states as of May 2012.

<sup>2</sup> The eight other western states were California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington.

<sup>3</sup> AAC R4-6-101 defines clinical supervision as face-to-face, videoconferencing, or telephonic direction or oversight provided by a qualified individual to evaluate, guide, and direct all behavioral health services provided by a licensee to assist the licensee to develop and improve the necessary knowledge, skills, techniques, and abilities to allow the licensee to engage in the practice of behavioral health ethically, safely, and competently.

those employed by an agency licensed by the Arizona Department of Health Services and individuals employed by the Arizona Department of Economic Security or an agency it licenses.

Auditors also reviewed reciprocal licensure requirements in these eight western states and found that requirements varied by state and profession. These states offered reciprocal licenses, licensure by endorsement, or had some other process to assess whether applicants' qualifications met in other states were substantially equivalent to the standards of their state.<sup>1</sup> In general, these states required applicants holding a credential in another state to either possess qualifications substantially equivalent to their state's requirements and/or meet specific requirements such as being licensed for 1 to 5 years or to have practiced for approximately 1,000 to 5,000 hours (see Sunset Factor 8, pages 24 through 25, for information regarding Arizona's reciprocal licensure requirements). However, none of these states required reciprocal license holders to practice under the supervision of another licensee for at least 1 year as required in Arizona.

As mentioned in Sunset Factor 2 (see pages 20 through 21), some stakeholders said it was challenging to obtain a reciprocal license in Arizona because they found it difficult to meet the Board's standards. The difficulty in obtaining a reciprocal license in Arizona or in other states partially depends on applicants' individual circumstances, such as their work experience and/or the requirements they had to meet when initially licensed. Board officials reported that the Board's reciprocal licensure requirements are less stringent than they used to be. Specifically, they indicated that the former requirement of having applicants for reciprocal licensure substantially meet the current requirements for Arizona licensure offered limited reciprocity and that the revised requirements, passed in the 2008 legislative session, were created with the help of stakeholders to make it easier for reciprocal license applicants to obtain a license while still ensuring that the applicants are qualified (see Sunset Factor 8, pages 24 through 25, for additional information regarding the revised requirements). However, during the audit, stakeholders expressed concerns regarding the Board's reciprocal licensure requirements, and the Board began meeting with stakeholders in March 2012 to discuss these and other concerns.

The audit did not identify areas where less or more stringent levels of regulation would be appropriate.

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<sup>1</sup> Regulatory agency staff in Nevada and Washington said that their states do not offer reciprocal licenses for behavioral health professionals, but that their states had a process to possibly accept applicants' prior education, exams, and/or supervised work experience obtained when they had applied for licensure in another state.

**12. The extent to which the Board has used private contractors in the performance of its duties as compared to other states and how more effective use of private contractors could be accomplished.**

Similar to other western states auditors reviewed for the information provided in Sunset Factor 11, the Board has used private contractors for various services. For example, board management reported that the Board has contracted with various clinical experts to review complaint investigations that are highly contested by licensees, provide guidance to staff regarding clinical issues, and provide expert testimony on behalf of the Board in formal administrative hearings. In addition, the Board contracts out investigative work to individuals prior to offering them full-time employment as board investigators. As of June 2012, the Board had hired and retained one of the five investigators that it contracted with between July 1, 2009, and December 31, 2011. Further, the Board has contracted with a consultant to assist with information technology needs such as developing and maintaining the Board's licensing and complaint database.

Seven of the eight western states auditors contacted indicated that their state used private contractors for clinical expertise, investigations, and/or information technology services to assist with regulating behavioral health professionals. Some of these states reported that they contract for other types of services as well. For example, management from the Colorado Department of Regulatory Agencies reported that Colorado contracts with a company for credential review services for its licensed professional counselor designation. According to the application form for this license, this company helps ensure that applicants meet education requirements for licensure if they did not earn a degree from an accredited counseling program. In Arizona, this function has been performed by the Board's credentialing committees; however, the Legislature increased the Board's fiscal year 2013 appropriation so that it may similarly contract for curriculum reviews of nonaccredited counseling programs to ensure that applicants meet education requirements. In addition, management from the Utah Division of Occupational and Professional Licensing reported that Utah contracts with the Association of Social Work Boards to administer exams. Similarly, management from the California Board of Behavioral Sciences reported that California contracts for the development and proctoring of licensure exams.

