BEHAVIORAL HEALTH DIVISION

2nd QUARTER JUNE 2016
FISCAL REPORT

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BHD Combined

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2016 Financial Highlights

Behavioral Health Division – Inpatient

- Census Trends Adult and Child/Adolescent Inpatient
- Patient Claim Collections
- Payor Mix
- Staffing Vacancies
- Facility Improvements
- State Plan Amendment Revenue
- WIMCR Revenue
- IMD Rebalancing Initiative

CARSD – Community Access to Recovery Services Division

- CBRF Expansion
- TCM FFS Implementation
- Guarantor Issues in AODA network
- Comprehensive Community Services (CCS) Expansion
- Value Based Contracting
- Northside Hub Development

Milwaukee County Behavioral Health
2016 Budget Initiatives Status

Initiative	Status
Northside Hub	Array of services to be offered at site has been finalized. Currently evaluating site location and conducting cost/benefit analysis of remodel vs. new build. Determining licensing requirements for various services. Conducting due dilligence with potential partner to provide primary care services at site.
CCS Expansion	396 individuals currently enrolled in CCS and have enrolled approximately 31 individuals per month in 2016. On track to meet goal of 560 individuals by the end of 2016
Develop two additional CBRFs	Assessed need for CBRF vs. sub-acute residential facility. Determined need is for more individualized housing and support plans.
Ending Chronic Homelessness	Initiative has served 145 chronically homeless individuals as of June 2016
Implementation of Pyxis Pharmacy Technology	Implementaion completed
Consolidate space from 9201	Completed, BHD on track to realize budgeted savings of $462K by year end
Crisis Mobile Prevention Initiatives	Positions have been posted for recruitment. Implementation in process
Additional CART team	Positions posted for recruitment. Implemenation in process
Increased CRC coverage	Coverage increased to 24 hours a day, 5 days a week in 2016.

Behavioral Health Division

Combined Reporting

Q2 2016 - Annual 2016 Projection

	2016 Budget			2016 Projection			Budget Variance		
	Hospital	Community Services	Total BHD	Hospital	Community Services	Total BHD	Hospital	Community Services	Total BHD
Revenue									
BCA	7,700,026	14,636,560	22,336,586	7,700,030	14,636,561	22,336,591	4	1	5
State & Federal	-	30,155,345	30,155,345	-	17,658,067	17,658,067	-	(12,497,278)	(12,497,278)
Patient Revenue	21,983,279	52,385,528	74,368,807	24,249,010	65,943,184	90,192,193	2,265,731	13,557,656	15,823,386
Other	729,187	1,802,449	2,531,636	435,076	1,740,153	2,175,229	(294,111)	(62,296)	(356,407)
Sub-Total Revenue	30,412,492	98,979,882	129,392,374	32,384,116	99,977,965	132,362,081	1,971,624	998,083	2,969,707
Expense									
Salary	23,482,118	8,421,975	31,904,093	21,992,840	7,538,492	29,531,332	1,489,278	883,483	2,372,761
Overtime	1,048,320	3,312	1,051,632	1,324,162	174,363	1,498,525	(275,842)	(171,051)	(446,893)
Fringe	21,192,472	7,011,574	28,204,046	21,051,317	7,014,547	28,065,863	141,155	(2,973)	138,183
Services/Commodities	14,182,566	1,856,257	16,038,823	15,066,178	1,796,209	16,862,387	(883,612)	60,048	(823,564)
Other Charges/Vendor	1,414,187	109,958,358	111,372,545	1,959,819	108,234,718	110,194,537	(545,632)	1,723,640	1,178,008
Capital	392,130	898,500	1,290,630	861,911	426,750	1,288,661	(469,781)	471,750	1,969
Cross Charges	33,819,099	8,909,017	42,728,116	33,968,998	8,858,825	42,827,823	(149,899)	50,192	(99,707)
Abatements	(31,299,810)	(11,081,950)	(42,381,760)	(31,299,810)	(9,518,824)	(40,818,634)	-	(1,563,126)	(1,563,126)
Total Expense	64,231,082	125,977,043	190,208,125	64,925,415	124,525,079	189,450,494	(694,333)	1,451,964	757,631
Tax Levy	33,818,590	26,997,161	60,815,751	32,541,299	24,547,114	57,088,414	1,277,291	2,450,047	3,727,337

