

COUNTY OF MILWAUKEE  
INTER-OFFICE COMMUNICATION

**Date:** January 23, 2019  
**To:** Tom Lutzow, Chairman, Milwaukee County Mental Health Board  
**From:** Margo J. Franklin, Employee Relations Director, Department of Human Resources.  
**RE:** Ratification of the 2018 Memorandum of Agreement between Milwaukee County and the Milwaukee Building & Construction Trades Council, AFL-CIO

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Milwaukee County has reached an understanding with the bargaining team for the Milwaukee Building & Construction Trades Council, AFL-CIO (TRADES) that establishes a Memorandum of Agreement (MOA) for 2018.

I am requesting that this item be placed on the next agenda for the meeting of the Milwaukee County Mental Health Board.

The following documents will be provided to the Committee for their review:

- 1) The MOA between the County and the TRADES;
- 2) A notification from the TRADES that the MOA was ratified by the membership;
- 3) A fiscal note that has been prepared by the Office of the Comptroller.

If you have any questions, please call me at 278-4852.

**2018  
AGREEMENT  
BETWEEN THE  
COUNTY OF MILWAUKEE  
AND THE  
MILWAUKEE BUILDING & CONSTRUCTION TRADES COUNCIL, AFL-CIO**

**MILWAUKEE COUNTY  
DEPARTMENT OF HUMAN RESOURCES  
EMPLOYEE RELATIONS  
COURTHOUSE, ROOM 210  
901 NORTH. 9TH STREET  
MILWAUKEE, WI 53233  
414-278-4852**

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1 2018  
2 AGREEMENT  
3 between the  
4 COUNTY OF MILWAUKEE  
5 and the  
6 MILWAUKEE BUILDING & CONSTRUCTION TRADES COUNCIL, AFL-CIO

7  
8  
9  
10 This Agreement, made and entered into by and between the County of Milwaukee, a municipal  
11 body corporate, as municipal employer, hereinafter referred to as "County", and the Milwaukee  
12 Building & Construction Trades Council, AFL-CIO, as representatives of employees who are  
13 employed by the County of Milwaukee, hereinafter referred to as "Council". The County is a  
14 party to this agreement by virtue of the power granted to the Milwaukee County Mental Health  
15 Board under Wis. Stat. 51.41(10).

16  
17 WITNESSETH

18  
19 In consideration of the mutual covenants herein contained, the parties hereto do hereby mutually  
20 agree as follows:

21  
22 **PART 1**

23  
24 1.01 RECOGNITION

25 The County agrees to recognize, and herewith does recognize, the Council as the exclusive  
26 collective Bargaining agent of behalf of the employees of Milwaukee County in accordance with  
27 the certification of the Wisconsin Employment Relations Commission, as amended, in respect to  
28 wages, pursuant to Subchapter IV, Chapter 111.70, Wisconsin Statutes.

1 1.02 EMPLOYEE DEFINED

2 Whenever the term "employee" is used in this Agreement, it shall mean and include only those  
3 employees of the County within the certified bargaining unit represented by the Council as seen  
4 in Appendix 1.

5

6 1.03 DURATION OF AGREEMENT

7 This Agreement is to take effect on January 1, 2018. Unless otherwise modified or extended by  
8 mutual agreement of the parties, this Agreement shall expire on December 31, 2018.

9

10 **PART 2**

11

12 2.01 WAGES

13 Effective Pay Period 14, 2018 (June 17, 2018) the wages of bargaining unit employees shall be  
14 increased by one percent (1.0%)

Appendix 1

<b>Union Code</b>	<b>High Org</b>	<b>Low Org</b>	<b>Job Description</b>
BT	6300	6532	Painter Bldgs
BT	6300	6532	Electrical Mech
BT	6300	6532	Plumber

**SIGNATURE PAGE FOLLOWS**

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day, month and year first above written.

Milwaukee Building & Construction Trades  
Council, AFL-CIO

By: \_\_\_\_\_ Date: \_\_\_\_\_

Department of Human Resources

By: \_\_\_\_\_ Date: \_\_\_\_\_

Director of Employee Relations

*Approved for execution:*

By: \_\_\_\_\_ Date: \_\_\_\_\_

Corporation Counsel

*Approved as to funds available per  
Wisconsin Statutes Section 59.255(2)(e):*

By: \_\_\_\_\_ Date: \_\_\_\_\_

Comptroller

*Approved:*

By: \_\_\_\_\_ Date: \_\_\_\_\_

County Executive

*Approved as compliant under sec. 59.42(2)(b)5, Stats.:*

By: \_\_\_\_\_ Date: \_\_\_\_\_

Corporation Counsel

## Franklin, Margo

---

**From:** Dan Bukiewicz <danb@milwbuildingtrades.org>  
**Sent:** Wednesday, December 12, 2018 8:41 AM  
**To:** Franklin, Margo  
**Cc:** Mark Olson; Meagen Brown; Kurt Jante; sredman@plumbers75.com; Don Athas; Stuart Wilson (swilson@smwlu18.org)  
**Subject:** RE: Milwaukee County Proposal

Margo,

The membership met and voted to accept the wage proposal. Please let us know the pay period in which the raise will occur and the back pay will be paid,  
Thank you,



**Daniel J. Bukiewicz**

President

Milwaukee Building & Construction Trades Council, AFL-CIO

414-475-5580

414-475-5590 *fax*

414-345-7911 *cell*

---

**From:** Franklin, Margo <Margo.Franklin@milwaukeecountywi.gov>  
**Sent:** Wednesday, November 28, 2018 1:14 PM  
**To:** Dan Bukiewicz <danb@milwbuildingtrades.org>  
**Cc:** Mark Olson <molson@buelowvetter.com>  
**Subject:** Milwaukee County Proposal

Hello Dan,

It was a pleasure meeting you last week. As promised, I am attaching Milwaukee County's proposal.

If you have any questions, please don't hesitate to contact me.

Kind regards,  
Margo



**Margo J Franklin** | Director of Employee Relations  
Milwaukee County Department of Human Resources  
901 N. 9th St., Suite 210, Milwaukee, WI 53233  
(414) 278-5091

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# BHD

MILWAUKEE COUNTY  
Behavioral  
Health  
Division

**DATE:** February 13, 2019

**TO:** Thomas Lutzow, Chairperson, Milwaukee County Mental Health Board

**FROM:** Mary Jo Myers, Director, Department of Health and Human Services  
*Prepared by Michael Lappen, Administrator, Behavioral Health Division*

**SUBJECT:** Report from the Director, Department of Health and Human Services, Requesting Approval of Behavioral Health Division Employee Severance and Retention Agreements

## Issue

The Behavioral Health Division's (BHD) Acute Inpatient Hospital is slated to close approximately June of 2021 and will be outsourced to Universal Health Services (UHS). It is projected that the two-year retention period will begin June 2019. The retention aims to address the challenge to maintain key clinical staffing levels through the closure.

## Discussion

BHD fiscal has provided an estimated cost range for the employee agreements, which would be funded through BHD's Reserve. This is reflected as a range due to the many uncertainties as to the number of staff who will be eligible. Additionally, the retention program may include other staff that are later identified as critical or may be adjusted to reflect the employment market for key staff closer to the actual closure of the acute hospital.

Per the BHD Reserve Policy, the actual request for Board approval to tap reserves will occur in 2020 in advance of the completion of the first year of the "retention period" outlined in the retention agreement currently projected as June 1, 2020. A second request will be made closer to June 2021 to fund the final retention payments, as well as the severance payments due to eligible BHD staff as the closure of the acute inpatient service and the transition to UHS is completed.

## Recommendation

The Department of Health and Human Services Behavioral Health Division is seeking Mental Health Board approval of both the attached Retention (**Attachment A**) and Severance (**Attachment B**) with acknowledgment that a request for funds would be forthcoming.

  
\_\_\_\_\_  
Michael Lappen, Administrator  
Behavioral Health Division  
Department of Health and Human Services

## **Milwaukee County Mental Health Board**

Hospital closure

*February 7, 2019*

### **Retention Bonus / Severance Pay**

Cost estimate

Retention Bonus for approximately 250 employees = \$3.2m

(Total of 20%-30% of pay during retention period per policy)

- Acute Care Medical Staff and Psychologists
- Clinical Managers/Supervisors
- Clinical Staff

Severance Pay                      \$1.0m to \$1.9m

- Estimate of 100-200 employees @ 4-8 weeks of pay for non-management staff and 8-12 weeks of pay for management staff per policy guidelines.

Total Maximum Reserve                      **\$5.1m**

# Attachment A

## EMPLOYEE RETENTION BONUS AGREEMENT MILWAUKEE COUNTY BEHAVIORAL HEALTH DIVISION

### I. PURPOSE

The purpose of this Agreement is to establish a Retention Bonus Program to provide Eligible Employees of the Milwaukee County Behavioral Health Division with a Retention Bonus as an incentive to continue that employment through the end of the applicable Retention Period.

