

Milwaukee County Behavioral Health Division
 2018 Annual Year End Projection - Major Variances
 Favorable/(Unfavorable) - (\$ millions)

Total BHD Projected Surplus/(Deficit) \$ 0.9

Hospital (Adult Inpatient, CAIS, ER/Obs) (\$1.2)

REVENUE:

Patient Revenue - CAIS (\$1.5), PCS-ER/Obs (\$2.0), Adult (\$.5) \$ (4.0)

EXPENSES:

Personnel Expenses - Overtime (\$.5), Final Fringe +\$.4 \$ (0.1)

Miscellaneous Patient Expenses \$ 1.5

State Institutes \$ (1.1)

Internal Allocation revised, favorable to Inpatient \$ 2.6

Sub-Total Hospital Expenses \$ 2.9

Management/Operations/Fiscal (\$0.8)

Encumbered Pharmacy Contract - Expense in 2018, funds in 2019

Community Services \$2.8

REVENUE:

WIMCR Surplus \$ 3.5

Crisis Mobile Team Billing Productivity \$ 0.4

EXPENSES:

CRS closure \$ 0.5

IOP/FQHC Partnership Delay \$ 0.6

Residential - CBRF \$ (2.0)

Salary Underspend \$ 1.8

RSC/Outpatient Overspend \$ (1.8)

Sub-Total Community Expenses \$ (0.9)

Behavioral Health Division
Combined Reporting
Q4 2018 - 2018 Annual Projection

	2018 Budget				2018 Annual Projection				2018 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	14,636,560	-	22,336,586	-	-	-	-
State & Federal	-	19,202,016	-	19,202,016	159,040	19,748,299	-	19,907,339	159,040	546,283	-	705,323
Patient Revenue	20,796,123	89,970,204	333,247	111,099,574	16,524,274	83,679,615	53,036	100,256,925	(4,271,849)	(6,290,589)	(280,211)	(10,842,649)
Other	-	1,691,351	573,997	2,265,348	85,478	2,059,823	226,003	2,371,303	85,478	368,472	(347,994)	105,955
Sub-Total Revenue	28,496,149	125,500,131	907,244	154,903,524	24,468,818	120,124,296	279,039	144,872,153	(4,027,331)	(5,375,835)	(628,205)	(10,031,371)
Expense												
Salary	15,632,324	9,115,938	8,199,146	32,947,408	15,221,866	8,414,963	6,613,023	30,249,852	410,458	700,975	1,586,123	2,697,556
Overtime	1,085,928	3,060	137,496	1,226,484	2,041,146	171,734	220,158	2,433,039	(955,218)	(168,674)	(82,662)	(1,206,555)
Fringe	16,751,777	8,944,329	9,492,181	35,188,287	16,351,184	7,602,002	7,823,112	31,776,298	400,593	1,342,327	1,669,069	3,411,989
Services/Commodities	5,533,271	806,595	9,570,257	15,910,123	4,062,484	1,243,678	10,183,170	15,489,332	1,470,787	(437,083)	(612,913)	420,791
Other Charges/Vendor	2,500,000	125,758,133	-	128,258,133	3,579,654	116,465,983	0	120,045,637	(1,079,654)	9,292,150	(0)	8,212,496
Capital	8,508	-	502,500	511,008	6,420	99,694	131,933	238,047	2,088	(99,694)	370,567	272,961
Cross Charges	16,302,089	38,108,286	6,818,211	61,228,586	13,691,330	17,755,557	5,875,789	37,322,676	2,610,759	20,352,729	942,422	23,905,910
Abatements	-	(27,513,557)	(33,297,997)	(60,811,554)	-	(4,756,308)	(29,278,847)	(34,035,155)	-	(22,757,249)	(4,019,150)	(26,776,399)
Total Expense	57,813,897	155,222,784	1,421,794	214,458,475	54,954,084	146,997,303	1,568,339	203,519,726	2,859,813	8,225,481	(146,545)	10,938,749
Tax Levy	29,317,748	29,722,653	514,550	59,554,951	30,485,266	26,873,007	1,289,300	58,647,573	(1,167,518)	2,849,646	(774,750)	907,378

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: \$29,278,847

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

Q4 2018 - 2018 Annual Projection

	2018 Budget				2018 Annual Projection				2018 Projected Surplus/(Deficit)			
	AODA	Mental Health	WRAP	Total CARSD	AODA	Mental Health	WRAP	Total CARSD	AODA	Mental Health	WRAP	Total CARSD
Revenue												
BCA	2,333,731	12,302,829	-	14,636,560	2,333,731	12,302,829	-	14,636,560	-	-	-	-
State & Federal	8,711,615	9,118,337	1,372,064	19,202,016	9,577,740	8,492,522	1,678,037	19,748,299	866,125	(625,815)	305,973	546,283
Patient Revenue	-	30,931,786	59,038,418	89,970,204	0	29,850,367	53,829,248	83,679,615	-	(1,081,419)	(5,209,170)	(6,290,589)
Other	665,246	846,105	180,000	1,691,351	589,265	839,203	631,355	2,059,823	(75,981)	(6,902)	451,355	368,472
Sub-Total Revenue	11,710,592	53,199,057	60,590,482	125,500,131	12,500,736	51,484,920	56,138,640	120,124,296	790,144	(1,714,137)	(4,451,842)	(5,375,835)
Expense												
Salary	62,028	6,299,936	2,753,974	9,115,938	73,264	5,878,442	2,463,256	8,414,963	(11,236)	421,494	290,718	700,975
Overtime	-	-	3,060	3,060	0	155,792	15,942	171,734	-	(155,792)	(12,882)	(168,674)
Fringe	64,185	6,425,968	2,454,176	8,944,329	73,670	5,330,561	2,197,770	7,602,002	(9,485)	1,095,407	256,406	1,342,327
Services/Commodities	115,000	470,386	221,209	806,595	139,508	564,556	539,613	1,243,678	(24,508)	(94,170)	(318,404)	(437,083)
Other Charges/Vendor	12,228,695	55,868,210	57,661,228	125,758,133	14,804,958	52,522,019	49,139,005	116,465,983	(2,576,263)	3,346,191	8,522,223	9,292,150
Capital	-	-	-	-	0	97,916	1,779	99,694	-	(97,916)	(1,779)	(99,694)
Cross Charges	1,526,457	20,414,101	16,167,728	38,108,286	1,077,155	10,530,493	6,147,909	17,755,557	449,302	9,883,608	10,019,819	20,352,729
Abatements	-	(8,834,695)	(18,678,862)	(27,513,557)	-	-	(4,756,308)	(4,756,308)	-	(8,834,695)	(13,922,554)	(22,757,249)
Total Expense	13,996,365	80,643,906	60,582,513	155,222,784	16,168,556	75,079,780	55,748,967	146,997,303	(2,172,191)	5,564,126	4,833,546	8,225,481
Tax Levy	2,285,773	27,444,849	(7,969)	29,722,653	3,667,820	23,594,859	(389,672)	26,873,007	(1,382,047)	3,849,990	381,703	2,849,646

(surplus)

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

Q4 2018 - 2018 Annual Projection

	2018 Budget				2018 Annual Projection				2018 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	-	-	-	-	159,040	-	-	159,040	159,040	-	-	159,040
Patient Revenue	12,977,749	4,629,746	3,188,628	20,796,123	12,324,725	2,978,037	1,221,512	16,524,274	(653,024)	(1,651,709)	(1,967,116)	(4,271,849)
Other	-	-	-	-	-	85,478	-	85,478	-	85,478	-	85,478
Sub-Total Revenue	12,977,749	4,629,746	10,888,654	28,496,149	12,483,765	3,063,515	8,921,538	24,468,818	(493,984)	(1,566,231)	(1,967,116)	(4,027,331)
Expense												
Salary	7,945,372	1,989,396	5,697,556	15,632,324	7,475,117	1,843,956	5,902,793	15,221,866	470,255	145,440	(205,237)	410,458
Overtime	757,152	41,556	287,220	1,085,928	1,155,471	99,794	785,882	2,041,146	(398,319)	(58,238)	(498,662)	(955,218)
Fringe	9,734,660	2,081,971	4,935,146	16,751,777	8,551,098	2,087,887	5,712,198	16,351,184	1,183,562	(5,916)	(777,052)	400,593
Services/Commodities	3,633,673	480,969	1,418,629	5,533,271	3,332,596	273,939	455,950	4,062,484	301,077	207,030	962,679	1,470,787
Other Charges/Vendor	2,500,000	-	-	2,500,000	3,579,654	-	-	3,579,654	(1,079,654)	-	-	(1,079,654)
Capital	3,000	-	5,508	8,508	23	-	6,397	6,420	2,977	-	(889)	2,088
Cross Charges	8,556,278	2,523,861	5,221,950	16,302,089	7,164,473	2,348,231	4,178,626	13,691,330	1,391,805	175,630	1,043,324	2,610,759
Abatements	-	-	-	-	-	-	-	-	-	-	-	-
Total Expense	33,130,135	7,117,753	17,566,009	57,813,897	31,258,431	6,653,807	17,041,846	54,954,084	1,871,704	463,946	524,163	2,859,813
Tax Levy	20,152,386	2,488,007	6,677,355	29,317,748	18,774,666	3,590,292	8,120,308	30,485,266	1,377,720	(1,102,285)	(1,442,953)	(1,167,518)

Behavioral Health Division
Management/Operations/Fiscal
Q4 2018 - 2018 Annual Projection

	2018 Budget	2018 Annual Projection	2018 Projected Surplus/(Deficit)
Revenue			
BCA	-	-	-
State & Federal	-	-	-
Patient Revenue	333,247	53,036	(280,211)
Other	573,997	226,003	(347,994)
Sub-Total Revenue	907,244	279,039	(628,205)
Expense			
Salary	8,199,146	6,613,023	1,586,123
Overtime	137,496	220,158	(82,662)
Fringe	9,492,181	7,823,112	1,669,069
Services/Commodities	9,570,257	10,183,170	(612,913)
Other Charges/Vendor	-	0	(0)
Capital	502,500	131,933	370,567
Cross Charges	6,818,211	5,875,789	942,422
Abatements	(33,297,997)	(29,278,847)	(4,019,150)
Total Expense	1,421,794	1,568,339	(146,545)
Tax Levy	514,550	1,289,300	(774,750)
Surplus/(Deficit) before allocating out:			3,244,400

Encumbered Pharmacy Systems Inc

BEHAVIORAL HEALTH DIVISION

DASHBOARD REPORT

Year End 2018

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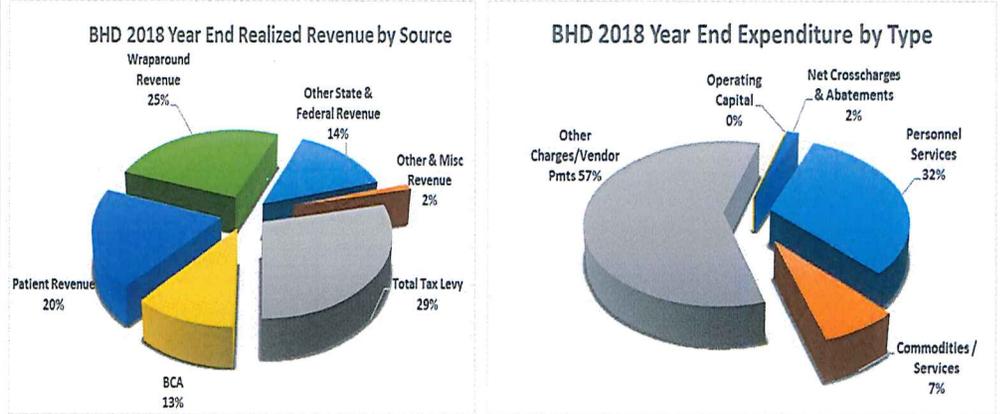
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BHD COMBINED DASHBOARD

Year End 2018

	2018 Year End			
	Dec YTD	Projection	Budget	Variance
Revenue	144,872,153	144,872,153	154,903,524	(10,031,371)
Expense				
Personnel	64,459,188	64,459,188	69,362,179	4,902,991
Svcs/Commodities	15,489,332	15,489,332	15,910,123	420,791
Other Chgs/Vendor	120,045,637	120,045,637	128,258,133	8,212,496
Capital	238,047	238,047	511,008	272,961
Cross Charges	37,322,676	37,322,676	61,228,586	23,905,910
Abatements	(34,035,155)	(34,035,155)	(60,811,554)	(26,776,399)
Total Expense	203,519,725	203,519,725	214,458,475	10,938,750
Tax Levy	58,647,573	58,647,573	59,554,951	907,378
Wraparound		(389,672)	(7,969)	381,703
BHD Excluding Wraparound		59,037,245	59,562,920	525,675
Percentage Spent	95%			
Percentage Yr Ela	100%			

2018 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.

Year End Financial Highlights

- Inpatient Census below budget offset by better payer mix
- Patient receivable writeoff doubtful accounts (\$1.2m)
- Successful Crisis Mobile Team productivity expansion
- State Institutions (\$1.1m) deficit
- Final County Fringe Settle Up \$2.3m surplus
- Slow initial CCS growth in 2018 now on target for 2019
- AODA deficit (\$1.3m) due high RSC costs (RFP underway)

2018 Budget Initiatives

Initiative	Status
FQHC Partnership	➡ Delayed
CCS Expansion	➡ Continued growth
Crisis Mobile Productivity	⬆️ \$0.5m revenue increase
Add West Allis CART team	⬆️

Complete	⬆️	Not Done	⬇️	Progressing	➡
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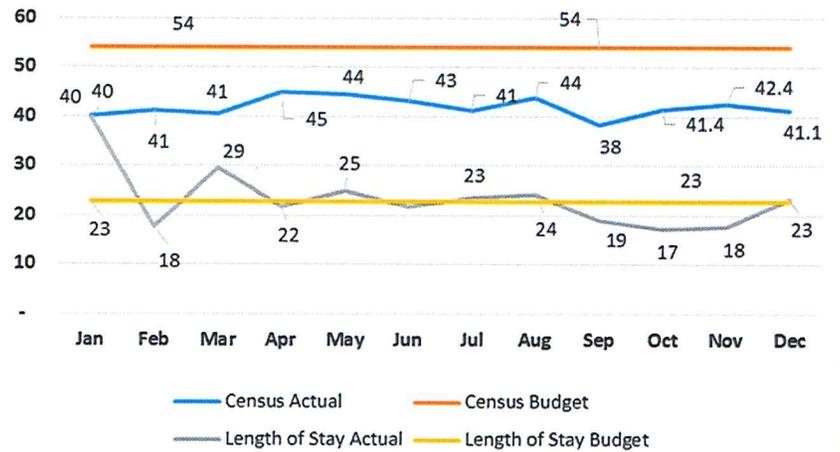
ACUTE ADULT INPATIENT DASHBOARD

Year End 2018

	2018 Year End			
	Dec YTD	Projection	Budget	Variance
Revenue	12,483,765	12,483,765	12,977,749	(493,984)
Expense				
Personnel	17,181,686	17,181,686	18,437,184	1,255,498
Svcs/Commodities	3,332,596	3,332,596	3,633,673	301,077
Other Chgs/Vendor	3,579,654	3,579,654	2,500,000	(1,079,654)
Capital	23	23	3,000	2,977
Cross Charges	7,164,473	7,164,473	8,556,278	1,391,805
Abatements	-	-	-	-
Total Expense	31,258,432	31,258,432	33,130,135	1,871,703
Tax Levy	18,774,667	18,774,667	20,152,386	1,377,719