Behavioral Health Division

Inpatient - Hospital

Q2 2016 - Annual 2016 Projection

	2016 Budget					2016 Projection					2016 Projected Surplus/(Deficit)				
	Adult	CAIS	Crisis ER/Obs	Mgmt/ Ops/Fiscal	Total Inpatient	Adult	CAIS	Crisis ER/Obs	Mgmt/ Ops/Fiscal	Total Inpatient	Adult	CAIS	Crisis ER/Obs	Mgmt/ Ops/Fiscal	Total Inpatient
Revenue															
BCA	-	-	7,700,026	-	7,700,026	-	-	7,700,030	-	7,700,030	-	-	4	-	4
State & Federal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Patient Revenue	11,591,848	5,497,575	4,211,856	682,000	21,983,279	14,517,198	5,211,048	3,994,003	526,761	24,249,010	2,925,350	(286,527)	(217,853)	(155,239)	2,265,731
Other	-	-	-	729,187	729,187	1,695	67,000	600	365,781	435,076	1,695	67,000	600	(363,406)	(294,111)
Sub-Total Revenue	11,591,848	5,497,575	11,911,882	1,411,187	30,412,492	14,518,893	5,278,048	11,694,633	892,542	32,384,116	2,927,045	(219,527)	(217,249)	(518,645)	1,971,624
Expense															
Salary	8,279,103	1,866,670	5,854,814	7,481,531	23,482,118	7,629,908	1,820,461	5,433,629	7,108,842	21,992,840	649,195	46,209	421,185	372,689	1,489,278
Overtime	757,104	35,916	87,312	167,988	1,048,320	529,838	125,615	459,264	209,445	1,324,162	227,266	(89,699)	(371,952)	(41,457)	(275,842)
Fringe	7,526,104	1,745,696	4,493,079	7,427,593	21,192,472	7,217,453	1,787,955	4,645,228	7,400,682	21,051,317	308,651	(42,259)	(152,149)	26,911	141,155
Services/Commodities	2,976,412	379,620	1,803,510	9,023,024	14,182,566	3,024,630	345,277	1,510,379	10,185,892	15,066,178	(48,218)	34,343	293,131	(1,162,868)	(883,612)
Other Charges/Vendor	1,009,187	-	-	405,000	1,414,187	1,537,932	-	21,887	400,000	1,959,819	(528,745)	-	(21,887)	5,000	(545,632)
Capital	17,500	-	-	374,630	392,130	17,500	-	-	844,411	861,911	-	-	-	(469,781)	(469,781)
Cross Charges	13,150,395	4,011,906	7,088,086	9,568,712	33,819,099	13,150,395	4,011,906	7,088,086	9,718,611	33,968,998	-	0	0	(149,899)	(149,899)
Abatements	-	-	-	(31,299,810)	(31,299,810)	-	-	-	(31,299,810)	(31,299,810)	-	-	-	-	-
Total Expense	33,715,805	8,039,808	19,326,801	3,148,668	64,231,082	33,107,655	8,091,214	19,158,473	4,568,073	64,925,415	608,150	(51,406)	168,328	(1,419,405)	(694,333)
Tax Levy	22,123,957	2,542,233	7,414,919	1,737,481	33,818,590	18,588,762	2,813,166	7,463,840	3,675,531	32,541,299	3,535,195	(270,933)	(48,921)	(1,938,050)	1,277,291