### II. DEFINITIONS

- 2.1 BHD – The Milwaukee County Behavioral Health Division.
- 2.2 Board, or Mental Health Board – The Milwaukee County Mental Health Board.
- 2.3 County – The County of Milwaukee, Wisconsin.
- 2.4 Eligible Employee – An employee, manager or supervisor of BHD who (i) is in a critical position (as identified in Appendix A) needed to ensure continued quality patient care to BHD patients; and (ii) meets the eligibility requirements set forth in Section III. BHD may in its sole discretion modify Appendix A to include additional critical positions eligible for the Retention Bonus Program at any time.
- 2.5 Retention Bonus – The monetary bonus provided to an Eligible Employee as an incentive to remain employed with BHD to ensure the best possible care to patients during any transition period leading up to or in connection with a Transaction. The amount and payment date of each Eligible Employee's Retention Bonus, if any, will be determined in accordance with the tables set forth in Section IV and will be based upon such Eligible Employee's end date, reason for separation from employment, and managerial status.
- 2.6 Reduction of Services – The elimination or curtailment of services performed by BHD or by Milwaukee County in support of the operations of BHD as the result of a Transaction, or a modification of BHD operations and/or services due to the transition of such inpatient services to some other format.
- 2.7 Retention Period – As more particularly defined in Section IV, any of one or more calendar years, or a portion thereof, through the end of which an Eligible Employee must remain in a critical position (as identified in Appendix A) in order to be eligible for the Retention Bonus. The end date of any Retention Period may be altered, in BHD's sole discretion, to coincide with a Reduction of Services and/or a Transaction. Each Eligible Employee may be subject to a Retention Period applicable only to such individual without regard to the length of any Retention Period(s) applicable to any other Eligible Employee(s).

2.8 Transaction – A transaction (such as, but not limited to, a sale, contracting out, or closing of an operational unit of BHD) between Milwaukee County and/or BHD and a third party that causes the termination of employment of an Eligible Employee.

### III. ELIGIBILITY

3.1 A BHD employee will be an Eligible Employee only if the person:

- a. Works a minimum of seven hundred fifty (750) hours during the applicable Retention Period (which number of hours will be prorated in the event such Retention Period is less than a full calendar year);
- b. Is a regular, active employee as of the date of this Agreement, and is and remains in good standing from the date hereof until the end of the last day of the applicable Retention Period; and
- c. Meets all other eligibility requirements set forth in, and remains in full compliance with the terms and conditions of, this Agreement.

3.2 Notwithstanding subsection 3.1 above, a person cannot be an Eligible Employee if the person:

- a. Is terminated for cause during any Retention Period; or
- b. Retires, resigns, quits, or otherwise ceases employment by BHD or Milwaukee County of his or her own choice on or before the end of the applicable Retention Period.

These requirements shall be administered in compliance with the Americans with Disabilities Act, the state and federal Family Medical Leave Acts, and the Wisconsin Fair Employment Act.

### IV. RETENTION BONUS PAYMENT

4.1 An Eligible Employee shall receive, in accordance with the terms of this Agreement, a lump sum Retention Bonus for each Retention Period with respect to which such Eligible Employee is eligible in an amount and on a date determined in accordance with the following tables:

**Employees (as identified in Appendix A)**

Retention Period	Payment Amount	Payment Date
[c. 6/2019] __/__/__ to 12/31/2019 or such earlier date as determined by BHD in its sole discretion.	5% of earnings during the 2019 Retention Period	March 2020

1/1/2020 to 12/31/2020 or such earlier date as determined by BHD in its sole discretion.	15% of earnings during the 2020 Retention Period	March 2021
--	--	------------

**Managers/Supervisors (as identified in Appendix A)**

<b>Retention Period</b>	<b>Payment Amount</b>	<b>Payment Date</b>
[c. 6/2019 __/__/__ to 12/31/2019 or such earlier date as determined by BHD in its sole discretion.	10% of earnings during the 2019 Retention Period	March 2020
1/1/2020 to 12/31/2020 or such earlier date as determined by BHD in its sole discretion.	20% of earnings during the 2020 Retention Period	March 2021

4.2 Earnings to be included in the calculations set forth in the table in subsection 4.1 above are as follows:

- a. FLSA Non-Exempt Employees: Earnings include payment for all hours worked and paid time off taken during the applicable Retention Period; and
- b. FLSA Exempt Employees: Earnings include payment for regular pay and paid time off taken during the applicable Retention Period;

Provided, however, that in no event shall any Retention Bonuses paid to any Eligible Employee be included in any earnings calculation for any Retention Period.

4.3 BHD retains the right to add additional Retention Periods, offer to extend the employment of any Eligible Employee beyond the 2020 Retention Period, and establish a payment amount for any such additional Retention Periods, subject to any approvals required by law or regulation.

4.4 The Retention Bonus, less any payroll taxes, shall be paid in full to the Eligible Employee during the month coinciding with the Payment Date in the above table or, with respect to additional Retention Periods commencing after December 31, 2020, the Payment Date determined by BHD. No partial or pro-rated Retention Bonus payments will be provided except as provided in subsection 3.1(a) above.

4.5 The Retention Bonus will not be considered earnable compensation for purposes of the Employees' Retirement System ("ERS") and thus will not increase an Eligible Employee's final average salary or otherwise enhance any ERS retirement benefit to which an Eligible Employee may be entitled.

## V. APPEALS

5.1 Appeal Committee - The County shall maintain an Appeal Committee composed of Milwaukee County's Director of BHD, Manager of Benefits and HR Metrics, and Director of the Department of Health and Human Services (DHHS).

5.2 Appeal Procedure - Any employee who claims to have been denied a Retention Bonus or any part thereof, shall have thirty (30) days after the end of the applicable Retention Period to provide the required information necessary to state an appeal by submitting it to the Director of BHD at his/her office during the Department's normal office hours.

5.3 Content of Appeal Adverse Benefit Determination – The appealing employee:

- a. may request the Appeal Committee review the claim;
- b. upon request and free of charge be provided with access to and copies of all documents, records and other information relevant to the appealing employee's claim for benefits; and
- c. may submit written comments, documents, records and other information relating to the claim for benefits which shall be taken into account by the Appeal Committee.

5.4 Timing of Decisions on an Appeal – The Appeal Committee shall notify that appealing employee of the appeal decision no later than thirty (30) days after the receipt of a request for appeal.

5.5 The determination of the Appeal Committee shall be final and binding on all parties that participated in that process.

## VI. MISCELLANEOUS PROVISIONS

6.1 As a condition and requirement to be paid a Retention Bonus, an employee must:

- a. Remain active and in good standing with no Final Warning issued during the twelve (12) months prior to the end of the applicable Retention Period; and
- b. Return in good condition all County and/or BHD property which has been issued to the employee or for which the employee is responsible on or before the employee's last scheduled day of work.

6.2 The creation, implementation, and administration of this Retention Bonus Agreement shall not constitute or be construed as any basis for a finding of misconduct, impropriety, unlawful action, or wrongdoing by BHD, Milwaukee County, or their officers, employees, agents, attorneys, officials, or representatives.

6.3 Nothing about or in this Agreement shall constitute a promise or guarantee of employment through the end of a Retention Period.

6.4 This Agreement is administered by the Milwaukee County Mental Health Board and may be cancelled at its discretion dependent upon circumstances, particularly financial exigencies.

6.5 The acceptance of a Retention Bonus shall constitute voluntary and complete acceptance of its rules and requirements, including that the Retention Bonus and this Agreement be treated in a confidential manner.

6.6 Employee agrees to cooperate in resolving any outstanding issues for a period of 3 months after elimination of his/her position to ensure a smooth transition to the new provider.

6.7 By signing this Agreement, Employee agrees to forever waive and release any and all employment-related state and federal claims available to him/her on or before the date this Agreement is signed.

Dated at Milwaukee, Wisconsin this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Employee, Behavioral Health Division  
Milwaukee County DHHS

\_\_\_\_\_  
Michael Lappen, Administrator  
Behavioral Health Division  
Milwaukee County DHHS

# Attachment B

## EMPLOYEE SEVERANCE PAYMENT AGREEMENT MILWAUKEE COUNTY BEHAVIORAL HEALTH DIVISION

### I. PURPOSE

The purpose of this Agreement is to provide Eligible Employees of the Milwaukee County Behavioral Health Division with a Severance Payment if they continue that employment until the Effective Date of a Transaction between the County and/or BHD and a different entity which causes the elimination of the employees' position. The Severance Payment Agreement is based upon years of service and managerial status.

