Behavioral Health Division

Combined Reporting

Year End 2019 - 2019 Annual Projection

	2019 Budget				2019 Annual Projection				2019 Projected Surplus/(Deficit)			
	Hospital	Community Services	Mgmt/ Ops/Fiscal	Total BHD	Hospital	Community Services	Mgmt/ Ops/Fiscal	Total BHD	Hospital	Community Services	Mgmt/ Ops/Fiscal	Total BHD
Revenue												
BCA	7,700,026	14,636,560	-	22,336,586	7,700,026	14,636,559	-	22,336,585	-	(1)	-	(1)
State & Federal	-	21,373,198	-	21,373,198	-	21,768,011	-	21,768,011	-	394,813	-	394,813
Patient Revenue	18,024,127	95,918,263	50,000	113,992,390	18,805,246	90,221,214	66,981	109,093,440	781,119	(5,697,049)	16,981	(4,898,950)
Other	-	1,778,578	252,997	2,031,575	85,267	1,597,964	210,197	1,893,428	85,267	(180,614)	(42,800)	(138,147)
Sub-Total Revenue	25,724,153	133,706,599	302,997	159,733,749	26,590,539	128,223,748	277,178	155,091,465	866,386	(5,482,851)	(25,819)	(4,642,284)
Expense												
Salary	15,687,788	10,114,724	7,123,421	32,925,933	15,100,840	8,516,959	6,793,915	30,411,713	586,948	1,597,765	329,506	2,514,220
Overtime	477,048	3,144	137,808	618,000	2,418,860	174,881	232,141	2,825,882	(1,941,812)	(171,737)	(94,333)	(2,207,882)
Fringe	16,248,071	9,566,452	6,797,893	32,612,415	15,756,875	8,596,938	7,654,689	32,008,503	491,196	969,513	(856,796)	603,912
Services/Commodities	3,235,560	1,551,508	8,851,474	13,638,542	3,287,318	1,379,314	7,630,451	12,297,082	(51,758)	172,195	1,221,023	1,341,460
Other Charges/Vendor	2,500,000	130,313,720	-	132,813,720	3,530,435	128,070,964	(0)	131,601,399	(1,030,435)	2,242,756	0	1,212,321
Capital	-	1,069	200,000	201,069	-	2,004	59,422	61,426	-	(935)	140,578	139,643
Cross Charges	16,492,614	18,269,358	7,250,060	42,012,032	13,701,124	17,193,201	6,916,485	37,810,810	2,791,490	1,076,158	333,575	4,201,222
Abatements	-	(6,347,467)	(32,769,727)	(39,117,194)	-	(5,739,347)	(29,009,206)	(34,748,553)	-	(608,120)	(3,760,521)	(4,368,641)
Total Expense	54,641,081	163,472,508	(2,409,071)	215,704,517	53,795,453	158,194,913	277,896	212,268,262	845,628	5,277,594	(2,686,968)	3,436,255
Tax Levy	28,916,928	29,765,909	(2,712,068)	**55,970,768**	27,204,914	29,971,166	718	**57,176,798**	**1,712,014**	**(205,257)**	**(2,712,786)**	**(1,206,029)**

Hospital includes Adult Inpatient, Child and Adolescent Inpatient and Crisis ER/Observation.

Mgmt/Ops/Fiscal includes administrative functions includes all support functions such as: management, quality, contracts, legal, dietary, fiscal, admissions, medical records and facilities.
The projected cost of these functions which is allocated out to the BHD programs is: $ 29,009,206

Community includes Wraparound, AODA and Community Mental Health.

Community Mental Health includes major programs: TCM, CCS, CSP and CRS in addition to CBRF, CCC, IOP, Day Treatment, Community Administrative functions and Community Crisis programs including Mobile Teams, Access Clinic and contracted crisis services.

Behavioral Health Division

CARSD

there are budget changes to CARS/AODA/Wrap that must be upated

Year End 2019 - 2019 Annual Projection

	2019 Budget				2019 Annual Projection				2019 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	3,759,368	10,877,191	-	14,636,559	1,425,637	(1,425,638)	-	(1)
State & Federal	10,366,899	9,245,839	1,760,460	21,373,198	10,703,450	9,083,324	1,981,238	21,768,011	336,551	(162,515)	220,778	394,813
Patient Revenue	-	37,980,835	57,937,428	95,918,263	0	35,748,802	54,472,411	90,221,214	-	(2,232,033)	(3,465,017)	(5,697,049)
Other	550,000	1,138,578	90,000	1,778,578	519,459	838,778	239,727	1,597,964	(30,541)	(299,800)	149,727	(180,614)
Sub-Total Revenue	13,250,630	60,668,081	59,787,888	133,706,599	14,982,277	56,548,095	56,693,376	128,223,748	1,731,647	(4,119,986)	(3,094,512)	(5,482,851)
Expense												
Salary	94,575	6,659,680	3,360,469	10,114,724	71,009	5,726,862	2,719,087	8,516,959	23,566	932,818	641,382	1,597,765
Overtime	-	-	3,144	3,144	0	142,925	31,956	174,881	-	(142,925)	(28,812)	(171,737)
Fringe	91,614	6,561,074	2,913,763	9,566,452	79,311	5,881,041	2,636,586	8,596,938	12,303	680,034	277,177	969,513
Services/Commodities	326,019	994,892	230,597	1,551,508	38,346	578,483	762,484	1,379,314	287,673	416,409	(531,887)	172,195
Other Charges/Vendor	15,458,593	62,000,174	52,854,953	130,313,720	14,665,809	62,250,337	51,154,819	128,070,964	792,784	(250,163)	1,700,134	2,242,756
Capital	-	-	1,069	1,069	0	-	2,004	2,004	-	-	(935)	(935)
Cross Charges	1,352,413	10,637,606	6,279,339	18,269,358	1,041,586	9,991,279	6,160,335	17,193,201	310,827	646,327	119,004	1,076,158
Abatements	-	-	(6,347,467)	(6,347,467)	-	-	(5,739,347)	(5,739,347)	-	-	(608,120)	(608,120)
Total Expense	17,323,214	86,853,426	59,295,867	163,472,508	15,896,062	84,570,927	57,727,924	158,194,913	1,427,152	2,282,499	1,567,943	5,277,594
Tax Levy	4,072,584	26,185,345	(492,021)	**29,765,909**	913,785	28,022,832	1,034,548	**29,971,166**	**3,158,799**	**(1,837,487)**	**(1,526,569)**	**(205,257)**

Community Mental Health includes the following major programs: TCM, CCS, CSP and CRS in addition to CBRF, CCC, IOP, Day Treatment, Community Administrative functions,

Behavioral Health Division

Inpatient - Hospital

Year End 2019 - 2019 Annual Projection

	2019 Budget				2019 Annual Projection				2019 Projected Surplus/(Deficit)			
	Adult	CAIS	Crisis ER/Obs	Total Inpatient	Adult	CAIS	Crisis ER/Obs	Total Inpatient	Adult	CAIS	Crisis ER/Obs	Total Inpatient
Revenue												
BCA	-	-	7,700,026	7,700,026	-	-	7,700,026	7,700,026	-	-	-	-
State & Federal	-	-	-	-	-	-	-	-	-	-	-	-
Patient Revenue	12,744,737	3,743,875	1,535,515	18,024,127	13,873,171	3,530,831	1,401,243	18,805,246	1,128,434	(213,044)	(134,272)	781,119
Other	-	-	-	-	-	85,267	-	85,267	-	85,267	-	85,267
Sub-Total Revenue	12,744,737	3,743,875	9,235,541	25,724,153	13,873,171	3,616,098	9,101,269	26,590,539	1,128,434	(127,777)	(134,272)	866,386
Expense												
Salary	7,682,112	2,094,748	5,910,928	15,687,788	7,142,530	1,897,749	6,060,560	15,100,840	539,582	196,999	(149,632)	586,948
Overtime	255,480	41,544	180,024	477,048	1,332,923	120,834	965,103	2,418,860	(1,077,443)	(79,290)	(785,079)	(1,941,812)
Fringe	8,316,545	2,321,301	5,610,225	16,248,071	7,847,776	2,141,315	5,767,784	15,756,875	468,769	179,986	(157,559)	491,196
Services/Commodities	2,461,140	260,743	513,677	3,235,560	2,535,797	260,555	490,967	3,287,318	(74,657)	188	22,710	(51,758)
Other Charges/Vendor	2,500,000	-	-	2,500,000	3,530,435	-	-	3,530,435	(1,030,435)	-	-	(1,030,435)
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Cross Charges	8,231,066	2,726,474	5,535,074	16,492,614	7,234,327	2,325,408	4,141,389	13,701,124	996,739	401,066	1,393,685	2,791,490
Abatements	-	-	-	-	-	-	-	-	-	-	-	-
Total Expense	29,446,343	7,444,810	17,749,928	54,641,081	29,623,788	6,745,861	17,425,804	53,795,453	(177,445)	698,949	324,124	845,628
Tax Levy	16,701,606	3,700,935	8,514,387	**28,916,928**	15,750,617	3,129,762	8,324,535	**27,204,914**	**950,989**	**571,172**	**189,853**	**1,712,014**

