



Governor
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Lindsey Perry, Auditor General
Arizona Office of the Auditor General
2910 North 44th Street, Ste. 410
Phoenix, Arizona 85018

Dear Ms. Perry:

The Arizona Board of Psychologist Examiners appreciates the opportunity to respond to the report of the Auditor General regarding the performance audit and sunset review.

On behalf of the Board and staff, we would like to thank your staff for the professional and collaborative approach by the Office of the Auditor General during the audit process.

Thank you.

Jenna Jones
Executive Director

Finding 1: Board should seek statutory authority to require criminal background checks for license applicants

Recommendation 1: The Board should work with the Legislature to obtain statutory authority to require fingerprint-based criminal background checks for its license applicants. In doing so, the Board should work with its Assistant Attorney General to determine if these checks should be conducted through either a criminal history records check or a fingerprint clearance card.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board has reviewed and discussed the implementation of requiring fingerprint clearance cards for new license applicants. The Board's plan includes holding stakeholder meetings this summer to discuss the proposed legislative change. The recommendation for requiring fingerprint clearance cards at renewal will also be discussed and considered. If the Board were to move forward with the statutory change to require a fingerprint clearance card at renewal, it would be one of the first regulatory boards in the state to do so.

Recommendation 2: The Board should develop and implement policies and procedures for verifying the fingerprint clearance card's validity, both for initial and renewal license applications, if it obtains statutory authority to require fingerprint-based criminal background checks through a fingerprint clearance card.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: If given the statutory authority to require fingerprint clearance cards, the Board will develop and implement policies and procedures for use of a fingerprint clearance card for new applicants and renewals.

Finding 2: Board should improve timeliness in reviewing claims against court-appointed psychologists

Recommendation 3: The Board should continue its efforts to implement its newly adopted claims review procedures and practices, including tracking time frames, and evaluate how these procedures and practices impact its timeliness in reviewing claims.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The recommendation has been implemented by the Board. The Board will continue to follow existing procedures for handling claims. Staff has modified the tracking process for claims and will continue to follow this implemented change. As of February 2018, the average time to resolve claims in FY19 has been 59 days. The claims process is unique to Arizona and as such it creates specific challenges to obtaining information to review, consider and evaluate the matter when a claim is made. The Board plans to review this item for possible consideration of a legislative change.

Finding 3: Board should improve timeliness in investigating and adjudicating complaints against psychologists

Recommendation 4: The Board should revise its complaint handling policies and procedures to require Board staff to consider and assign an appropriate complaint investigation priority for claims that become complaints based on the nature of the alleged violations and the time the Board has already spent reviewing the claim in order to more quickly address these complaints.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: Board staff reviews and evaluates the allegations in each complaint received and prioritizes handling as warranted. When a claim is determined to warrant a complaint, the same initial process is followed. Staff requests a response and copies of the records from the licensee. When the response and records are received from the licensee, the former claim now complaint, could be prioritized over other pending complaints dependent on the subject matter and seriousness of the other complaints. At this time, the complaint process is current and unless there were to be a significant increase in reported complaints, all cases are moving to the next scheduled Complaint Screening Committee meeting.

Recommendation 5: The Board should continue its efforts to implement all new procedures and practices designed to improve timeliness in investigating and adjudicating complaints and evaluate how its newly adopted efforts impact its complaint timeliness.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: This recommendation has already been implemented. The Board will continue its efforts to improve timeliness in investigating and adjudicating complaints. As of February 2018, the complaints received in FY19 have been resolved in an average of 124 days.

Recommendation 6: The Board should continue using its newly developed claims and complaints log to ensure it tracks all complaints received.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board will continue to use the newly developed claims and complaint logs. A staff change at the Board in late 2017 led to the identification and assessment that a new tracking system would be beneficial. In addition, a number of processes and procedures have been revised. The agency tracks all complaints received, including those matters when the Board does not have jurisdiction and has referred the matter to another agency for handling.