### II. DEFINITIONS

- 2.1 BHD – The Milwaukee County Behavioral Health Division.
- 2.2 Board, or Mental Health Board – The Milwaukee County Mental Health Board.
- 2.3 Closure of a Unit – The final cessation of operations of an administrative or treatment unit by BHD which had been operated by Milwaukee County to support BHD and/or the services it provides.
- 2.4 County – The County of Milwaukee, Wisconsin.
- 2.5 Effective Date – The date an Eligible Employee's employment position ceases to exist as the result of a Transaction.
- 2.6 Eligible Employee – An employee of the Milwaukee County Behavioral Health Division whose position, period of service, regularly scheduled hours, and reason for termination of employment makes him/her eligible to receive a Severance Payment.
- 2.7 Notification – The written Notification from BHD management to an Eligible Employee that his/her employment position will be eliminated as the result of a Transaction.
- 2.8 Reduction of Services – The elimination or curtailment of services performed by the BHD or by Milwaukee County in support of the operations of BHD as the result of a Transaction, or a modification of BHD operations and/or services due to the transition, of such inpatient services to some other format.
- 2.9 Severance Payment – The Severance Payment for employees of Milwaukee County who receive Notification due to a Reduction of Services.
- 2.10 Transaction – A transaction (such as, but not limited to, a sale, contracting out, or closing of an operational unit of BHD) between Milwaukee County and/or BHD and a third-party which causes the termination of employment for an Eligible Employee.

### III. ELIGIBILITY

3.1 A Milwaukee County Behavioral Health Division Employee becomes an Eligible Employee if the person:

- a. Has been employed as a regular, active full-time or part-time (at least twenty (20) hours per week (.5 FTE)) employee of BHD and in a Milwaukee County position which supports the operations of BHD for at least six (6) months prior to the Notification of a Transaction; and
- b. Whose employment position with Milwaukee County is eliminated as the result of a Transaction or a Reduction of Services.
- c. Is a regular, active employee until the end of the day which is the Effective Date of the Transaction or Reduction in Services or until the employee is released by BHD or the County after the Notification of the Transaction is issued and works until the last date so defined in that release.

3.2 A person cannot be an Eligible Employee if the person:

- a. Is terminated for cause prior to the Effective Date of the Transaction or Reduction in Service.
- b. Retires, resigns, quits, or otherwise ceases employment by BHD or Milwaukee County of his/her own choice on or before the Effective Date.
- c. Is an hourly or seasonal employee.

These requirements shall be administered in compliance with the Americans with Disabilities Act, the state and federal Family Medical Leave Acts, and the Wisconsin Fair Employment Act.

### IV. SEVERANCE PAYMENT

An Eligible Employee, upon termination of employment as the result of a Transaction, shall receive a lump sum Severance Payment as follows:

- For non-management staff: 1 week per year of service (calculated from the Eligible Employee's most recent date of hire by BHD), with a minimum of 4 weeks and a maximum of 8 weeks
- For management staff: 2 weeks per year of service (calculated from the Eligible Employee's most recent date of hire by BHD), with a minimum of 8 weeks and a maximum of 16 weeks

The Severance Payment, less any payroll taxes or required employee contributions for health insurance, shall be paid in full to the Eligible Employee on the regular BHD payday following the termination of employment due to a Transaction or Reduction of Services. The Severance Payment will not be considered earnable compensation for purposes of the Employees' Retirement System ("ERS") and thus will not increase an Eligible Employee's final average salary or otherwise enhance any ERS retirement benefit to which an Eligible Employee may be entitled.

Health insurance coverage will stop the last day of the month following the month employment with Milwaukee County ends as long as all required contributions are made. Employees may continue the County plan(s) via the Federal "COBRA" continuation of benefits law, provided the employee pays the full monthly premium and administrative fee on a timely basis.

An Eligible Employee offered a position by the party that takes on the unit of administration or operations, which ends the eligible employee's BHD or County employment, or declines the offer, is not eligible to receive the Severance Payment.

## V. APPEALS

5.1 Appeal Committee - The County shall maintain an Appeal Committee composed of Milwaukee County's Director of BHD, Manager of Benefits and HR Metrics, and Director of the Department of Health and Human Services (DHHS).

5.2 Appeal Procedure - Any employee who claims to have been denied a Severance Payment or any part thereof, shall have thirty (30) days after the Effective Date of the Transaction to provide the required information necessary to state an appeal by submitting it to the Director of BHD at his/her office during the Department's normal office hours.

5.3 Content of Appeal Adverse Benefit Determination – The appealing employee:

- a. may request the Appeal Committee review the claim;
- b. upon request and free of charge be provided with access to and copies of all documents, records and other information relevant to the appealing employee's claim for benefits; and
- c. may submit written comments, documents, records and other information relating to the claim for benefits which shall be taken into account by the Appeal Committee.

5.4 Timing of Decisions on an Appeal – The Appeal Committee shall notify that appealing employee of the appeal decision no later than thirty (30) days after the receipt of a request for appeal.

5.5 The determination of the Appeal Committee shall be final and binding on all parties that participated in that process.

## VI. MISCELLANEOUS PROVISIONS

- 6.1 As a condition and requirement to be paid a Severance Payment, an employee must:
- a. Remain active and in good standing with no First Warning or Final Warning issued during the twelve (12) months prior to the Effective Date.
  - b. Return in good condition all County and/or BHD property which has been issued to the employee or for which the employee is responsible on or before the employee's last scheduled day of work.

6.2 The creation, implementation, and administration of this Severance Payment Agreement shall not constitute or be construed as any basis for a finding of misconduct, impropriety, unlawful action, or wrongdoing by BHD, Milwaukee County, or their officers, employees, agents, attorneys, officials, or representatives.

6.3 Nothing about or in this Explanation of Severance Payment shall constitute a promise or guarantee of employment through the Effective Date of a Transaction.

6.4 This Severance Payment Agreement is administered by the Milwaukee County Mental Health Board and may be cancelled at its discretion dependent upon circumstances, particularly financial exigencies.

6.5 Absent extension or renewal by the Milwaukee County Mental Health Board, the severance payment program will conclude on March 31, 2021.

6.6 The acceptance of a Severance Payment shall constitute voluntary and complete acceptance of its rules and requirements, including that the Severance Payment and this Agreement be treated in a confidential manner.

6.7 Employee agrees to cooperate in resolving any outstanding issues for a period of 3 months after elimination of his/her position to ensure a smooth transition to the new provider.

6.8 By signing this Agreement, Employee agrees to forever waive and release any and all employment-related state and federal claims available to him/her on or before the date this Severance Agreement is signed.

Dated at Milwaukee, Wisconsin this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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Employee, Behavioral Health Division  
Milwaukee County DHHS

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Michael Lappen, Administrator  
Behavioral Health Division  
Milwaukee County DHHS

FINAL DRAFT

**COUNTY OF MILWAUKEE  
Behavioral Health Division Administration  
Inter-Office Communication**

**DATE:** February 8, 2019

**TO:** Thomas Lutzow, Chairman – Milwaukee County Mental Health Board

**FROM:** Mary Jo Meyers, Director, Department of Health and Human Services  
*Approved by Michael Lappen, Administrator, Behavioral Health Division*

**SUBJECT:** **Report from the Director, Department of Health and Human Services, Requesting Authorization to Execute 2019, Professional Services Contracts for Information Technology, Program Evaluation, and Financial Planning Services**

**Issue**

Wisconsin Statute 51.41(10) requires approval for any contract related to mental health (substance use disorder) with a value of at least \$100,000. No contract or contract adjustment shall take effect until approved by the Milwaukee County Mental Health Board. Per the statute, the Director of the Department of Health and Human Services is requesting authorization for BHD/CARS/Wraparound/Inpatient Hospital to execute mental health and substance use contracts for 2018 and 2019.

**Background**

Approval of the recommended contract allocations will allow BHD/CARS/Wraparound/Inpatient Hospital to provide a broad range of rehabilitation and support services to adults with mental health and/or substance use disorders and children with serious emotional disturbances.

**Professional Services Contracts**

**Netsmart Technologies, Inc. - \$27,400**

BHD is requesting \$27,400 for Netsmart related to the Training Development for MyAvatar and retention of legacy CMHC data. \$17,400, is to cover invoices from 2018, and the other \$10,000 is for 2019 expenses. The amount requested is an increase to the original contract that was executed in April of 2017. The total contract amount is now \$3,802,758. The funds are being requested for 2018/2019.

**University of Wisconsin Milwaukee (UWM) - \$180,132**

UWM provides program evaluation of the State of Wisconsin Temporary Assistance for Needy Families (TANF) Alcohol and Other Drug Abuse (AODA) grant. The grant will focus on the process (what was done and how it was accomplished), and the outcomes (i.e. results) of the Milwaukee County TANF/AODA system of care. The new contract total will be \$180,132.