Behavioral Health Division

Management/Operations/Fiscal

Year End 2019 - 2019 Annual Projection

	2019 Budget	2019 Annual Projection	2019 Projected Surplus/(Deficit)	
Revenue				
BCA	-	-	-	-
State & Federal	-	-	-	
Patient Revenue	50,000	66,981	16,981	
Other	252,997	210,197	(42,800)	
Sub-Total Revenue	302,997	277,178	(25,819)	
Expense				
Salary	7,123,421	6,793,915	329,506	
Overtime	137,808	232,141	(94,333)	
Fringe	6,797,893	7,654,689	(856,796)	County targeted reduction of BHD levy
Services/Commodities	8,851,474	7,630,451	1,221,023	
Other Charges/Vendor	-	(0)	0	
Capital	200,000	59,422	140,578	
Cross Charges	7,250,060	6,916,485	333,575	
Abatements	(32,769,727)	(29,009,206)	(3,760,521)	
Total Expense	(2,409,071)	277,896	(2,686,968)	
Tax Levy	(2,712,068)	718	**(2,712,786)**	

BEHAVIORAL HEALTH DIVISION

DASHBOARD REPORT

Year End 2019

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PAGE 9	CCS (Comprehensive Community Services)
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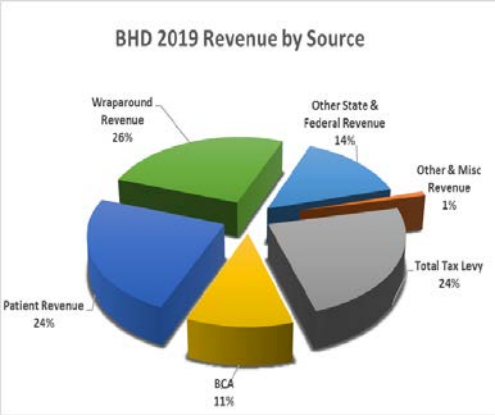
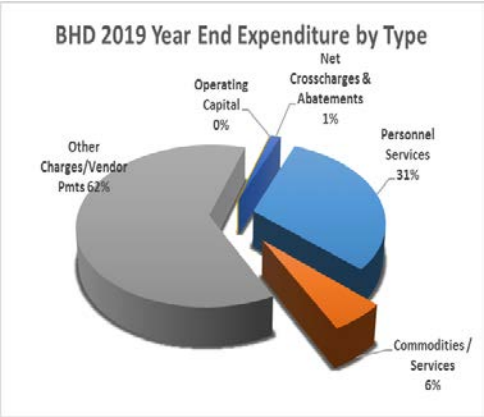
BHD COMBINED DASHBOARD

Year End 2019

		2019 Annual Projection		
	Actual Dec YTD	**Projection**	**Budget**	**Variance**
Revenue	155,091,465	155,091,465	159,733,749	(4,642,284)
Expense				
Personnel	65,246,098	65,246,098	66,156,348	910,250
Svcs/Commodities	12,297,082	12,297,082	13,638,542	1,341,460
Other Chgs/Vendor	131,601,399	131,601,399	132,813,720	1,212,321
Capital	61,426	61,426	201,069	139,643
Cross Charges	37,810,810	37,810,810	42,012,032	4,201,222
Abatements	(34,748,553)	(34,748,553)	(39,117,194)	(4,368,641)
Total Expense	212,268,262	212,268,262	215,704,517	3,436,255
Tax Levy	57,176,797	57,176,797	55,970,768	(1,206,029)

2019 Year End Revenues & Expenses by Percentage





Note: "Other Charges" in Expenditures include all Provider Payments - Fee For Service, Purchase of Service and other contracted services.

Financial Highlights

- **Inpatient revenue surplus ($0.7m) due to higher proportion of T19 HMO clients**
- **State Institutions ($1.2m) deficit**
- **CCS (youth & adult) deficit ($1.4m) due to lag in claims payments & WIMCR withholding**
- **AODA surplus ($1.7m) due to RSC model change and increased grant revenue**
- **TCM surplus due to lower claims volume and increased WIMCR payment ($0.8m)**
- **Structural deficit due to expenditure reduction ($2.0m)**

2019 Budget Initiatives

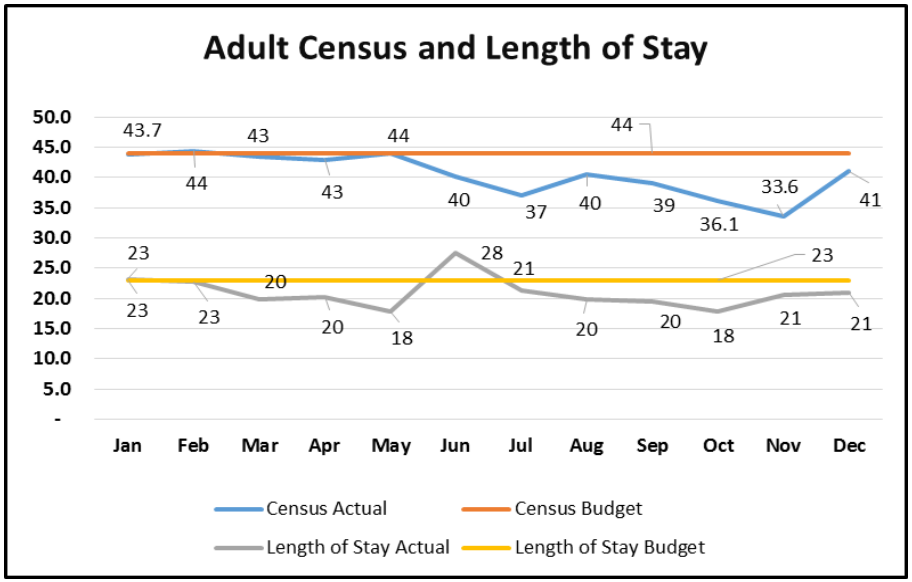
Initiative	Status	
FQHC Partnership	➔	In progress
CCS Expansion	↑	Enrollment increase on track
Outpatient Plus	➔	Anticipated go-live early 2020
RSC Cost Increase	➔	Anticipating surplus due to adjusted reimbursement model