Behavioral Health Division

Inpatient Adult

2016 - Year to Date June

Revenue

Gross Revenue by Payor :	2015 Actual Full Year	% of Total	2016 Budget June YTD	2016 Actual June YTD[1]	% of Total	Surplus/Deficit
Medicare A&B	8,739,979	29.4%		4,740,712	31.6%	
HMO T18 (Medicare)	3,719,406	12.5%		2,197,145	14.7%	
Medicaid	872,326	2.9%		492,271	3.3%	
HMO T19 (Medicaid)	5,907,978	19.8%		2,324,837	15.5%	
Self Pay/Non Recov/Collections	9,446,261	31.7%		3,923,483	26.2%	
Commercial/HMO	994,728	3.3%		1,302,062	8.7%	
Military	94,402	0.3%		-	0.0%	
Family Care	204	0.0%		-	0.0%	
Total Gross Revenue	**29,775,283**		**17,224,215**	**14,980,510**	**100%**	**(2,243,705)**
Less: Write Offs	(18,180,788)		(11,915,791)	(8,217,710)		3,698,081
	-61%		-69%	-55%		
Net Revenue	**11,594,495**		**5,308,424**	**6,762,800**		**1,454,376**
Other Patient Revenue	1,103,421		387,500	707,698		320,198
	151,412		100,000	198,566		98,566
Total Revenue	12,849,328		5,795,924	7,669,064		1,873,140
Rate per Day	$ 1,537		$ 1,537	$ 1,694		

Medicare = 46.3%

65.1%

Medicaid = 18.8%

Net Revenue is above budget in spite of the lower census due to bed restrictions. Write off is 55% versus budget of 69%.

DSH Payments

T18 Settlements

FTE's Nursing Staff :	Budget	Actual
RN's	60.5	36.7
CNA's	62.5	72.7

Sum of FTE's employed June 2016, does not include OT and Pool Hrs

New staffing pattern uses fewer nurses and more CNA's

Average Daily Census	60	45.7
Admissions (1/2 year)	638	369
Patient Days (1/2 year)	10,074	8,325
Average Length of Stay	14	22.7

1st Qtr = 45.4, 2nd Qtr=46

1st Qtr = 193, 2nd Qtr=176

1st Qtr = 4,136, 2nd Qtr=4,189

1st Qtr = 20.6, 2nd Qtr=25

[1] *Year to Date Actual Revenue through May from Avatar report 6/23/16 + one month estimate for June. Will not tie directly to financials because it does not include an adjustment of ($500,000) gross revenue reduction, $200,000 write off which needs to be allocated to payer sources.*

Behavioral Health Division

CAIS - Child and Adolescent Inpatient Services

2016 - Year to Date JUNE

Revenue

Gross Revenue by Payor :	2015 Actual Full Year	% of Total	2016 Budget	2016 Actual[1]	% of Total	Surplus/Deficit	
Medicare A&B	-	0.0%		-	0.0%		
HMO T18 (Medicare)	-	0.0%		-	0.0%		
Medicaid	2,709,607	26.1%		1,335,804	26.8%		
HMO T19 (Medicaid)	6,491,301	62.5%		3,126,362	62.7%		Medicaid = 89.5%
Self Pay/Non Recov/Collections	184,444	1.8%		107,332	2.2%		
Commercial/HMO	982,551	9.5%		417,110	8.4%		
Military	18,317	0.2%			0.0%		
Family Care	-	0.0%		-	0.0%		
Total Gross Revenue	**10,386,220**		**5,076,517**	**4,986,608**	**100%**	**(89,909)**	
Less: Write Offs	(4,344,597)		(2,327,730)	(2,381,086)		(53,357)	
	-42%		-46%	-48%			
Net Revenue	**6,041,623**		**2,748,788**	**2,605,522**		**(143,265)**	Census below budget
Other Patient Revenue			-	-		-	
	85,838					-	
Total Revenue	6,127,461		2,748,788	2,605,522		(143,265)	
Rate per Day	$ 2,672		$ 2,672	$ 2,400			

FTE's Nursing Staff :	Budget	Actual	
RN's	13.5	9.5	Sum of FTE's employed June 2016, does not include OT and Pool Hrs
CNA's	11.0	7.5	

Average Daily Census	12	9.7	*1st Qtr = 9.3, 2nd Qtr=10.1*
Admissions (1/2 year)	445	360	*1st Qtr = 194, 2nd Qtr=166*
Patient Days (1/2 year)	2,015	1,770	*1st Qtr = 849, 2nd Qtr=921*
Average Length of Stay	3.6	4.9	*1st Qtr = 4.2, 2nd Qtr=5.6*