Finding 4: Board should review appropriateness of licensing fees

Recommendation 7: The Board should conduct a review of its fees for psychologists and behavior analysts by taking the following steps:

Recommendation 7a: Ensure its regulatory processes, such as reviewing initial license and license renewal applications and investigating and adjudicating complaints, are as efficient as possible to help ensure that regulatory costs are as low as possible.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The agency is very efficient and highly productive in the amount of work processed and completed. The staff's four members accomplish this by being cross-trained and highly proficient at multi-tasking. The staff are exceptionally diligent and dedicated to supporting the Board and its committees all while providing excellent customer service to licensees and the public. Staff is successful in meeting all timeframes for licensing and renewals in addition to improving timeframes for claims and complaints. The staff is also responsible for coordinating and attending meetings each month for the Board and several committees. Due to the increasing workload, proposed projects, rule changes, and the increases in time necessary to process applications and licenses in the new e-licensing system, the Board will need a staffing increase in the next budgetary cycle. The number of licensed Behavior Analysts have increased by 26% over the past two years. The Board's overhead expenses have increased significantly in the past year with the implementation of the e-licensing system. In FY18, the Board was mandated to spend \$91,000 to initiate the e-licensing system. The Board expects to spend approximately \$21,000 this year on the system and its related costs. In addition to the yearly expense of the system, the Board is also seeking an additional appropriation of \$12-\$14,000 in FY20 for software to assist staff in extracting information from the system in a usable format. The Board's overhead has increased significantly as a result of all of these additional expenses. It should also be noted that several of the tenured Board members have waived their per diems. Several years ago the Board's fund was swept by the Legislature. As a result, the Board members chose to forego the per diems to assist the agency with significant funding issues that the sweeps created. The Board members have continued to forego the per diems. Newer Board members are choosing to accept the per diems, as allowed, and we anticipate that those tenured members will accept the per diems as well. Though the per diems are very small when considering the amount of time and work provided by the Board members, it is another cost that will be considered in this process. The Board is also adjusting to the new statute allowing applicants to request a waiver of the initial application fees. The waiver has the potential of making a drastic change to the Board's revenue recognized from initial applications.

Recommendation 7b: Develop and implement a method for determining and tracking the direct and indirect costs for its regulatory processes, and create policies and procedures for using this method.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board will work to develop and implement a method for evaluating the direct and indirect costs of doing business and tracking the same. Policies and procedures will be developed and implemented as necessary.

Recommendation 7c: After developing this cost methodology, determine the appropriate licensing fees and set fees accordingly.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: Once the cost methodology is complete, the Board can review and evaluate the current fee structure to determine if costs should be decreased or if an increase is warranted. Currently, the staff time required to process both types of license applications is very similar. All fees are currently in rule, therefore a change to fees would require a rule change.

Recommendation 7d: Consider the effect the proposed fee changes may have on license applicants and licensees and obtain their input when reviewing the fees.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board considers the effect any proposed fee change will have on applicants and licensees. The Board will hold open meetings and public forums in accordance with the rule process if any fee changes are considered.

Finding 5: Board should study whether it can more efficiently license behavior analysts by relying on a national certification board

Recommendation 8: The Board should determine whether it can more efficiently license behavior analysts by:

Recommendation 8a: Reviewing the BACB's national certification process to determine to what extent the Board might be able to rely on various aspects of the BACB's process as part of its licensing review process.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board will review the BACB certification process to determine if any of the BACB's documentation could be utilized in the Board's licensing process. Although the Board requires an applicant pass the BACB exam, BACB certification is not required for licensure.

Recommendation 8b: Identifying areas where the Board's process may be streamlined to avoid duplicating efforts such as applicants submitting duplicative materials and the Board reviewing materials that the BACB has already reviewed and approved during its certification process.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board will review and consider options, if any, to assist in streamlining the application process when considering documentation an applicant has submitted to BACB.

Recommendation 8c: Pursuing rule changes to enable modifications to its behavior analyst initial licensing requirements for the aspects of the BACB's certification review process it has determined it will rely on.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: If items are identified and the Board chooses to accept items from the BACB, statute and rule changes might be necessary.

Recommendation 8d: Revising its policies and procedures accordingly.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: If necessary, the Board will revise its policies and procedures accordingly.

Recommendation 9: If it determines that it will rely on some aspects of the BACB's certification process as part of its initial licensing process for behavior analysts:

Recommendation 9a: Establish a process to periodically ensure that the BACB's review continues to satisfy the Board's licensing requirements.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: If the Board were to rely on aspects of the BACB certification process this issue would need to be considered and a process, if possible, developed. Without a rigorous audit process, it is unclear how documents that the Board currently primary source verifies, could be outsourced.

