

FAMILY CARE (7990) 2016 BUDGET REQUEST

DEPT: Family Care

UNIT NO. 7990
FUND: General - 0002

Budget Summary

Category	2014 Budget ¹	2014 Actual	2015 Budget	2016 Budget	2016/2015 Variance
Expenditures					
Personnel Costs	\$7,573,989	\$6,289,214	\$7,803,335	\$8,266,278	\$462,943
Operation Costs	\$275,239,899	\$281,284,381	\$273,701,977	\$293,960,497	\$20,258,520
Debt & Depreciation	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$34,300	\$29,180	\$7,000	\$9,130	\$2,130
Interdept. Charges	\$1,363,666	\$1,459,367	\$3,275,144	\$1,534,556	(\$1,740,588)
Total Expenditures	\$284,211,854	\$289,062,143	\$284,787,456	\$303,770,461	\$18,983,005
<i>Legacy Healthcare/Pension</i>	<i>\$1,597,452</i>	<i>\$1,365,251</i>	<i>\$1,607,332</i>	<i>\$2,007,166</i>	<i>\$399,834</i>
Revenues					
Direct Revenue	\$284,211,854	\$285,395,706	\$284,787,456	\$303,770,461	\$18,983,005
Intergov Revenue	\$0	\$0	\$0	\$0	\$0
Indirect Revenue	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$284,211,854	\$285,395,706	\$284,787,456	\$303,770,461	\$18,983,005
Tax Levy	\$0	\$3,666,437	\$0	\$0	\$0
Impact on Reserves²	(\$56,706)³	\$3,666,437	\$3,305,278	\$4,050,160	\$744,882
Personnel					
Full-Time Pos. (FTE)	76	75	73	71	(2)
Seas/Hourly/Pool Pos.	0	0	0	0	0
Overtime \$	\$15,420	\$7,310	\$10,296	\$15,192	\$4,896

Department Mission: The Managed Care Organization (MCO) operated by the Department of Family Care respects the dignity and personal autonomy of each member by honoring choice and promoting the member's continued participation in the community, by providing a continuum of high quality, cost-effective services and support.

Department Description: The Milwaukee County Department of Family Care (MCDFC) administers the Family Care benefit for both the aged (over age 60) and disabled populations (ages 18-59), who are determined to be eligible by a Resource Center in Milwaukee, Racine, Kenosha, Ozaukee, Sheboygan, Walworth, Washington and Waukesha counties. MCDFC is responsible for working with members to create member centered plans that meet the member's goals with high quality, cost effective services. MCDFC contracts with more than 1,400 service providers and monitors the quality of services delivered.

¹ The 2014 Budget is the adopted consolidated budget for all MCDFC service regions. Since the adoption of the 2014 budget a fund transfer was approved that has changed the numbers above due to changes in enrollment and the 2014 capitation rates. Final budget after fund transfers is as follows: Expenditures \$289,900,924 Revenues \$284,047,024 Net Income/(Loss) (\$5,810,693)

² Draw from / (Contribution to)

³ (\$56,706) Contribution to Reserves from the 2014 Adopted Budget was used to reduce the Net Income / (Loss) in the 2014 approved fund transfer.

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Strategic Program Area 1: Family Care Milwaukee (State of WI Family Care Service Region 8)

Service Provision: Committed

Strategic Outcome: Quality of Life

The table below presents the 2015 Capitation rates used in the 2016 Budget:

Capitation Rate Summary (Per Member Per Month)		
Location	Nursing Home Level of Care	Non-Nursing Home Level of Care
Milwaukee	\$2,759.49	\$535.38

What We Do: Activity Data			
Activity	2014 Actual	2015 Budget	2016 Budget
Average Annual Enrollment			
Milwaukee	8,072	7,875	8,194

How We Do It: Program Budget Summary					
Category	2014 Budget ⁴	2014 Actual	2015 Budget	2016 Budget	2016/2015 Variance
Expenditures	\$278,640,076	\$282,027,139	\$276,637,630	\$293,140,375	\$16,502,745
Revenues	\$278,525,611	\$277,479,980	\$274,106,847	\$292,566,306	\$18,459,459
Tax Levy	\$114,465	\$4,547,159	\$2,530,783	\$574,069	(\$1,956,714)
FTE Positions	76	75	73	71	(2)

How Well We Do It: Performance Measures			
Performance Measures	2014 Actual	2015 Budget	2016 Budget
MCDFC will increase their success rate on area 4A (NOA issued) of CMR portion of MetaStar review (either explain acronyms or restate without)	47.5%	50%	55%
MCDFC will increase the number of members served in expansion counties of (which counties)	193	215	240

Strategic Implementation:

As with past practice, the capitation rates currently in effect for 2015 were used to establish the 2016 Budget since 2016 capitation rates are not yet available from the Wisconsin Department of Health Services. 2016 Family Care capitation revenues have increased as a result of new enrollment of 319 members at the nursing home level of care. Member obligation revenue increase.