[1] *Year to Date Actual Revenue through May from Avatar report 6/23/16 + one month estimate for June.*

Behavioral Health Division

Psychiatric Crisis Services

2016 - Year to Date JUNE

Revenue

Gross Revenue by Payor :	2015 Actual Full Year	% of Total	2016 Budget	2016 Actual[1]	% of Total	Surplus/Deficit	
Medicare A&B	1,627,109	15.1%		779,624	14.6%		
HMO T18 (Medicare)	742,864	6.9%		361,248	6.8%		Medicare = 21.4%
Medicaid	2,383,871	22.1%		1,128,299	21.1%		
HMO T19 (Medicaid)	3,517,615	32.7%		1,790,290	33.5%		Medicaid = 54.6%
Self Pay/Non Recov/Collections	1,598,144	**14.8%**		785,542	**14.7%**		
Commercial/HMO	846,484	7.9%		462,304	8.7%		Total Medicaid and Medicare = 76.0%
Military	46,987	0.4%		12,408	0.2%		
Family Care	4,007	0.0%		19,343	0.4%		
Total Gross Revenue	**10,767,081**		**5,815,255**	5,339,057	**100%**	**(476,199)**	
Less: Write Offs	(8,341,912)		(4,483,562)	(4,116,290)		367,272	
	-77%		-77%	-77%			
Net Revenue	**2,425,169**		**1,331,694**	**1,222,767**		**(108,927)**	PCS ER/Obs admissions down
Other Patient Revenue	1,061,782		1,548,469	124		(1,548,345)	WIMCR will be received at year end
Total Revenue	3,486,951		2,880,163	1,222,891		(1,657,272)	

FTE's Nursing Staff :		Budget	Actual	
	RN's	27.0	17.0	Sum of FTE's employed June 2016, does not include OT and Pool Hrs,
	CNA's	24.0	16.5	Crisis ER/Obs over budget for overtime $370K

	2015	2016 Budget	2016 Actual	
Admissions (1/2 year)	5,087	4,750	4,307	*1st Qtr = 2138, 2nd Qtr=2169*

[1] *Year to Date Actual Revenue through May from Avatar report 6/23/16 + one month estimate for June.*

Behavioral Health Division

CARSD

Q2 2016 - Annual 2016 Projection

	2016 Budget				2016 Projection				2016 Projected Surplus/Deficit			
	AODA	Mental Health	WRAP	Total CARSD	AODA	Mental Health	WRAP	Total CARSD	AODA	Mental Health	WRAP	Total CARSD
Revenue												
BCA	2,333,731	12,302,829	-	14,636,560	2,333,731	12,302,830	-	14,636,561	-	1	-	1
State & Federal	8,191,616	8,458,343	13,505,386	30,155,345	8,191,615	8,421,227	1,045,225	17,658,067	(1)	(37,116)	(12,460,161)	(12,497,278)
Patient Revenue	250,000	19,174,423	32,961,105	52,385,528	0	19,056,475	46,886,709	65,943,184	(250,000)	(117,948)	13,925,604	13,557,656
Other	1,265,246	337,203	200,000	1,802,449	1,127,746	186,405	426,002	1,740,153	(137,500)	(150,798)	226,002	(62,296)
Sub-Total Revenue	12,040,593	40,272,798	46,666,491	98,979,882	11,653,092	39,966,937	48,357,936	99,977,965	(387,501)	(305,861)	1,691,445	998,083
Expense												
Salary	665,157	5,735,522	2,681,614	9,082,293	400,907	5,376,744	2,442,187	8,219,838	264,250	358,778	239,427	862,455
Overtime	-	552	2,760	3,312	0	149,273	25,090	174,363	-	(148,721)	(22,330)	(171,051)
Fringe	498,083	3,981,659	1,871,514	6,351,256	478,220	4,023,040	1,831,941	6,333,201	19,863	(41,381)	39,573	18,055
Services/Commodities	85,644	1,550,820	219,793	1,856,257	92,498	1,622,333	81,377	1,796,209	(6,854)	(71,513)	138,416	60,048
Other Charges/Vendor	12,187,215	47,639,453	50,131,690	109,958,358	12,223,235	44,676,527	51,334,956	108,234,718	(36,020)	2,962,926	(1,203,266)	1,723,640
Capital	-	898,500	-	898,500	0	426,750	-	426,750	-	471,750	-	471,750
Cross Charges	391,298	5,721,386	2,796,333	8,909,017	391,298	5,721,386	2,746,141	8,858,825	-	-	50,192	50,192
Abatements	-	-	(11,081,950)	(11,081,950)	-	-	(9,518,824)	(9,518,824)	-	-	(1,563,126)	(1,563,126)
Total Expense	13,827,397	65,527,892	46,621,754	125,977,043	13,586,158	61,996,053	48,942,868	124,525,079	241,239	3,531,839	(2,321,114)	1,451,964
Tax Levy	1,786,804	25,255,094	(44,737)	26,997,161	1,933,066	22,029,116	584,932	24,547,114	(146,262)	3,225,978	(629,669)	2,450,047