**WIPFLi, LLP - \$200,000**

BHD, Milwaukee Health Care Partnership and other key stakeholders are requesting \$200,000 to support and explore new and innovative options related to the Psychiatric Crisis Service Delivery Model to serve residents of Milwaukee County. The focus will be to perform due diligence related to this initiative, as part of a broader strategic redesign of behavioral health services currently provided by BHD. Refer to the Statement of Work (**Attachment A**) for additional detail. This is a single source contract for a total amount of \$200,000. The funds are requested for 2019.

**Fiscal Summary**

The amount of spending requested in this report is summarized below.

<b>Vendor Name</b>	<b>New/Amendment</b>	<b>2018 Contract Amount</b>	<b>2018 Amendment Amount</b>	<b>2019 Contract Amount</b>	<b>Total Contract Amount</b>
Netsmart Technologies, Inc.	Amendment/New	\$3,775,358	\$17,400	\$10,000	\$3,802,758
*University of Milwaukee Wisconsin	New	\$156,095	N/A	\$180,132	\$180,132
WIPFLi, LLP	New	N/A	N/A	\$200,000	\$200,000
<b>Total</b>		<b>\$3,931,453</b>	<b>\$17,400</b>	<b>\$390,132</b>	<b>\$4,182,890</b>

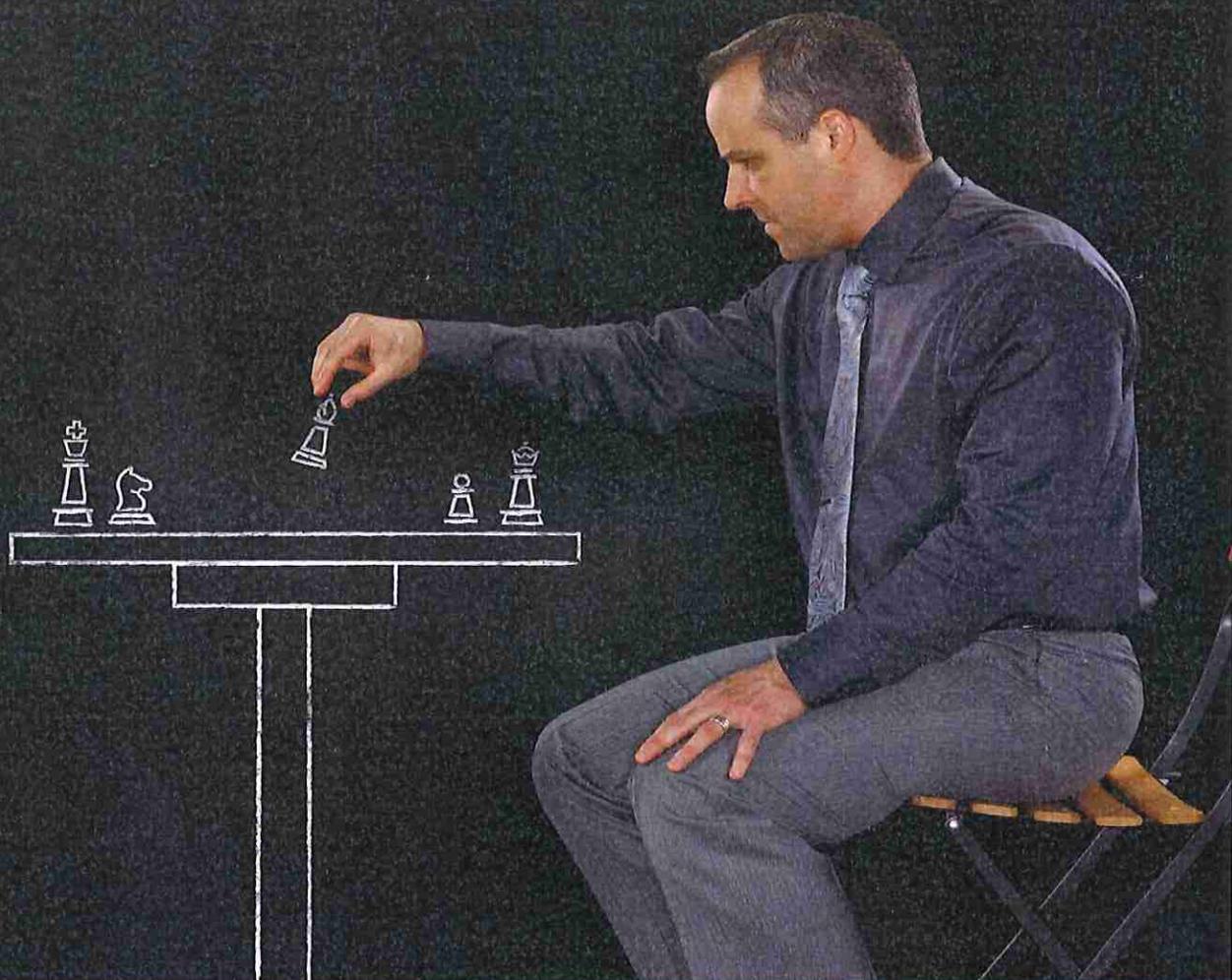
\*Denotes a Vendor whose funding is supported by a grant.

---

Mary Jo Meyers, Director  
Department of Health and Human Services

Cc: Maria Perez, Finance Chairperson

# Consulting Support for the Redesign of Psychiatric Crisis Service - Phase Two



Proposal to provide professional services

February 2019

**WIPFLI**<sup>LLP</sup>  
CPAs and Consultants  
HEALTH CARE PRACTICE

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Wipfli LLP  
469 Security Blvd.  
Green Bay, WI 54313  
P.O. Box 12237  
Green Bay, WI 54307-2237  
920.662.0016  
fax 920.662.0024  
www.wipfli.com

# ENGAGEMENT LETTER AND SIGNATURE

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## Current Situation

Milwaukee County Behavioral Health Division (BHD or Milwaukee County) and Milwaukee Health Care Partnership (MHCP) have been challenged with the question of how to shape the future service delivery model for behavioral health services provided primarily to residents of Milwaukee county. The behavioral health needs of residents have been escalating and service funding is a continuous challenge. The planned closure of Milwaukee County's Mental Health Complex (due, in part, to the current aging facility with regulatory waivers in place) brought about a recent sense of urgency as to how to better serve the future needs of Milwaukee county residents.

Universal Health Services ("Universal") has been secured to be the future provider for Milwaukee County's inpatient behavioral health patients. However, Universal is not planning to develop an outpatient or emergency psychiatric unit as part of its new 120-bed facility scheduled to be opened in 2021. To understand how to address future outpatient crisis services, Milwaukee County collaborated with health system members of Milwaukee Health Care Partnership to study this issue.

Specifically, BHD collaborated with the health system members of MHCP to commission an analysis aimed at redesigning Milwaukee county's full psychiatric crisis service system. This Milwaukee Crisis Center Redesign Study (the "Redesign Study") was guided by the Human Services Research Institute, the Technical Assistance Collaborative, and the Wisconsin Policy Forum. This report focused on the continuum of community-based services, along with the services currently provided by BHD known as its psychiatric emergency department and observation unit (currently known as Psychiatric ER).

It is expected that the ongoing redesign of preventative services will reduce the future demand for emergency crisis services from 8,000 clients being served today to range from 3,000 to 5,000 clients in the future. However, the need for a new dedicated Psychiatric ER and related services (including an Urgent Care Triage Center and Crisis Stabilization/Observation area) is very real, both for children, adolescents, and adults.

BHD and health system members of MHCP (collectively referred to as the "Client") reached out to Wipfli LLP ("Wipfli") to support its efforts to develop a set of financial model options related to a potential future "centralized model of care" through a community wide Psychiatric ER to be developed within Milwaukee county as the initial phase of work, using high-level volume assumptions as currently established. As we understand, one set of financial model options will also test a new psychiatric crisis service model related to distributing care throughout the region, focusing on local hospital emergency rooms to treat patients in need of psychiatric care (the "decentralized care model"). Future work related to Phase Two, to be defined later, may include a detailed demand assessment for psychiatric crisis services and expected downstream impact on more intensive interventional services such as inpatient psychiatric care and psychiatric ER services as well as a broader financial summary and assessment of the overall implications to the Redesign of Psychiatric Crisis Service from the view of multiple stakeholders.

# ENGAGEMENT LETTER AND SIGNATURE

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Future work will also include a refinement of the Psychiatric ER service business plan once the series of options has been narrowed to the selected option. It is expected that the initial phase of work will address at a high level, the operational, clinical, and financial aspects of a potential new Psychiatric ER, should the centralized care model be the option selected by the Steering Committee. Future phases will include a more detailed business plan to include these components. We appreciate that other stakeholders of this process may also support this important work and may be integral components in developing the business plan. We anticipate this study will be directed by Steering Committee members who directed the Redesign Study. It is expected that a more detailed business plan will be developed in the future phase.