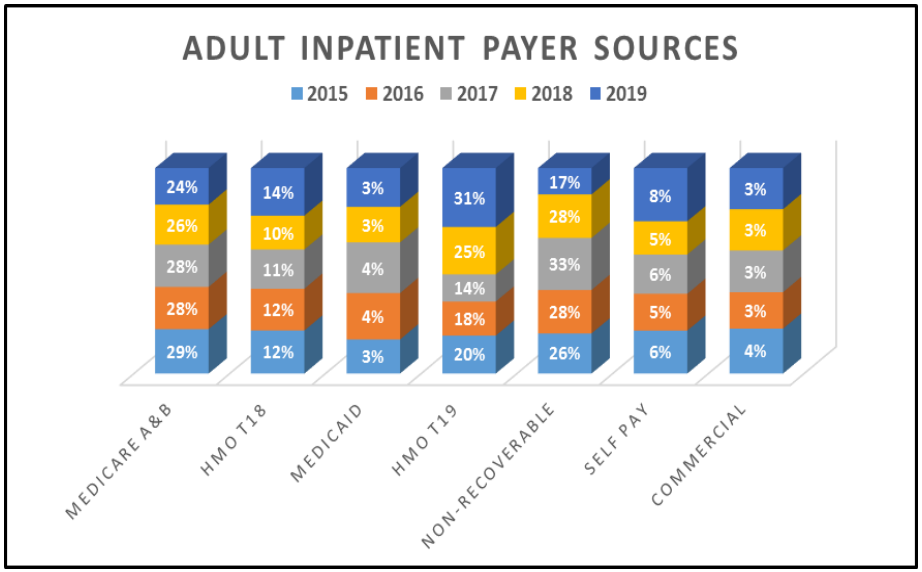
Complete ↑	Not Done ↓	Progressing ➔

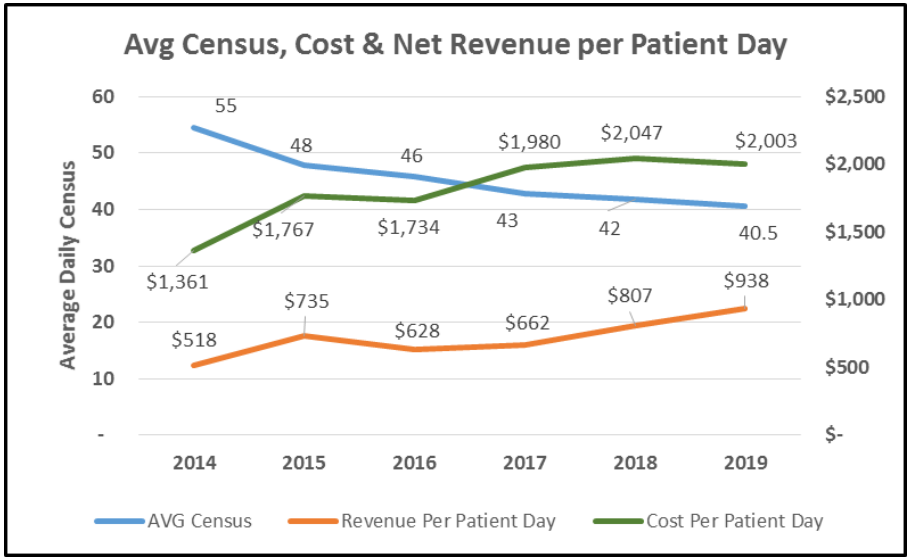
ACUTE ADULT INPATIENT DASHBOARD

Year End 2019

	Actual Dec YTD	2019 Annual Projection		
		Projection	Budget	Variance
Revenue	13,873,171	13,873,171	12,744,737	1,128,434
Expense				
Personnel	16,323,230	16,323,230	16,254,137	(69,093)
Svcs/Commodities	2,535,797	2,535,797	2,461,140	(74,657)
Other Chgs/Vendor	3,530,435	3,530,435	2,500,000	(1,030,435)
Capital	-	-	-	-
Cross Charges	7,234,327	7,234,327	8,231,066	996,739
Abatements	-	-	-	-
Total Expense	29,623,789	29,623,789	29,446,343	(177,446)
Tax Levy	15,750,618	15,750,618	16,701,606	950,988



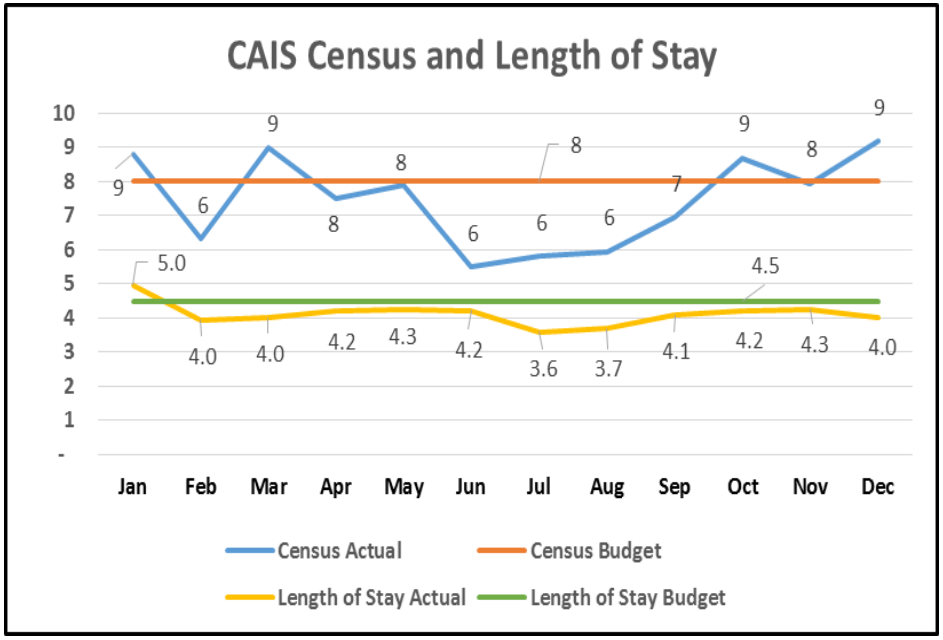


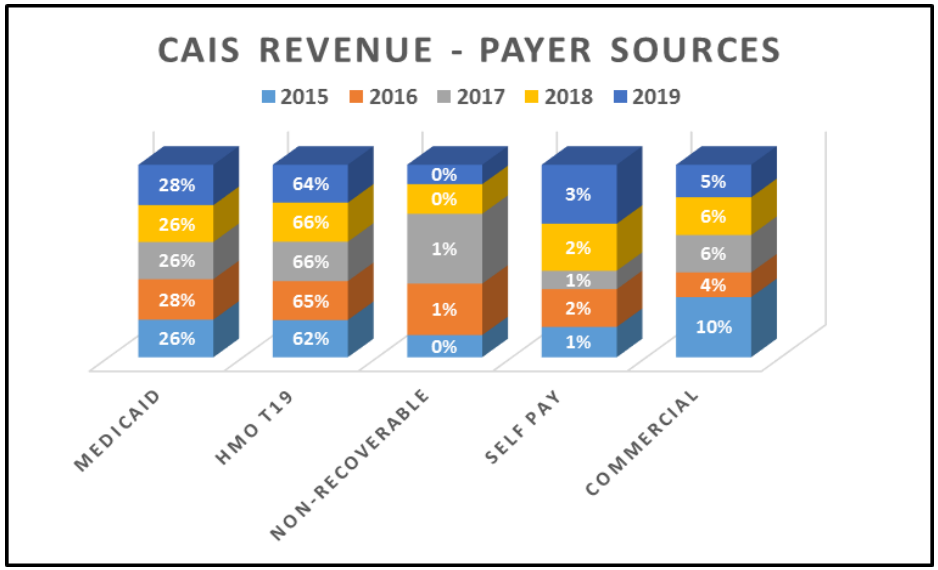


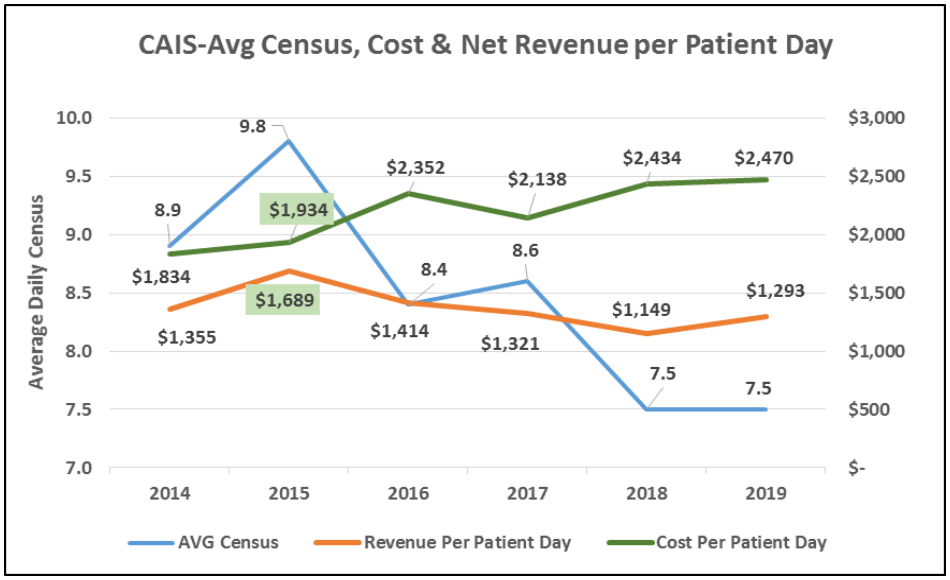
CAIS (Child & Adolescent Inpatient) DASHBOARD