Percentage Spent 94%
 Percentage Yr Elapsed 100%

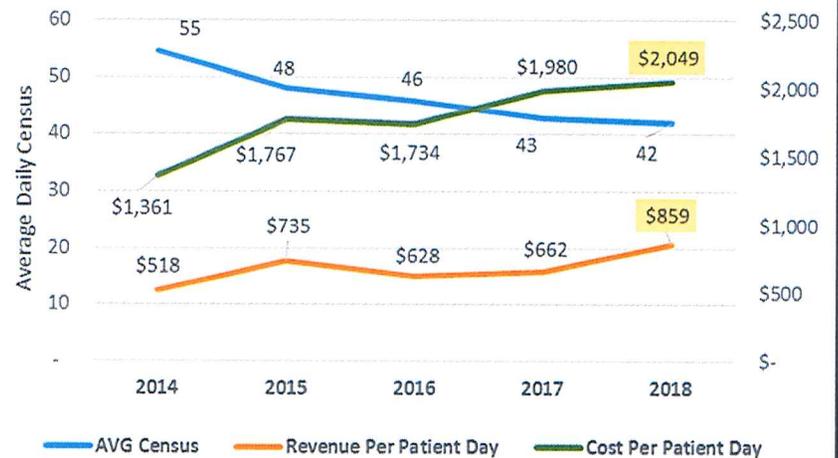
Adult Census and Length of Stay



ADULT INPATIENT PAYER SOURCES



Avg Census, Cost & Net Revenue per Patient Day

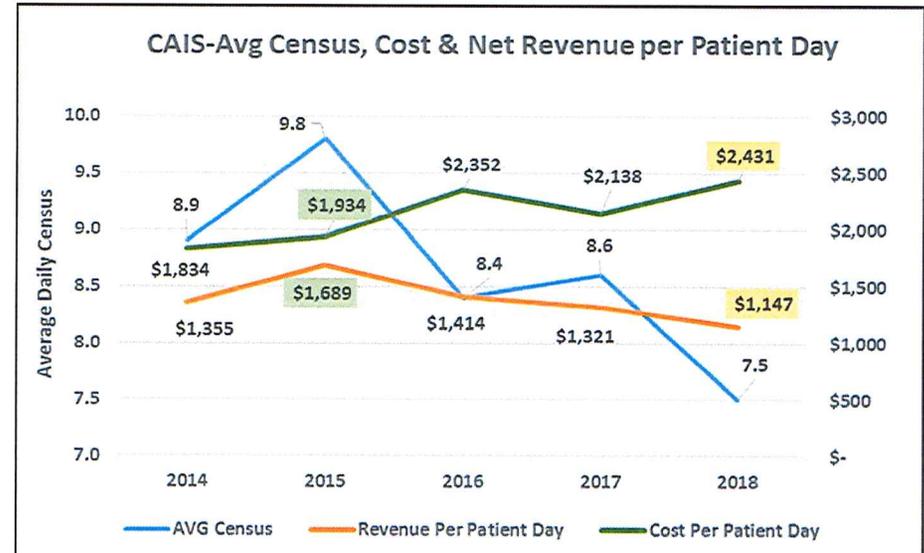
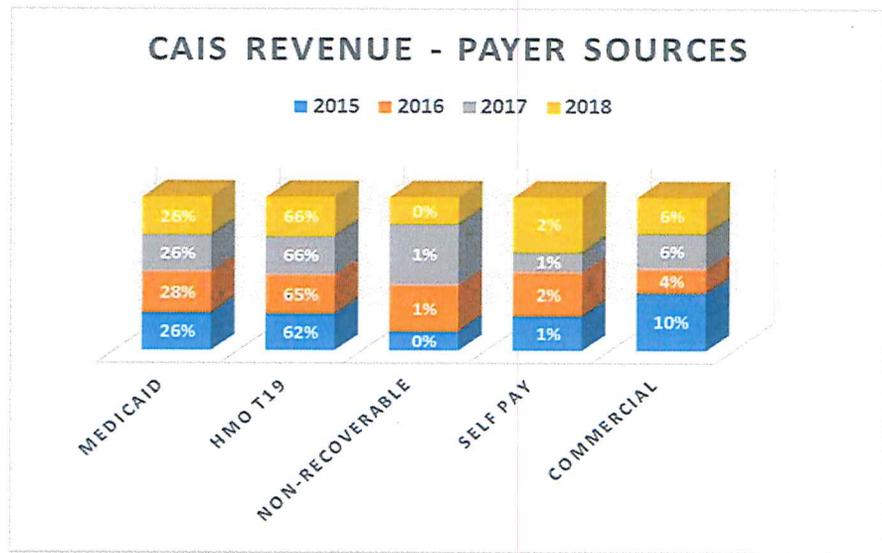
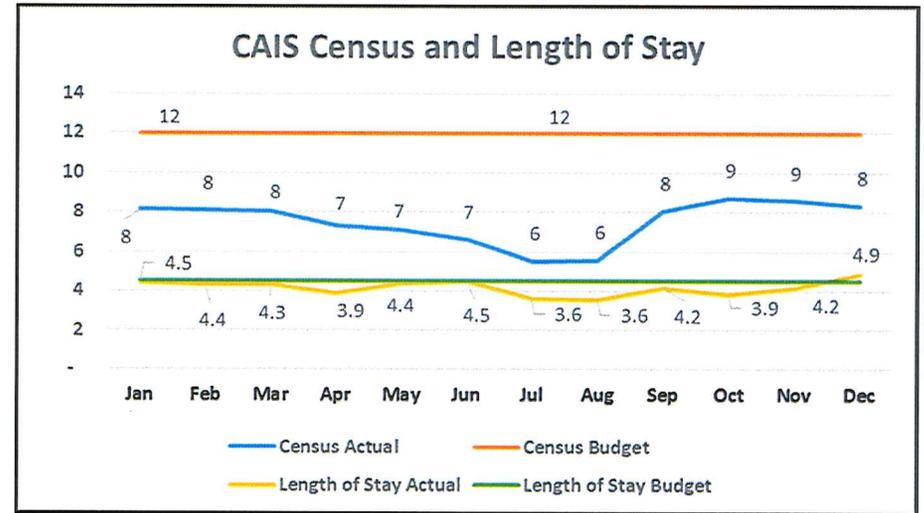


CAIS (Child & Adolescent Inpatient) DASHBOARD

Year End 2018

	2018 Year End			
	Dec YTD	Projection	Budget	Variance
Revenue	3,063,515	3,063,515	4,629,746	(1,566,231)
Expense				
Personnel	4,031,637	4,031,637	4,112,923	81,286
Svcs/Commodities	273,939	273,939	480,969	207,030
Other Chgs/Vendor	-	-	-	-
Capital	-	-	-	-
Cross Charges	2,348,231	2,348,231	2,523,861	175,630
Abatements	-	-	-	-
Total Expense	6,653,807	6,653,807	7,117,753	463,946
Tax Levy	3,590,292	3,590,292	2,488,007	(1,102,285)

Percentage Spent 93%
 Percentage Yr Elapsed 100%

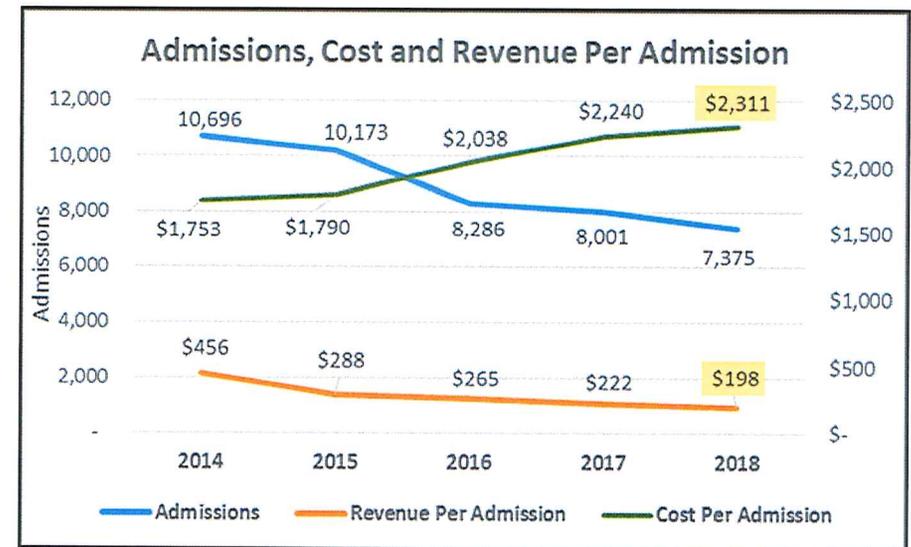
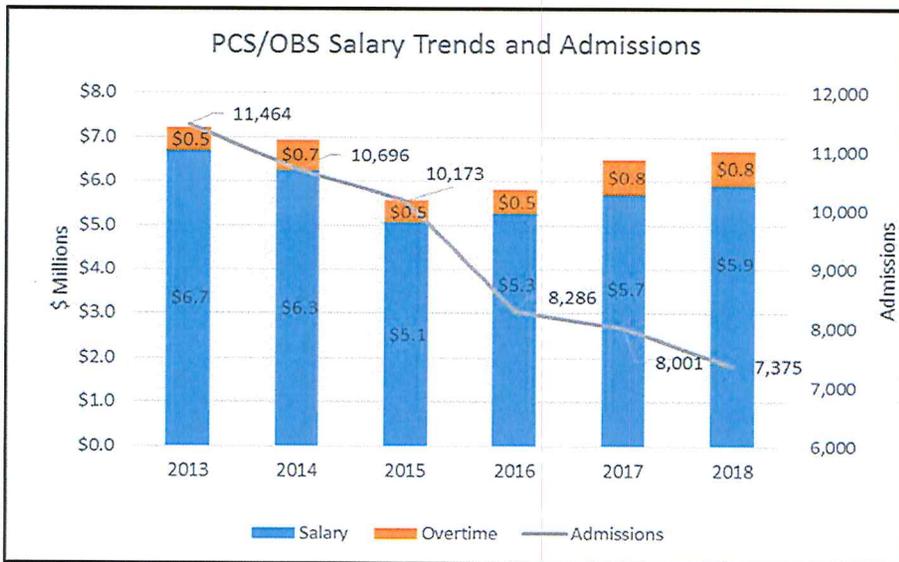
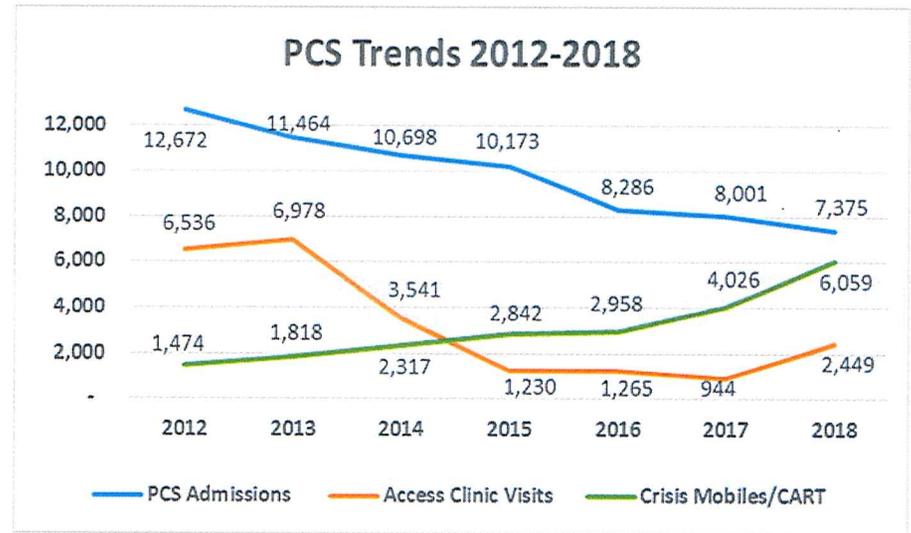


PCS - ER and Observation DASHBOARD

Year End 2018

	2018 Year End			
	Dec YTD	Projection	Budget	Variance
Revenue	8,921,538	8,921,538	10,888,654	(1,967,116)
Expense				
Personnel	12,400,873	12,400,873	10,919,922	(1,480,951)
Svcs/Commodities	455,950	455,950	1,418,629	962,679
Other Chgs/Vendor	-	-	-	-
Capital	6,397	6,397	5,508	(889)
Cross Charges	4,178,626	4,178,626	5,221,950	1,043,324
Abatements	-	-	-	-
Total Expense	17,041,846	17,041,846	17,566,009	524,163
Tax Levy	8,120,308	8,120,308	6,677,355	(1,442,953)

Percentage Spent 97%
 Percentage Yr Elapsed 100%

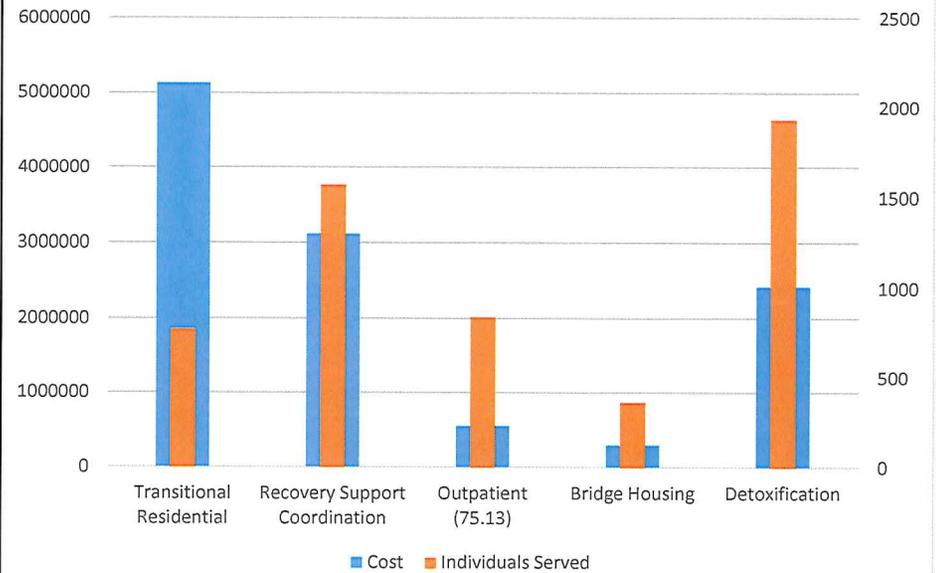


AODA DASHBOARD Year End 2018

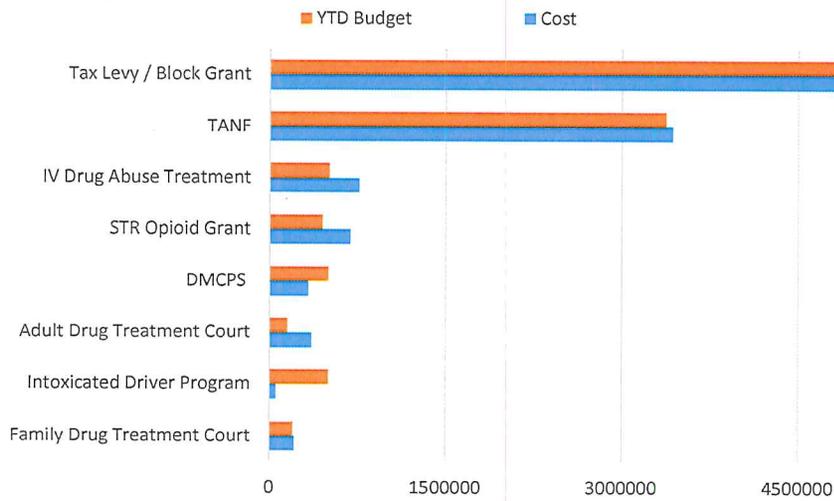
	Dec YTD	2018 Year End		
		Projection	Budget	Variance
Revenue	12,500,736	12,500,736	11,710,592	790,144
Expense				
Personnel	146,934	146,934	126,213	(20,721)
Svcs/Commodities	139,508	139,508	115,000	(24,508)
Other Chgs/Vendor	14,804,958	14,804,958	12,228,695	(2,576,263)
Capital	-	-	-	-
Cross Charges	1,077,155	1,077,155	1,526,457	449,302
Abatements	-	-	-	-
Total Expense	16,168,555	16,168,555	13,996,365	(2,172,190)
Tax Levy	3,667,819	3,667,819	2,285,773	(1,382,046)