Miscellaneous revenue is decreased by \$290,060 as a result of the MCO ContinuUs opting not to renew their lease of the MCDFC IT system for 2016. The decrease in revenue is partially offset by an increase in revenue of about

⁴ The 2014 Budget is the MCDFC Budget for the Milwaukee County Region. Since the adoption of the budget, a fund transfer has been approved that changed the numbers above due to changes in enrollment and the 2014 capitation rates. The final budget after the fund transfers is as follows: Average Enrollment 8,027 Expenditures \$282,367,125 Revenue \$276,556,432 Net Income / (Loss) (\$5,810,693)

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\$60,000 from MCOs Lakeland Care District and Care Wisconsin First as they expand their operations in the Northeast part of the state. Each MCO pays a rate based on the number of enrollees it serves.

Professional Service contract expenditures increased due to costs from MCDFC's Third Party Administrator, Wisconsin Physician Services (WPS), which were driven by a budgeted increase in Milwaukee County enrollment and utilization of the services of a Medical Director and Acute and Primary professionals. Contractual short-term staffing increases by \$40,000 to provide temporary staffing support during unexpected staff vacancies as well as for special projects within the department.

4.0 FTEs are created and 6.0 FTEs are abolished.

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Strategic Program Area 2: Family Care Racine and Kenosha (State of WI Family Care Service Region 11)

Service Provision: Committed

Strategic Outcome: Quality of Life

The table below presents the 2015 Capitation rates used in 2016 Budget.

Capitation Rate Summary (Per Member Per Month)		
Location	Nursing Home Level of Care	Non-Nursing Home Level of Care
Racine Kenosha	\$2,971.26	\$550.36

What We Do: Activity Data			
Activity	2014 Actual	2015 Budget	2016 Budget
Average Annual Enrollment			
Racine and Kenosha	151	189	205

How We Do It: Program Budget Summary					
Category	2014 Budget ⁵	2014 Actual	2015 Budget	2016 Budget	2016/2015 Variance
Expenditures	\$4,133,511	\$5,349,416	\$6,136,894	\$7,341,912	\$1,205,018
Revenues	\$4,239,462	\$6,226,914	\$7,824,046	\$7,851,763	\$27,717
Tax Levy	(\$105,951)	(\$877,498)	(\$1,687,152)	(\$509,851)	\$1,177,301
FTE Positions	0	0	0	0	0

Strategic Implementation:

As with past practice, the capitation rates currently in effect for 2015 were used to establish the 2016 budget as 2016 capitation rates are not yet available from the Wisconsin Department of Health Services. Total 2016 capitation revenues decrease \$68,745 from the 2015 rate decrease in the Racine and Kenosha. This is offset by an increase in enrollment and an increase in member obligation revenue has resulted in a total revenue increase. Total member service expenditures increased by \$1,186,560 as a result of the increase in enrollment and increased complexity in care needs of the current members being served.

⁵ The 2014 Budget is the MCDFC budget for Racine and Kenosha counties. Since the adoption of the 2014 budget a fund transfer was approved that has changed the numbers above due to changes in enrollment and the 2014 capitation rates. The final budget after fund transfers is as follows: Average Enrollment 144 Expenditures \$4,727,858 Revenues \$5,977,536 Net Income / (Loss) \$1,249,678

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Strategic Program Area 3: Family Care Walworth, Waukesha, Washington, Ozaukee and Sheboygan (State of WI Family Care Service Region 6)

Service Provision: Committed

Strategic Outcome: Quality of Life

The table below presents the 2015 capitation rates used in the 2016 budget.

Capitation Rate Summary (Per Member Per Month)		
Location	Nursing Home Level of Care	Non-Nursing Home Level of Care
Washington/Waukesha	\$3,239.79	\$523.80
Ozaukee/Walworth/Sheboygan	\$3,042.36	\$553.19

What We Do: Activity Data			
Activity	2014 Actual	2015 Budget	2016 Budget
Average Annual Enrollment			
Region 6 (Five Counties)	42	70	89

How We Do It: Program Budget Summary					
Category	2014 Budget ⁶	2014 Actual	2015 Budget	2016 Budget	2016/2015 Variance
Expenditures	\$1,438,267	\$1,685,587	\$2,012,932	\$3,288,174	\$1,275,242
Revenues	\$1,446,781	\$1,688,811	\$2,856,563	\$3,352,392	\$495,829
Tax Levy	(\$8,514)	(\$3,224)	(\$843,631)	(\$64,218)	\$779,413
FTE Positions	0	0	0	0	0

Strategic Implementation:

As with past practice, the capitation rates currently in effect for 2015 were used to establish the 2016 budget as 2016 capitation rates are not yet available from the Wisconsin Department of Health Services. Family Care capitation and member obligation revenues have increased by \$238,039 and \$257,790 from an increase in the Region 6 enrollment based on historical experience and current trends. Total member service expenditures increased by \$1,261,655 as a result of the increase in enrollment and the complexity of the care needs of the current population being served.

⁶ The 2014 Budget is the MCDFC budget for Ozaukee, Sheboygan, Walworth, Washington, and Waukesha counties. Since the adoption of the 2014 budget a fund transfer has been approved that has changed the numbers above due to changes in enrollment and the 2014 capitation rates. The final budget after the fund transfer is as follows: Average Enrollment 37 Expenditures \$1,091,173 Revenues \$1,513,064 Net Income / (Loss) \$421,891