Year End 2019

		2019 Annual Projection		
	Actual Dec YTD	Projection	Budget	Variance
Revenue	3,616,098	3,616,098	3,743,875	(127,777)
Expense				
Personnel	4,159,898	4,159,898	4,457,593	297,695
Svcs/Commodities	260,555	260,555	260,743	188
Other Chgs/Vendor	-	-		-
Capital	-	-		-
Cross Charges	2,325,408	2,325,408	2,726,474	401,066
Abatements	-	-		-
Total Expense	6,745,861	6,745,861	7,444,810	698,949
Tax Levy	3,129,763	3,129,763	3,700,935	571,172



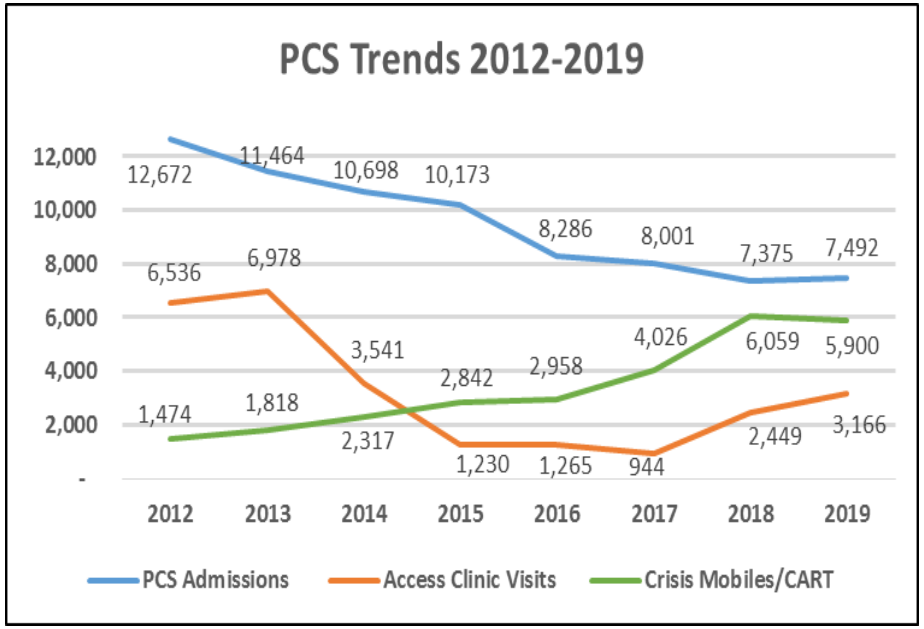


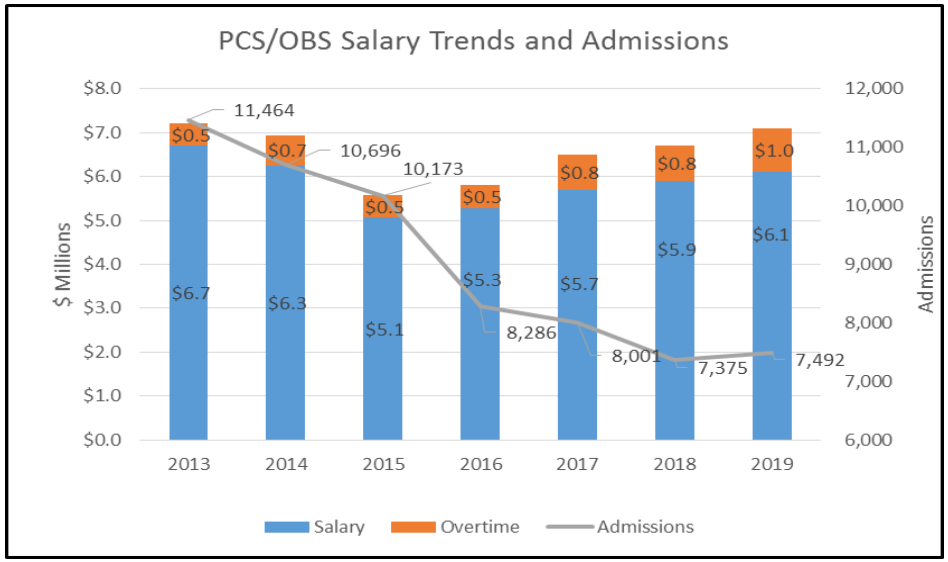


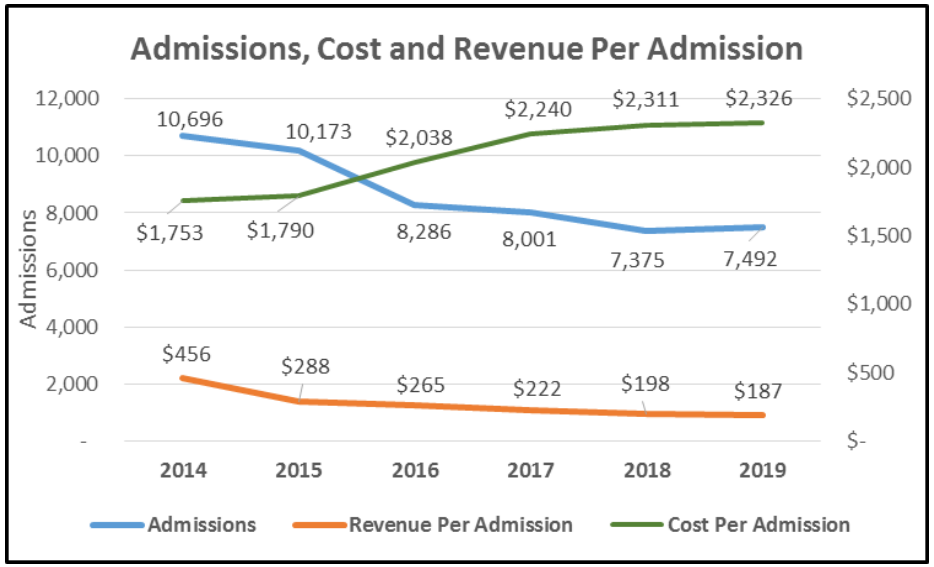
PCS - ER and Observation DASHBOARD

Year End 2019

		2019 Annual Projection		
	Actual Dec YTD	Projection	Budget	Variance
Revenue	9,101,269	9,101,269	9,235,541	(134,272)
Expense				
Personnel	12,793,448	12,793,448	11,701,177	(1,092,271)
Svcs/Commodities	490,967	490,967	513,677	22,710
Other Chgs/Vendor	-	-	-	-
Capital	-	-	-	-
Cross Charges	4,141,389	4,141,389	5,535,074	1,393,685
Abatements	-	-	-	-
Total Expense	17,425,804	17,425,804	17,749,928	324,124
Tax Levy	8,324,535	8,324,535	8,514,387	189,852