Percentage Spent 116%
 Percentage Yr Elapsed 100%

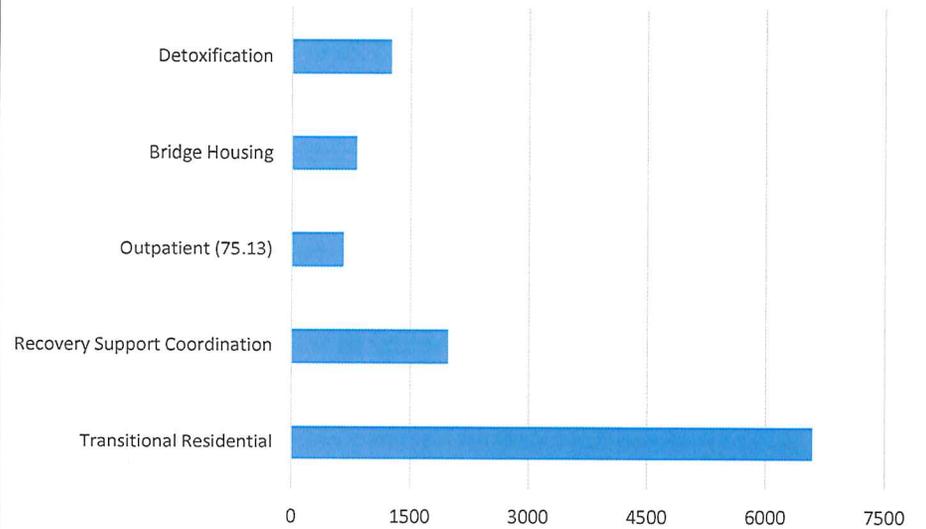
Spending & Clients Served by Program



AODA Revenue



Spend Per Client

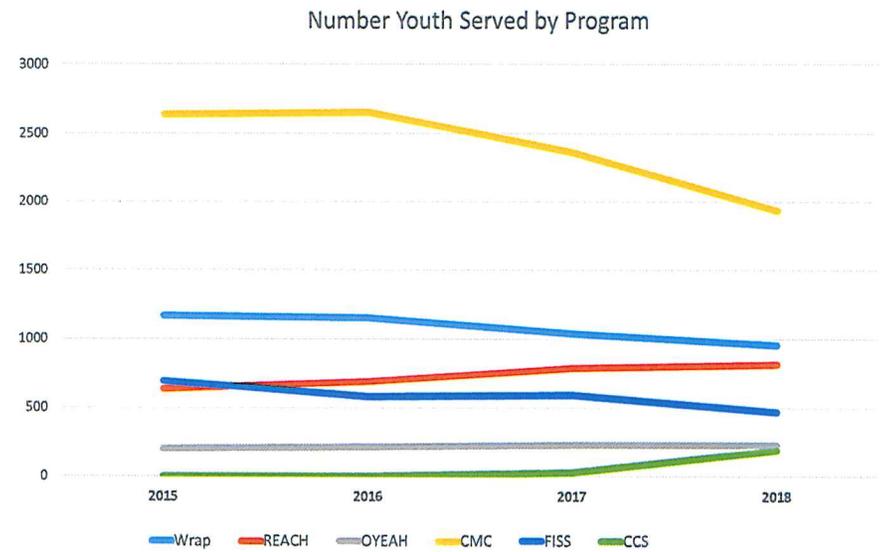


WRAPAROUND DASHBOARD

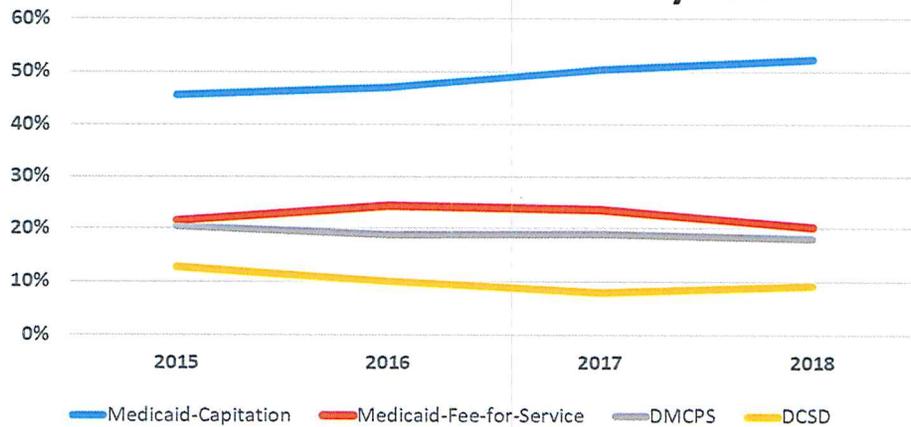
Year End 2018

	2018 Year End			
	Dec YTD	Projection	Budget	Variance
Revenue	56,138,640	56,138,640	60,590,482	(4,451,842)
Expense				
Personnel	4,676,969	4,676,969	5,211,210	534,241
Svcs/Commodities	539,613	539,613	221,209	(318,404)
Other Chgs/Vendor	49,139,005	49,139,005	57,661,228	8,522,223
Capital	1,779	1,779		(1,779)
Cross Charges	6,147,909	6,147,909	16,167,728	10,019,819
Abatements	(4,756,308)	(4,756,308)	(18,678,862)	(13,922,554)
Total Expense	55,748,968	55,748,968	60,582,513	4,833,545
Tax Levy	(389,672)	(389,672)	(7,969)	381,703

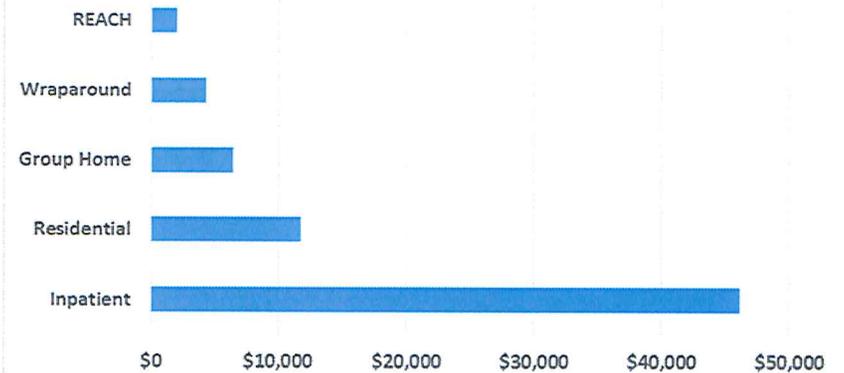
Percentage Spent 92%
 Percentage Yr Elapsed 100%



Percent of Revenue Sources by Year



Cost Effectiveness



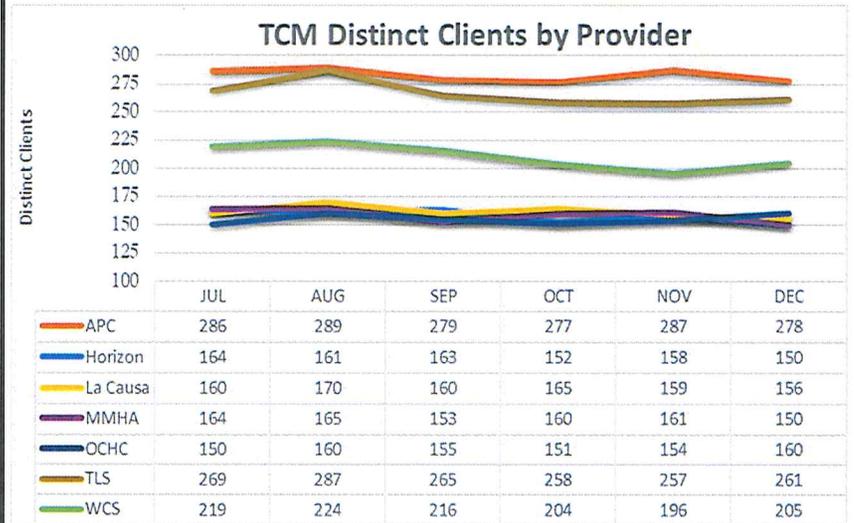
*** Inpatient services are clients in CAIS
 *** Wraparound and REACH services are outpatient services

TCM (Targeted Case Management) DASHBOARD

Year End 2018

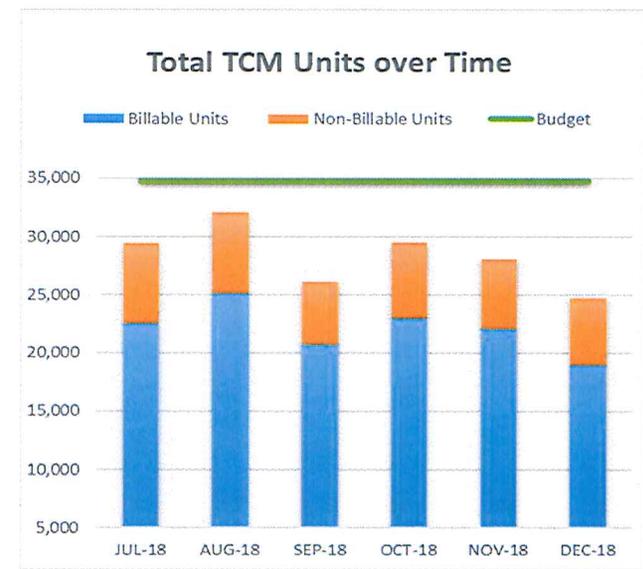
	2018 Year End			
	Dec YTD	Projection	Budget	Variance
Revenue	3,015,369	3,015,369	2,416,464	598,905
Expense				
Personnel	260,806	260,806	352,810	92,004
Svcs/Commodities	17,024	17,024	1,559	(15,465)
Other Chgs/Vendor	5,780,562	5,780,562	5,541,284	(239,278)
Capital	-	-	-	-
Cross Charges	461,071	461,071	771,866	310,795
Abatements	-	-	-	-
Total Expense	6,519,463	6,519,463	6,667,519	148,056
Tax Levy	3,504,094	3,504,094	4,251,055	746,961

Average Enrollment	1,445	1,445	1,610
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	2018 Q4			2018 Totals		
	Billable	Non-billable	% Non-billable	Billable	Non-billable	% Non-billable
APC	15,578	4,709	23%	67,657	18,942	22%
Horizon	6,042	2,980	33%	26,053	11,372	30%
La Causa	7,493	1,537	17%	32,785	6,395	16%
MMHA	7,866	2,043	21%	32,600	10,751	25%
OCHC	6,603	696	10%	25,645	4,105	14%
Whole Health	10,962	2,048	16%	55,064	11,694	18%
WCS	9,656	4,227	30%	45,700	18,082	28%
Total	64,201	18,240	22%	285,503	81,340	22%

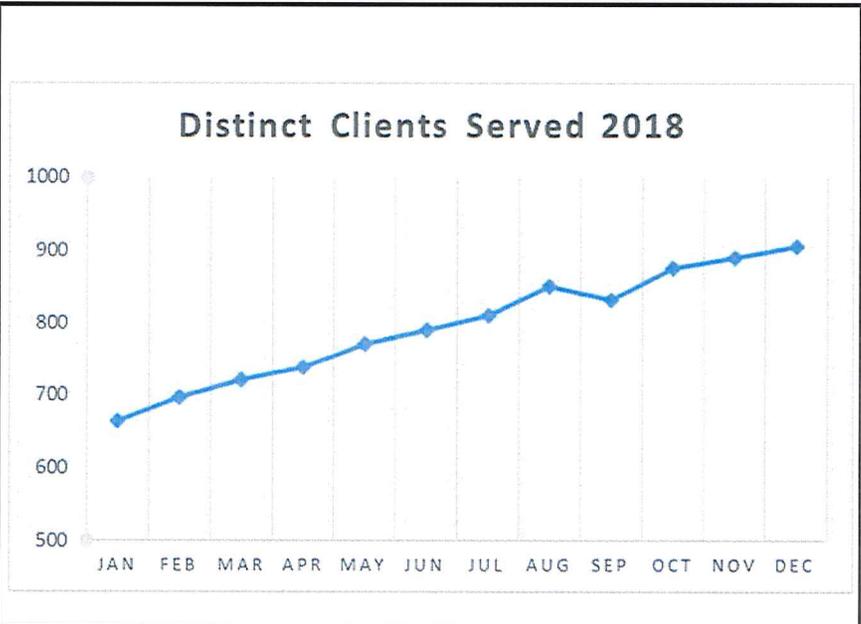
*** Non-billable is paid to Provider, but not billable to Medicaid



CCS (Comprehensive Community Services) DASHBOARD

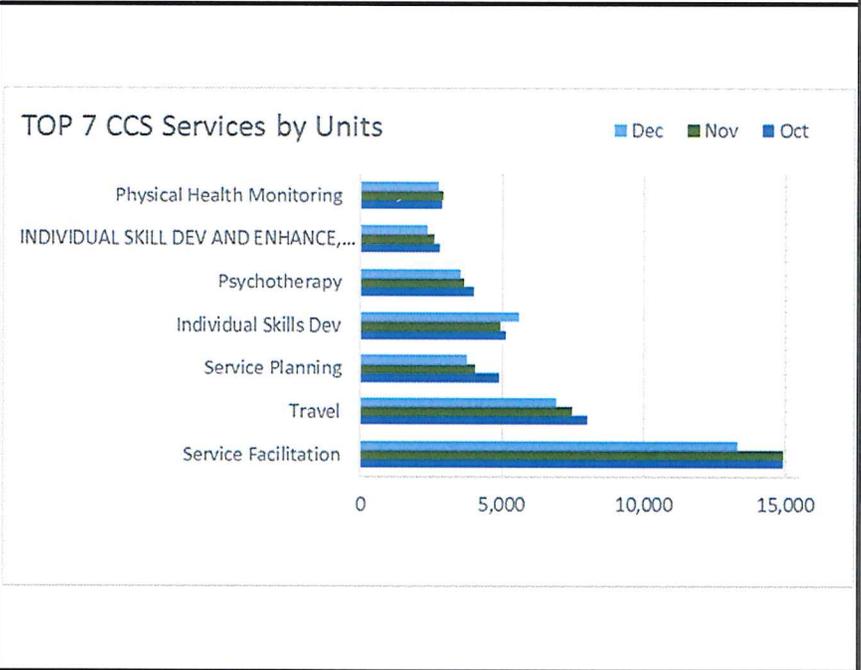
Year End 2018

	2018 Year End			
	Dec YTD	Projection	Budget	Variance
Revenue	15,378,461	15,378,461	16,513,433	(1,134,972)
Expense				
Personnel	672,088	672,088	610,892	(61,196)
Svcs/Commodities	765	765	-	(765)
Other Chgs/Vendor	13,313,023	13,313,023	16,930,000	3,616,977
Capital	-	-	-	-
Cross Charges	1,491,624	1,491,624	2,270,720	779,096
Abatements	-	-	-	-
Total Expense	15,477,500	15,477,500	19,811,612	4,334,112
Tax Levy	99,039	99,039	3,298,179	3,199,140
Average Enrollment	795	795	1,100	



Number of Billable to Nonbillable Units - Top 10 Providers

	2018 Q4 Totals			2018 YTD TOTALS		
	Billable	Non-Billable	% Non-Billable	Billable	Non-Billable	% Non-Billable
TLS	19,882	56	0.3%	84,078	576	0.7%
APC	18,903	572	3.0%	66,822	1,398	2.1%
Gue	19,937	88	0.4%	66,255	475	0.7%
Bel + Wil	14,133	151	1.1%	51,540	747	1.4%
Asc + Sum	12,853		0.0%	39,280		0.0%
Jus	13,773	333	2.4%	35,407	1,123	3.2%
WCS	6,318	47	0.7%	24,938	442	1.8%
La	3,848		0.0%	23,964	154	0.6%
Pro	6,583	107	1.6%	17,552	672	3.8%
OCH	3,952		0.0%	17,370	262	1.5%

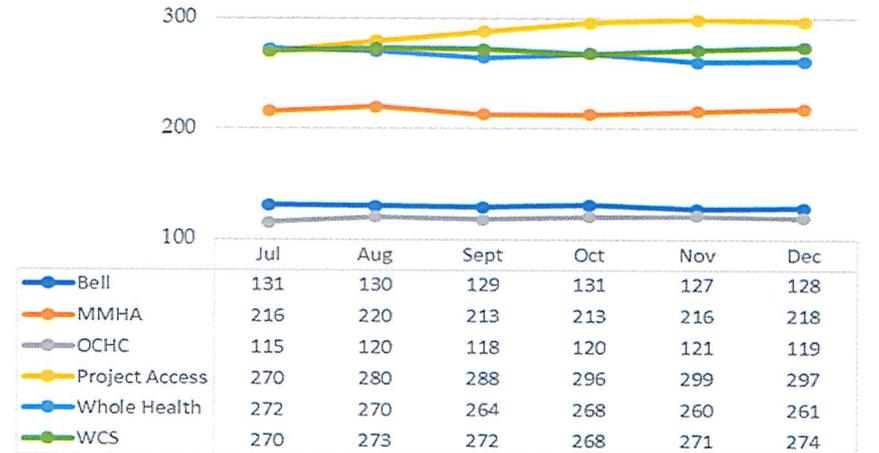


CSP (Community Support Program) DASHBOARD Year End 2018

	Dec YTD	2018 Year End		
		Projection	Budget	Variance
Revenue	7,360,606	7,360,606	9,880,388	(2,519,782)
Expense				
Personnel	301,331	301,331	261,192	(40,139)
Svcs/Commodities	31	31	-	(31)
Other Chgs/Vendor	14,641,822	14,641,822	14,560,708	(81,114)
Capital	-	-	-	-
Cross Charges	1,189,539	1,189,539	1,973,189	783,650
Abatements	-	-	-	-
Total Expense	16,132,723	16,132,723	16,795,089	662,366
Tax Levy	8,772,117	8,772,117	6,914,701	(1,857,416)

