

REPORT TO THE HEALTH AND HUMAN SERVICES INTERIM COMMITTEE

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Utah Division of Substance Abuse and Mental Health

PROGRAM AUDITS AND REVIEWS OF  
SUBSTANCE ABUSE AND MENTAL HEALTH AUTHORITIES AND CONTRACT PROVIDERS

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July 1, 2009

**I. INTRODUCTION:**

The following is a report to meet the statutory responsibility of the Division of Substance Abuse and Mental Health (DSAMH) in compliance with:

***U.C.A. 62A-15-103.(2)***

- (g)** *Responsibilities of the Division of Substance Abuse and Mental Health, provide a written report to the Health and Human Services Interim Committee and Health and Human Services Appropriations Subcommittee on July 1, of each year, and provide an oral report if requested. That report shall provide information regarding:*
- (i) the annual audit and review;*
  - (ii) the financial expenditures of each local substance abuse authority and its contract provider and each local mental health authority and its contract provider;*
  - (iii) the status of the compliance of each local authority and its contract provider with its plan, state statutes, and the provisions of the contract awarded; and*
  - (iv) whether audit guidelines established under Section 62A-15-110 and Subsection 67-3-1(10) provide the division with sufficient criteria and assurances of appropriate expenditures of public funds; and*
- (h)** *If requested by the Health and Human Services Interim Committee or the Health and Human Services Appropriations Subcommittee, provide an oral report as requested.*

There are thirteen (13) Local Authorities organized in the State to provide mental health and substance abuse services. Site monitoring visits are required by State statute and focus on the Local Authority's adherence to its approved annual plan, state statutes and its compliance with the requirements set forth in their contract with the Division of Substance Abuse and Mental Health. During FY 2009, all Substance Abuse and/or Mental Health Local Authorities and/or their comprehensive service providers were monitored.

Annually by May 1, each Local Authority submits an area plan to the Division of Substance Abuse and Mental Health. In this document, the Local Authority identifies in detail the manner in which it will achieve compliance with the requirements imposed by statute. This plan is developed following an annual summit where State and Local substance abuse and mental health experts study, discuss and share best practices. This area plan document is developed locally taking into account the special needs of the citizens in its catchment area. The area plans are used by Division staff to develop the tools that will be used to monitor contracts in the new fiscal year.

The annual site visits include the following program and fiscal reviews:

1. Child Youth and Family Mental Health,
2. Adult Mental Health,
3. Substance Abuse Treatment,
4. Substance Abuse Prevention, and
5. Governance and Oversight components.

The annual monitoring process begins with a review of the prior year's site review report, service data, outcome measures and scorecard results submitted by the Local Authority during the year. The on site monitoring review is announced to the Local Authority and staff by letter. Once the initial pre visit review has taken place a team of DSAMH personnel conduct an on site review. Following the site visit, a report summarizing the details of the review is issued and issues requiring follow up assigned required completion dates. These dates are tracked by DSAMH personnel and follow up reviews scheduled when necessary to assess their completion.

The pre-visit review consists of the following steps.

- Program managers and financial personnel review the Local Authority's annual plan.
- A random selection of case files is selected for detailed review.
- Surveys completed by Local Authority consumers their family members are reviewed for satisfaction and opinions of treatment rendered in their behalf.
- Trends in types and frequency of treatments are studied and the results compared with data from similarly sized service providers.
- The previous year's report is reviewed to make sure that all items have been addressed since the last site review.
- The Local Authority's annual independent audit is reviewed to identify potential problems or areas requiring attention during the monitoring visit.

On the day of the on site monitoring review, an opening conference is held where all parties briefly review the activities to be accomplished. The Local Authority or its service provider and DSAMH staff coordinate the goals of the monitoring visit. A more comprehensive list of monitoring items specific to each program review is presented below.

Following each site review, a comprehensive report discussing the strengths and weaknesses of each program is presented to the Local Authority. Whenever a weakness is identified, DSAMH makes recommendations for improvement. Recommendations issued contain a requirement that the Local Authority respond with an action plan for correction by a specified date. DSAMH maintains a follow up record to track corrective actions to be implemented by the Local Authorities.

To the best of our knowledge, the information presented in this report represents an accurate evaluation of the services provided by the Local Authorities.

## II. SUMMARY OF DSAMH FY2009 MONITORING (by program):

The functional areas reviewed and results of the FY2009 oversight reviews are provided in the following summary and are presented by programs monitored.