## Client Acceptance of its Responsibility

This consulting engagement will be conducted in accordance with standards established by the American Institute of Certified Public Accountants. When providing these services, Wipfli's professional standards require us to document that you understand and accept your responsibilities regarding these services, which include the following:

- Assume all management responsibilities.
- Oversee the service by designating an individual (preferably within senior management) who possesses suitable skills, knowledge, and/or experience.
- Evaluate the adequacy and results of the services performed.
- Accept responsibility for the results of the services.

Wipfli specifically does not have the authority to perform management functions, make management decisions, or act in a capacity equivalent to an employee.

## Fees and Scope

Wipfli will provide the services as described in the attached Statement of Work, Appendix A, for a total fee not to exceed \$200,000 for the initial phase of this Project. Wipfli estimates the initial phase of this Project to require approximately 12 to 14 weeks to complete. Progress billings will be issued during the engagement.

Work will be completed by consultants within Wipfli's Health Care Practice. The fee quotation will be honored for 30 days from the date of this Engagement Letter.

Travel time, clerical processing, taxes (if applicable), and other out-of-pocket expenses are included in the above quotation. Terms are net 30 days. The scope of the Project is defined in the attached Statement of Work, Appendix A. Signing of this Engagement Letter is a condition to our working with the Client in accomplishing the stated goals.

# ENGAGEMENT LETTER AND SIGNATURE

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All work on the Project to be performed by Wipfli under this Engagement Letter and any Change Order shall be subject to Wipfli's Professional Services Terms and Conditions ("Terms and Conditions") (Appendix D). The Client acknowledges receipt of a copy of the Terms and Conditions and further acknowledges that, from time to time, Wipfli may change its Terms and Conditions. The Client may, at any time, request additional copies of the Terms and Conditions.

## Engagement Acceptance

Prepared by Jane Jerzak, Partner, Wipfli Health Care Practice

### Professional Services

If the contents of this engagement letter are acceptable, please sign and return this page to [jjerkak@wipfli.com](mailto:jjerkak@wipfli.com) at your earliest convenience.

Milwaukee County Behavioral Health Division on behalf of stakeholders acknowledge acceptance of this engagement letter, agrees to be bound by all its Terms and Conditions (see Appendix D) and represents that the person signing below has authority to execute this agreement. This agreement may be executed in a number of counterparts, including this separate signature page, each of which shall be deemed an original and all of which shall constitute one and the same agreement. If you have any questions or comments, please contact Jane Jerzak at 920.662.2821.



ACCEPTED BY: MILWAUKEE COUNTY BEHAVIORAL HEALTH DIVISION

BY: \_\_\_\_\_  
(Signer's name and title)

DATE: \_\_\_\_\_

## Project Visual for the Initial Phase of Work - Key Outcomes

### Overview:

The project scope for the initial phase of work will quantify at a high level, the community impact of creating a centralized psychiatric crisis service care model versus a decentralized psychiatric crisis care model, compared to current state from the view of Milwaukee County and Private Health Systems currently serving clients in need of Psychiatric Crisis Service. The table below reflects the key outcomes expected from this initial exploratory phase of work, expected to be completed by mid-May 2019. We expect future phases to commence in early June 2019, which will move into a more detailed analysis for decision making regarding the ultimate future design of the psychiatric crisis system in Milwaukee county.

Psychiatric Crisis Service Redesign Work Phase Two - Decentralized vs. Centralized Crisis Service Model					
Initial Phase High Level Impact Analysis					
Scope of Work and Responsibilities	BHD Impact	Cross Cutting Service Impact	Private System Impact	Demand/Patient Flows	New Psychiatric ER
Centralized Psychiatric Crisis Care Model	BHD to include a tax levy analysis impact/Wipfli tests	Joint BHD and Private Systems/Wipfli supports	N/A	Joint BHD and Private Systems/Wipfli supports	Wipfli leads
Decentralized Psychiatric Crisis Care Model	BHD to include a tax levy analysis impact/Wipfli tests	Joint BHD and Private Systems/Wipfli supports	Private Systems/Wipfli tests	Joint BHD and Private Systems/Wipfli supports	N/A

*Will be used to refine future phase related to funding, organizational and operational structures of the Crisis System as redesigned etc.*

## Project Visual for the Initial Phase of Work - Key Assumptions

Psychiatric Crisis Service Redesign Work Phase Two - Decentralized vs. Centralized Crisis Service Model				
Initial Phase High Level Impact Analysis Assumptions				
Scope of Work and Responsibilities	BHD Impact	Cross Cutting Service Impact	Private System Impact	New Psychiatric ER
Demand Assumptions	High level volume changes based on Phase One report and high level impact of BHD service changes and cross cutting initiatives			
Financial Assumptions	High level financial impact modeling and tax levy impact			Financial Model to include several scenarios based on licensure, location etc.

## Project Objectives for the Psychiatric ER Modeling Work

The Project's overall objective of this initial phase of work will be to develop two to three financial models related to the new planned Psychiatric ER to be located in Milwaukee county, using established high-level volume assumptions. The financial modeling will require some level of operational, staffing, and professional services assumptions, as well as volume, location, and licensures.

As a future phase once the initial high-level assessment has been completed, a more complete business plan related to the Psychiatric ER will be developed. This plan will more fully address, several scenarios related to alternative locations, options for licensure and certification, and potential financial obligations of the stakeholders for the operation of the service. The plan will also need to address options for the design of the organization, as well as the governance model. It is expected that the start-up capital and operating expenses may be funded by BHD, health systems, and other donors, and the analysis will test if and how the ongoing operation would be self-sustaining.

The overall scope of work for this initial phase of work and future phases related to this project will include:

- Legal organizational structure/governance options and scenarios (entity type).
- Management structure/operating agreement/long-term agreement with Milwaukee County and other stakeholders (future phase).
- Available service licensure and certification options (Medicare/Medicaid, etc.).
- Service volumes, payor mix, and anticipated changes over time (initial phase will include volume estimates as established; future phase may include a more complete demand assessment).
- Reimbursement modeling of options based on certification status for key payors (high level only for the initial phase and a deeper dive with the future phase).
- Three-year operating budget would be based on key operating assumptions (staffing, professional services, volumes, licensures, and location).
- Three-year capital budget based on key assumptions and location options (high level only for the initial phase and a deeper dive with the future phase).
- Potential funding obligations for stakeholders (high level only for the initial phase and a deeper dive with the future phase).
- Potential options for physician staffing of the Psychiatric ER (high level only for the initial phase and a deeper dive with the future phase).

Wipfli's key role in the Project will ultimately be to support the development of a high-level, financially driven business plan to support the future Psychiatric ER should that be the confirmed path for the future. The work as described below will be sketched at a high level for this initial phase of work with a deeper analysis to be performed with the future phase of the Project unless as otherwise noted.

## Key Areas of Focus for Wipfli Related to the Psychiatric ER Assessment

### Legal Organizational Structure Considerations (primarily the future phase)

It will be important to understand the possibilities for structuring this new service from an organizational perspective. Will a new 501(c)(3) nonprofit organization be developed? Will this service operate as a subsidiary of a current area hospital? What other options need to be considered? Wipfli's health care tax team will walk through viable options for consideration such as features, benefits, and risks associated with the options. Certification decisions may, to some degree, influence the legal structure of the new Psychiatric ER. Should the discussion involve complex issues, we will recommend the Steering Committee call upon the services of an experienced health care attorney for support and guidance.

#### *Deliverable:*

Wipfli will present organizational options and high-level summaries of considerations for each option for the new Psychiatric ER.

### Certification and Regulatory Considerations (Initial Phase)

It will be important to understand the possibilities for licensing and certification, which directly correlate to reimbursement and other potential funding to support these new services under the scenario options to be developed. Therefore, members of Wipfli's health care practice will work with the Steering Committee to discuss (at a high level) possible certification options to be considered and the related requirements and reimbursement implications for key payors. Should the discussion involve complex issues, we will recommend the Steering Committee call upon the services of a health care attorney experienced in these matters for support.

#### *Deliverable:*

Wipfli will present certification options and high-level summaries of reimbursement considerations to help support the certification decision for the new Psychiatric ER.

### Professional Service Considerations (primarily the future phase)

It will be important to understand the possibilities for structuring the arrangement for professional services to support the psychiatric emergency/crisis service (such as psychiatrists, extenders, etc.). As we understand, the Steering Committee has discussed possibilities that may include developing a professional services agreement (PSA) to contract with for required professional services. Direct employment of psychiatrists and possibly other providers is another option to consider.

## Key Areas of Focus for Wipfli Related to the Psychiatric ER Assessment (Continued)

Wipfli will outline the features and pros/cons related to these possible frameworks for professional service design in this initial project. Should a PSA arrangement be desired, we can assist in developing the PSA contract and the financial and billing requirements needed for such an arrangement. In addition, we can assist in the compensation design features should an employment model for psychiatrists be desired.

### Deliverable:

Wipfli will present options for professional services and high-level summaries of considerations for each option for the new Psychiatric ER.