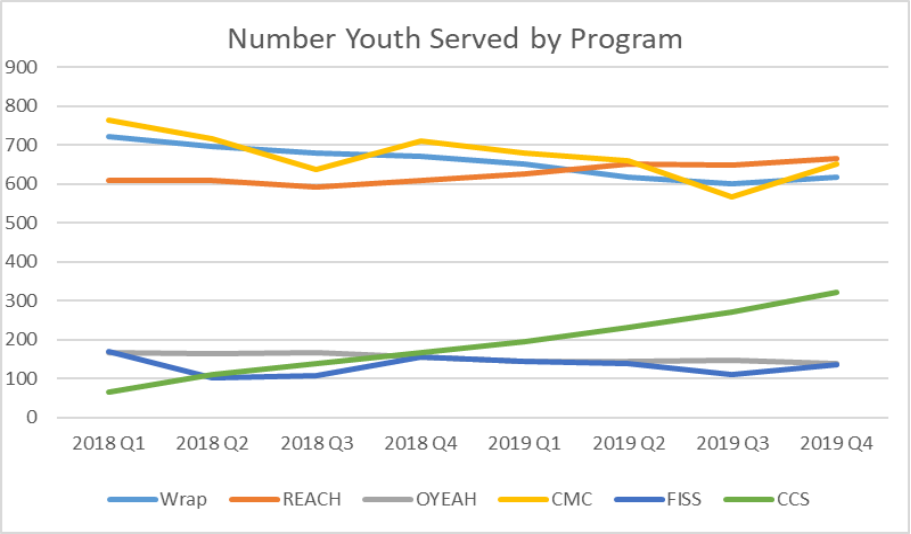


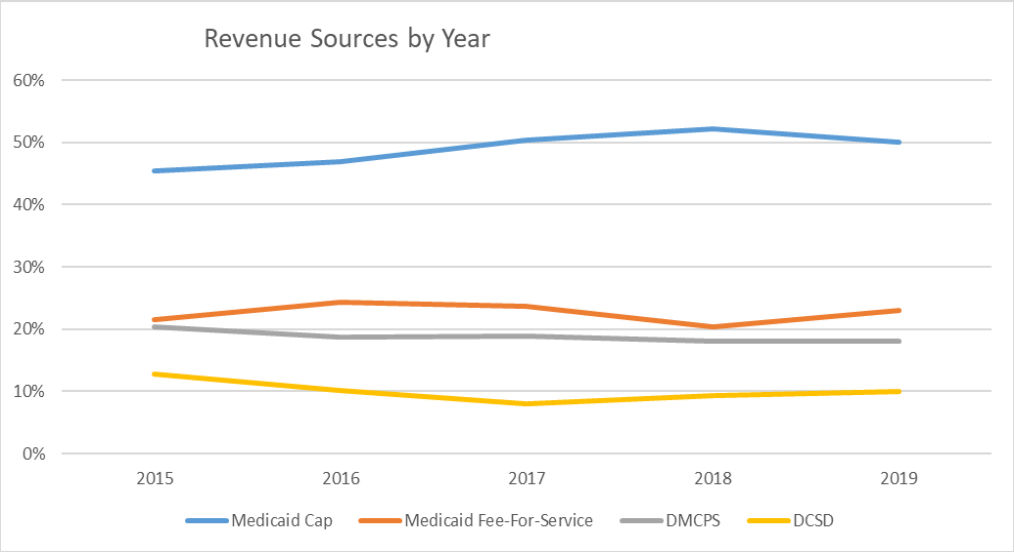
WRAPAROUND DASHBOARD

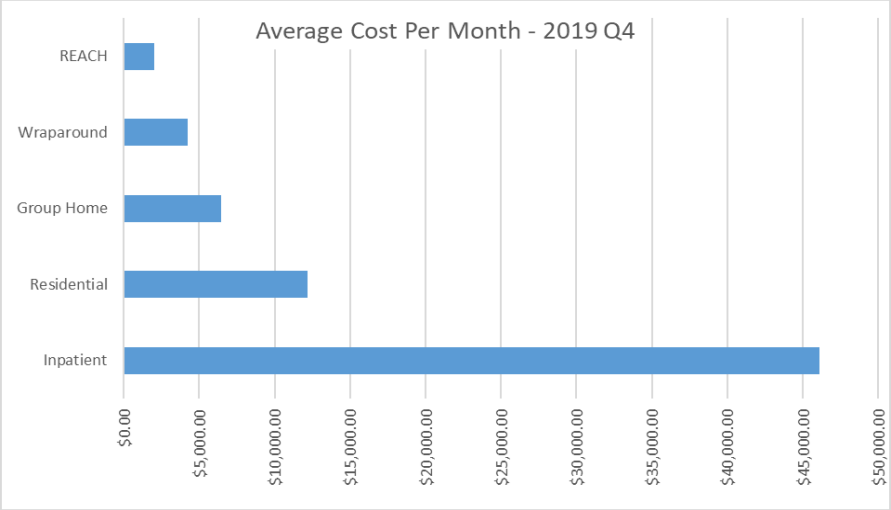
Year End 2019

		2019 Annual Projection		
	Actual Dec YTD	Projection	Budget	Variance
Revenue	56,693,376	56,693,376	59,787,888	(3,094,512)
Expense				
Personnel	5,387,629	5,387,629	6,277,376	889,747
Svcs/Commodities	762,484	762,484	230,597	(531,887)
Other Chgs/Vendor	51,154,819	51,154,819	52,854,953	1,700,134
Capital	2,004	2,004	1,069	(935)
Cross Charges	6,160,335	6,160,335	6,279,339	119,004
Abatements	(5,739,347)	(5,739,347)	(6,347,467)	(608,120)
Total Expense	57,727,924	57,727,924	59,295,867	1,567,943
Tax Levy	1,034,548	1,034,548	(492,021)	(1,526,569)

Wraparound will contribute approximately $263,742 to their reserve of capitated funds; the remainder of the program is experiencing a deficit, primarily driven by a lag in CCS claim payments







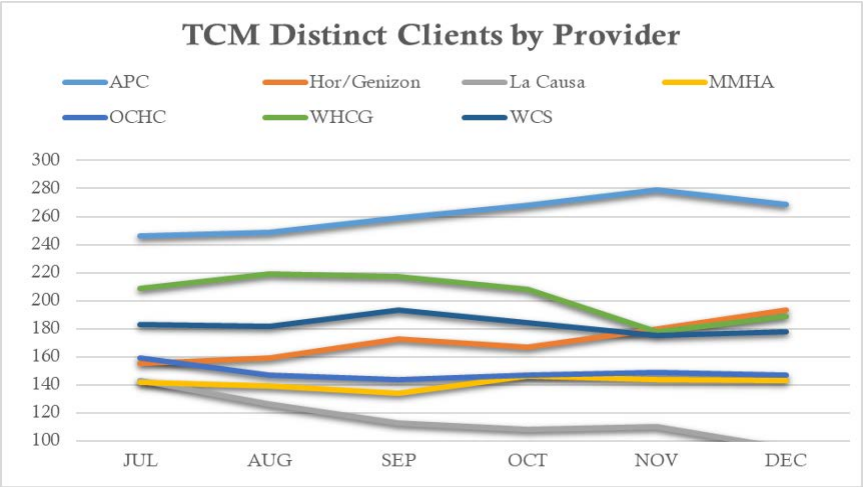
*** Inpatient services are clients in CAIS

*** Wraparound and REACH services are outpatient services

TCM (Targeted Case Management) DASHBOARD

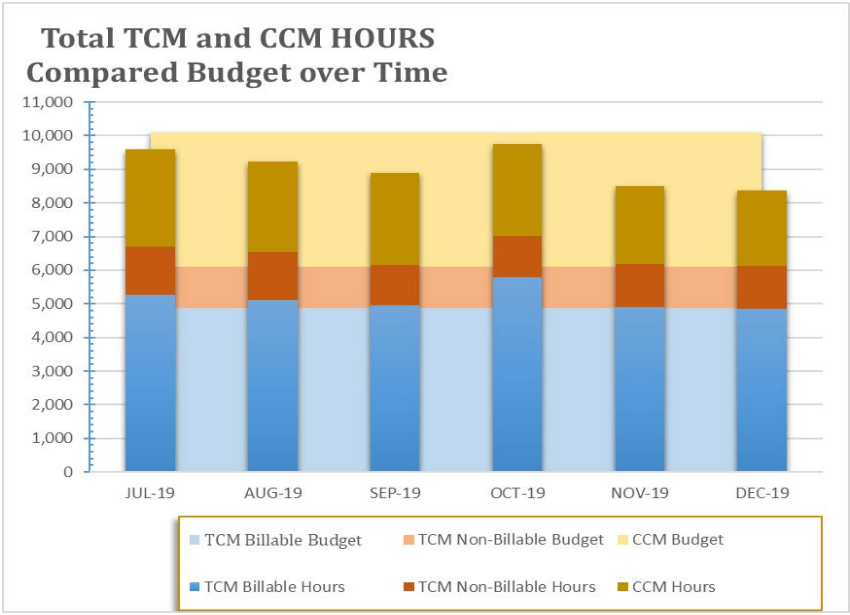
Year End 2019

		2019 Annual Projection		
	Actual Dec YTD	Projection	Budget	Variance
Revenue	3,640,161	3,640,161	3,553,778	86,383
Expense				
Personnel	253,045	253,045	242,712	(10,333)
Svcs/Commodities	-	-	6,659	6,659
Other Chgs/Vendor	5,856,391	5,856,391	6,452,933	596,542
Capital	-	-	-	-
Cross Charges	452,206	452,206	606,194	153,988
Abatements	-	-		-
Total Expense	6,561,642	6,561,642	7,308,498	746,856
Tax Levy	2,921,481	2,921,481	3,754,720	833,239
Average Enrollment	1,254	1,254	1,610	