### A. Adult Mental Health:

Utah Code Section 17-43-301 outlines the responsibilities of the local mental health authorities. Paragraph (4) (b) lists ten mental health services that must be provided to adults, youth and children. These mandated services are:

- i. inpatient care and services;
- ii. residential care and services;
- iii. outpatient care and services;
- iv. 24-hour crisis care and services;
- v. psychotropic medication management;
- vi. psychosocial rehabilitation, including vocational training and skills development;
- vii. case management;
- viii. community supports, including in-home services, housing, family support services, and respite services;
- ix. consultation and education services, including case consultation, collaboration with other county service agencies, public education, and public information; and
- x. services to persons incarcerated in a county jail or other county correctional facility.

The Adult Mental Health monitoring team also reviewed the Community Mental Health Centers' compliance with Division issued directives that include:

- Person-Centered Planning Process
- Strengths-Based Assessments
- Wellness Initiatives

The Adult Mental Health monitoring reviews examined each Local Authority's compliance with these mandated services. In order to gauge compliance, each site review focused on the following areas:

- Reviews of charts and records,
- Personal interviews with staff and consumers,
- Site visit team tours and observations of service delivery locations,
- Consumer satisfaction surveys received,
- Case reviews of therapeutic / clinical services provided, and
- A review of the mental health center policies.
- Analysis of service data that is reported by the Community Mental Health Centers.
- Analysis of fiscal data that is reported by the Community Mental Health Centers.
- Interviews with community partners i.e. local police, hospitals, jails, Drug Courts, etc.

### **Results**

Results of our FY2009 site reviews indicate that 11 of the 13 Local Authorities were compliant with the mandated services and Division directives with only minor findings.

Minor findings included:

- Formatting problems with treatment plans and assessments
- Technical errors in Electronic Medical Records

Results of our FY2009 site reviews indicate that 2 of the 13 Local Authorities were not compliant with the following mandated services, requiring corrective action plans that require multiple follow-up site visits from Division staff:

- Inpatient care and services
- Residential care and services
- Psychosocial Rehabilitation services
- Clinical oversight of program operations

In each instance where full compliance is not evident, the Local Authority submitted a corrective action plan and the Division took extra steps to ensure clear expectations for corrective actions were understood. The extra efforts included administrative discussions with Center Directors and Local Authorities, technical assistance and clearly stated expectations for compliance. Time frames for compliance have been determined and follow up visits will be conducted to gauge improvement.

B. Child, Youth, and Family Mental Health:

The statutorily mandated mental health services identified in the Adult Mental Health section apply to children and youth with the exception of the requirement to provide services to persons incarcerated. In order to gauge compliance with these mandated services, each Child, Youth and Family Mental Health site review focused on the following areas:

- Reviews of charts and records,
- Case reviews of therapeutic / clinical services provided
- Review of data and statistics related to mandated services and out of home placements
- Discussion groups to gauge the mental health center services with:
  - Mental health center staff
  - Stakeholders (Community Partners)
  - Families
- Consumer satisfaction surveys received, and
- A review of the mental health center policies.

**Results**

The results of our FY2009 site reviews indicate the following:

- 11 of 13 Local Authorities were fully compliant with all the mandated services.
- One of the Local Authorities was not compliant with the following mandated service:
  - Community supports, including in-home services, housing, family support services, and respite services
- One of the Local Authorities was not compliant with the following mandated services:
  - Case Management
  - Community supports, including in-home services, housing, family support services, and respite services

In each instance where full compliance is not evident, a recommendation was issued to guide the Local Authority in its efforts to improve. Follow up visits are conducted where necessary to measure improved performance. DSAMH provides technical assistance to the Local Authorities whenever necessary.

C. Substance Abuse Treatment:

The DSAMH FY2008 monitoring site visits focused on the following.

- A review of the current DSAMH substance abuse contracts with the Local Authorities, Drug Courts, Women's Treatment Facilities, and other substance abuse providers;
- Substance Abuse Prevention and Treatment (SAPT) block grant compliance by examining the Local Authority's policy and procedures and through discussions with Local Authority substance abuse staff members;
- Outcome measures performance using the Utah Treatment Measures Report published by DSAMH;
- Clinical practices evaluated using the Substance Abuse Treatment Practice Guidelines adopted by the State Board of Substance Abuse and Mental Health in 2003
- Compliance with Drug Court Contract requirements through discussions with drug court teams and interviews with consumers; and observation of Drug Court sessions and Drug Court Team staffing.
- Direct assessment of the quality of services evaluated by conducting chart reviews, reviewing treatment program activities and interview with consumers; and
- Monitoring of substance abuse subcontractors by the Local Authority.