### Demand Assessment (primarily the future phase)

Wipfli will review the work completed to date through the Redesign Study related to service demand, patient flow, etc. This work will help us understand the current and anticipated future needs for the Psychiatric ER. We anticipate a collaborative process, including clinicians on the "front lines," to establish/confirm an ideal financially responsible service delivery model to achieve the desired clinical/care outcomes for patients. Members of Wipfli's health care practice will be a key participant in this process.

### Deliverable:

Wipfli will summarize the range of volume possibilities for the new Psychiatric ER based on the work completed to date, as well as validation work with clinicians and others to confirm the assumptions related to patient flow and volumes to support the financial model.

### Financial Assessment (primarily the Initial Phase)

Wipfli will prepare a financial model to help leadership understand the reimbursement and cost structure that may be expected in developing a new Psychiatric ER. Financial models will be developed based on key assumptions with an opportunity for flexibility or "what if" analyses to pressure test assumptions and related financial impact. In addition, we understand the certification and location options are yet to be finalized. We are confident our work will help guide the decision-making process.

## Key Areas of Focus for Wipfli Related to the Psychiatric ER Assessment (Continued)

Specifically, we will build high-level, three-year financial models based on a number of possible scenarios related to certification and location options to help shape the decision of “what to create” and “where to create it.” Our three-year financial models will be based on key assumptions to be provided by the Steering Committee, designated clinicians, and other key stakeholders supporting the new Psychiatric ER:

- Volume, reimbursement, and revenue assumptions:
  - Volumes (from the Demand Assessment)
  - Charges
  - Payor mix
  - Reimbursement rates for Medicaid/Family Care, the County, and commercial payors
  - Overall reimbursement models based on licensure, payor mix, and other variables
- Operational flow of patients:
  - Understanding the potential patient flow from other aspects of the psychiatric crisis delivery model and how that patient flow will impact the Psychiatric ER
- Expense assumptions based on established volume parameters:
  - Clinical and nonclinical staffing based on detailed staffing models and assumptions
  - Psychiatric ER physician staffing options (such as employment versus professional services agreement, etc.)
  - Nonstaffing expenses (such as supplies, purchased services, and other)
  - Ancillary and support service requirements such as lab services
  - Security requirements (in addition to staffing requirements noted above)
  - Capital requirements for the facility and related financing options
  - Capital requirements for medical, technology, and other supporting equipment
- Cash flow and working capital requirements

### Deliverable:

Wipfli will provide a detailed financial model and a financial summary model in Microsoft Excel-based format with related narrative regarding significant assumptions and available high-level benchmarking information for the defined scenarios. Our findings will be presented to the Steering Committee and Project Sponsors (e.g., County Executive and Health System Market Leaders) in a Microsoft PowerPoint format when the engagement is completed. The Excel-based model will be delivered to Project leadership at the end of the engagement should further refinements or assumptions need to be created.

## Project Objectives for the Initial Project Phase Other Than the Psychiatric ER

The overall purpose of this initial phase of work is to understand the "order of magnitude" impact on the key stakeholders should the new Psychiatric Crisis Service Model be implemented (with both a Centralized and Decentralized Psychiatric Crisis Care Model concept to be considered). It will provide critical information to help shape the future work related to estimated funding levels required to support this effort, organizational and operational considerations among other key factors in the planning process.

The Centralized Psychiatric Crisis Care Model assumes the development of a new Psychiatric ER to serve residents of Milwaukee county, along with new care delivery enhancements in place in the community (primarily through Milwaukee County services) to ensure the Psychiatric Crisis Care Model is structured to meet the evolving behavioral health needs of the people in Milwaukee county. The Decentralized Care Model concept assumes that no Psychiatric ER is developed, rather clients in need of psychiatric services would receive those services in a more distributed model, through several local Health System emergency rooms supported with Milwaukee County psychiatric crisis outreach services and enhanced training programs for staff caring for psychiatric clients in these settings.

Therefore, in addition to the financial modeling related to the potential Psychiatric ER assuming a centralized care model, the Steering Committee has requested certain high-level facilitation related to the potential financial impact of the future Centralized Psychiatric Crisis Service Model concept as compared to a potential future Decentralized Psychiatric Crisis Service Model concept for key stakeholders including Milwaukee County and Private Health Systems.

For this initial phase of work, the Steering Committee requested a very high-level understanding of overall anticipated financial impact on both the Centralized Psychiatric Crisis Service Model versus the Decentralized Psychiatric Crisis Service Model related to the following key stakeholders:

- Milwaukee County
- Private Systems currently providing ER services to patients with a primary behavioral health or AODA diagnosis

As a first step in this process, it is expected that Milwaukee County, Private Health Systems and Wipfli will come together to create a high-level patient flow diagram comparing current state to potential future state under both the Decentralized Psychiatric Crisis Service Model and the Centralized Psychiatric Service Model for key customer types. This will inform at a high level, expected changes in volumes with both types of Psychiatric Crisis Service Models considered. Wipfli will serve as facilitator for this effort.

Wipfli will facilitate and support the process of understanding at a high level, the estimated financial impact of the Centralized Psychiatric Crisis Service Model versus the Decentralized Psychiatric Crisis Service Model as it relates to Milwaukee County and the Private Systems.

### Project Objectives for the Initial Project Phase Other Than the Psychiatric ER (Continued)

This work will primarily include meeting participation, assembly and summarization of data provided by Milwaukee County and the Private Systems and facilitation for the overall project deliverable.

#### Understanding the Centralized Psychiatric Crisis Care Model Impact

Milwaukee County has been tasked with the initiative to estimate the potential service volume changes and financial impact of the Psychiatric Crisis Service Model as redesigned as it relates to Milwaukee County Behavioral Health programs for the Centralized Psychiatric Crisis Service Model based on high-level assumptions. Milwaukee County will be responsible for calculating the estimated financial impact of the Centralized Psychiatric Crisis Service Model as it relates to Behavioral Health Division Enhancements and Cross-Cutting Services. The analysis developed by Milwaukee County will also need to include information to understand the impact on Milwaukee County's current tax levy available to support this new Psychiatric Crisis Care Model both for BHD enhancements and for potential funding to support the new Psychiatric ER. As discussed above, Wipfli will be responsible for the financial modeling related to the potential new Psychiatric ER needed under the Centralized Psychiatric Crisis Service Model. For the purposes of this initial phase, we will assume no change in service volumes or related financial impact of a new Centralized Psychiatric Crisis Service Model for the Private Health Systems.

#### Understanding the Decentralized Psychiatric Crisis Care Model Impact

Wipfli's role will be to work with representatives of Milwaukee County and key Private Health Systems to estimate the high-level change in potential service volumes and related financial impact for the Decentralized Psychiatric Crisis Service Model option. Specifically, our role will be to facilitate the capture of standard information and assumptions to be used by each of the designated Private Health Systems and by Milwaukee County as they create the financial analysis for the Decentralized Psychiatric Crisis Service Model. Wipfli will be responsible for reviewing (at a high level) the analysis as developed by each stakeholder and summarizing the information to present a summarized stakeholder perspective. Wipfli will not be responsible for the development of this analysis as that will be the sole responsibility of each stakeholder involved in this process.

#### **Deliverable:**

Wipfli will create a very high-level financial impact summary for review by the Steering Committee and Project Sponsors, which will include the estimated financial impact of the Redesign of Psychiatric Crisis Service in Milwaukee County under both the Decentralized and Centralized Psychiatric Crisis Care Models. Our findings will be presented to the Steering Committee and Project Sponsors in a Microsoft PowerPoint format when the engagement is completed. The Excel-based model will be delivered to project leadership at the end of the engagement should further refinements or assumptions need to be created.

## Project Expectations and Assumptions

The following requirements, among others, will be critical for this multi-stakeholder project to be successfully completed in a timely manner:

- Engaged leadership from each key stakeholder including Milwaukee County and all Private Health Systems involved in this initiative
- Assignment of key representatives in finance, clinical, operations, facilities, and other disciplines, as needed, to create and validate key assumptions
- Engaged participation in all committees by all committee members including meeting attendance, completion of all assignments in a timely manner
- Timely follow up for all data requests and sign offs of key assumptions by each key stakeholder
- Willingness by all stakeholders to revise or update data request items or analyses in a timely fashion as needed to keep the project timeline intact
- Project management is provided by Milwaukee County as needed
- Engaged participation by the Steering Committee including development of the committee structures as needed, providing contact information for all committee members, providing feedback on committee meeting agendas and meetings and providing overall leadership for this work through thoughtful representation of all key stakeholders in the process
- Provide timely feedback to Wipfli for any element of the project that requires adjustment

## Change in Scope and Project Control

The scope defined in this Statement of Work is to ensure that all parties are working within the same engagement boundaries (budget, schedule, and functional capabilities). Should there be a need to change those boundaries, Wipfli will manage these changes utilizing our standard change control process. Our change management approach recognizes that changes and refinements of understanding are a normal part of any significant project to arrive at the desired outcome of each phase of work as they may change over the course of the engagement. Therefore, the team will focus on collaborating with the Client to first manage the scope within the established budget and schedule through the substitution of functional scope items that rose higher in priority for decreased-priority items. That substitution may also be reflected in the increase or decrease of complexity for existing items. The intent is to make those substitutions as budget and/or schedule neutral as possible. If the new requests increase complexity beyond the original scope of the Initial Phase of this Project, a formal approval and change order process will come into effect. This process will require signoff or approval from all parties prior to the change taking effect.