The audit did not identify any additional areas where the Board should consider using private contractors.

## APPENDIX A

# Methodology

This appendix provides information on the methods auditors used to meet the audit objectives.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Auditor General and staff express appreciation to the Arizona Board of Behavioral Health Examiners (Board), its Executive Director, and staff for their cooperation and assistance throughout the audit.

Auditors used various methods to study the issues in this report. These methods included reviewing board statutes, rules, and policies and procedures; interviewing a current and former board member, staff, and various stakeholders; and reviewing information from the Board's Web site.

In addition, auditors used the following specific methods to meet its audit objectives:

- To determine whether the Board's processes and practices helped ensure that complaints are handled appropriately and in a timely manner, and that discipline is administered in accordance with statute and rule, auditors reviewed a sample of 30 complaints that were closed between January 2010 and January 2012, including 21 complaints filed by the public and 9 complaints opened by the Board's credentialing committees.<sup>1</sup> Auditors also analyzed data from the Board's complaint database to assess the Board's timeliness in resolving the 223 complaints that were closed in calendar years 2010 and 2011 and reviewed a database report regarding open complaints as of March 2012. In addition, auditors reviewed the Board's meeting minutes from January 2010 through May 2012, the Board's *Adverse Action Tracking Form* for calendar years 2009 through 2012, and a March 2012 complaint in which the Board took emergency action against a licensee. Further, auditors reviewed investigative practices from the Arizona Medical Board and the Arizona State Board of Nursing.
- To determine whether the Board's processes and practices helped ensure that new licenses are issued in a timely manner to qualified applicants, auditors reviewed a sample of nine licensing applications, including five approved and four denied license applications.<sup>2</sup> Auditors also reviewed the Board's license application materials and reports submitted to the Governor's Regulatory Review Council for fiscal years 2009 through 2011 regarding the Board's timeliness in approving or denying licenses.
- To assess whether the Board shares appropriate information regarding licensees with the public, auditors placed two anonymous phone calls to board staff in February and April 2012 requesting information about four

<sup>1</sup> To assess the Board's overall complaint-resolution process, auditors reviewed 10 complaints selected to represent the major forms of discipline and the four professions regulated by the Board. To assess the Board's timeliness in resolving complaints, auditors reviewed an additional 20 complaints.

<sup>2</sup> Auditors selected nine licensing applications approved or denied between April 2009 and December 2011 to represent for the different license types, including reciprocal licenses and licenses to practice independently, and each of the four professions regulated by the Board.

licensees and compared the information provided to the Board's complaint database. Auditors also reviewed licensing and complaint history information about specific licensees on the Board's Web site and assessed whether the information provided was consistent with statutory requirements.

- To obtain information used in the Introduction section, auditors compiled and analyzed unaudited information from the Arizona Financial Information System (AFIS) *Accounting Event Transaction File* for fiscal years 2010 through 2012 and the AFIS Management Information System *Status of General Ledger-Trial Balance* screen for fiscal years 2010 through 2012. In addition, auditors reviewed the Board's organizational chart, reviewed professional associations' Web sites, and reviewed board database reports regarding the number of licenses by license type.
- To obtain information used in the sunset factors, auditors reviewed various professional organizations' Web sites that provided information regarding the regulation of behavioral health for all 50 states as of May 2012, and interviewed representatives from professional organizations regarding the regulation of substance abuse counselors.<sup>1</sup> Additionally, auditors reviewed statutory and rule requirements in eight other western states regarding reciprocal licenses, independent licenses, and licensing exemptions.<sup>2</sup> Auditors also contacted staff from agencies that regulate behavioral health in these eight states to obtain information about their use of private contractors. In addition, auditors attended the November 2011 board meeting and reviewed the associated public meeting notice, agenda, and meeting minutes. Auditors also attended the November 2011 meetings for three of the Board's credentialing committees, including the counseling, social work, and substance abuse credentialing committees, and reviewed the associated public meeting notices and agendas. Further, auditors tested whether board staff posted public notices and agendas for these meetings, the May 2012 board meeting, and the June 2012 marriage and family therapy credentialing committee meeting in compliance with open meeting law.
- Auditors' work on internal controls included reviewing the Board's policies and procedures for ensuring compliance with board statutes and rules. For example, auditors reviewed policies and procedures and tested the Board's compliance with various policies and procedures and/or board statutes and rules, for complaint handling, licensing, and providing information to the public. In addition, auditors conducted data validation work to assess the reliability of the Board's complaint database information used to assess complaint resolution timeliness. Specifically, auditors interviewed board staff, reviewed data policies and procedures, and compared information in the database against hard-copy complaint files. Although auditors found that, in some instances, board data