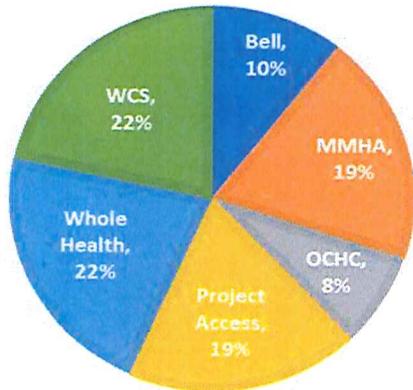
Average Enrollment	1,291	1,288	1,267
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Distinct Clients per Provider



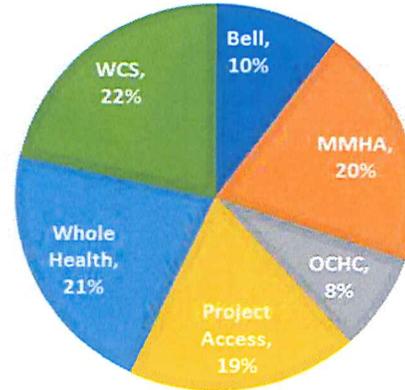
	2016	2017	2018
* Ave Capacity	1,245	1,234	1,291

Units of Service per Provider - 2018



Agency	December	YTD Total
Bell Therapy	5,292	92,718
MMHA	9,852	170,882
OCHC	5,073	69,310
Project Access	14,690	164,597
Whole Health	11,594	190,862
WCS	15,183	190,272
Grand Total	61,684	878,641

Cost of Service per Provider - 2018



Agency	December	YTD Total
Bell Therapy	161,068	2,776,620
MMHA	316,795	5,545,155
OCHC	162,838	2,246,330
Project Access	457,863	5,114,630
Whole Health	364,365	5,931,080
WCS	475,135	5,943,690
Grand Total	1,938,063	27,557,505

Behavioral Health Division 2020 Budget Assumptions

General Assumptions

1. Adult Inpatient capacity of 48 with average census of 43 or 90% Capacity
2. CAIS capacity of 10 with average census of 8 or 80% Capacity
3. Payer mix

Initial 2020 Adult Inpatient Payer Mix	
Financial Class	% Gross Billed
Commercial/Private	4.5%
Medicaid	4.0%
Medicaid HMO	27.6%
Medicare A/B	35.8%
Medicare HMO	10.7%
Self-Pay	2.7%
Non-Recoverable/Charity	14.7%

4. CBRF – Maintain current capacity
5. CCS – Continue to increase capacity
6. AODA – Expand services based on grant opportunities and restructuring rates on RSC's
7. CSP – no increase to existing capacity, contracts structured as fee for service
8. TCM – no increase to existing capacity
9. FQHC partnerships with anticipated 3 community locations
10. Will not to include any policy/funding changes from Governor Evers' recommended budget
11. Tax Levy – 2020 target will be a reduction and include another \$2m abatement

**Behavioral Health Division
2020 Budget
Board/Committee Dates & Deliverables**

Date	Mental Health Board	Finance Committee	Other Deliverables
March 21 st	Public Comments – Budget		
March 28 th		2020 Budget Assumptions	
April 25 th	<ul style="list-style-type: none"> ➤ CFO/Finance Chair to present preliminary budget assumptions ➤ MH board members discuss budget assumptions 		
June 6 th		<ul style="list-style-type: none"> ➤ Public Comments - Budget ➤ BHD CFO presents preliminary 2020 budget 	
June 14 th			Budget request narrative posted for public review
June 20 th			MH Board members submit budget recommendations to finance chair
June 27 th		<ul style="list-style-type: none"> ➤ DHHS Director presents requested 2020 budget ➤ Public Comments - Budget ➤ Committee votes on recommendations and budget 	
July 11 th	<ul style="list-style-type: none"> ➤ DHHS Director presents final budget request ➤ Finance committee chair presents recommendations to board ➤ Board votes on 2020 budget 		
July 15 th			Formal Budget Submission

Feedback/suggestions regarding the 2020 Budget may be left at the Mental Health Board website listed below:

<https://www.surveymonkey.com/r/2020BHDBudget>

Milwaukee County WIMCR Payments

	<i>Budget (Receipt) Year</i>	2014	2015	2016	2017	2018	2019 B
	<i>Settlement Year</i>	2013	2014	2015	2016	2017	2018
Program Name	WIMCR Payment	WIMCR Payment	WIMCR Payment	WIMCR Payment	WIMCR Payment	WIMCR Payment	2019 Budget
Crisis Stabilization Services	1,985,601	1,055,935	763,838	1,565,191	3,430,761	2,100,000	
Day Treatment	149,305	237,923	71,110	121,413	117,809		
TCM- Targeted Case Management	488,676	76,852		574,940	1,048,603	400,000	
CSP - Community Support Program	2,102,755		777,419	0	(988,048)	630,000	
CRS - Community Recovery Services					263,345		
CCS - Comprehensive Community Services			129,933	2,206,204	2,430,890	2,000,000	
	4,726,338	1,370,710	1,742,300	4,467,748	6,303,360	5,130,000	

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: March 8, 2019

TO: 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: **Report from the Director, Department Health and Human Services, Detailing Potential 2019-2021 State Governor’s Proposed Budget Impacts on the Behavioral Health Division**

Issue

On February 28, 2019, Gov. Evers introduced the 2019-2021 State Biennial Budget proposal. Fiscal and program staff for the Behavioral Health Division have reviewed the budget and identified potential risks and opportunities that could conceivably impact programs and services provided by the Milwaukee County Behavioral Health Division.

These budget initiatives are not yet finalized. There is a high likelihood that some or all budget proposals will not be included in the final 2019-2021 State Biennial Budget.

Discussion

The following are initiatives identified as potential impact and/or risk items for BHD:

Medicaid Expansion:

The Governor’s budget proposes an expansion of Medicaid eligibility under the Affordable Care Act by covering all Wisconsin residents who earn incomes up to 138 percent of the federal poverty level. This is expected to insure an additional 82,000 Wisconsinites, many of whom reside in Milwaukee County. We estimate \$1.2 million additional revenue on inpatient units if current uninsured clients enroll in BadgerCare Plus. Additional savings are expected for outpatient services. It is also anticipated that expansion of healthcare coverage will reduce reliance on emergency room psychiatric services for this population.

Medicaid Community Health Benefit:

The governor's budget creates a Medicaid community health benefit that invests \$45 million for non-medical services to reduce and prevent health disparities that result from economic and social determinants of health. Major services included in the Community Health Benefit are housing referral services, stress management, and nutritional counseling.

Crisis Intervention Services:

The Governor's budget recommends the state pay for a portion of the nonfederal share of Medicaid Crisis Intervention services currently funded by counties in Wisconsin. Under the proposal, counties will provide a 75% maintenance of effort payment based on CY17 expenditures. This is expected to free up over \$0.6 million in local funding in the short term and could result in over \$1.0 million savings in local funds as Milwaukee County redesigns and expand crisis services.

Crisis Stabilization Facilities:

The Governor's budget establishes a new grant program to create five regional crisis stabilization programs. These facilities are designed to help individuals in crisis and reduce involuntary commitments at state-run institutions.

Mental Health Services Under BadgerCare Plus:

The Governor's budget recommends increasing noninstitutional rates for physicians and medical clinics that provide mental health, behavioral health, and psychiatric services. Milwaukee County does not directly provide these services, however increasing rates for these services will increase access to the Medicaid enrollees.

Childless Adult Demonstration Project:

The governor's budget repeals the childless adult demonstration project. This would remove work requirements, premiums, copayments, and health risk assessments for childless adult BadgerCare enrollees.

Respectfully submitted,



Mary Jo Meyers, Director
Department of Health and Human Services

Relocation Cost – BHD Employees

Moving Cost:

Low Estimate	High Estimate	Range of Costs:	
\$ 550	\$ 600	\$500 - \$600 per person	Moving cost furniture & belongings
\$ 100	\$ 100	\$100 per person	Moving computers/phones (service desk team - break down and reset up hardware only) 1 hr/person
\$ 1,000	\$ 1,200	\$800 to \$1,200 /workstation	Purchase and installation refurbished cubicles
\$ 275	\$ 400	\$150 to \$400 /workstation	Cubicle delivery and installation (in Milwaukee) ¹
\$ 600	\$ 700	\$500 to \$700 per person	Wiring & network ²
\$ 2,525	\$ 3,000		Average Cost/Staff

Estimated # of Staff	Low Estimate	High Estimate	
230	\$ 580,750	\$ 690,000	<i>Estimated number of staff includes Wraparound, CARS and Administrative personnel</i>
			Total Moving Cost

Notes: ¹ BHD and DHHS have some existing cubicle parts and most office furnishings

² Wiring & Network- \$100,000 - \$135,000 - Internet, Phone, and Printing capabilities at the new location (200 EEs, 30,000 sq. ft. (fiber runs, server cabinets, switches, UPS power systems, cabling, etc.)

Lease Build out:

\$50 to \$100 per square foot (existing office space versus full remodel)
 Estimate of 175 sq feet per staff - includes unusable floor space

Estimated # of Staff	Estimated Sq Ft	Low Estimate	High Estimate	
230	40,250	\$ 2,012,500	\$ 4,025,000	Total Lease Build Out

Total Cost	\$ 2,593,250	\$ 4,715,000
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BHD Overhead Analysis
2018 Actual/2019 Budget for County Cross Charges

Account:	2016 Actual	2017 Actual	2018 Actual	2019 Budget	Details:
Central Service Allocation ¹	1,904,746	1,750,615	1,860,729	2,416,893	HR, Procurement, Accounting, Audit & Budget
Technology ²	1,444,703	1,858,452	1,545,797	1,574,257	See accounts included
Administrative Services ³	1,165,974	728,770	635,646	1,514,657	DHHS Director's Office and Contract Dept
Housing Div Services	750,000	1,000,000	1,000,000	1,000,000	CARS - Support homeless initiative
Worker Comp Med and WC Pay	901,145	773,526	1,109,172	805,585	Risk Admin monthly charge
DAS Services	296,703	222,710	297,983	627,962	IMSD Direct Service Charge for FTE's
Corporation Counsel Services	624,759	556,360	667,361	496,225	Based on hours used
Insurance Services	127,270	124,425	285,216	256,889	Risk Insurance-monthly charge
Telephone Allocation	408,312	420,009	274,977	205,767	Charged to Fiscal Admin and CARS admin
Fleet Management Services	50,768	72,704	69,298	60,703	Vehicle leases and repairs
Risk Management Services	109,510	74,022	60,420	56,452	Risk Admin monthly charge
HOC Laundry Services	54,579	45,893	46,985	45,893	Based on pounds of laundry
Grnds Mtrc Traffic Div	38,892	39,768	40,228	40,000	Cost sharing quarterly charge
Radio Comm Serv	31,541	26,218	36,742	36,434	OEM Monthly Charge
Power Plant Water	28,131	31,040	30,413	30,803	Utilities
Fire Protection	22,421	16,527	20,664	20,935	Fire Charge quarterly
HOC Graphics	5,783	18,141	25,320	18,040	Dept print materials to order - calendars, signage
Facility Assmt Inspect			3,321	13,891	
Power Plant Sanitary Sewer	12,118	11,027	10,715	10,856	Utilities
Utility Storm Sewer	3,181	6,430	1,546	1,567	Utilities
Pool Vehicle Rental	639	1,203	810	1,151	Vehicle rental
GIS Records			947	965	Quarterly Records charge
Prof Serv Div Services	3,006	4,472	12,859		
Other County Services	368,842	5,133	4,275		In 2016 used for Wraparound/Delinquency charges
Medical Service Fees		250	300		
Vehicle/Equipment Accident Rep			70		
Administrative Services # 5		323,364	-		In 2017 used for Wraparound/Delinquency charges
Computer Access Info Svcs Charges	87,734	86,135			
Prof. Serv. -Data Process Charges	1,834,699	2,056,868			EMR Annual License and Support - Netsmart (\$1.7m 2018)
HRIS Allocation	284,282	257,525			
DP Software Lease/Lcn Charges	63,951	86,203			
IMSD Central Purchases	26,073	72,236			
R/M Computer Equip Charges	59,326	9,975			
Engineering Bldg Maintenance	249,089				Previously used County Tradesman-Electrical/Plumbing/Painting
Inst. Traffic Div	20,538				
Power Plant Electric	10,221				
	10,988,936	10,680,001	8,041,794	9,235,926	

Technology Accounts:		2018 Actual
Application Chgs - Network		809,565
Technical Support & Infrastructure		354,329
PC Charges		215,964
IT Security		87,881
Application Chgs - Mainframe		78,058

¹Central Service Allocation is BHD's share of county costs for Human Resources, Procurement, Accounting, Audit and Budget See page 2 for details.

²Technology is allocated across all departments by equipment and usage, therefore, some savings may result from the downsizing.

³ Allocation of DHHS Directors Office and Contracts. 2018 Budget was \$1.1m

**BHD Overhead Analysis
Central Service Allocation 2019 Budget**

Human Resources This is a combination of the Human Resources, Payroll, Employee Benefits, and Labor Relations Areas. They have a similar allocation method based on employees

Procurement This is a combination of the Procurement, Accounts Payable and Treasurer Areas. They have a similar allocation method which is based on payment documents.

Accounting This is Central Accounting and County Wide Audit. Allocation is based on departmental expenditures.

Audit Audit costs represent the allocation of the Department of Audit, based on audit hours and departmental expenditures.

Budget Budget costs are allocated based on departmental expenditures.

Carryforward Charge Each year the Cost Allocation Plan is compared to the budgeted estimate. Any variance is returned to departments in the next budgeted year. The 2017 variance is included in 2019 budget year.

Central Service Allocation 2019		
2017 Actual Costs	2017 Carryforward	2019 Plan Amount

DHHS-BEHAVIORAL HEALTH DIVISION \$ 2,172,946 \$ 243,947 \$ 2,416,893

Expense Category:	County Department:	BHD	County	% BHD
AUDIT	Audit	\$ 404,181	\$ 2,185,785	18.5%
HUMAN RESOURCES	Personnel	\$ 713,221	\$ 5,483,813	13.0%
	Labor Relations	\$ 548	\$ 4,218	13.0%
	Payroll/Hris	\$ 409,784	\$ 3,150,747	13.0%
PROCUREMENT	Procurement	\$ 104,419	\$ 1,459,471	7.2%
	Accounts Payable	\$ 40,224	\$ 578,101	7.0%
	Treasurer	\$ 64,348	\$ 858,340	7.5%
ACCOUNTING	County-Wide Audit	\$ 63,291	\$ 405,598	15.6%
	Central Accounting	\$ 114,783	\$ 735,590	15.6%
	Central Capital	\$ 59,351	\$ 380,350	15.6%
BUDGET	Budget	\$ 198,796	\$ 1,273,986	15.6%
		\$ 2,172,946	\$ 16,515,999	13.2%

	BHD	County	% BHD
Number of Employees	532	4,201	12.7%
Expenditures	\$ 192,763,210	\$ 1,354,070,623	14.2%

BHD RESERVES:

	Year End	Year End	2017	Year End	2018	Projected
	12/31/2015	12/31/2016	Contribution	12/31/2017	Projected	Projected
					Contribution	Balance
0904 Wrap Reserve	2,310,717	6,860,245	1,427,993	8,288,238	381,703	8,669,941
0906 Capital Reserve	1,180,000	3,540,000	1,180,000	4,720,000		4,720,000
0905 Surplus Reserve	13,719,328	19,568,857	1,744,030	21,312,887	525,675	21,838,562
Total Reserves	17,210,046	29,969,101	4,352,023	34,321,124	907,378	35,228,502

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: February 27, 2019

TO: Maria Perez, Finance Committee Chair – 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: **Report from the Director, Department of Health and Human Services,
Submitting an Informational Report on a 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, 2017, 2016, and 2015 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.