## Terms and Conditions

See Appendix D.

**COUNTY OF MILWAUKEE**  
**Behavioral Health Division Administration**  
**Inter-Office Communication**

**DATE:** January 29, 2019

**TO:** Thomas Lutzow, Chairman – Milwaukee County Mental Health Board

**FROM:** Mary Jo Meyers, Director, Department of Health and Human Services  
*Approved by Michael Lappen, Administrator, Behavioral Health Division*

**SUBJECT:** **Report from the Director, Department of Health and Human Services, Requesting Authorization to Execute 2018 and 2019 Purchase-of-Service Contract Amendments and a 2019 Purchase of Service Contract with a Value in Excess of \$100,000 for the Behavioral Health Division for the Provision of Adult and Child Mental Health Services and Substance Use Disorder Services**

**Issue**

Wisconsin Statute 51.41(10) requires approval for any contract related to mental health (substance use disorder) with a value of at least \$100,000. No contract or contract adjustment shall take effect until approved by the Milwaukee County Mental Health Board. Per the statute, the Director of the Department of Health and Human Services is requesting authorization for BHD/CARS/Wraparound/Inpatient Hospital to execute mental health and substance use contracts for 2019.

**Background**

Approval of the recommended contract allocations will allow BHD/CARS/Wraparound/Inpatient Hospital to provide a broad range of rehabilitation and support services to adults with mental health and/or substance use disorders and children with serious emotional disturbances.

**Purchase-of-Service Contracts**

**Bell Therapy, Inc. - \$300,000**

Bell Therapy, Inc. provides Community Support Program services, a community-based service for those with severe and persistent mental illness designed to allow individuals to maintain as much independence in the community as possible. BHD is requesting \$300,000 in Medicaid passthrough funding for this vendor. These funds are related to 2018 services that are anticipated to be reimbursed in 2019.

**Our Space, Inc. - \$43,180**

Our Space, Inc. provides participants an introduction to the Family Drug Treatment Court and continued engagement by offering support to the participants from someone who has been

through the process and can provide guidance, mentoring and role modeling. BHD is requesting an additional \$43,180 in funding for this vendor to add an additional Peer Specialist to the Family Drug Treatment Court program. The total contract amount is now \$294,142. These funds are being requested for 2019.

**Outreach Community Health Centers, Inc. - \$210,000**

Outreach Community Health Centers, Inc. provides Community Support Program services, a community-based service for those with severe and persistent mental illness designed to allow individuals to maintain as much independence in the community as possible. BHD is requesting \$210,000 in Medicaid passthrough funding for this vendor. These funds are related to 2018 services that are anticipated to be reimbursed in 2019.

**Outreach Community Health Centers, Inc. – \$298,866\***

Outreach Community Health Centers, Inc. provides outpatient mental health counseling services to uninsured individuals requiring immediate short term mental health counseling and prescribing services. The funds are being requested for 2018. The report dated September 13, 2018 included a typographical error requesting approval of \$2,196,557 for this contract. The correct amount is \$298,866. These funds are being requested for 2019.

**Project Access, Inc. - \$720,000**

Project Access, Inc. provides Community Support Program services, a community-based service for those with severe and persistent mental illness designed to allow individuals to maintain as much independence in the community as possible. BHD is requesting \$720,000 in Medicaid passthrough funding for this vendor. These funds are related to 2018 services that are anticipated to be reimbursed in 2019.

**Milwaukee Center for Independence, Inc. - \$770,000**

Milwaukee Center for Independence, Inc. provides Community Support Program services, a community-based service for those with severe and persistent mental illness designed to allow individuals to maintain as much independence in the community as possible. BHD is requesting \$770,000 in Medicaid passthrough funding for this vendor. These funds are related to 2018 services that are anticipated to be reimburse in 2019.

**Milwaukee Mental Health Associates, Inc. - \$820,000**

Milwaukee Mental Health Associates, Inc. provides Community Support Program services, a community-based service for those with severe and persistent mental illness designed to allow individuals to maintain as much independence in the community as possible. BHD is requesting \$820,000 in Medicaid passthrough funding for this vendor. These funds are related to 2018 services that are anticipated to be reimburse in 2019.

**St. Charles Youth and Family Services, Inc. - \$963,619**

The Vendor provides Care Coordination, REACH, OYEAH, screening/assessment, mobile crisis, Peer Specialists, and case management services for the Wraparound Milwaukee Program serving

children/youth and their families. BHD is asking for \$963,619 for 2019. The total contract amount will be \$5,539,762.

**Wisconsin Community Services, Inc. - \$940,000**

**Wisconsin Community Services, Inc. - \$191,869**

Wisconsin Community Services, Inc. provides Community Support Program services, a community-based service for those with severe and persistent mental illness designed to allow individuals to maintain as much independence in the community as possible. BHD is requesting \$940,000 in Medicaid passthrough funding for this vendor. These funds are related to 2018 services that are anticipated to be reimbursed in 2019. Additionally, BHD is requesting a \$191,869 increase to WCS's 2018 purchase of service contract for CSP. This is related to a capacity increase at WCS CSP. The total amended amount of the 2018 contract amount will be \$1,315,617.

**Wisconsin Community Services, Inc. - \$200,000**

The Vendor was selected through the RFI Process to run the Outpatient Plus program for BHD, which is a new program to the CARS network. Outpatient Plus services are designed to meet the substance abuse treatment needs of uninsured and underinsured Milwaukee County residents. Combining safe, sober, temporary housing with a clinical level of care, Outpatient Plus allows for a gradual reduction in treatment intensity, degree of structure and support, and allows for increasing independence and responsibility based on the consumers' treatment progress. BHD is requesting \$200,000 for 2019 to cover the startup cost for the program. The total contract amount will be \$200,000.

**Wisconsin Community Services, Inc. - \$458,913**

The Vendor has been contracted to run the Office of Consumer Affairs program for BHD which employees all of the Certified Peer Specialists who provide direct client services in BHD operated programs (Acute Inpatient Services, Observation Unit, Crisis Stabilization Houses, and Team Connect) and funding to reimburse community consumer involvement in BHD advisory capacities. BHD previously requested \$428,913 on October 25, 2018 for the 2019 contract. This request increases the contract by \$30,000 for a total of \$458,913 in 2019 to expand Certified Peer Specialist services to the Access Clinic.

**Wisconsin Community Services, Inc. – 627,000**

The Vendor provides Care Coordination services for the Wraparound Milwaukee Program (Wraparound, REACH and OYEAH) serving children/youth and their families. BHD is asking for an additional \$627,000 for 2019. The total contract amount will be \$1,090,140.

### **Fiscal Summary**

The amount of spending requested in this report is summarized below.

<b>Vendor Name</b>	<b>New/Amendment</b>	<b>2018 Amount</b>	<b>2019 Increase Amount</b>	<b>2019 Amount</b>	<b>Total Contract Amount</b>
Bell Therapy, Inc.	Amendment		N/A	\$300,000	\$300,000
*Our Space, Inc.	Amendment		\$43,180	\$250,962	\$294,142
Outreach Community Health Centers, Inc.	Amendment		N/A	\$210,000	\$210,000
Outreach Community Health Centers, Inc.*	Amendment		N/A	\$298,866	\$298,866
Project Access, Inc.	Amendment		N/A	\$720,000	\$720,000
Milwaukee Center for Independence, Inc.	Amendment		N/A	\$770,000	\$770,000
Milwaukee Mental Health Associates, Inc.	Amendment		N/A	\$820,000	\$820,000
St. Charles Youth and Family Services, Inc.	Amendment		\$963,619	\$5,539,762	\$5,539,762
Wisconsin Community Services, Inc.	Amendment		N/A	\$940,000	\$940,000
Wisconsin Community Services, Inc.	Amendment	\$191,869	N/A	N/A	\$1,315,677
Wisconsin Community Services, Inc.	New	\$90,000	N/A	\$110,000	\$200,000
Wisconsin Community Services, Inc.	Amendment	\$251,465	\$30,000	\$458,913	\$710,378

<b>Vendor Name</b>	<b>New/Amendment</b>	<b>2018 Amount</b>	<b>2019 Increase Amount</b>	<b>2019 Amount</b>	<b>Total Contract Amount</b>
Wisconsin Community Services, Inc.	Amendment	\$463,140	\$627,000	\$1,090,140	\$1,090,140
<b>Total</b>		\$996,474	\$1,663,799	\$11,508,643	\$13,208,965

\*Denotes a Vendor whose funding is supported by a grant.