Substance abuse treatment monitoring involves a review of the following attributes for services provided.

- Chart reviews and confidentiality
- Assessments
- Treatment Plans
- Discharge Planning and Continuity of Care

**Results**

Although there are no statutorily mandated services in substance abuse treatment, the local authorities are measured against the terms of their contract with the State, the federal grants under which they operate, national trends, and standards. When a lack of compliance with contract terms and conditions or divergence from national trends was identified, recommendations and timelines for compliance were issued by DSAMH. Local Authorities submitted corrective action plans containing solutions to problems and the Division followed up on their progress. DSAMH staff provides technical support when requested.

Recommendations for improvements in various areas were issued to every Local Authority. The most frequent error was a failure to conduct treatment plan and American Society of Addiction Medicine (ASAM) reviews in a timely manner or at all. There were instances where the assessment documentation in the files was incomplete and progress notes were generic in nature, failing to provide specific milestones, goals or show client progress in treatment. Recommendations and specific deadlines for compliance have been issued and DSAMH staff follows up to monitor improvement in these areas. When requested, DSAMH staff conducts on-site training for Local Authorities regarding ASAM patient placement criteria, treatment planning and documentation.

Statistics measuring consumer satisfaction were generally positive. We continue to encourage the local authorities to increase the number of customer satisfaction surveys collected in order to form more statistically valid results. Outcome measures are published annually by DSAMH. In areas where a Local Authority scored below average, problems were identified and discussed, and recommendations for improvements were included in our reports.

D. Substance Abuse Prevention:

Each Local Authority is responsible for providing a comprehensive prevention plan for their area. The components of the substance abuse area plan include:

- A comprehensive continuum of substance abuse services [UCA 62A-15-103]
- A description of services [UCA 17-43-201]:
  - Universal services (primary);
  - Selective services (targeted);
  - Indicated services (early intervention); and
- Provisions for services (directly or contracted) for adults, youth and children [UCA 17-43-201]
- Provisions for persons convicted of driving under the influence in violation of Section 41-6a-502 or 41-6a-517 [UCA 17-43-201]

Substance abuse prevention monitoring involves a review of prevention efforts carried out by the Local Authority. Substance abuse prevention is funded through General Fund, the Substance Abuse Prevention and Treatment (SAPT) block grant and the Governor's portion of the Safe and Drug Free Schools and Communities money. DSAMH utilizes reports from the Prevention Administration Tracking System (PATS) to monitor prevention efforts.

Substance abuse prevention monitoring involves a review of the following attributes.

- Community Readiness and Mobilization
- Needs Assessment and Prioritization of Risk Factors
- Resource Assessment
- Targeting Prevention Efforts
- Best Practices
- Evaluation
- Budgets
- Policies
- Training/Reports

**Results**

Although there are no statutorily mandated services in substance abuse prevention, the local authorities are measured against the terms of their contract with the State, the federal grants under which they operate, national trends, and standards. When a lack of compliance with contract terms and conditions was identified, recommendations and timelines for compliance were issued by DSAMH. Local Authorities submitted corrective action plans containing solutions to problems and the Division followed up on their progress. DSAMH staff provides technical support when requested.

We made recommendations to every Local Authority with suggestions that could improve their prevention efforts. Three findings were consistently applicable to all Local Authorities.

- Reports generated through the Prevention Administration Tracking System were inconsistent and in some cases incomplete.
- Data collection efforts need to be emphasized in order to ensure more accurate and reliable data.
- Improvements to the Prevention Logic Model (plans and goals for prevention programs) should be made.

We found instances in some Interlocal agreements where there were inequities in the level of substance abuse prevention services to the counties. In those situations, we recommended that the inequities be resolved so that prevention resources would more closely meet prevention needs. We were pleased that many providers have cultivated positive relationships with community coalitions in their prevention efforts.

E. Governance and Oversight:

Prior to each site visit, a Local Authority's Area Plan, contract, statistical data, and prior year reports are examined. During the site visit, DSAMH staff interviews agency staff and the Local Authority, or its designee. The Local Authority's compliance with its administrative policies and procedures is measured by an examination of documentation in its files and in some cases, by observing the work activities of employees.

The outcome of some major components of this year's monitoring site review is provided in the following narrative.