Mary Jo Meyers, Director
Department of Health and Human Services

COUNTY OF MILWAUKEE

Milwaukee, Wisconsin

WRAPAROUND MILWAUKEE INCURRED YEAR FINANCIAL REPORTING SUMMARY

Including Independent Auditors' Report

For the Years Ended December 31, 2017, 2016 and 2015

COUNTY OF MILWAUKEE

TABLE OF CONTENTS For the Years Ended December 31, 2017, 2016 and 2015

Independent Auditors' Report	1 – 2
Financial Report	3 – 11
Notes to the Financial Report	12

INDEPENDENT AUDITORS' REPORT

To the Milwaukee County Mental Health Board
and to the Management of the Milwaukee
County Department of Health and Human
Services and Behavioral Health Division
Milwaukee, Wisconsin

Report on the Financial Report

We have audited the accompanying Wraparound Milwaukee Incurred Year Financial Reporting Summary – Exhibits 3 and 4 of the County of Milwaukee, Wisconsin, for each of the three years ended December 31, 2017, 2016 and 2015, and the related notes (the financial report).

Management's Responsibility for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the historical summaries that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial report referred to above presents fairly, in all material respects, the total claim payments to providers and administrative expenses described in Note I of the Notes to the Financial Report for each of the three years ended December 31, 2017, 2016 and 2015, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note I to the financial report, which describes that the accompanying financial report was prepared for the purpose of complying with CMS Citation 438.3(m) and is not intended to be a complete presentation of the County of Milwaukee's revenues and expenses. Our opinion is not modified with respect to this matter.

Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin
January 30, 2019

FINANCIAL REPORT

Wisconsin Department of Health Services
Wraparound Milwaukee Incurred Year Financial Reporting
Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 2/28/2018
Version Summary

Version 1	Initial version
Version 2	Changed reporting dates, updated member months in Exhibit 2 to report the numbers included versus exclude from state capitation, updated the columns in Exhibits 3 and 4 to identify services fully covered, partially covered, and not covered by state capitation, added Treatment Foster Home and case management / care coordination to Exhibit 3, added the Exhibit 5 blank documentation tab, locked model so only the green input cells and Exhibit 5 documentation tab can be completed, and made other minor updates.
Version 3	Changed reporting dates, added flexibility to labels for CY or SFY reporting, added waived member cost sharing and a claims allocation description box in Exhibit 3, added more detailed rows in Exhibit 4, added an Exhibit 6 tab to compare to financial statements, added MLR calculation in Exhibit 7, clarified some instructions (claims reserves or recovery estimates, administrative expenses for sub-capitated contracts, and specific WAM services provided by Milwaukee County staff), and other minor updates.

Wisconsin Department of Health Services
 Wraparound Milwaukee Incurred Year Financial Reporting
 Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 2/28/2018
 Instructions

The purpose of this template is to capture incurred year financial information for the CCF and WAM program as contracted entities with the Wisconsin Department of Human Services.

- 1 Financial information should be completed with claims paid through February 28, 2018 and submitted to DHS by March 23, 2018 to be used for SFY 2019 rate development. Preferably, we would like state fiscal year (i.e., July to June) information entered for the years ending 2015, 2016 and 2017. However, calendar year information can be entered, if needed, by entering 'CY' in cell B31 of Exhibit 1. Prior year amounts (i.e., 2015 and 2016) only need to be re-submitted if there are changes from the prior financial template submitted.
- 2 Submit completed electronic copies to the BFM email box: (DHSDHCAABFM@dhs.wisconsin.gov).
- 3 Only enter information in cells that are shaded green with blue text.
- 4 The data used to create these reports should be stored and may be audited by DHS.
- 5 Version tab tracks each version of the file used.
- 6 In the Exhibit 1 certification statement, fill in the organization name, CEO or CFO information and signature. Signatures can be handled in two ways. Exhibit 1 can be signed and submitted electronically in PDF format separately from the Excel file. Alternatively, the Exhibit 1 tab may contain an electronic signature with only that tab password protected. This tab also contains the preparer's information and assigns the reporting period (including state fiscal year versus calendar year) for the other tabs. In subsequent years, the dates on this tab can be updated to reflect future reporting time periods. You may also add notes
- 7 In Exhibit 2, enter incurred year member months for members covered versus not covered under state capitation, revenue by various groupings, and surplus by year, along with the methodology used for any
- 8 In Exhibit 3, enter incurred year claims by various groupings by year for services covered under the state capitation versus services not covered under the state capitation. The incurred year is the service year of the claim regardless of when the claim was paid. Enter claims net of any third party liability. Include any estimates for claim reserves or future recoveries (e.g., subrogation) for the incurred year, as appropriate, based on historical results and document any of these amounts in Exhibit 5. Please use the following definitions:
 - Internal Department Cost Allocation: These are claim costs allocated from internal providers employed by CCF or WAM (e.g., based on time).
 - A related party is an entity that is associated with the HMO by any form of common, privately held ownership, control, or investment (e.g., another government agency).
 - Related Party Cost Allocation: These are claim costs allocated from related parties.
 - Related Party Fee-For-Service (FFS) Claims: These are claims paid to related parties based on services incurred.
 - Related Party Sub-Capitated Claims: These are claims where a related party receives a fixed amount (e.g., an amount per member per month) to take the financial risk of the actual claims incurred. Claim amounts should exclude any portion of sub-capitation for administrative expenses. Any administrative expense portion should be excluded from Exhibit 3 and reported in Exhibit 4.
 - External Provider FFS Claims: These are claims paid to external providers based on services incurred.
 - External Provider Sub-Capitated Claims: These are claims where an external provider receives a fixed amount to take the financial risk of actual claims incurred. Claim amounts should exclude any portion of sub-capitation for administrative expenses. Any administrative expense portion should be excluded from Exhibit 3 and reported in Exhibit 4.

Waived member cost sharing for Medicaid covered benefits should only be reported when cost sharing is intentionally not collected by providers through agreement with CCF or WAM
 WAM specific instructions: Report claims for 'WAM services' (wellness clinic visits, eligibility, and screening by Milwaukee County staff) in the appropriate rows (e.g., internal or related party) in the 'care coordination / case management' and 'other covered services' columns and exclude these amounts from the administrative expense tab.
- 9 In Exhibit 4, enter incurred year administrative expense by year for covered and partially covered services under the state capitation versus services not covered under the state capitation. Please use the following definitions for administrative costs in Exhibit 4, along with generally accepted accounting principles (GAAP):
 - MLR Qualified Care Coordination and Care Management: These are expenses that qualify as activities that improve health care quality in a minimum medical loss ratio (MLR) calculation. The activities must meet the definition in 45CFR158.150(b) from the private insurance MLR rule (which includes 45CFR158.151 related to health information technology) or be specific to Medicaid managed care External Quality Review in 42CFR438 Subpart E. The activities cannot be excluded from 45CFR158.150(c) and cannot specifically be excluded from incurred claims. These are amounts reported in financials as administrative expense.
 - MLR Qualified Taxes, Licensing, and Regulatory Fees: These are expenses defined in Section 438.8(f)(3) in the Medicaid regulations. Community Benefit Expenses can only be reported for plans exempt from federal income taxes and cannot exceed its Wisconsin Medicaid earned premium for the incurred year multiplied by the greater of 3% or the highest premium tax in
 - MLR Qualified Direct Fraud Recovery Expenses: These are expenses directly used to recover fraud related claims and cannot exceed the fraud related claim recoveries. These amounts exclude fraud prevention activities not directly related to the recovery of fraud related claims.
 - Fraud Prevention Activities: These expenses are defined in Section 438.8(e)(4) of the Medicaid regulation. The inclusion of fraud prevention activities is contingent on their inclusion in the commercial market MLR which is currently not allowed. These amounts are excluded from the MLR calculation in this file, however, we are tracking any amounts available in case they can be included in the future. These amounts exclude expenses directly related to the recovery of fraud related claims.
 - Direct Expense: These are expenses directly related to the member. Examples include, but are not limited to, customer service, enrollment, claims administration, and medical management expenses allocated to the Medicaid line of business.
 - Indirect Expense: These are expenses indirectly related to the member and may be considered overall company overhead costs. Examples include, but are not limited to, salaries and benefits for the CEO, human resources, accounting, actuarial, and legal expenses allocated to the Medicaid line of business. Facility Related Costs include costs such as rent, utilities, janitorial, maintenance, and depreciation allowed under accounting standards.
 - Other (please explain): These are administrative expenses that do not fit into one of the other categories. Please explain any amounts entered into this category.

Also, enter the methodology used for any administrative expense allocations.
- 10 Please use the Exhibit 5 tab, as needed, to enter any documentation or calculations since the template is locked except for the cells shaded green throughout the template and the Exhibit 5 tab. Use of the Exhibit 5 tab is optional.
- 11 Please use the Exhibit 6 tab to compare the financial template results for member months, revenue, claims, and administrative expenses to financial statements and explain any material differences. Preferably, audited GAAP financial statements should be used. Please document any alternative financial statement type used.
- 12 Exhibit 7 shows medical loss ratio results. We included residential cost center (RCC) and treatment foster home (TFH) Medicaid coverage percentages in this exhibit, which are both currently set to the draft 2016 RCC cost report results based on the files DHS provided to us on December 12, 2017. We will update these values as needed. We summarized MLR amounts and incorporated the Medicaid credibility

Exhibit 1
Wisconsin Department of Health Services
Wraparound Milwaukee Incurred Year Financial Reporting
Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 2/28/2018
Certification Statement

After conducting a reasonably diligent review of the data, documentation and information, I attest that it is accurate, complete and truthful. I understand that whoever knowingly and willfully makes or causes to be made a false statement or representation on the reports may be prosecuted under the applicable state laws. In addition, knowingly and willfully failing to fully and accurately disclose the information requested may result in denial of a request to participate, or where the entity already participates, a termination of a Plan's agreement or contract with the Wisconsin Department of Human Services (DHS). Failure to sign a Certification Statement may result in DHS non-acceptance of the attached reports.

Organization: Wraparound Milwaukee
By: Program Administrator Brian McBride 4/13/2018
Print name **Date**
, Interim Director 414-257-7158
Signature & Title **Phone number**

Preparer's Contact Information:

Name Greg Flegel
Title Sr Revenue Analyst
Email greg.flegel@milwaukeecountywi.gov
Phone # 414-257-6717

Years of Financial Data to Include:

Year 1 2015
Year 2 2016
Year 3 2017
Paid Through 2/28/2018
Enter CY (Calendar Year) or SFY (State Fiscal Year) CY

Add notes for any exhibit in the box below:

Reported by Calendar year: 1/1 to 12/31

Exhibit 2
 Wisconsin Department of Health Services
 Wraparound Milwaukee Incurred Year Financial Reporting
 Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 2/28/2018
 Member Months

	CY 2015	CY 2016	CY 2017
Member Months			
(1) Covered by State Capitation	13,254	13,895	13,688
(2) Not Covered by State Capitation	654	840	999
(3)=(1)+(2) Total Member Months	13,908	14,735	14,687
Revenue For Services Covered by State Capitation:			
(4) Capitation Revenue	\$25,276,510	\$27,330,362	\$28,162,359
(5) Other Revenue Sources (Please Explain) ¹			
(6)=(4)+(5) Subtotal Revenue For Services Under State Capitation	\$25,276,510	\$27,330,362	\$28,162,359
Revenue For Services Not Covered by State Capitation:			
(7) Crisis Intervention	\$10,643,337	\$13,433,147	\$13,405,944
(8) Other Revenue Sources	\$19,181,212	\$17,426,670	\$14,488,723
(9)=(7)+(8) Subtotal Revenue For Services Not Covered Under State Capitation	\$29,824,549	\$30,859,818	\$27,894,668
(10)=(6)+(9) Total Revenue	\$55,101,059	\$58,190,180	\$56,057,027
(11) Surplus as of CY End	\$183,604	\$516,616	\$1,427,993

¹For "other" revenue associated with covered services under the state capitation (including any reinsurance offsets to premium), provide a description of each revenue source and its amount by year:

(7) CRISIS INTERVENTION: Wraparound has only billed through July of 2017 and is estimating the annualized yearly total based on the first 7 months of payments. Annualized = YTD*12/7
 (8) OTHER REVENUE SOURCES: The Division of Milwaukee Child Protective Services and The Delinquency and Court Services Division (DCSD) pay Wraparound Milwaukee on a case-rate basis for youth under court orders: 2015 \$8,392,188; 2016 \$7,121,164; 2017 \$5,142,874
 WAM also reports revenue from the CHIPS program as OTHER: 2015 \$10,789,024; 2016 \$10,305,506; 2017 \$9,345,850

Provide a description of how any revenues were allocated between various components:

Revenue reported based on Medicaid Eligible percentage of clients. This impacts row 20, (8) Other Revenue Sources: 2015 = 95.3%, 2016 = 94.3%, 2017 = 93.2%. Revenue is allocated by date of service provided, regardless of date of payment.

EXHIBIT 3
Wisconsin Department of Health Services
Wraparound Milwaukee Incurred Year Financial Reporting
Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 2/28/2018
Claim Payments to Providers Net of Third Party Liability

	Services Fully Covered by State Capitation				Services Partially Covered by State Capitation			Services Not Covered by State Capitation				Total	Cost Sharing for Medicaid Covered Benefits	
	Care Coordination / Case Management ¹	Other Covered Services ¹	Peer Specialist In Lieu Of Services	Other In Lieu of Services (Please Explain) ²	Subtotal	Residential Care Centers (RCC)	Treatment Foster Home (TFH)	Subtotal	Group Home	Crisis Intervention	Other Non-Covered Services			Subtotal
CY 2015:														
Internal Department Cost Allocation					\$0			\$0				\$720,151	\$720,151	
Related Party Cost Allocation					\$0			\$0		\$683,353	\$1,988,446	\$635,413	\$3,307,213	\$3,307,213
Related Party Fee-For-Service (FFS) Claims					\$0			\$0				\$0	\$0	\$0
Related Party Sub-Capitated Claims					\$0			\$0				\$0	\$0	\$0
External Provider FFS Claims	\$11,716,504	\$5,410,045	\$3,261		\$17,129,810	\$10,895,482	\$3,162,758	\$14,058,240	\$4,868,722	\$6,492,684	\$2,448,132	\$13,809,538	\$44,997,588	
External Provider Sub-Capitated Claims					\$0			\$0				\$0	\$0	\$0
Total	\$11,716,504	\$5,410,045	\$3,261	\$0	\$17,129,810	\$10,895,482	\$3,162,758	\$14,058,240	\$5,552,075	\$9,201,282	\$3,083,545	\$17,836,902	\$49,024,952	\$0
CY 2016:														
Internal Department Cost Allocation					\$0			\$0				\$674,438	\$674,438	\$674,438
Related Party Cost Allocation					\$0			\$0		\$732,338	\$2,391,970	\$689,845	\$3,814,153	\$3,814,153
Related Party Fee-For-Service (FFS) Claims					\$0			\$0				\$0	\$0	\$0
Related Party Sub-Capitated Claims					\$0			\$0				\$0	\$0	\$0
External Provider FFS Claims	\$12,257,245	\$5,877,284	\$65,976		\$18,200,505	\$8,821,727	\$2,988,426	\$11,810,153	\$4,179,638	\$7,170,256	\$2,869,796	\$14,219,690	\$44,230,348	
External Provider Sub-Capitated Claims					\$0			\$0				\$0	\$0	\$0
Total	\$12,257,245	\$5,877,284	\$65,976	\$0	\$18,200,505	\$8,821,727	\$2,988,426	\$11,810,153	\$4,911,977	\$10,236,654	\$3,559,840	\$18,708,281	\$48,718,939	\$0
CY 2017:														
Internal Department Cost Allocation					\$0			\$0				\$677,165	\$677,165	\$677,165
Related Party Cost Allocation					\$0			\$0		\$1,289,726	\$603,763	\$1,893,488	\$1,893,488	\$1,893,488
Related Party Fee-For-Service (FFS) Claims					\$0			\$0				\$0	\$0	\$0
Related Party Sub-Capitated Claims					\$0			\$0				\$0	\$0	\$0
External Provider FFS Claims	\$11,842,398	\$6,261,218	\$63,951		\$18,167,567	\$7,865,794	\$3,115,497	\$10,981,291	\$4,019,195	\$5,926,207	\$3,034,710	\$12,980,112	\$42,128,970	
External Provider Sub-Capitated Claims					\$0			\$0				\$0	\$0	\$0
Total	\$11,842,398	\$6,261,218	\$63,951	\$0	\$18,167,567	\$7,865,794	\$3,115,497	\$10,981,291	\$4,019,195	\$7,893,097	\$3,638,473	\$15,550,765	\$44,699,623	\$0

¹ WAM specific instructions. Include amounts for services performed by Milwaukee County staff (wellness clinic visits, eligibility, and screening) in the appropriate rows (e.g., internal or related party) in the 'care coordination / case management' and 'other covered services' columns and exclude these amounts from the administrative encounter data.
² For "other" claims associated with services covered by the state capitation (including any reinsurance recoveries), provide a description of each claim source and its amount by year.