Recommendation 9b: Periodically evaluate the cost of licensing behavior analysts to determine whether accepting the BACB's review has resulted in a cost savings and, if so, then reduce licensing fees for behavior analysts as appropriate.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: If the process changes, the Board could evaluate to determine if there are any cost savings that could result in a fee reduction. It is important to remember that licensing fees do not merely support licensing. Fees support all aspects of the agency including, but not limited to, investigations.

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

Recommendation 10: The Board should enhance its procedure for conducting continuing education audits to include guidance for Committee members to request required documentation from audited licensees to support all continuing education hours before it determines the licensee is compliant with the continuing education requirements in rule.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The committee evaluates continuing education documentation based upon rule A.A.C. R4-26-207(G). A copy of the rules are provided to the licensee that is being audited. A copy of the rules are also provided to the members of the Continuing Education Committee as part of their materials. It should be noted that the Board recently reduced the number of required continuing education hours so it would align more closely with other jurisdictions.

Recommendation 11: The Board should continue to work with ADOA to resolve technical problems with the online licensing system that may affect the Board's ability to appropriately process initial and renewal license applications in a timely manner.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board's staff has dedicated an enormous amount of time to work with the new e-licensing system that launched in May 2018. The system's process/features that are broken have created additional costs for the agency. The system's process of sending emails to notify licensees of upcoming renewals has been broken since August 2018. Without this feature, staff has been required to send notices by mail which increases operative costs in the way of staff time, printing, and postage. In addition, several other features of the system do not work and have created additional work for staff by requiring manual corrections to the entries in the system each month since August 2018. To date, we have not been advised as to when these might be repaired. The new system requires an increased amount of staffing time to process applications, renewals and in preparing materials for meetings. The inability to revise applications in a timely manner is not efficient. The Behavior Analyst licensure application required revisions and those changes were sent to ADOA/ASET in July 2018. As of March 2019, the revisions have not been made. Because the online application is outdated and not consistent with rule, we have asked ADOA /ASET to disconnect the link so new applicants may not use the online application. To date, that request has not been completed. Our staff has posted a notice asking applicants to use the paper version but some applicants continue to use the online outdated form. As a result, staff must send the current form to those applicants and ask them to complete the proper form. This is not efficient for anyone involved. In FY18, the agency was mandated to spend \$91,000 for the initial costs of the e-licensing system. In FY19, the agency expects to spend \$21,000 in costs related to the e-licensing system. In FY20, we anticipate spending \$19-21,000 with an additional \$12-14,000 for an enhancement in the software to allow us to pull information from the system in a readable format. The system is not currently user-friendly, efficient, nor does it offer a savings in time or cost. The ongoing costs are difficult to measure. Each time a new agency is added to the platform, our staff is asked to test each and every function of the system to identify problems or errors that the newly added programming may have caused. We are

advised the testing must be conducted within a few days with very short notice (1-4 days). If we do not properly test the system and identify errors, we are advised the problems will not be addressed but will be added to the list of issues to be addressed by ADOA/ASET. Considering the amount of time we have waited to have the other errors corrected, since August 2018, we must set aside workflow and dedicate time to testing the system. This is a continuing struggle and strain on staff in addition to expenses of staff time and loss of productivity.

Recommendation 12: The Board should enhance its license renewal policies and procedures to better ensure that license renewal applicants take and submit the required number of continuing education hours to renew their licenses.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board staff have implemented a process of reviewing the number of continuing education (CE) hours that are provided by the licensee on the renewal application. Staff is verifying the appropriate number of hours have been submitted with the renewals.

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

Recommendation 13: The Board should work with its Assistant Attorney General to determine whether and when it can develop and adopt rules to clarify its statutes and processes.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board will review its statutes and identify rules that may need to be revised, repealed or added. Once identified, the Board will need to seek an exemption from the Governor's office to the current rule moratorium to make rule changes. If approved, the rules process can begin.

Recommendation 14: The Board should, contingent on receiving an exemption to the rule-making moratorium, modify its rules to specify that its licensing time frames may be suspended to allow psychologist applicants to complete the initial national licensing exam.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board will seek clarification in the rules as outlined by the Auditor's finding.

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

Recommendation 15: The Board should continue to implement its revised procedures for handling complaints that staff determine are not within the Board's jurisdiction.

Board Response: The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Response explanation: The Board has already implemented changes in the procedures staff follows when non-jurisdictional complaints are received.