**Local Authority Governance and Oversight:**

Board or governing body minutes are a reliable source of information for ascertaining active Local Authority Governance and Oversight. We examined board minutes to determine the level of oversight exercised by the local authorities. Our attention focused on discussions of fiscal matters and substance abuse and mental health service delivery. We noted that in all cases, the boards demonstrated their interest in and oversight of mental health and substance abuse issues.

**Assurances:**

Included in each Local Authority's contract with the Department of Human Services, Division of Substance Abuse and Mental Health it is the Division's requirement to assure that public funds are expended in an appropriate manner. The Local Authority affirms their intention to meet these requirements by signing the Contract. Examples of these assurances are:

- Compliance with all Federal and State laws prohibiting discrimination against any protected class;
- Compliance with the Utah Anti Discrimination Act;
- Compliance with the drug free workplace statutes;
- Compliance with licensing laws;
- Prohibition of conflicts of interest;
- Compliance with the Fair Labor Standards Act;
- Compliance with Immigration and Naturalization rules for employment eligibility verification;
- Compliance with the Department of Human Services Provider Code of Conduct;
- Compliance with Utah Abuse Reporting Requirements; and
- Compliance with their contractual Insurance Indemnity Requirements

Our reviews of policies and procedures found no exceptions to this requirement to maintain and update Federal and State assurances. All offices visited maintained the required fiduciary postings and they are commonly located near photocopiers or in staff break rooms.

**Standard Terms and Conditions:**

The standard terms and conditions of the mental health and substance abuse contracts were reviewed for compliance. All agencies are actively engaged in the ongoing process of incorporating required Standard Terms and Conditions into their contracts. All agencies have incorporated many of the contractual Standard Terms and Conditions into agency policy.

Personnel files reviewed demonstrated an increasing number of Local Authorities are now annually updating BCI certification and code of conduct. An I-9 form is completed at the time of employment and filed either in the personnel files or in a central location.

**Policies and Procedures**

We reviewed each Local Authority's policies and procedures in the areas of Administration, Clinical Practice, Personnel, Finance, Procurement and Management. Policies governing administration and business practices, clinical practice, personnel, financial, and management activities were consistently present.

Each Local Authority or service provider has established policies and procedures governing client record protections. Client record protection is included in new employee orientation. Client confidentiality is included periodically during staff training sessions. As noted in some program review above, some client files contained incomplete confidentiality forms. In each situation, the errors have been corrected.

**Reimbursement (including travel) to Executive Officers and Executive Director:**

Reimbursements to staff were for necessary and required expenditures. Proper approval was present and in the case of executive staff was approved by the Board of Directors. We found that all Local Authorities have required policy and procedures including a requirement that documentation supporting all reimbursements be present.

**Fee Schedules**

We verified that each local authority has established a fee schedule for services based on income levels. We verified that the fee schedule had Local Authority approval as required in statute.

**Fiscal Responsibility**

During each monitoring review, we examined backup documentation for at least two of the twelve monthly billings presented to the State for payment during the fiscal year. In some cases, we issued recommendations that could improve internal controls over minor purchases. As is discussed in the following section, each Local Authority is audited annually by an independent auditor. In all cases, the audit reports indicated that the financial statements were a fair presentation of the Local Authority's financial position. Based on both our examinations and the work of outside auditors, we are satisfied that the Local Authorities have accounting systems that accurately capture and compile financial data.

F. Independent Audit:

Utah Code 51-2a-201 requires each Local Authority contracts with an independent auditing firm for an annual audit. Included in the audit report is the auditors' statement that the audit was conducted in accordance with generally accepted auditing standards; financial auditing standards contained in *Government Auditing Standards*; and, in some cases, in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Audit guidelines are documented in the State of Utah Legal Compliance Audit Guide. The Division of Substance Abuse and Mental Health (DSAMH), in conjunction with the Utah State Auditor's Office, update these guidelines annually. Each year, the Local Authorities, and/or their comprehensive service providers, invite the DSAMH and Department of Human Services (DHS) to the audit opening and closing conferences. During the opening conference, we have the opportunity to request an examination of any specific issues we believe may require attention beyond the role of monitoring.

The opportunity to annually update the Audit Guide combined with the opportunity to attend audit opening and closing conferences, gives the Division of Substance Abuse and Mental Health confidence in their input into the audit process. State of Utah standards and the requirement that the independent auditing firms comply with generally accepted auditing standards provides confidence in the results included in the required audit reports.