CARSD Mental Health

Major Programs

		2015 Actual	2016 Budget	Projected	Surplus/(Deficit)
TCM	Rev	$ 323,370	$ 1,597,405	$ 1,634,124	$ 36,719
	Exp	$ 3,564,226	$ 5,453,257	$ 5,709,483	$ (256,226)
	Tax Levy	$ 3,240,856	$ 3,855,852	$ 4,075,359	$ (219,507)
	Average Enrollment	1,443	1,443	1,422	
CSP	Rev	$ 1,823,850	$ 7,926,639	$ 8,580,109	$ 653,470
	Exp	$ 8,166,378	$ 14,481,415	$ 15,188,386	$ (706,971)
	Tax Levy	$ 6,342,528	$ 6,554,776	$ 6,608,277	$ (53,501)
	Average Enrollment	1,267	1,267	1,267	
CRS	Rev	$ 1,016,279	$ 469,755	$ 877,854	$ 408,099
	Exp	$ 2,903,323	$ 1,734,706	$ 1,961,484	$ (226,778)
	Tax Levy	$ 1,887,044	$ 1,264,951	$ 1,083,630	$ 181,321
	Average Enrollment	42	35	35	
CCS	Rev	$ 1,871,023	$ 6,617,250	$ 5,420,592	$ (1,196,658)
	Exp	$ 2,131,360	$ 7,875,007	$ 6,635,036	$ 1,239,971
	Tax Levy	$ 260,337	$ 1,257,757	$ 1,214,444	$ 43,313
	Capacity (At year end)	233	560	530	
Day Treatment	Rev	$ 1,872,799	$ 1,887,069	$ 1,739,549	$ (147,520)
	Exp	$ 2,609,360	$ 2,993,676	$ 2,896,437	$ 97,239
	Tax Levy	$ 736,561	$ 1,106,607	$ 1,156,888	$ (50,281)
	Capacity	24	24	24	

CARSD AODA

Major Services

Financials

Service Description	2015 Actual	2016 Budget	2016 Projection	Variance
Detoxification	$ 2,577,775	$ 2,572,145	$ 2,572,145	$ -
AODA Residential	$ 3,189,009	$ 3,042,032	$ 3,273,315	$ (231,283)
Recovery House	$ 137,258	$ 142,625	$ 101,890	$ 40,735
Outpatient – Substance Abuse	$ 481,819	$ 432,888	$ 414,373	$ 18,515
Recovery Support Coordination	$ 1,433,274	$ 1,423,960	$ 1,405,170	$ 18,790
Prevention	$ 2,392,061	$ 2,518,091	$ 2,406,809	$ 111,282
RSS	$ 1,104,547	$ 1,339,699	$ 1,091,548	$ 248,152
Other (Training, etc)	$ 669,451	$ 715,775	$ 750,339	$ (34,564)