	2019 Q4			2019 YTD		
	Billable	Non-billable	% Non-billable	Billable	Non-billable	% Non-billable
APC	15,717	5,243	25%	58,077	20,909	26%
Horizon	10,925	1,999	15%	35,509	8,062	19%
La Causa	4,394	964	18%	26,255	5,468	17%
MMHA	7,714	3,256	30%	30,350	12,033	28%
OCHC	6,000	598	9%	28,933	3,120	10%
Whole Health	9,377	702	7%	38,374	5,752	13%
WCS	7,987	2,484	24%	34,000	11,503	25%
Total	**62,113**	**15,246**	**20%**	**251,498**	**66,846**	**21%**

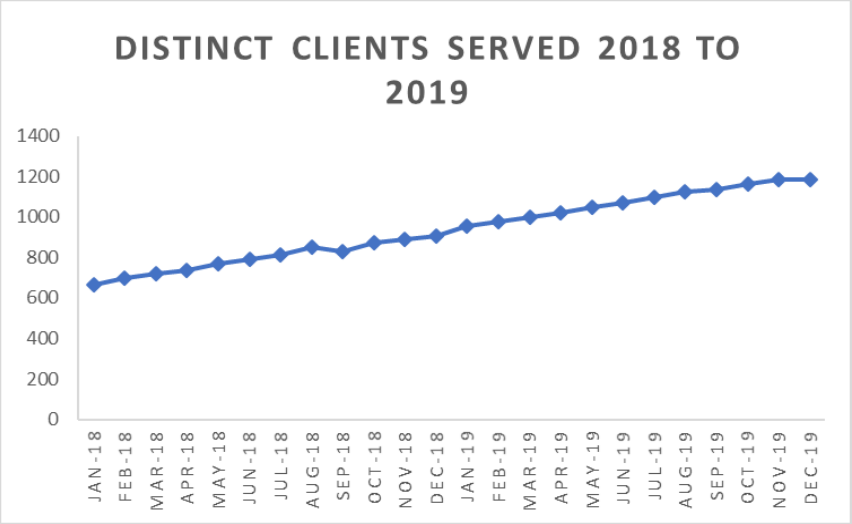
*** Non-billable services are paid to Providers, but not billable to Medicaid



CCS (Comprehensive Community Services) DASHBOARD

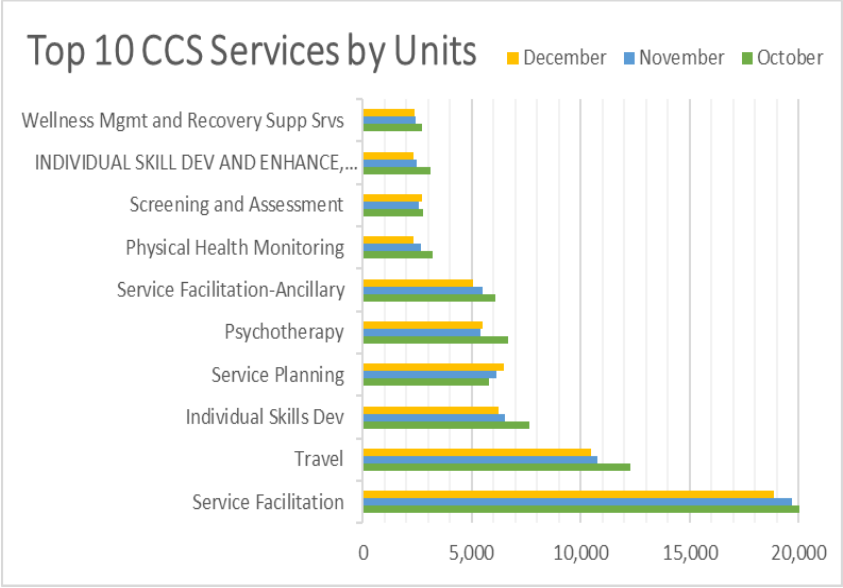
Year End 2019

	Actual Dec YTD	2019 Annual Projection		
		Projection	Budget	Variance
Revenue	20,070,811	20,070,811	21,079,424	(1,008,613)
Expense				
Personnel	722,166	722,166	765,424	43,258
Svcs/Commodities	1,378	1,378	-	(1,378)
Other Chgs/Vendor	20,837,142	20,837,142	20,611,049	(226,093)
Capital	-	-		-
Cross Charges	1,482,193	1,482,193	1,740,491	258,298
Abatements	-	-	-	-
Total Expense	23,042,879	23,042,879	23,116,964	74,085
Tax Levy	2,972,068	2,972,068	2,037,540	(934,528)
Average Enrollment	1,079	1,079	1,100	



Number of Billable to Nonbillable Units - Top 10 Providers

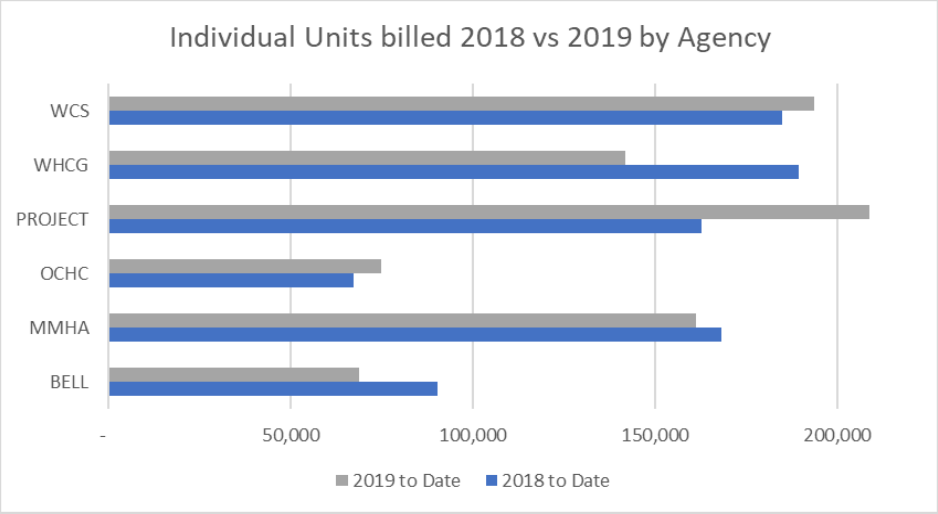
	2019 Q4 Totals			2019 YE Totals		
	Billable	Non-Billable	% Non-Billable	Billable	Non-Billable	% Non-Billable
WHCG	23,406	319	1.4%	96,189	1189	1.2%
APC	24,454	372	1.5%	94,130	1713	1.8%
Guest House	19,801	82	0.4%	88,058	748	0.8%
JusticePoint	19,974	288	1.4%	85,686	1142	1.3%
Bell Therapy	14,140	169	1.2%	55,990	470	0.8%
Summit	13420		0.0%	52469		0.0%
Project	16,597	292	1.8%	45,578	1079	2.4%
OCHC	9,361	156	1.7%	34,517	558	1.6%
WCS	12,273	563	4.6%	31,158	869	2.8%
MMHA	9,988		0.0%	31,045	190	0.6%

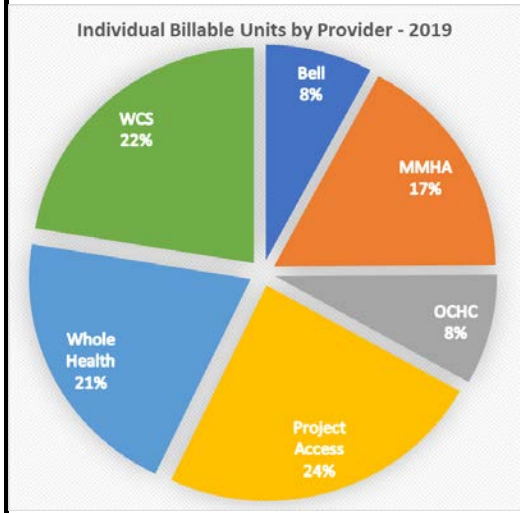


CSP (Community Support Program) DASHBOARD

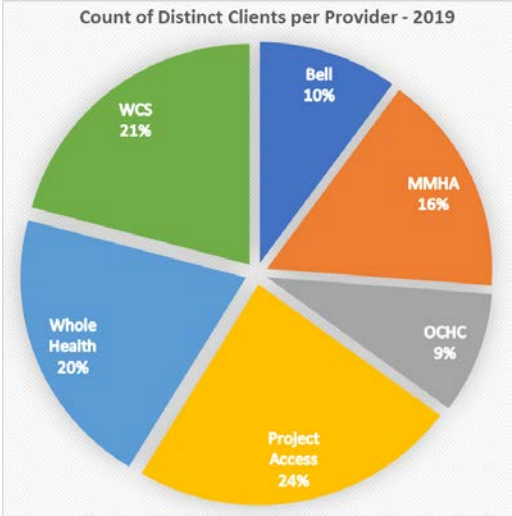
Year End 2019

	Actual Dec YTD	2019 Annual Projection		
		Projection	Budget	Variance
Revenue	8,033,566	8,033,566	9,095,234	(1,061,668)
Expense				
Personnel	298,694	298,694	296,139	(2,555)
Svcs/Commodities	1,339	1,339	-	(1,339)
Other Chgs/Vendor	14,491,220	14,491,220	14,966,091	474,871
Capital	-	-		-
Cross Charges	1,179,889	1,179,889	1,316,108	136,219
Abatements	-	-		-
Total Expense	15,971,142	15,971,142	16,578,338	607,196
Tax Levy	7,937,576	7,937,576	7,483,104	(454,472)
Average Enrollment	1,289	1,289	1,267	