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<sup>1</sup> These included Web sites from the following professional organizations: the American Association of State Counseling Board, Association of Marital and Family Therapy Regulatory Boards, Association of Social Work Boards, and Addiction Technology Transfer Center Network.

<sup>2</sup> The eight other western states were California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington.

understated the time it took to resolve complaints by approximately 1 to more than 2 months, auditors determined that the Board's database was sufficiently reliable for the purposes of the audit. Auditors' conclusions on these internal controls are reported in Finding 1 (see pages 7 through 16), and Sunset Factor 2 (see pages 17 through 22).

# AGENCY RESPONSE



STATE OF ARIZONA  
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JANICE K. BREWER  
Governor

DEBRA RINAUDO  
Executive Director

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August 23, 2012

Debbie Davenport, CPA  
Auditor General  
Office of the Auditor General  
State of Arizona  
2910 N. 44<sup>th</sup> Street, Ste. 410  
Phoenix, AZ 85018

Dear Ms. Davenport:

On behalf of the Arizona Board of Behavioral Health Examiners, I have attached the agency's response to the Audit Report prepared by your office. The Board and its staff sincerely appreciate the time and resources committed by the audit team to reviewing the Board's processes and procedures. We would also like to recognize the professionalism of your staff throughout the audit process.

The recommendations identified in the report, which have either been implemented or are in the process of being implemented, will allow the Board to continue its ongoing commitment to excellence in the regulation of behavioral health professionals under the Board's jurisdiction and to better fulfill its legislative mandate to protect the public.

Sincerely,

Debra Rinaudo

cc: Arizona Board of Behavioral Health Examiners Members



**RESPONSE TO PRELIMINARY REPORT DRAFT  
ARIZONA BOARD OF BEHAVIORAL HEALTH EXAMINERS  
AUGUST 23, 2012**

**Finding 1:**

The Board should improve complaint resolution timeliness.

**The Board and its staff recognize the critical importance of resolving complaints in a timely manner and the need for continuous assessment regarding the efficiency of its investigative processes. The Board has already successfully implemented a majority of the recommendations made by the auditors. Likewise, the Board is currently developing the procedures needed to effectively implement the remaining recommendations. Following full implementation of all the recommendations, the Board will be able to determine what additional resources, if any, will be required to allow the Board to process complaints within the 180-day standard used to evaluate Arizona health regulatory boards.**

**Recommendations:**

1.1 To ensure that recent changes to the Board's complaint handling policies and procedures are improving various aspects of the complaint resolution process, the Board should continue the steps it has taken to (1) screen out complaints that do not need to be opened for investigation, (2) better prioritize complaints on the basis of risk, (3) monitor high-priority complaints, and (4) ensure that complaint data accurately reflect the time it takes to resolve complaints. The Board should further revise these procedures, if necessary, to ensure they appropriately accomplish their intended effect.

**The finding of the Auditor General is agreed to and the audit recommendation has been implemented. The Board will further revise its new procedures as needed to ensure they appropriately accomplish their intended result.**

1.2 The Board should develop and implement policies and procedures allowing its credentialing committees to dismiss more complaints and should establish written guidelines regarding (1) the types of complaints that the credentialing committees can dismiss without forwarding for Board review and (2) the types of dismissal recommendations the committees should still forward to the Board for review—for example, dismissal recommendations involving high-risk or complex complaints.