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Mary Jo Meyers, Director  
Department of Health and Human Services

Cc: Maria Perez, Finance Chairperson

**COUNTY OF MILWAUKEE  
Behavioral Health Division Administration  
Inter-Office Communication**

**DATE:** January 29, 2019

**TO:** Thomas Lutzow, Chairman – Milwaukee County Mental Health Board

**FROM:** Mary Jo Meyers, Director, Department of Health and Human Services  
*Approved by Michael Lappen, Administrator, Behavioral Health Division*

**SUBJECT: Report from the Director, Department of Health and Human Services, Requesting Authorization to Execute a 2019 Fee-for-Service Agreement and 2018 Fee-for-Service Agreement Amendments with a Value in Excess of \$100,000 for the Behavioral Health Division for the Provision of Adult and Child Mental Health Services and Substance Use Disorder Services**

**Issue**

Wisconsin Statute 51.41(10) requires approval for any contract related to mental health (substance use disorder) with a value of at least \$100,000. No contract or contract adjustment shall take effect until approved by the Milwaukee County Mental Health Board. Per the statute, the Director of the Department of Health and Human Services is requesting authorization for BHD/CARS/Wraparound/Inpatient Hospital to execute mental health and substance use contracts for 2019.

**Background**

Approval of the recommended contract allocation **projections** will allow BHD/CARS/Wraparound/Inpatient Hospital to provide a broad range of rehabilitation and support services to adults with mental health and/or substance use disorders and children with serious emotional disturbances.

**Fee-for-Service Agreements**

**Allendale Association, Inc. - \$400,000**

The Vendor provides Residential Care for Children and Youth for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$400,000 for 2019. The total contract amount will be \$480,000 for 2019.

**Anders Developmental & Transitional Home, LLC - \$30,000**

The Vendor provides Group Home Care for Boys for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$30,000 for 2019. The total contract amount will be \$107,000 for 2019.

**Family Options Counseling, LLC - \$80,000**

The Vendor provides Outpatient Psychotherapy Services for the Wraparound Milwaukee Program serving children/youth and their families. BHD is requesting an additional \$80,000 for 2019. The total contract amount will be \$1,060,000 for 2019.

**Girl's Lovett Home, Inc. - \$200,000**

The Vendor provides Group Home Care for Girls for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$200,000 for 2019. The total contract amount will be \$299,000 for 2019.

**Home 4 the Heart, Inc. - \$100,000**

The Vendor provides Group Home Care for Girls for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$100,000 for 2019. The total contract amount will be \$299,000 for 2019.

**House of Love Youth Homes, Inc. - \$200,000**

The Vendor provides Group Home Care for Girls for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$200,000 for 2019. The total contract amount will be \$439,058 for 2019.

**Moe's Transitional Living Center (I & II) - \$200,000**

The Vendor provides Group Home Care for Boys for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$200,000 for 2019. The total contract amount will be \$422,182 for 2019.

**Next Chapter Living Center, Inc. (I & II) - \$200,000**

The Vendor provides Group Home Care for Boys for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$200,000 for 2019. The total contract amount will be \$330,342 for 2019.

**Tomorrow's Future, LLC - \$150,000**

The Vendor provides Group Home Care for Girls for the Wraparound Milwaukee Program serving children/youth and their families, under an Out of Network Agreement. BHD is requesting an additional \$150,000 for 2019. The total contract amount will be \$330,000 for 2019.

**Wisconsin Community Services, Inc. - \$350,000**

The Vendor was selected through the RFI Process to run the Outpatient Plus program for BHD, which is a new program to the CARS network. Outpatient Plus services are designed to meet the substance abuse treatment needs of uninsured and underinsured Milwaukee County residents. Combining safe, sober, temporary housing with a clinical level of care, Outpatient Plus allows for a gradual reduction in treatment intensity, degree of structure and support, and allows for increasing independence and responsibility based on the consumers' treatment progress. BHD is requesting \$350,000 for 2019. The total contract amount will be \$350,000 for 2019.

## Fiscal Summary

The amount of spending requested in this report is summarized below.

Vendor Name	New/Amendment	2018 Contract Amount	2019 Contract Amount	Total Contract Amount (2018/2019)
Allendale Association, Inc.	Amendment	\$80,000	\$400,000	\$480,000
Anders Developmental & Transitional Home, LLC	Amendment	\$77,000	\$30,000	\$107,000
Family Options Counseling, LLC	Amendment	\$980,000	\$80,000	\$1,060,000
Girl's Lovett Home, Inc.	Amendment	\$99,000	\$200,000	\$299,000
Home 4 the Heart, Inc.	Amendment	\$199,000	\$100,000	\$299,000
House of Love Youth Homes, Inc.	Amendment	\$239,058	\$200,000	\$439,058
Moe's Transitional Living Center	Amendment	\$222,182	\$200,000	\$422,182
Next Chapter Living Center, Inc.	Amendment	\$130,342	\$200,000	\$330,342
Tomorrow's Future, LLC	Amendment	\$180,000	\$150,000	\$330,000
Wisconsin Community Services, Inc.	New	N/A	\$350,000	\$350,000
<b>Total</b>		<b>\$2,206,582</b>	<b>\$1,910,000</b>	<b>\$4,116,582</b>

\*Denotes a Vendors whose funding is supported by a grant.

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Mary Jo Meyers, Director  
Department of Health and Human Services

Cc: Maria Perez, Finance Chairperson

**COUNTY OF MILWAUKEE**  
**Behavioral Health Division Administration**  
**Inter-Office Communication**

**DATE:** January 23, 2019

**TO:** Thomas Lutzow, Chairman – Milwaukee County Mental Health Board

**FROM:** Mary Jo Meyers, Director, Department of Health and Human Services  
*Approved by Michael Lappen, Administrator, Behavioral Health Division*

**SUBJECT:** **Report from the Director, Department of Health and Human Services, Requesting Authorization to Enter into 2019 Contracts with the State of Wisconsin for Social Services and Community Programs**

**Issue**

Sections 46.031 and 49.325 of the Wisconsin Statutes require counties to execute annual contracts with the State Departments of Health Services (DHS) and Children and Families (DCF) for Social Services and Community Programs. The contracts, referred to as Community Aids, provide State and Federal funding for county services to persons with mental illness, disabilities, and substance abuse problems, and to juvenile delinquents and their families as mandated by State and/or Federal law.

**Background**

In July, the Milwaukee County Mental Health Board approved the 2019 budget including \$38,786,977 in state grant funding for adult mental health and AODA services. Most of those funds are included in the CY 2019 State and County Grant Award Contract through the Wisconsin Department of Health Services. Several grants, including the IV Drug Abuse Treatment Grant and the State Targeted Response (STR) to the Opioid Crisis funds, are contracted separately. This is funding that supports community mental health and AODA services.

Below is a summary of anticipated State Community Aids revenue at BHD for FY 2019 and how it compares with budgeted amounts. The largest variance to budget is an additional \$1.2m in STR funds to support a new MAT clinic in Milwaukee County and additional services for this population.

**CY 2019 State/County Social Services/Community Program  
Final Revenue Allocation Compared to the 2019 Budget**

	<b>2019 BHD Budget</b>	<b>2019 Final State Allocation</b>	<b>Variance from Budget</b>
<b>Basic County Allocation</b>			
DHS Community Aids	\$22,336,586	\$22,336,586	-
<b>Earmarked Revenues</b>			
Community Mental Health Allocation	\$7,780,317	\$7,780,317	-
Mental Health Block Grant	\$801,143	\$685,914	-\$115,229
TANF	\$4,394,595	\$4,394,595	-
AODA Block Grant & Treatment Services	\$2,431,021	\$2,431,021	-
Total State/County Contract Revenue	\$37,743,662	\$37,628,433	-\$115,229
<b>Other Grant Revenues</b>			
IV Drug Treatment Grant	\$510,000	\$510,000	-
STR	\$533,315	\$1,772,537	\$1,239,222
STR II Expansion	-	\$220,000	\$220,000
Subtotal Other Revenues	\$1,043,315	\$2,502,537	\$1,459,222
<b>Grand Total</b>	<b>\$38,786,977</b>	<b>\$40,130,970</b>	<b>\$1,343,993</b>

**Recommendation**

It is recommended that the Mental Health Board authorize the Director, Department of Health and Human Services, to execute the 2019 Social Services and Community Programs contracts from the State Departments of Health Services and Children and Families, and any addenda to those contracts, for the County to obtain the State Community Aids revenue. The 2019 Social Services and Community Programs contracts provide total revenue of \$40,130,970.

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Mary Jo Meyers, Director  
Department of Health and Human Services