Utilization Data

Service Description	2015 Actual	2016 Budget	2016 Projection	Variance
Detoxification - Admits	5,091	5,400	6,020	620
AODA Residential - Capacity	96	96	96	-
Recovery House - Average Enrollment	33	33	25	(8)
Outpatient – Substance Abuse - Admits	853	850	834	(16)
Recovery Support Coordination - Average Enrollment	227	230	260	30
Recovery Support Services - Average Enrollment	1,007	1,000	718	(282)

WRAPAROUND MILWAUKEE

Wraparound Spending by Service Group						Percent of Total Spending	
Service Group	2015 Actual		2016 Projection		Variance	2015	2016
AODA Svcs	66,032	$	48,784	$	(17,248)	0%	0%
Care Coordination	11,480,102	$	12,469,590	$	989,488	25%	27%
Child Care/Recreation	57,806	$	109,384	$	51,578	0%	0%
Crisis	6,628,117	$	7,609,160	$	981,043	15%	17%
Day Treatment	62,944	$	43,984	$	(18,960)	0%	0%
Discretion/Flex Fund	187,226	$	201,782	$	14,556	0%	0%
Fam/Parent Support Svcs	533,088	$	681,452	$	148,364	1%	1%
Foster Care	3,368,783	$	3,215,144	$	(153,639)	7%	7%
Group Home	4,948,707	$	4,537,062	$	(411,645)	11%	10%
Independent Living	318,080	$	338,480	$	20,400	1%	1%
In-Home	3,020,447	$	3,061,252	$	40,805	7%	7%
Inpatient	1,498,855	$	1,492,826	$	(6,029)	3%	3%
Life Skills	413,300	$	350,620	$	(62,680)	1%	1%
Med. Mgmt/Nursing	53,480	$	51,100	$	(2,380)	0%	0%
Occupational Therapy (new)	39,100	$	28,220	$	(10,880)	0%	0%
Outpatient	777,155	$	746,342	$	(30,813)	2%	2%
Psychological Assmts	188,890	$	195,050	$	6,160	0%	0%
Residential Treatmt	10,886,860	$	9,514,912	$	(1,371,948)	24%	21%
Respite	77,908	$	34,952	$	(42,956)	0%	0%
Shelter		$	27,880	$	27,880	0%	0%
Transportation	342,811	$	555,732	$	212,921	1%	1%
Youth Support Svcs	247,850	$	401,824	$	153,974	1%	1%
	45,197,541		45,715,532		517,991	100%	100%

	2015 Actual	2016 Projection	Variance
Member Months	**14,582**	**18,178**	**3,596**

4

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: July 29, 2016

TO: Thomas Lutzow, Chairperson
Finance Committee
Milwaukee County Mental Health Board

FROM: Alicia Modjeska, Chief of Operations, Behavioral Health Division

SUBJECT: BHD Contract Approval Requests

REQUEST: Authorization to Amend the 2016 Contract with Dungarvin for Community Consultation Team Services

Issue

The Community Consultation Team (CCT) provides services to adults with an intellectual or developmental disability and mental illness. The team provides crisis response in an emergency and, if needed, ongoing consultation services to maintain stability in the community. In 2015, the cost and oversight of this contract was equally divided between the Behavioral Health Division and the Disabilities Services Division (DSD) of DHHS. In 2016, the BHD has assumed full oversight and cost of this contract.

To increase efficiency and access to CCT services one staff member will be available to answer crisis calls on nights and weekends with another staff member on-call. The on-call staff member will be utilized if the team is needed in the community.

Fiscal Impact

The BHD contract with Dungarvin Wisconsin, LLC for CCT services is increasing by $82,000, from $154,544 to $236,544.

This expense will be absorbed into BHD's operating budget and will not have an impact on tax levy.