NOTE: WITH THE EXCEPTION OF EXTERNAL PROVIDER FFS CLAIMS, amounts are reported using the TOTAL payments for the year times the average Medicaid-eligible percentage each year: 2015 - 95.3%, 2016 - 94.3%, 2017 - 93.2%. One-hundred percent of External Provider FFS Claims were included, as 100% of reported encounter data is for Medicaid-eligible enrollees, for months specific to each enrollee's eligibility. See sheet Exhibit 5-Documentation for the specifics as to which costs are included in each category. The Other Covered Services category includes those coded with "MA" in Exhibit 5.

Provide a description of how any claims were allocated between various components.
 NOTE: WITH THE EXCEPTION OF EXTERNAL PROVIDER FFS CLAIMS, amounts are reported using the TOTAL payments for the year times the average Medicaid-eligible percentage each year: 2015 - 95.3%, 2016 - 94.3%, 2017 - 93.2%. One-hundred percent of External Provider FFS Claims were included, as 100% of reported encounter data is for Medicaid-eligible enrollees, for months specific to each enrollee's eligibility. Lines for "External Provider FFS Claims" reflect Encounter Data. DHS advised WAM to also include services that are not reflected in Encounter Data where they are Not Covered by State Capitation. These amounts include:

- 1) Related Party Cost Allocation, Crisis includes staffing on our Children's Mobile Crisis Team by contracted staff
- 2) Related Party Cost Allocation, Other Non-Covered Services includes costs for Owen's Place (a drop-in center), Families United (our family advocacy organization), the SEA group (our educational advocacy group), guarantees for Journey House (a housing option for our enrollees) and day treatment services provided to...

Exhibit 4
 Wisconsin Department of Health Services
 Wraparound Milwaukee Incurred Year Financial Reporting
 Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 2/28/2018
 Administrative Expenses

Administrative Expense Categories	Services Fully Covered by State Capitation			Services Partially Covered by State Capitation			Services Not Covered by State Capitation			Total		
	CY 2015	CY 2016	CY 2017	CY 2015	CY 2016	CY 2017	CY 2015	CY 2016	CY 2017	CY 2015	CY 2016	CY 2017
MLR Qualified Quality Improvement Expense										\$0	\$0	\$0
MLR Qualified Taxes, Licensing, and Regulatory Fees:												
Licensing and Regulatory Fees												
Community Benefit Expenses ¹										\$0	\$0	\$0
Other										\$0	\$0	\$0
MLR Qualified Direct Fraud Recovery Expenses ²										\$0	\$0	\$0
Fraud Prevention Activities										\$0	\$0	\$0
Sales and Marketing										\$0	\$0	\$0
Direct Expense:										\$0	\$0	\$0
Care Management (not already reported in claims)	\$750,714	\$996,263	\$1,000,320							\$750,714	\$996,263	\$1,000,320
Claims Administration	\$121,412	\$132,509	\$121,469	\$92,006	\$79,601	\$68,064	\$116,736	\$126,094	\$96,387	\$330,153	\$338,203	\$285,919
Customer Service										\$0	\$0	\$0
Enrollment	\$31,046	\$48,583	\$52,259	\$23,526	\$29,173	\$29,283	\$29,850	\$46,212	\$41,468	\$84,422	\$123,947	\$123,010
Other	\$576,725	\$531,355	\$564,740	\$437,041	\$319,196	\$316,448	\$554,511	\$505,633	\$448,127	\$1,568,277	\$1,356,185	\$1,329,315
Indirect Expense:												
Accounting and Finance	\$28,277	\$57,834	\$130,776	\$21,428	\$34,742	\$73,280	\$27,187	\$55,035	\$103,773	\$76,892	\$147,612	\$307,829
Executive	\$185,143	\$295,049	\$327,405	\$140,301	\$177,242	\$183,459	\$178,012	\$280,766	\$259,799	\$503,457	\$753,057	\$770,663
Compliance and Legal										\$0	\$0	\$0
Facility Related Costs	\$48,726	\$107,662	\$136,417	\$36,924	\$64,675	\$76,496	\$46,849	\$102,450	\$108,328	\$132,500	\$274,787	\$321,341
Human Resources										\$0	\$0	\$0
Information Technology	\$229,771	\$221,862	\$223,550	\$174,120	\$133,277	\$125,265	\$220,921	\$211,122	\$177,389	\$624,813	\$566,262	\$526,205
Provider Network Management	\$258,178	\$419,411	\$628,337	\$195,647	\$251,949	\$352,085	\$248,234	\$399,108	\$498,592	\$702,060	\$1,070,467	\$1,479,015
Other	\$12,146	\$11,704	\$38,026	\$9,204	\$7,031	\$21,308	\$11,678	\$11,137	\$30,174	\$33,027	\$29,872	\$89,507
Other (please explain) ³										\$0	\$0	\$0
Total Administrative Expense	\$2,242,139	\$2,822,211	\$3,223,399	\$1,130,197	\$1,096,885	\$1,245,688	\$1,433,979	\$1,737,558	\$1,764,036	\$4,806,315	\$5,656,655	\$6,233,123

¹ Community Benefit Expenses can only be reported for plans exempt from federal income taxes and cannot exceed its Wisconsin Medicaid earned premium for the incurred year multiplied by the greater of 3% or the highest premium tax in Wisconsin.

² MLR Qualified Direct Fraud Recovery Expenses are expenses directly used to recover fraud related claims and cannot exceed fraud related claim recoveries.

³ Please describe any "Other" administrative expense in the comment box below.

"Other" Administrative Expense Description:

Description of Methodologies Used to Allocate Administrative Expense Expenditures:

Direct Admin Expenses are from WAM records for services plus Milw Co Payroll records. Expenses related to internal milw Co staff include Fringe benefits. These expenses were multiplied by the Medicaid Eligible % of clients per year. 2015 95.3%, 2016 94.3%, 2017 93.2%. Subtracted the amount of WAM Services included in tab Exh 3 Claims.

The category Direct Expense: Care Management (row 18) includes the following Fully Covered services provided directly to clients.

These are WAM Services that were not included in Encounter data: 1) Internal Dept Cost including Wellness Clinic and Eligibility/Screening assessments done by Milwaukee County staff, 2) Related Party Cost Allocation including Care Coordination/Case Management includes contracted Screening and Assessment staff as well as Clinical Consultants.

All other Expenses on this tab were then allocated to "Fully Covered", "Partially Covered", and "Not Covered" based on the % of direct service expenses in each category in Exh 3 + row 18 of Exh 4

Services Fully Covered Services Partially Covered Services Not Covered
 2015 2016 2017 2015 2016 2017 2015 2016 2017

Worksheet
 Worksheet: Department of Health Services
 Washington State Medicaid Reimbursement Financial Reporting
 Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 12/31/2018

Please use this tab as needed to enter any documentation or calculations since the template is locked except for the cells shaded green throughout the template and the Exhibit 5 tab. Use of this tab is optional.

For service months between 1/1/2015 and 12/31/2017

CC	5000H	Care Coordination-Lead	Column C	Care Coordination/Case Management
CC	5000I	Care Coordination-Lead-BA(BS)	Column C	Care Coordination/Case Management
CC	5000J	Care Coordination-Daily	Column C	Care Coordination/Case Management
CC	5000F	Care Coordination-Masters Level	Column C	Care Coordination/Case Management
CC	5000G	Care Coordination-Masters Level-Lead	Column C	Care Coordination/Case Management
CC	5000E	Care Coordination-REACH	Column C	Care Coordination/Case Management
CC	5000	Crisis Bed-Foster Home	Column D	Care Coordination/Case Management
CC	5002	Crisis Bed-Group Home	Column D	Care Coordination/Case Management
CC	5009	Enrollment Screening	Column C	Care Coordination/Case Management
CC	5006A	Transitional Specialist Care Coordination-Masters	Column C	Care Coordination/Case Management
CC	5006B	Transitional Specialist Care Coordination-Masters Level	Column C	Care Coordination/Case Management
CC	5006	Transitional Specialist-Care Coordination	Column C	Care Coordination/Case Management
CC	5004	Trans. Foster Care-Care Coordination	Column C	Care Coordination/Case Management
MA	5050B	Anger Management Group	Column D	Other Covered Services
MA	5001	ADDA Assessment	Column D	Other Covered Services
MA	5111	ADDA Group Counseling	Column D	Other Covered Services
MA	5101	ADDA Individual/Family Counseling	Column D	Other Covered Services
MA	5103	ADDA Lab and Medical Services	Column D	Other Covered Services
MA	5002A	Assessments-M.D.	Column D	Other Covered Services
MA	5172	Day Treatment (Medicaid-day)	Column D	Other Covered Services
MA	5120	Group Counseling and Therapy	Column D	Other Covered Services
MA	5120B	Group Counseling and Therapy-GTT	Column D	Other Covered Services
MA	5113B	Health and Behavior Consultation, Ongoing	Column D	Other Covered Services
MA	5113A	Health and Behavior Initial Assessment	Column D	Other Covered Services
MA	5132	High Risk Counseling and Therapy	Column D	Other Covered Services
MA	5163	Home-Based Behavioral Mgmt-Lead	Column D	Other Covered Services
MA	5164	Home-Based Behavioral Mgmt-Technician	Column D	Other Covered Services
MA	5113A	Individual/Family Therapy-Care Coordination/Office	Column D	Other Covered Services
MA	5100	Individual/Family Therapy-Office	Column D	Other Covered Services
MA	5100T	Individual/Family Therapy-Office (GTT)	Column D	Other Covered Services
MA	5100A	Individual/Family Training and Support Services	Column D	Other Covered Services
MA	5167	In-Home ADDA/Substance Abuse Counseling	Column D	Other Covered Services
MA	5161	In-Home Case Aide	Column D	Other Covered Services
MA	5160	In-Home Lead Medicated	Column D	Other Covered Services
MA	5160B	In-Home Lead Medicated	Column D	Other Covered Services
MA	5153	Occupational Therapy	Column D	Other Covered Services
MA	5155	Psych Hosp-ER Visit	Column D	Other Covered Services
MA	5150	Psychiatric Hospital	Column D	Other Covered Services
MA	5050	Psychiatric Inpatient/Res	Column D	Other Covered Services
MA	5051	Psychiatric Respite/Meds-with Therapy	Column D	Other Covered Services
MA	5180B	Psychological Eval. Extended-Ph.D.	Column D	Other Covered Services
MA	5180A	Psychological Evaluation Services-Ph.D.	Column D	Other Covered Services
MA	5150	School/Community Based Mental Health Services	Column D	Other Covered Services
MA	5130	Special Therapy	Column D	Other Covered Services
MA	5131	Special Therapy-Group	Column D	Other Covered Services
PS	5130	Certified Peer Specialist	Column E	Peer Specialist in Lieu of services
RCC	5140	Residential Care Center for Children & Youth	Column I	Residential Care Center
RCC	5145	Residential Care-Specialized	Column I	Treatment Foster Care
HC	5100A	Foster Home Care-2nd Child	Column I	Residential Care Center
HC	5111	Trans. Foster Care (Agency)	Column I	Residential Care Center
HC	5111C	Treatment Foster Care, Safe Home	Column I	Residential Care Center
WAM Servc	5005	Assessment for Enrollment	Column C	Care Coordination / Case Management
WAM Servc	5005A	Assessments-MD	Column C	Care Coordination / Case Management
WAM Servc	5005B	Assessments-MD	Column C	Care Coordination / Case Management
WAM Servc	5020	Group Therapy	Column C	Care Coordination / Case Management
WAM Servc	5050	Psychiatric Respite/Meds	Column C	Care Coordination / Case Management
WAM Servc	5050	Psychiatric Respite-Meds	Column C	Care Coordination / Case Management
GH	5400	Group Home Care	Column M	Group Home
GH	5402	Group Home-Specialized	Column M	Group Home
GH	5500	Crisis Bed-Foster Home	Column N	Crisis Intervention
GH	5502	Crisis Bed-Group Home	Column N	Crisis Intervention
GH	5503C	Crisis Services, Specialized (grts)	Column N	Crisis Intervention
GH	5503	Crisis Stabilization / Supervision	Column N	Crisis Intervention
GH	5503B	Crisis Stabilization / Supervision -BA/BS/HS	Column N	Crisis Intervention
GH	5503E	Mentoring, Specialized	Column N	Crisis Intervention
GH	5503F	Mentoring, Specialized-BA/MA	Column N	Crisis Intervention
OTHER	5406	Adult Family Home	Column O	Other Non Covered Services
OTHER	5302	After School Programs	Column O	Other Non Covered Services
OTHER	5302A	Afternoon Program	Column O	Other Non Covered Services
OTHER	5315	BISS Program	Column O	Other Non Covered Services
OTHER	5361	Daily Living Skills-Individual	Column O	Other Non Covered Services
OTHER	5370	Day Treatment	Column O	Other Non Covered Services
OTHER	5374	Day Treatment Specialized (non-medicaid)	Column O	Other Non Covered Services
OTHER	5340	Discretionary Funds	Column O	Other Non Covered Services
OTHER	5372C	Employment Preparation and Placement-Phase Two	Column O	Other Non Covered Services
OTHER	5390	Foster Home Care	Column O	Other Non Covered Services
OTHER	5395A	Foster Home Care-2nd Child	Column O	Other Non Covered Services
OTHER	5421	Foster Home Pre-Placement Visit	Column O	Other Non Covered Services
OTHER	5390	House Mgmt Services	Column O	Other Non Covered Services
OTHER	5395A	Housing Assistance-Phase One	Column O	Other Non Covered Services
OTHER	5395C	Housing Assistance-Phase Three	Column O	Other Non Covered Services
OTHER	5395B	Housing Assistance-Phase Two	Column O	Other Non Covered Services
OTHER	5403	Interpreter Services	Column O	Other Non Covered Services
OTHER	5392	Kitchen Care	Column O	Other Non Covered Services
OTHER	5363B	Life Skills Training-Individual	Column O	Other Non Covered Services
OTHER	5324	Mentoring	Column O	Other Non Covered Services
OTHER	5334	Meeting	Column O	Other Non Covered Services
OTHER	5361	On the Job Training	Column O	Other Non Covered Services
OTHER	5322	Parent Assistance	Column O	Other Non Covered Services
OTHER	5323A	Parent Assistance	Column O	Other Non Covered Services
OTHER	5315	Parent Coaching	Column O	Other Non Covered Services
OTHER	5315B	Parent Coaching (non face to face)	Column O	Other Non Covered Services
OTHER	5350A	Parent Correctional Facility Visit	Column O	Other Non Covered Services
OTHER	5350C	Parent Correctional Facility Visit-Orientation	Column O	Other Non Covered Services
OTHER	5390	Permanency Services, Intensive	Column O	Other Non Covered Services
OTHER	5313	Placement Stabilization Center	Column O	Other Non Covered Services
OTHER	5326	Recursion Programming-Full Day	Column O	Other Non Covered Services
OTHER	5411	Respite, Foster care	Column O	Other Non Covered Services
OTHER	5410	Respite, Hourly	Column O	Other Non Covered Services
OTHER	5412	Respite, Residential	Column O	Other Non Covered Services
OTHER	5413	Respite-Crisis-ODUS	Column O	Other Non Covered Services
OTHER	5303	Shelter Care (Boys)	Column O	Other Non Covered Services
OTHER	5306	Shelter Care (Girls)	Column O	Other Non Covered Services
OTHER	5366A	Supported Indep Living-Phase I	Column O	Other Non Covered Services
OTHER	5366C	Supported Indep Living-Youth and Parent	Column O	Other Non Covered Services
OTHER	5364	Supported Independent Living	Column O	Other Non Covered Services
OTHER	5310	Target Case Mgmt / SAIL Service	Column O	Other Non Covered Services
OTHER	5376A	tax - American United Taxpayers Show	Column O	Other Non Covered Services
OTHER	5376	tax - American United Taxpayers Service	Column O	Other Non Covered Services
OTHER	5377	transportation	Column O	Other Non Covered Services
OTHER	5378	transportation-Mileage	Column O	Other Non Covered Services
OTHER	5379	transportation-Additional Passenger	Column O	Other Non Covered Services
OTHER	5323A	transportation-Plan Meeting Attendance	Column O	Other Non Covered Services
OTHER	5321	utor	Column O	Other Non Covered Services
OTHER	5321A	utor	Column O	Other Non Covered Services
OTHER	5704	Wash Relationships Building-A.S.A.P.	Column O	Other Non Covered Services
Care Coord	5000H	Care Coordination-Lead-BA(BS)	Column C	Care Coordination/Case Management
Care Coord	5000I	Care Coordination-Daily	Column C	Care Coordination/Case Management
Care Coord	5000F	Care Coordination-Masters Level	Column C	Care Coordination/Case Management
Care Coord	5000G	Care Coordination-Masters Level-Lead	Column C	Care Coordination/Case Management
Care Coord	5000E	Care Coordination-REACH	Column C	Care Coordination/Case Management
Care Coord	5009	Enrollment Screening	Column C	Care Coordination/Case Management
Care Coord	5006A	Transitional Specialist Care Coordination-Masters	Column C	Care Coordination/Case Management
Care Coord	5006B	Transitional Specialist Care Coordination-Masters Level	Column C	Care Coordination/Case Management
Care Coord	5006	Transitional Specialist-Care Coordination	Column C	Care Coordination/Case Management
Care Coord	5004	Trans. Foster Care-Care Coordination	Column C	Care Coordination/Case Management
Covered Ser	5050B	Anger Management Group	Column D	Other Covered Services
Covered Ser	5001	ADDA Assessment	Column D	Other Covered Services
Covered Ser	5101	ADDA Individual/Family Counseling	Column D	Other Covered Services
Covered Ser	5103	ADDA Lab and Medical Services	Column D	Other Covered Services
Covered Ser	5002A	Assessments-M.D.	Column D	Other Covered Services
Covered Ser	5172	Day Treatment (Medicaid-day)	Column D	Other Covered Services
Covered Ser	5120	Group Counseling and Therapy	Column D	Other Covered Services
Covered Ser	5120A	Group Counseling and Therapy-GTT	Column D	Other Covered Services
Covered Ser	5113	High Risk Counseling and Therapy	Column D	Other Covered Services
Covered Ser	5163	Home-Based Behavioral Mgmt-Lead	Column D	Other Covered Services
Covered Ser	5164	Home-Based Behavioral Mgmt-Technician	Column D	Other Covered Services
Covered Ser	5113A	Individual/Family Therapy-Care Coordination/Office	Column D	Other Covered Services
Covered Ser	5100	Individual/Family Therapy-Office	Column D	Other Covered Services
Covered Ser	5100T	Individual/Family Therapy-Office (GTT)	Column D	Other Covered Services
Covered Ser	5100A	Individual/Family Training and Support Services	Column D	Other Covered Services
Covered Ser	5167	In-Home ADDA/Substance Abuse Counseling	Column D	Other Covered Services
Covered Ser	5161	In-Home Case Aide	Column D	Other Covered Services
Covered Ser	5160	In-Home Lead Medicated	Column D	Other Covered Services
Covered Ser	5160B	In-Home Lead Medicated	Column D	Other Covered Services
Covered Ser	5153	Psych Hosp-ER Visit	Column D	Other Covered Services
Covered Ser	5150	Psychiatric Hospital	Column D	Other Covered Services
Covered Ser	5050	Psychiatric Inpatient/Res	Column D	Other Covered Services
Covered Ser	5051	Psychiatric Respite/Meds-with Therapy	Column D	Other Covered Services
Covered Ser	5180B	Psychological Eval. Extended-Ph.D.	Column D	Other Covered Services
Covered Ser	5180A	Psychological Evaluation Services-Ph.D.	Column D	Other Covered Services
Covered Ser	5150	School/Community Based Mental Health Services	Column D	Other Covered Services
Crisis Interv	5300	Crisis Bed-Foster Home	Column N	Crisis Intervention
Crisis Interv	5302	Crisis Bed-Group Home	Column N	Crisis Intervention
Crisis Interv	5303	Crisis Stabilization / Supervision	Column N	Crisis Intervention
Crisis Interv	5303B	Crisis Stabilization / Supervision -BA/BS/HS	Column N	Crisis Intervention
Crisis Interv	5303E	Mentoring, Specialized	Column N	Crisis Intervention
Crisis Interv	5303F	Mentoring, Specialized-BA/MA	Column N	Crisis Intervention
Foster Care	5300A	Foster Home Care-2nd Child	Column I	Residential Care Center
Foster Care	5311	Trans. Foster Care (Agency)	Column I	Residential Care Center
Foster Care	5311C	Treatment Foster Care, Safe Home	Column I	Residential Care Center
Foster Care	5313C	Treatment Foster Care, Safe Home	Column I	Residential Care Center
Group Home	5400	Group Home Care	Column M	Group Home
Group Home	5402	Group Home-Specialized	Column M	Group Home
Peer Specia	5130	Certified Peer Specialist	Column E	Peer Specialist in Lieu of services
Residential	5140	Residential Care Center for Children & Youth	Column I	Residential Care Center
Residential	5145	Residential Care-Specialized	Column I	Residential Care Center