Agency	December	YTD Total
Bell	5,521	68,661
MMHA	12,169	160,971
OCHC	5,803	74,832
Project Access	19,760	208,650
Whole Health	10,234	141,682
WCS	15,887	193,589
Grand Total	**69,374**	**848,385**



Agency	December	YTD Ave per Month
Bell	135	135
MMHA	219	215
OCHC	114	118
Project Access	305	299
Whole Health	235	250
WCS	266	273
Grand Total	**1,274**	**1,289**

2019 Projected BHD Reserve Balances

		Year End 12/31/2017	2018 Contribution	2018 Balance	2019 Contribution	2019 Balance (Proj)
0785	Encumbrance Rese	917,971	1,731,256	2,649,227	-	2,649,227
0904	Wrap Reserve	8,288,238	803,515	9,091,752	263,742	9,355,495
0906	Capital Reserve	4,720,000	434,733	5,154,733	-	5,154,733
0905	Surplus Reserve	21,285,469	-	21,285,469	(1,790,311)	19,495,158
	Total Reserves	35,211,678	2,969,504	38,181,182	(1,526,569)	36,654,613

Reserve Commitments

	Surplus Reserve	Capital Reserve
Committed		
Employment Initiative	$ 75,000	
CART Annual Expense	$ 300,000	
Board Analyst Annual Expense	$ 100,000	
SIA Consultants	$ 1,500,000	
SIA Captial Improvements		$ 3,000,000
Future Committments		
Retention / Severance Payments	$ 5,100,000	
Relocation Costs	$ 4,700,000	
2020 Expenditure Reduction	$ 2,000,000	
Total	**$ 13,775,000**	**$ 3,000,000**

4

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: **March 10, 2019**

TO: Maria Perez, Chairperson – Finance Committee
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: **An Informational Report from the Director, Department of Health and Human Services, Notifying the Milwaukee County Mental Health Board of Fund Transfers Processed in the Previous Quarter**

Issue

Per the "BHD Fund Transfer Policy" adopted by the Mental Health Board, the BHD Fiscal Administrator will provide a quarterly informational report notifying the MHB as to any administrative fund transfers that have occurred during the previous quarter.

Background

Wisconsin Statutes 51.41 authorizes the Milwaukee County Mental Health Board (MHB) to propose an annual budget to the County Executive for the Behavioral Health Division (BHD). Once this budget is approved by the County Executive, the budget provides the total spending authority for BHD for one calendar year. This budget reflects total expenditures, revenues and property tax levy required for the operation of programs and services within BHD.

Throughout the course of the year, certain adjustments to the budget may be necessary to better reflect BHD's actual experience. In most cases, these adjustments, or appropriation transfers, would increase or decrease BHD's expenditures and revenues compared to its base budget while maintaining the same tax levy as established in the original budget.

Q4 2019 Fund Transfers

Title	Description	Total Funds Transferred
Adult Drug Treatment Court	This transfer increases budgeted revenue and expense accounts related to BHD's Adult Drug Treatment Court grant. Increased expenses are entirely offset by grant revenue.	$150,000
AODA Inner City	This transfer increases budgeted revenue and expense accounts related to BHD's AODA Inner City grant. Increased expenses are entirely offset by grant revenue.	$49,898
CCS	This transfer increases budgeted revenue and expense accounts related to BHD's Comprehensive Community Services program for adults (low org 6411) and youth (low org 6477). Expenses are higher than anticipated due to increased enrollment and increased cost per client. These expenses are offset by Medicaid revenue.	$7,759,336
CORE-FEP	This transfer increases budgeted revenue and expense accounts related to BHD's CORE-First Episode Psychosis grant. Increased expenses are entirely offset by grant revenue.	$545,460
Health Community Grant	This transfer increases budgeted revenue and expense accounts related to BHD's Min Health Community grant award for education and prevention activities. Increased expenses are entirely offset by grant revenue.	$25,000
STR/SOR	This transfer increases budgeted revenue and expense accounts related to BHD's Adult State Targeted Response to the Opioid Crisis (STR) grant award. Services funded under this award focus on expanding access to treatment and recovery options to reduce opioid-related deaths. Increased expenses are entirely offset by grant revenue.	$1,441,198

Respectfully Submitted,

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Mary Jo Meyers, Director
Department of Health and Human Services

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: March 9, 2020

TO: Maria Perez, Chairperson – Finance Committee
Milwaukee County Mental Health Board

FROM: Michael Lappen, Administrator, Behavioral Health Division
Submitted by Jennifer Bergersen, Chief of Operations, Behavioral Health Division

SUBJECT: **From the Behavioral Health Division Administrator, Submitting an Informational Report to Draw from the Behavioral Health Division Building Reserve Fund for Expenses Related to the Systems Improvement Agreement**

Issue

The condition of the physical plant and the overall hospital environment of care must be developed and maintained in such a manner that the safety and well-being of patients, staff and visitors are assured. The hospital must meet all applicable codes as to ensure life safety from fire, also including but not limited to, the assurance that facilities, supplies and equipment are maintained to meet an acceptable level of both safety and quality. State and Federal regulations require hospitals to now achieve a ligature resistant environment in all psychiatric units of acute care hospitals, including locked emergency departments. The presence of an unmitigated ligature risk in a psychiatric hospital is a significant health and safety violation and if left unmitigated, may jeopardize patient safety and continued participation and funding from the Centers for Medicare and Medicaid Program.

Background

Upon assessment and review, the hospital's current physical environment of care does not meet standards as required. The hospital is currently participating in a System Improvement Agreement to address all deficiencies with a targeted completion date September 2020. Immediate approval from the governing body is being requested to obtaining funding, to pursue contracted work, obtain permits for physical changes and or obtain products, supplies and labor to correct deficiencies and ensure timely completion of corrective actions.

BHD has a Building Reserve Fund, with a current balance of $5.1 million.

46.18 (13) BUILDING RESERVE FUND. The Except in Milwaukee County, the county board shall maintain as a segregated cash reserve an annual charge of 2% of the original cost of new construction or purchase or of the appraised value of existing infirmary structures and equipment. In Milwaukee County, the Milwaukee County mental health board, for mental health infirmary structures and equipment, shall ensure the maintenance, as a segregated cash reserve,

of an annual charge of 2 percent of the original cost of new construction or purchase or of the appraised value of existing mental health infirmary structures and equipment. If the infirmary or any of its equipment is replaced, any net cost of replacement in excess of the original cost is subject to an annual charge of 2%. No contributions to the cash reserve in excess of the amount required under this subsection may be included in the calculation under s. 49.726 (1). The county board, except the Milwaukee County board, may from time to time appropriate from such reserve sums to be expended solely for the enlargement, modernization or replacement of such infirmary and its equipment. In Milwaukee County, the Milwaukee County mental health board may require to be appropriated from reserve sums for mental health infirmaries to be expended for the enlargement, modernization, or replacement of a mental health infirmary and its equipment.

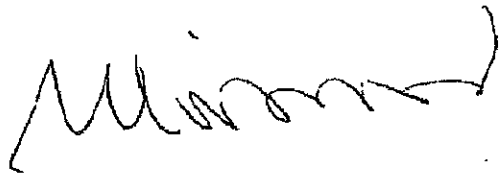
The Executive Committee of the Mental Health Board approved an amount not to exceed $3,000,000.00 to be drawn from the Building Reserve Fund, as it would not be possible to meet the deadlines imposed under the Systems Improvement Agreement if each required contract must be approved by the Mental Health Board in advance of the work beginning. BHD Administration will bring any contracts related to the SIA to the Finance Committee and full Board at the next tentatively scheduled meetings on April 23, 2020, and will seek approval from the full Board at that time to extend this temporary measure.