REQUEST: ***Authorization to Enter into a Contract with ProElectric in the Amount of $314,075 for Electrical and Wiring Services at the Behavioral Health Division Main Building, 9455 W. Watertown Plank Road, Milwaukee***

Issue

Phase I

In early 2015, WE Energies decided to no longer maintain the 4160 volt electrical service feed from the power plant across Watertown Plank Rd, which ran BHD's emergency power. Therefore, it became necessary for BHD to purchase a new electrical service line from WE Energies. A new 24,900 volt electrical service line was subsequently connected to Building 4's emergency substation.

Phase II

The project requires the separation of the essential electrical service into three code required branches for hospitals: Critical, Life Safety, and Mechanical. This separation will bring the new service from the emergency substation to branch panels located in Mental Health Complex Buildings 3, 4 and 5. ProElectric has been selected to provide work in these areas at a cost of $314,075. This cost includes the purchase of all major electrical equipment through the installation of raceways, feeders and equipment to serve Buildings 3, 4 and 5.

Phase III

Phase III of this project is to extend the service in building 3, 4 and 5 to the individual units (all electrical outlets; investigation underway). It is expected phase III cost will exceed $100,000 at which time an additional request will be advanced to the Finance Committee and the Board.

This project, including the completion of Phase II and III, must be completed by June 16, 2017 per the Plan of Correction conditionally approved by healthcare surveyor.

Fiscal Impact

BHD is requesting approval of a $314,075 contract with ProElectric. This will be absorbed within BHD's budget and will have no impact on tax levy.

REQUEST: ***Authorization to Enter into Fee-for-Service Agreements with Horizon Healthcare, Inc., and Alternatives in Psychological Consultation for Targeted Case Management and Crisis Case Management Services***

Issue

BHD is in the process of switching Targeted Case Management (TCM) and Crisis Case Management services from purchase-of-service to fee-for-service (FFS) agreements. The FFS agreements contain performance measures and compliance indicators which improve BHD's ability to track and monitor the quality of services provided to clients. Additionally, the FFS format improves and enhances utilization review at the service code level, and ability to analyze network adequacy. Starting October 1st, the TCM purchase of service agreements with Horizon Healthcare and Alternatives in Psychological Consultation will be terminated and the fee for service agreements will take effect. The Term of the contracts for

TCM and Crisis TCM services with Horizon Healthcare Inc. and Alternatives in Psychological Consultation is for three (3) years from the date of execution and will automatically renew every year (1) thereafter, unless either party provides notice to the other of its intent to terminate this agreement not less than ninety (90) days before the end of the then current term.

Fiscal Impact – Horizon Healthcare, Inc.

Fiscal impact for 2016 was calculated by assuming current capacity at Horizon TCM continues under the fee-for-service model for the last quarter of the year.

- The total amount of spending related to this agreement for 2016 shall not exceed $175,392.

Fiscal impact for 2017 and 2018 was calculated by assuming that the TCM capacity increase of approximately 10% included in the 2017 Budget is equally distributed to all providers, and no increase in rate or capacity occurs in 2018.

- Total amount of spending related to this agreement for 2017 and 2018 shall not exceed $771,725 annually.

Fiscal Impact – Alternatives in Psychological Consultation

Fiscal impact for 2016 was calculated by assuming current capacity at APC TCM continues under the fee-for-service model for the last quarter of the year.

- The total amount of spending related to this agreement for 2016 shall not exceed $344,938.

Fiscal impact for 2017 and 2018 was calculated by assuming that the TCM capacity increase of approximately 10% included in the 2017 budget is equally distributed to all providers and that no increase in rate or capacity occurs in 2018.

- Total amount of spending related to this agreement for 2017 and 2018 shall not exceed $1,517,725 annually.

REQUEST: ***Authorization to Amend the 2016 AMN Healthcare, Inc., DBA Merritt Hawkins, Contract to Conduct Searches for Three Additional Adult Psychiatrists and One Child Psychiatrist***

Issue:

The Behavioral Health Division is seeking an amendment to the current Agreement with AMN Healthcare Inc., dba Merritt Hawkins. Contractor was retained in February 2016 to recruit three full-time psychiatrists for the Acute Inpatient Service. Two of the three searches are complete with accepted offers in place, with two candidates currently in the interview process for the third search. In the last month, two additional inpatient psychiatrists have resigned from BHD necessitating continued use of locum tenens staffing to fulfill the essential psychiatry needed. At this time, BHD is seeking to engage the services of Merritt Hawkins for four (4) additional psychiatrist searches to fill the

recent vacancies as well as two new positions that were added during the 2017 budget preparation process.