Income and Expense	2016 Actual	2016 Actual	2017 Actual	WAM Template Ref	2016 Template	2016 Template	2017 Template	Medical Eligible adjustments
WRAP Client Services Costs to Claims	25,077,387	26,132,327	29,994,498		48,024,952	45,715,939	44,699,623	2016 Template
Expenditures to Administrative Expenses	2,131,786	2,028,672	1,730,233		4,806,315	5,656,655	8,232,123	2016 Template
Legacy Healthcare and Pension	88,258,184	1,178,586	1,351,818					2016 Template
Other Revenue	8,117,133	7,178,586	3,443,573					2016 Template
Total Expenditures	116,683,649	117,418,172	135,519,122		55,831,267	54,375,593	60,932,746	
Capitation Revenue	25,077,387	26,132,327	29,994,498	Exh 2	25,278,510	27,330,382	28,162,389	2016 Template
Cross Intervention Revenue	10,248,827	14,217,280	13,423,147	Exh 2	10,243,237	13,423,147	13,423,147	2016 Template
Other Revenue to CHPS REV & Delinquency	11,252,656	11,069,054	10,862,991	Exh 2	19,181,212	17,420,870	14,488,723	2016 Template
Other Revenue	2,131,786	1,474,531	1,818,881	N/A				2016 Template
Total Revenue	48,711,557	53,313,272	56,099,517		55,101,050	55,160,180	56,099,517	

*** Abatement are payments from related MHC division for services - recorded on Financial Statements as a negative expenditure and on this Financial Template in Exh 2

WAM Financial Statement Line:	2016 Actual	2016 Actual	2017 Actual	WAM Template Ref	Notes on relationship between financial statement and Exhibit 2, 3 & 4
5001 Direct Labor Charged	2,653,005	1,763,019	1,839,722	Exh 4 row III	Accounts 5001 to 5190 are Personnel costs for Transfers from other departments For Wisconsin Milwaukee this includes clinical staff time at the wellness clinic and providing services to Wisconsin clients
5002 Other Charges	297,051	349,968	355,802	Exh 4 row III	Part of Exh 4 row 18 is Direct Care Management provided by a contracted external provider - see FS accounts 8120 and 8130
5003 Fringe Benefits Charged	2,272,081	1,951,134	2,036,020	Exh 4 row III	In 2017, the Transfer in process was not applied to the Financial Statements Doctor personnel costs in providing Wraparound services remained on the MHC Co BHD Financial Statements
5001 Direct Labor Applied	(1,712,688)	(1,703,243)	(1,839,722)	Exh 4 row III	
5002 Other Applied	(331,230)	(328,407)	(355,802)	Exh 4 row III	
5003 Fringe Benefits Applied	(1,869,410)	(1,884,678)	(2,036,020)	Exh 4 row III	
5189 Direct Labor Trn Out	(252,197)		(252,197)	Exh 4 row III	
5190 Direct Labor Transfer			84,011	Exh 4 row III	
5199 Salary-Wages Budget	1,828,178	1,884,082	1,828,052	Exh 4 row III	2005 On FS Personnel Costs are not aggregated Included are Internal costs for Direct Care Management, Mobile Crisis, and Admin
5201 Overtime	17,287	11,778	11,852	Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5312 Social Security Taxes	144,799	148,078	135,627	Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5313 Adjustment - Social Security Taxes			5,478	Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5315 Unemployment Compensation	37			Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5321 UNIFORM ALLOWANCE				Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5322 Educational Allowance	3,000	110		Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5329 Tax Allowance				Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5408 Incr. Fund Finco Bene Transfer - I				Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5410 Compensated Absences	26,300			Exh 4 rows 8-22, Exh 3 rows 1/20/29	
5420 Employee Health Care	405,358	445,722	351,150	Exh 4 rows 8-22, Exh 3 rows 1/20/29	Active employee healthcare
5421 Employee Pension	251,982	246,505	205,113	Exh 4 rows 8-22, Exh 3 rows 1/20/29	Active employee pension
5422 Legacy Healthcare	410,065	487,829	528,919	not included	Legacy Healthcare costs are omitted from the activity/benefit costs on WAM template form
5423 Legacy Pension	628,185	683,992	772,965	not included	Legacy Pension costs are omitted from the activity/benefit costs on WAM template form
5489 Fringe Trn-In/Out	(253,458)		(45,056)	Exh 4 rows 18-22, Exh 3 rows 1/20/29	

550	2016 Actual	2016 Actual	2017 Actual	WAM Template Ref	Notes on relationship between financial statement and Exhibit 2, 3 & 4
8022 Computer Access Info Svcs				not included	Service Expenses
8030 ADVERTISING			5,829	not included	
8040 Membership Dues	800	1,350		not included	
8041 Other Licenses and Permits	500		845	not included	
8050 Contract Print Serv-Short	22,453	17,119	2,185	not included	
8060 Postage	13,044	1,271	304	not included	
8127 Travel Fees Outside Sv	11,323	5,999	7,949	not included	
8134 INTERPRETER FEES			1,823	not included	
8329 Tel and Tel Outside Ven	2,589	597	45	not included	
8338 Internet Expenses	2,077	0	1,291	not included	
8339 Records Center Charges	4,378	3,947	2,369	not included	
8409 Printing and Stationery	1,137	3,886	5,000	not included	
8502 Equip Rental-Long Term	2,289			not included	
8503 Equip Rental-Short Term			286	not included	
8509 Building and Space Rental				not included	
8610 Rm-Bldg and Structures	428			not included	
8640 Rm Office Equipment	2,244			not included	
8800 Auto Allowance	2,884	2,393	3,882	not included	
8805 Education/Seminar Paymts	1,842	1,968	528	not included	
8809 Conference Expenses	3,136	3,136	5,325	not included	
8812 Meetings Other Auth Trav	586	2,381	804	not included	
8999 Sundry Services	28,263	2,937	871	not included	

890	2016 Actual	2016 Actual	2017 Actual	WAM Template Ref	Notes on relationship between financial statement and Exhibit 2, 3 & 4
7170 Electrical Materials			616	not included	Consumables/Supplies
7201 Meals			7,800	not included	
7314 Beverages	89	78		not included	
7324 "Candy, Gum, etc"	31			not included	
7324 Groceries (can-to-plate)	20			not included	
7399 Other Food and Provisions	18,267	7,734	408	not included	
7508 Bags and Paper			16	not included	
7521 Disposables	81			not included	
7522 Disposable Suppl-Incursion	124			not included	
7569 Other Household Supplies	49	141		not included	
7729 Other Genl Med Surg Supl	1,721	140		not included	
7820 Gasoline	4,284	9,271	3,819	not included	
7831 Batteries	17	24		not included	
7840 Repair Parts	2,475	1,933		not included	
7910 Office Supplies	18,887	9,271	29,787	not included	
7915 Computer Software	34		613	not included	
7917 DP Supplies	46			not included	
7920 Books Periodicals Films	1,506	1,813	5,700	not included	
7973 Minor Office Equipment	2,168	881	8,264	not included	
7999 Sundry Materials & Suppl	4,133		3,018	not included	

900	2016 Actual	2016 Actual	2017 Actual	WAM Template Ref	Notes on relationship between financial statement and Exhibit 2, 3 & 4
8122 Purchase of Services	1,468,231	1,506,814	1,738,503	Exh 4 row 28, and Exh 4 row 18	Costs paid to External service providers in POS contracts This includes the contract for IT support (Exh 4), and contracted client services (Exh 3)
8131 VENDOR #1 PAYMENTS - Youth/CCS			69,820	not included	Cost for CCS program included
8136 Wraparound Client Svcs	49,228,230	50,092,676	47,177,475	Exh 3, and Exh 4 row 18	Costs paid to External service providers in PPS contracts This is often included in Encounter data (Exh 3), except in some instances of Care Coordination / Screening (Exh 4)
9102					MHC Co Oascharges
9104 Technical Support & Infrastructure	91,291	55,031	52,719	not included	Central IT charges, based on number of workstation IDs
9104 Travel Management Services	29,710	20,206	22,798	not included	Vehicles used by mobile care team
9114 IT Security			35,051	not included	Central IT charges
9144 Rm Office Equipment Charges	5,833	25,430	26,142	not included	
9149 HDC Graphics	2,928	2,347	3,857	not included	
9150 Admin Services A	1,542,132	3,996,709	6,239,450	Exh 4 rows 24-28, 30-31	separate break: Admin Expenses - Indirect Expenses * ME (excluding IT, paid to Contractors)
9151 Administrative Services # 1					
9155 ADMINISTRATIVE SERVICES-5			323,364	not included	Charges for DHS JETT program
9159 Application Crpgs - Network	62,234	37,127	62,878	not included	Central IT charges, based on number of workstation IDs
9168 Application Crpgs - Mainframe	23,324	19,728	18,084	not included	Central IT charges, based on number of mainframe IDs
9171 HRIS Application	18,129	18,191	20,775	not included	Human Resources Info System, based on number of PTEs
9183 MISD CENTRAL PURCHASES			5,183	2,116	Central IT purchases
9184 Co Grounds Space Rental			24,832	not included	
9185 PC Charges	31,206	25,625		not included	County IT charges, based on number of workstation IDs
9199 Other Comms/Services	693,355	not incl		not included	Charges for DHS JETT program, moved to 9150 in 2017
9691 Admin Administrative Serv #1	(1,678,761)	(1,686,911)	(997,396)	Exh 2 row 20	MHC Co Abatement
9695 MHC Co Serv	(683,611)	(8,170,181)	(4,487,650)	Exh 2 row 20	Abatement from Delinquency and Court Services Division to compensate Wraparound for FOCUS youth in their care Abatement from Delinquency and Court Services Division to compensate Wraparound for FOCUS youth in their care

970	2016 Actual	2016 Actual	2017 Actual	WAM Template Ref	Notes on relationship between financial statement and Exhibit 2, 3 & 4
3110 CP#		11,989,004	10,862,881	Exh 2 row 20 (for 2016 revenue)	Revenue
3113 Rev. Hill Svc Hospitale			56,039	not included	DMCPSS CHPS revenue
3120 T-18 Revenue-Crime Billing	10,285,907	14,217,380	13,614,087	Exh 2 row 19	CCS Revenue
3122 Trn 3A Revenue-Capitation	25,077,387	26,132,327	29,994,498	Exh 2 row 14	Crise Revenue (SBAS4)
3166 PCVY OTHER CONTRL ALLOW			(2,890)	not included	CAP Revenue - when received after the end of the period, will fall to the following year
4932 Other Private Funding Rev	68,827	243,064	254,404	not included	Write-off allowance for CCS program
4962 Adult Recoveries	11,438	2,624	2,080	not included	Trauma Response, Pokey grant
4960 Refunds	10,724	33,917	124,490	not included	Adult Recoveries
4999 Other Misc Revenue	269,918	not incl	38,429	not included	Refunds, recoupments, disallowances SSS/Coat share payments
2294 MHC Co Serv	150,200			not included	
2294 Provider Services-Admin	81,019	42,888	85,000	not included	Education / Lesson grant
2282 Special St Grants - MA	11,252,856			Exh 2 row 20 (for 2015)	DMCPSS CHPS revenue booked here prior to 2016
2276 MUTT Foster Families	871,728	375,562	887,537	not included	MUTT (DMCPSS Grant)
2302 Safety Net Services	665,000	608,628	619,300	not included	Family Intervention & Support Services (DMCPSS Grant)
2399 Other Family & Res	151,117	not incl	154,481	not included	Other Federal Grants In 2017, \$74,758 is related to CCS Pre-screening and Assessments

Exhibit 7
 Wisconsin Department of Health Services
 Wraparound Milwaukee Incurred Year Financial Reporting
 Services Provided in CY 2015, CY 2016, and CY 2017 and Paid Through 2/28/2018
 Medical Loss Ratio (MLR) Reporting

	CY 2015	CY 2016	CY 2017
Member Months Covered by State Capitation	13,254	13,895	13,688
MLR Numerator	\$23,349,905	\$23,400,078	\$22,975,952
MLR Denominator	\$25,276,510	\$27,330,362	\$28,162,359
Unadjusted MLR	92.4%	85.6%	81.6%
Credibility Adjustment	5.5%	5.4%	5.5%
Adjusted MLR	97.9%	91.1%	87.0%

Residential Care Center (RCC) Medicaid Covered %	46.0%	46.0%	46.0%
Treatment Foster Home (TFH) Medicaid Covered %	38.2%	38.2%	38.2%
Combined RCC and TFH Medicaid Covered %	44.2%	44.0%	43.8%

Note: These amounts will be determined from cost report results

Credibility Adjustment Table
 From CMS bulletin Dated July 31, 2017

Member Months	Credibility Adjustment
< 5,400	non-credible
5,400	8.4%
12,000	5.7%
24,000	4.0%
48,000	2.9%
96,000	2.0%
192,000	1.5%
380,000	1.0%
> 380,000	fully credible

MLR Numerator Components:

Claims	\$23,349,905	\$23,400,078	\$22,975,952
MLR Qualified Quality Improvement Expense	\$0	\$0	\$0
MLR Qualified Direct Fraud Recovery Expenses ¹	\$0	\$0	\$0

MLR Denominator Components:

Capitation Revenue	\$25,276,510	\$27,330,362	\$28,162,359
MLR Qualified Taxes, Licensing, and Regulatory Fees	\$0	\$0	\$0
Waived Member Cost Sharing for Medicaid Covered Benefits	\$0	\$0	\$0

¹ Expenses directly related to fraud recoveries may not exceed the amount of fraud recoveries.

