

Chairperson: Maria Perez
Senior Executive Assistant: Jodi Mapp, 257-5202

**MILWAUKEE COUNTY MENTAL HEALTH BOARD
FINANCE COMMITTEE**

Thursday, September 12, 2019 - 1:30 P.M.
Milwaukee County Mental Health Complex
9455 West Watertown Plank Road
Conference Room 1045

MINUTES

PRESENT: Maria Perez, Jon Lehrmann, and Kathie Eilers

EXCUSED: Duncan Shrout and Michael Davis

SCHEDULED ITEMS:

1.	<p>Welcome.</p> <p>Chairwoman Perez welcomed everyone to the September 12, 2019, Mental Health Board Finance Committee meeting.</p>
2.	<p>State Budget Updates.</p> <p>Items contained within the State Budget that positively impact the Behavioral Health Division are additional resources for Crisis Services. There will be a potential increase in reimbursement for those services. The Governor's veto removed some of the prescriptive language, which gives the State Department of Human Services more latitude to implement the increase. As such, it will probably take a few months for the State to decide what to do. A regional approach is being vetted due to the needs of Southeastern Wisconsin differing from the needs of Northern Wisconsin with regards to Crisis Services and existing capacity. The change in reimbursement is anticipated to assist the acceleration of crisis services changes discussed over the past eighteen months.</p> <p>Questions and comments ensued.</p>
3.	<p>2018 Balance Sheet.</p> <p>The balance sheet is for year ending November 31, 2018, and consists of audited financial statements for 2018. It's included in the County-wide comprehensive annual financial report (CAFR), which was released in early August. It reflects the Behavioral Health Division's assets and liabilities and operational, capital, and Wraparound reserve accounts. Some of the items, such as the capital assets and depreciation, fall under the function of central</p>

SCHEDULED ITEMS (CONTINUED):

	<p>accounting. This information was presented to the Committee because of its inclusion in the County's CAFR.</p> <p>Questions and comments ensued.</p>
4.	<p>2018 Financial Audit Control Recommendation.</p> <p>The Behavioral Health Division (BHD) has historically been subject to annual financial audits. Auditors identify issues of concern, as well as make recommendations for improvements, which are referred to as control recommendations.</p> <p>Issues arising from control recommendations are not considered to be serious or a misstatement of financial results. Though not serious, rectification is still required. Auditors prepared a written paragraph for documentation related to BHD's control recommendation. It reflects repeat comments dating back to 2016. Since 2016, BHD has acquired control recommendations related to patient receivable accounts. Work continues to be done to reconcile patient receivable balances by revising processes on how those balances are reflected on the general ledger and how and when client accounts are written off.</p> <p>The automated process being used saved time and provided a cleaner workflow. However, a technical issue was discovered. The system was inaccurately hardcoding the write-off data reflected on the client ledger. The Information Management Services Division is working to correct this glitch to enable write-off data to be reflected in real time.</p> <p>Questions and comments ensued.</p>
5.	<p>2019 Financial Reporting Package and Dashboard.</p> <p>A correction was made to the Annual Projection Major Variances report under the Hospital Revenue section. The numbers should read as follows: \$.2 million for CAIS, \$.2 million for PCS-ER/Obs, and \$2.4 million for Adults.</p> <p>An overview was provided of the 2019 Quarter 2 fiscal report detailing combined reporting, inpatient hospital annual projections, and 2019 year-to-date revenues and expenses. Program Dashboards for acute adult inpatient, child and adolescent inpatient (CAIS), Psychiatric Crisis Services (PCS), Alcohol and Other Drug Abuse (AODA), Wraparound, Targeted Case Management (TCM), Comprehensive Community Services (CCS), and Community Support Programs (CSP) were all reviewed. Year-end financial highlights included information on inpatient census, patient receivable accounts, Crisis Resource Center expansion, state institutions, CCS growth, and AODA costs. BHD is looking at an overall deficit of \$3.1 million. The deficit reflected in the Wraparound area is due to a decreased capitation rate.</p> <p>Questions and comments ensued.</p>

SCHEDULED ITEMS (CONTINUED):

6.	<p>Quarterly Update and Reserve Analysis Overview.</p> <p>Quarterly dashboard projections include current reserve balances and anticipated end-of-the-year reserve balances. Everything held equal. A portion of the anticipated deficit falls under the Wraparound program. Fiscal leaned on the conservative side with initial estimates in the hopes of lowering the amount of the total deficit. The remainder of the deficit balance would fall to the operational surplus reserve.</p> <p>All current reserve account commitments are reflected in the report. There are smaller specific items, nebulous items related to the upcoming system change, and the ongoing expenditure reduction from the Budget Office to help with ongoing County-wide financial issues.</p> <p>Questions and comments ensued.</p>
7.	<p>Adjournment.</p> <p>Chairwoman Perez ordered the meeting adjourned.</p>
<p>This meeting was recorded. The official copy of these minutes and subject reports, along with the audio recording of this meeting, is available on the Milwaukee County Behavioral Health Division/Mental Health Board web page.</p> <p>Length of meeting: 1:34 p.m. to 2:45 p.m.</p> <p>Adjourned,</p> <p><i>Jodi Mapp</i></p> <p>Jodi Mapp Senior Executive Assistant Milwaukee County Mental Health Board</p>	
<p>The next regular meeting of the Milwaukee County Mental Health Board Finance Committee is Thursday, October 24, 2019, at 8:00 a.m. at the Zoofari Conference Center</p> <p>Visit the Milwaukee County Mental Health Board Web Page at: https://county.milwaukee.gov/EN/DHHS/About/Governance</p>	