Recommendation

This report is informational only.

Fiscal Summary

Please see **Attachment A**.



Michael Lappen, Administrator
Behavioral Health Division

Attachment A

2020 BHD SIA - ESTIMATED CAPITAL COSTS as of March 2020

		Cost Estimate
All Patient Units		
DOORS		
Locks, hardware, hinges etc.	$	150,475
FLOORING	$	300,000
LIGHTING	$	452,482
CEILINGS (Tiles/Grid)	$	144,000
TOILETS	$	746,400
SHOWERS		
Shower & Bathroom doors	$	126,720
FURNITURE		
Beds	$	163,200
Dining / Day Room		Unknown
Nurses Stations	$	120,000
"LIGATURE RESISTANT PROJECT - 5 UNITS"		
Doors, Shower Doors, Hinges etc.	$	154,800
Children's Unit		
FURNITURE		
Nurse Call	$	75,000
Med Room	$	30,000
ANTI-LIGATURE (53B ONLY)		
Sprinklers/Desks / Wardrobes	$	24,870
MISCELLANEOUS		
High Security Carts	$	7,420
Pick Proof Caulk		Unknown
Outlets		Unknown
Glass		Unknown
Corner Guards		Unknown
Hand Rails		Unknown
Cameras / Camera License	$	6,000
Data Wiring		Unknown
Phone Wiring		Unknown
Courtyards / Screening		Unknown
Clock Domes	$	1,862
UNIDENTIFIED COSTS IN ABOVE DETAIL	$	500,000
Total	$	3,003,229

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: March 10, 2020

TO: Maria Perez, Chairperson, Finance Committee
Mental Health Board
Thomas Lutzow, Chairperson, 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: **From the Director, Department of Health and Human Services, Submitting an Informational Report on 2020 Financial Expectations for the Wraparound Milwaukee Program**

Issue

For the past two consecutive rate-setting cycles, Wraparound has received a decreased in per member per month capitated rate. Below is a summary of expected financial results for the Wraparound Milwaukee Program in 2020 based on a 3% rate reduction, no change in rate, or a 3% increase in capitated rate. Based on current assumptions, the only situation where Wraparound would not require additional tax levy funding (or a contribution from reserves) to support operations is 3%+ increase in capitated rate.

2020 Wraparound Milwaukee Capitated Rate Scenarios

Wraparound Totals	2020 -3%	2020 no change	2020 3%
Personal Services	5.5	5.5	5.5
Commodities/Services	0.6	0.6	0.6
Other Charges	45.1	45.1	45.1
Crosscharges - Service Chgs	6.0	6.0	6.0
Crosscharges - Abatements	(5.7)	(5.7)	(5.7)
Total Expenditures	51.4	51.4	51.4
DMCPS Case Rate	9.5	9.5	9.5
Crisis Revenue	11.3	11.3	11.3
HMO Revenue	25.5	26.3	27.1
Other Direct Revenue	2.9	2.9	2.9
State and Federal Revenue	0.6	0.6	0.6
Total Revenues	49.8	50.6	51.4
Property Tax Levy	**1.6**	**0.8**	**0.0**

Respectfully Submitted,

_____
Mary Jo Meyers, Director
Department of Health and Human Services

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: March 10, 2020

TO: Maria Perez, Chairperson – Finance Committee
Milwaukee County Mental Health Board
Thomas Lutzow, Chairperson – 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: **From the Director, Department of Health and Human Services, Submitting an Informational Report on the Three-Year Financial Audit of the Wraparound Milwaukee Program**

Issue

Wraparound is a managed care entity governed under 42 CFR 438. 42 CFR 438.3(m) contains the following language:

> ***Audited financial reports.*** *The contract must require MCOs, PIHPs, and PAHPs to submit audited financial reports specific to the Medicaid contract on an annual basis. The audit must be conducted in accordance with generally accepted accounting principles and generally accepted auditing standards.*

Milwaukee County contracted with Baker Tilly to conduct an audit of the Wraparound Program's Financial Report of for three years ending December 31, 2016, 2017, and 2018 to meet the audit requirement. The Financial Report was prepared by BHD financial staff under direction of DHS. These files are used by DHS for rate-setting purposes.

The audit found the submitted Financial Report "presents fairly, in all material respects, the total claim payments to providers and administrative expenses" described therein.

A copy of the audit report is attached for the Committee's review.

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Mary Jo Meyers, Director
Department of Health and Human Services

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: March 3, 2020

TO: Maria Perez, Chairperson, Finance Committee
Milwaukee County Mental Health Board

FROM: Mary Jo Meyers, Director, Department of Health and Human Services
Prepared by Matt Fortman, Chief Financial Officer, Behavioral Health Division

SUBJECT: **From the Director, Department of Health and Human Services, Submitting an Informational Report Detailing Preliminary Assumptions Used in Building the 2021 Behavioral Health Division Operating Budget**

Discussion

Below is a list of operational assumptions included in the preparation of the budget:

1. BHD will continue to operate a psychiatric emergency room and a child and adult psychiatric inpatient facility at current levels throughout 2021. Transition to UHS may begin in late 2021, but budget will include full operational costs.
2. Capital and consulting needs related to BHD's Service Improvement Agreement will not be included in the 2021 operating budget. Costs in these areas, if any, will be funded through BHD's general reserve funds in 2021.
3. Continued expansion of Comprehensive Community Service capacity for both adults and children
4. Continued expansion of Crisis Intervention services.
5. Full implementation of Community Health Center partnerships, co-location.
6. Wraparound Milwaukee capitated rate will increase to cover gap between Wraparound's costs and HMO funding.

Based on a recent updated from the Milwaukee County Department of Administrative Services, BHD is anticipating a reduction in tax levy funds for 2021.

The 2021 budget is a collaborative process that encourages public input. There will be additional opportunities for public feedback on June 16th at 4:30 PM at the Sojourner Center. Budget amendments are due June 19th. Amendments will be discussed and voted on at the June 25th meeting at 1:30 PM at the Behavioral Health Division.

Respectfully Submitted:

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Mary Jo Meyers, Director
Department of Health and Human Services

Behavioral Health Division
2021 Budget
Board/Committee Dates & Deliverables

Date	Mental Health Board	Finance Committee	Other Deliverables
March 19, 2020	***Public Comments – Budget***		
March 26, 2020		2021 Budget Assumptions	
April 23, 2020	2021 Budget Assumptions		
June 4, 2020		➢ CFO/Finance Chair to present 2021 Preliminary Budget	
June 16, 2020		➢ ***Public Comments - Budget***	Budget request narrative posted for public review
June 19, 2020			Budget amendments due
June 25, 2020		➢ DHHS Director presents 2021 Recommended Budget ➢ ***Public Comments - Budget*** ➢ Committee reviews and votes on amendments ➢ Committee makes recommendation on 2021 Recommended Budget	
July 9, 2020	➢ DHHS Director presents final 20021 Recommended Budget ➢ Finance Committee Chair presents the Committee's Budget recommendations to Board ➢ Board votes on 2021 Budget		
July 15, 2020			Formal Budget Submission

The Board will be notified when the feedback/suggestions link on the Mental Health Board website/page regarding the 2021 Budget is active.

Milwaukee County WIMCR & Cost Report Payments

Budget (Receipt) Year	**2018**	**2019**	**2019**	
Settlement Year	**2017**	**2018**		
Program Name	WIMCR Payment	**WIMCR Payment**	**2019 Budget**	**Surplus/ (Deficit) 2019**
Crisis Intervention and Stablization	3,430,761	3,655,146	1,920,000	1,735,146
Day Treatment	117,809	58,416	0	58,416
TCM- Targeted Case Management	1,048,603	1,152,821	580,000	572,821
CSP - Community Support Program	(988,048)	181,334	630,000	(448,666)
CRS - Community Recovery Services	263,345	-	-	-
CCS - Comprehensive Community Services	2,430,890	100,519	2,050,000	(1,949,481)
Total State Settlement Funds	**6,303,360**	**5,148,236**	**5,180,000**	**(31,764)**