Services by Merritt Hawkins include provision of full-service recruitment of Board eligible psychiatrists for permanent employment and include on-site consultation, advertising campaign(s), sourcing, screening and prescreening qualified candidates, coordination of candidate travel and interviews, assistance with candidate relocation upon acceptance and other usual and customary matters. Contractor possesses the necessary skill, expertise, and capability, including sufficient personnel with essential qualifications, to perform the recruitment services required by this Contract.

We are seeking to amend the current agreement of $99,950 by $135,000 for a new not to exceed amount of $234,950.

REQUEST: Authorization to Amend 2016 Community Support Program Contracts with Bell Therapy, Wisconsin Community Services, and Milwaukee Mental Health Associates

Issue

As a result of a number of quality issues identified in 2015, which Bell Therapies has not been able to correct, 140 Bell Therapy CSP slots are being redistributed to Wisconsin Community Services and Milwaukee Mental Health Associates. Milwaukee County believes Bell Therapy's CSP program will be more successful serving fewer individuals.

A case-by-case review will be performed by the treatment team and in collaboration with the client, including the identification of client strengths and need for services. Each client will be referred to either Family Care, TCM, or CCS while others will have the option to remain with Bell Therapy or choose one of the other CSPs with expanding capacity.

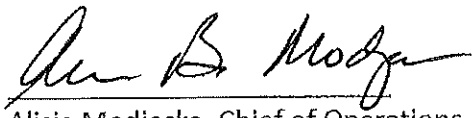
Fiscal Impact

The Wisconsin Community Services CSP contract will increase from $986,758 to an amount not to exceed $1,123,808. The Milwaukee Mental Health Associates' CSP contract will increase from $949,122 to an amount not to exceed $1,127,720. The Bell Therapy CSP contract will be reduced by $221,736 to an annual amount of $1,545,746. The difference of $93,922 will be absorbed in BHD's budget. This will have no impact on tax levy.

Additionally, anticipated Medicaid payments for CSP services will increase from $1,286,974 to $1,529,147 for Milwaukee Mental Health Associates and from $1,413,827 to $1,610,192.

These changes are effective September 1, 2016.

Respectfully Submitted,



Alicia Modjeska, Chief of Operations
Milwaukee County Behavioral Health Division, Department of Health and Human Services

cc: Hector Colon, Director, Department of Health and Human Services
Michael Lappen, Administrator, Behavioral Health Division

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: July 29, 2016

TO: Thomas Lutzow, Chairperson
Finance Committee
Milwaukee County Mental Health Board

FROM: Alicia Modjeska, Chief of Operations, Behavioral Health Division

SUBJECT: Recruitment Reimbursement

REQUEST: ***Authorization to Spend BHD Funds on Food and Restaurant Events Related to Physician Recruitment***

Issue

Due to numerous open psychiatry positions, and a nationwide shortage, BHD has enhanced retention and recruitment efforts for physicians. BHD is requesting authorization to use a portion of BHD employee food and event budget for physician recruiting events. Recruitment of physicians requires an analysis of both qualifications, cultural fit, and convincing physicians to move to the Milwaukee area. This type of comprehensive recruitment strategy is the industry norm, and an important step in ensuring the candidate and potentially his family make an informed decision.

This request is for:

1. approval to use funds for these types of events, and
2. a policy change

Fiscal Impact

The amount is anticipated to be less than $5,000 for 2016 and will be absorbed in the 2016 BHD budget. No tax levy funds will be used to support this budget item.

Respectfully Submitted,

Alicia Modjeska, Chief of Operations
Milwaukee County Behavioral Health Division, Department of Health and Human Services

cc: Hector Colon, Director, Department of Health and Human Services
Michael Lappen, Administrator, Behavioral Health Division