**The finding of the Auditor General is agreed to and the audit recommendation will be implemented. Implementation will be complete by October 2012.**

1.3 The Board should conduct analyses to determine investigative staffing needs. Specifically, the Board should:

- a. Continue to assess the efficiency of its complaint investigation processes. In addition to some steps it has already taken, the Board should continue to identify ways to streamline investigative processes; eliminate tasks, as appropriate; and assign appropriate administrative investigative tasks to support staff.
- b. Determine its investigative workload, including an estimate of its future investigative workload, and document the results.
- c. Determine investigative staffing needs and document the results. The Board should conduct separate analyses to identify both its staffing needs and how it can better hire and retain qualified investigators. First, based on ensuring the efficiency of its complaint investigation processes and its workload estimate, the Board should determine how many investigators it needs to process complaints in a timely manner. Second, the Board should determine how it can better identify, hire, and retain qualified investigators.
- d. If after completing these analyses and improving its retention of investigative staff the Board determines that additional investigators are needed, the Board may be able to request additional appropriations to use some of its increasing end-of-year fund balance to hire additional staff if needed.

**The finding of the Auditor General is agreed to and the audit recommendation will be implemented. Implementation will be complete by September 2012.**

#### **Sunset Factors:**

- Continuing to work with stakeholders to address licensing concerns

**The finding of the Auditor General is agreed to and the audit recommendation will be implemented. In response to issues identified by its stakeholders with regard to the Board's licensing requirements and complaint processes, the Board began meeting on a monthly basis in March 2012 with all of its major stakeholders.<sup>1</sup> As a result of these ongoing discussions, the stakeholders reached consensus on a number of issues and the Board was able to implement the requested changes with the full support of the stakeholders. These changes include the following:**

- a. **The creation and distribution of detailed information for applicants to clarify the licensing process and help prevent common application errors.**
- b. **The creation of a standardized clinical supervision form for use by applicants seeking independent licensure.**
- c. **The development of a process to provide easier access to information**

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<sup>1</sup> The Board's major stakeholders include the Arizona Counselors Association, the Arizona Chapter of the National Association of Social Workers, the Arizona Association of Marriage and Family Therapists, the Arizona Association of Drug and Alcohol Counselors, and the Arizona Council of Human Service Providers.

**regarding clinical supervisors who have completed Board required training.**

**The stakeholders continue to meet on a monthly basis with regard to the remaining issues where consensus has not yet been achieved. The lack of consensus over the remaining issues reflects the differences in professions, employee and employer relationships, competing priorities and implementation costs. The Board remains committed to working with all of its stakeholders to determine if consensus can be reached regarding these outstanding issues.**

## Performance Audit Division reports issued within the last 24 months

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<b>10-07</b>	Arizona Department of Agriculture—Sunset Factors	<b>11-09</b>	Arizona Department of Veterans' Services—Veterans' Donations and Military Family Relief Funds
<b>10-08</b>	Department of Corrections—Prison Population Growth	<b>11-10</b>	Arizona Department of Veterans' Services and Arizona Veterans' Service Advisory Commission—Sunset Factors
<b>10-L1</b>	Office of Pest Management—Regulation	<b>11-11</b>	Arizona Board of Regents—Tuition Setting for Arizona Universities
<b>10-09</b>	Arizona Sports and Tourism Authority	<b>11-12</b>	Arizona Board of Regents—Sunset Factors
<b>11-01</b>	Department of Public Safety—Followup on Specific Recommendations from Previous Audits and Sunset Factors	<b>11-13</b>	Department of Fire, Building and Life Safety
<b>11-02</b>	Arizona State Board of Nursing	<b>11-14</b>	Arizona Game and Fish Commission Heritage Fund
<b>11-03</b>	Arizona Department of Veterans' Services—Fiduciary Program	<b>12-01</b>	Arizona Health Care Cost Containment System—Coordination of Benefits
<b>11-04</b>	Arizona Medical Board	<b>12-02</b>	Arizona Health Care Cost Containment System—Medicaid Eligibility Determination
<b>11-05</b>	Pinal County Transportation Excise Tax		
<b>11-06</b>	Arizona Department of Veterans' Services—Veteran Home		
<b>11-07</b>	Department of Corrections—Oversight of Security Operations		
<b>11-08</b>	Department of Corrections—Sunset Factors		

## Future Performance Audit Division reports

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Arizona State Parks Board

Arizona State Schools for the Deaf and the Blind