



Utah Department of
Health & Human Services
Integrated Healthcare

Office of Substance Use and Mental Health (SUMH)



FY26 Final Audit Report of:

**Southwest Behavioral Health
Contract # A03803**

Audit Review Date: March 17, 2026

Executive Summary

In accordance with Section 26B-5-102, the Office of Substance Use and Mental Health (SUMH) conducted a review of Southwest Behavioral Health Center (Southwest) which is the agency for Iron, Beaver, Washington, Kane and Garfield counties designated to provide services under the direction of the local authority (LA). The on-site review was conducted on March 17, 2026 to evaluate performance during FY24 (July 1, 2024 - June 30, 2025).

The focus of this examination was to evaluate the LA compliance with: contract requirements, SUMH Directives, mandated mental health services, and Preferred Practice Guidelines. During the examination, the review teams evaluated the reliability and integrity of the LA's data and its compliance with established programmatic and operational objectives. Additionally, the review included an examination, through sampling, of the LA's use of financial resources.

This report outlines the findings of the audit. Once the report is received by the LA, the LA will have 5 business days to review the report and provide feedback to SUMH. At the end of the review period, the report will be finalized and a signed copy will be sent to the LA. If necessary, a corrective action plan (CAP) report will also be issued which will be due back, with input and responses from the LA, within 14 calendar days from receipt of the signed audit report. For additional information about this process, please review the [FY26 Office Directives G&O Monitoring Process #4-5 pages 3-4](#).

If you have questions regarding this audit, please contact Kelly Ovard by email at kovard@utah.gov or by phone at 385-310-5118.

Table of Contents

Executive Summary	1
Table of Contents	2
Finding Summary	2
Governance and Fiscal Review	3
Governance and Fiscal Review Findings	3
Program Review	4
Program Findings	6
Signature Page	7

Finding Summary

Program	Finding #	Page
Governance and Fiscal	1.1	3
Programming	No Findings	

Governance & Fiscal Review

The Office of Substance Use and Mental Health (SUMH) conducted its annual monitoring review of Southwest. The operations section of the review was conducted on March 17, 2026. Overall cost per client data was analyzed and compared to the statewide LA average. State licensing and subcontractor files were examined for compliance with state licensing laws and adherence to contractual requirements, as well as the LA's own policy. Client fees were reviewed for consistency and adherence to approved fee schedules. Employee travel reimbursements were reviewed to ensure they were appropriate and that no personal benefit was gained. Meeting minutes were reviewed and discussions were held to determine if an appropriate level of involvement and financial oversight was provided by the governing board and County.

As part of the site visit, Southwest provided supporting documentation from its subcontractors to support their costs and billed amounts, using rates taken from their Medicaid Cost Report which establishes the LA's cost allocation plan as it pertains to overhead/administrative costs and spreads these costs across the Current Procedural Terminology (CPT) billing codes used by the LA that year. This allows SUMH to fairly incorporate these overhead/administrative costs into the payments for services that qualify for funding specified in the LA's contract allocation letter. Random samples were taken from the backup provided to verify that the listed services qualified for each different service category.

There is a current and valid contract in place between SUMH and Southwest. Southwest received a financial audit for the year ending June 30, 2025. The firm Hafen, Buckner, Everett 7 Graff PC, completed the audit and issued a report dated November 21, 2025. There was one finding in the audit that will be noted below. . The STR Opioid Grant and the Mental Health Block Grant were not reviewed as major programs as the dollar amount was under the \$750,000 threshold.

Governance Finding:

Finding 2025-001:

Southwest Behavioral Health Center did not notify the Utah State Retirement System (URS) when employees took leave of absence in fiscal year 2025.

Program Review

The review of SUMH programs (substance use disorder treatment, mental health treatment, and substance use prevention services) included a review of:

- findings from the FY24 Monitoring Report (including follow-up with the LA),
- the Area Plan, and
- overall compliance with data reporting.

The substance use prevention program included a review of:

- Strategic Plan,
- evidence that the LA follows the Strategic Prevention Framework,
- monitoring of coalitions,
- training activities completed by staff and/or coalition members,
- staff certification or recertification every 3 years in Utah Substance Abuse Prevention Specialist Training (SAPST),
- the LAs efforts to influence Eliminating Alcohol Sales to Youth (EASY) checks, and
- Prevention Scorecard data, including:
 - Logic Model Review Report (annual report),
 - percentage of programs that are evidence-based,
 - Data User Gateway System (DUGS) data timely submission rate,
 - verification that at least 30% of Substance Abuse Prevention and Treatment (SAPT) Block Grant funds were used for prevention, and
 - review of substance use trends, including LA's plan to address upward trends.

Substance use disorder treatment services and mental health treatment services combined review of:

- internal chart monitoring,
- HIPAA compliant telehealth services,
- provision of services across the continuum of care, including verification that the LA has subcontracted providers,
- adherence to the consumer satisfaction surveys (MSHIP, YSS and YSS-F) 10% sample rate requirement,
- consumer satisfaction survey results, including the LA's response regarding plans to improve domains that have a consumer response average that is below the national or state average (depending on the survey),
- suicide prevention,
- provision of services in the client's preferred language, and

- adherence to prohibition that SAMHSA grant funds may not be used to purchase, prescribe, or provide marijuana or treatment using marijuana,
- written policy regarding screening for and responding to suicide risk, and
- SUMH Scorecard data.

Substance use disorder treatment services included a review of:

- SUMH Program Manager feedback regarding their monitoring of:
 - use of State Opioid Response (SOR) funds,
 - Government Performance Results Act (GPRA) data for SOR funds,
 - Substance Use Prevention, Treatment and Recovery Services (SUPTSR) Block Grant compliance, including provision of services across the continuum of care,
 - crisis services,
 - early intervention,
 - services for individuals convicted of Driving Under the Influence (DUI),
- Drug Court manual and participant agreement,
- drug testing policy and procedures,
- written policy regarding Medication Assisted Treatment (MAT),
- written policy regarding service provision for priority populations,
- use of criminogenic risk screening tools for Drug Court clients,
- use of evidence-based clinical practices, including fidelity, and
- written policy regarding DUI education, including: screening, assessment (when indicated) and referral to services.

Mental health treatment services included a review of:

- SUMH Program Manager feedback regarding their monitoring of adherence to:
 - guidelines for assessment, treatment, supervision, reporting and invoicing for court-ordered evaluations, treatment plans, treatment and supervision for the Guilty with a Mental Health Condition (GMC) population,
 - First Episode Psychosis (FEP) MHBG requirements, including fidelity review,
 - transition-age youth liaison,
 - Supported Employment,
 - Mental Health Block Grant requirements, including provision of the ten mandated mental health services as required by Section 17-43-301(6)(b),
 - maternal and early childhood mental health services,
 - continuum of care and access to services,
 - maternal and early childhood mental health,
 - service provision for clients with complex behavioral health conditions,

- Mental Health Early Intervention,
- State Hospital coordination, including participation in Continuity of Care meetings,
- Peer Support services,
- crisis and early intervention, including:
 - collaboration with the statewide mental health crisis line,
 - Mobile Crisis Outreach Team (MCOT),
 - Stabilization and Mobile Response (SMR),
 - Receiving Center,
 - evidence that Medicaid funds are being utilized, when possible,
- participation in local homelessness council meetings, and
- written policies regarding appropriate service provision for youth or adult clients with complex behavioral health conditions who require frequent engagement, and who are clinically indicated to need multiple mental health supports to remain in the community.

Program Findings:

There are no FY26 Program findings for FY25 data.

Signature Page

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Final Audit Report

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