COUNTY OF MILWAUKEE

NOTES TO THE FINANCIAL REPORT For the Years Ended December 31, 2017, 2016 and 2015

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Milwaukee, Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

Through its contract with the State of Wisconsin Department of Health Services, the County of Milwaukee is required to submit a financial report which meets the requirements of Title 42 U.S. *Code of Federal Regulations*, CMS Citation 438.3(m). This financial report includes the revenues and expenditures incurred in relation to the County of Milwaukee's Wraparound Milwaukee program, which represents only a portion of the activities of the County of Milwaukee.

Expenditures and revenues presented in the financial report are recorded by the County of Milwaukee using the modified-accrual basis of accounting.

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: March 7, 2019

TO: 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: **Report from the Director, Department of Health and Human Services, Requesting Authorization to Execute 2019 Professional Services Contracts and a 2018 Professional Services Contract Amendment for Resident/Fellow Stipend Support and Residency Director, Consultation, and Security 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.

Professional Services Contracts

Medical College of Wisconsin Affiliated Hospitals, Inc. - \$1,000,000

BHD contracts with the Medical College of Wisconsin Affiliated Hospitals, Inc. (MCWAH) for resident and fellow housestaff activities, as part of BHD's training site designation with the MCW Psychiatry Training Programs. The residents and fellows that serve as housestaff provide medical care within the BHD Acute Inpatient, Crisis, Wraparound, Children's Mobile Crisis and Community Services, with oversight and direction from BHD psychiatry staff. BHD is seeking to renew the agreement for another two-year term for the period of July 1, 2019, through June 30, 2021, in an amount of \$500,000 annually to support the housestaff stipends. This amount reflects a decrease in the annual amount from the prior agreement, in accordance with programming changes to FTEs assigned.

The Medical College of Wisconsin, Inc. - \$119,588

BHD is requesting renewal of an agreement with the Department of Psychiatry and Behavioral Medicine to provide for partial support of the MCW Psychiatry Residency Director salary, in connection with oversight of the resident and fellow training activities occurring within Behavioral Health Division services and programs. BHD is seeking to extend the agreement for another two-year term for the period of July 1, 2019, through June 30, 2021, in an amount of \$59,794 annually.

The Medical College of Wisconsin, Inc. - \$20,000

BHD is requesting renewal of an agreement with the Center for Bioethics and Medical Humanities for the purpose of consultation and the provision of continuing education to BHD's Bio-Ethics Committee and clinical staff. BHD is seeking to extend the agreement for another two-year term for the period of July 1, 2019, through June 30, 2021, in an amount of \$10,000 annually.

U.S. Securities Associates/Allied Universal - \$468,000

This Vendor provides public safety services for BHD. They provide services twenty-four hours a day, and seven days a week. The Vendor is responsible for escorting services, monitoring the outside parking lots, and performing environment of care safety checks, etc. These funds are being requested for 2019. The total contract amount would be \$3,268,222.

Fiscal Summary

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

Vendor Name	New/Amendment	2019 Contract Amount	2020 Contract Amount	2021 Contract Amount	Total Contract Amount
Medical College of Wisconsin Affiliated Hospitals, Inc.	New	\$250,000	\$500,000	\$250,000	\$1,000,000
The Medical College of Wisconsin, Inc.	New	\$29,897	\$59,794	\$29,897	\$119,588
The Medical College of Wisconsin, Inc.	New	\$5,000	\$10,000	\$5,000	\$20,000
U.S. Security Associates/Allied Universal	Amendment	468,000	N/A	N/A	\$3,268,222
Total		\$752,897	\$569,794	\$284,897	\$4,407,810

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

A handwritten signature in blue ink, appearing to read "Mary Jo Meyers", with a long horizontal flourish extending to the right.

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: March 7, 2019

TO: 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: Report from the Director, Department of Health and Human Services, Requesting Authorization to Execute an Amendment to a 2019 Fee-for-Service Agreement Totaling the Agreement 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

Butterflies Home for Teen Girls - \$40,000

The Vendor provides Group Home Care for girls, pregnant teens, and/or parenting teens with babies for the Wraparound Milwaukee Program, under an Out of Network Agreement. BHD is requesting an additional \$40,000 for 2019. The total contract amount will be \$192,149.15 for 2019.

Fiscal Summary

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

Vendor Name	New/Amendment	2018 Contract Amount	2019 Contract Amendment Amount	Total Contract Amount (2018/2019)
Butterflies Home for Teen Girls	Amendment	N/A	\$40,000	\$192,149.15
Total		N/A	\$40,000	\$192,149.15

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



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: March 20, 2019

TO: 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: **Report from the Director, Department of Health and Human Services, Requesting Authorization to Execute 2019 Purchase-of-Service Contract 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 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

SaintA, Inc. - -\$56,250

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 reducing their contract by \$56,250 for 2019 as a Screener is being removed from their Staff. The total contract amount will be \$1,861,529.

St. Charles Youth and Family Services, Inc. - \$56,250

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 an additional \$56,250 for 2019 as an additional Screener is being added to their Staff. The total contract amount will be \$5,596,312.

Fiscal Summary

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

Vendor Name	New/Amendment	2019 Decrease Amount	2019 Increase Amount	2019 Amount	Total Contract Amount
SaintA, Inc.	Amendment	-\$56,250		1,861,529	\$1,861,529
St. Charles Youth and Family Services, Inc.	Amendment		\$56,250	\$5,596,312	\$5,596,122
Total		-\$56,250	\$56,250	\$7,457,841	\$7,457,841

*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

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : 2/8/2019

TO : Supervisor Theodore Lipscomb Sr., Chair, County Board of Supervisors

FROM : Joe Lamers, Director, Office of Performance, Strategy, and Budget (PSB)

SUBJECT : 2020 Operating Budget Planning Updates

Background/Discussion

In the January cycle, PSB provided the County Board a report (File 19-26) on the estimated 2020 Operating budget gap of approximately \$26.5 million. The report also indicated that in March 2019, DAS-PSB will follow up on budget gap closing strategies, including levy targets and potential revenue options. This report provides additional information on these items.

The below chart, which was included in the January report, provides major factors leading to the projected budget gap. At this time there are no changes to the projected gap amount. PSB will continue to review these projections and provide updates if there are significant changes.

Estimated 2020 Operating Budget Gap	
Description	Amount
Compensation Increase	\$ 5.7
Health Care	\$ 2.8
Pension	\$ 6.6
Debt Service P&I	\$ 1.0
Other Operating Cost to Continue	\$ 10.7
Inmate Medical Cost Increase	\$ 5.0
Court Appointed Attorney Fees	\$ 1.5
Total Expense Change	\$ 33.3
Revenue Change - Lost Revenues	
Debt Service Reserve	\$ 3.3
Unclaimed Revenue	\$ 1.3
Revenue Change - Increased Revenue	
Property Tax	\$ (3.9)
Sales Tax	\$ (2.6)
GTA	\$ (0.5)
VRF	\$ (0.4)
Other/Reimbursement Revenue	\$ (4.1)
Total Revenue Change	\$ (6.8)
Gap Total	\$ 26.5

Three broad options for closing the budget gap were also presented in the January report as shown below. This report update provides additional detail regarding these budget options.

2020 Gap Closing Options	Divest	Temp Fix	Sustain
Dept's Self Fund Operating Cost-to-Continue	\$ 10.7	\$ 10.7	\$ -
Debt Service Reserve Withdrawal Equal to 2019	\$ 3.3	\$ 3.3	\$ -
Cash Capital or Other Reduction	\$ 2.5	\$ 2.5	\$ -
Department Levy Targets	\$ 10.0	\$ -	\$ -
New Revenues	\$ -	\$ 10.0	\$ 26.5
Total	\$ 26.5	\$ 26.5	\$ 26.5

Divest Option / Levy Targets

If the Divest strategy is followed for the 2020 budget process, levy reduction targets totaling \$10 million will be distributed to departments. The amount is subject to change based on updates to the budget gap analysis, decisions around capital funding, the use of debt service reserves and other factors. A \$10 million reduction in levy targets would amount to an approximately 1.6% reduction to the total budget for departments.

The below chart provides preliminary draft tax levy targets by department, which add up to \$10.0 million. A similar methodology that was applied to 2019 levy targets was used. This methodology included across-the-board percentage reductions to most departments, although some revenue generating and high risk departments are exempted (as detailed in the chart).

For the 2020 draft levy targets, two changes are included from methodology that was used in 2019. The cost of providing inmate medical services is excluded from the House of Correction levy reduction calculation, and the Emergency Medical Service function in the Office of Emergency Management is also removed since any levy savings in that area would be offset by a reduction in the levy limit per state statute.

All departments will be expected to follow the levy target instructions in the requested budget process. If departments do not meet their levy target within their request, the County Executive's recommended budget will make adjustments accordingly to ensure that all departments participate in efforts to achieve a balanced budget.

2020 BUDGET PRELIMINARY DRAFT TAX LEVY REDUCTION TARGETS: 1.6% of TOTAL BUDGET							
County Executive Cabinet Departments			Elected Departments		Excluded Departments		
Agency	Reduction	Agency	Reduction	Agency	Reduction		
102	CEX - Vets	\$ (3,219)	200	Courts	\$ (431,517)	<i>Revenue Departments:</i>	
103	CEX - Gov Affairs	\$ (3,689)	290	Courts Pre-Trial	\$ (82,856)	504 DOT-Airport	\$ -
109	OAAA	\$ (12,046)	340	ROD	\$ (23,614)	580 DOT-Directors	\$ -
112	PRB	\$ (4,414)	370	Comptroller	\$ (70,708)	530 DOT-Fleet	\$ -
113	Corp Counsel	\$ (18,021)	450	DA	\$ (184,806)	510 DOT-Highway	\$ -
114	Human Resources	\$ (84,594)	400	Sheriff	\$ (669,783)	507 DOT-Tran Svcs	\$ -
115	DAS	\$ (595,293)				550 DAS-Utility	\$ -
430	HOC	\$ (482,662)				243 Child Support	\$ -
480	OEM	\$ (70,571)					
490	Medical Examiner	\$ (68,380)				<i>Elected Offices wiith Limited Staff:</i>	
560	DOT-Transit	\$ (1,647,032)				110 CEX - General	\$ -
630	DHHS-BHD	\$ (2,750,763)				100 County Board	\$ -
800	DHHS	\$ (1,498,095)				309 Treasurer	\$ -
790	Aging	\$ (325,588)				327 Clerk	\$ -
900	Parks	\$ (592,515)					
950	Zoo	\$ (266,457)				<i>High Risk Areas:</i>	
990	UW-Ext	\$ (7,381)				116 DAS-IMSD	\$ -
	Culturals	\$ (105,996)				117 DAS-Risk	\$ -
						301 Election Commission	\$ -
Total Cabinet Depts		\$ (8,536,716)	Total Elected Depts		\$ (1,463,284)	Excluded Depts	\$ -
GRAND TOTAL							\$ (10,000,000)

Temporary Fix Option

Under the temporary fix option, \$10 million of new revenues and or non/departamental cost savings need to be identified, in order to avoid further departmental budget reductions.

County taxing authority is granted by State Statute, and the County has limited options for generating new revenues. Property tax for operating purposes is limited to the percentage of growth in net new construction; this growth rate is already factored into the budget gap analysis. The County share of sales tax receipts is limited to 0.5%; growth in sales tax is also factored into the above budget gap analysis.

The County does have an option to increase the Vehicle Registration Fee (VRF) from the current rate of \$30 up to approximately \$60 to replace tax levy for all transportation services. The below table shows the additional amount of VRF could be generated with fee increases ranging from \$5 to \$30. A fee increase of approximately \$20 would be needed in order to generate \$10 million.

VRF Increase Scenarios		
Increase Amount	Annualized Increase	2020 Budget Estimate*
\$ 5	\$ 2,843,444.73	\$ 2,606,491
\$ 10	\$ 5,679,808.36	\$ 5,206,491
\$ 15	\$ 8,516,172.00	\$ 7,806,491
\$ 20	\$ 11,352,535.64	\$ 10,406,491
\$ 25	\$ 14,079,808.36	\$ 12,906,491
\$ 30	\$ 16,916,172.00	\$ 15,506,491

**VRF increases become effective three months after an ordinance change. If a VRF change were to be included in the budget that is adopted in November, it would not be collected for the full fiscal year in 2020. In order to be effective for the full year, the ordinance would need to be changed in September.*

Transit Budget Detail

It is important to note that VRF revenue can only be used for Transit and Transportation related expenses, including operating and capital costs. The Transit department in particular is a significant tax levy cost center. Transit’s 2019 operating budget includes \$9.4 million in tax levy funding. Transit’s estimated cost-to-continue is \$3.2 million for 2020, representing approximately 2% growth in operating costs. In addition, Transit’s 2019 operating budget included \$1.6 million of one-time revenues which are not expected to be available in 2020. Also, the preliminary tax levy reduction target chart shown above indicates that Transit may be faced with a \$1.647 million reduction target for 2020. When combining the cost-to-continue, one-time revenues, and a potential levy reduction target, the Transit operating budget is estimated to have a potential shortfall of \$6.4 million in 2020.

If a VRF increase were to be pursued, decisions would need to be made regarding how the funds are allocated, including whether the fee increase would support the Transit budget and/or other areas of operations, as well as the capital budget.

Sustainability Option

The sustainability option would require \$26.5 million or more in additional revenues. Current State Statutes largely prevent the County from raising revenues of this magnitude.

The “Fair Deal for Milwaukee County Workgroup” was created to identify and propose options for enhancing the long-term fiscal stability of Milwaukee County, and to increase State funding of mandated services. This Workgroup has held meetings and recommended a platform for lobbying activity and legislative change. Changes at the State level will be needed to meet a sustainable budget.

For the 2020 budget process, DAS-PSB will operate under a status quo set of revenue assumptions unless new information is made available. This means that most State revenues are currently projected to remain flat in 2020.

RECOMMENDATION

This report is for informational purposes only. No action is needed. However, as part of the budget process, feedback from the Finance and Audit Committee and the County Board will be taken into consideration in regards to budget planning items such as levy targets and new revenues. The administration looks forward to continuing work with the Board to develop a long term fiscal sustainability plan for the County.

Joseph Lamers, Director
Office of Performance, Strategy and Budget
Department of Administrative Services

Cc: Chris Abele, Milwaukee County Executive
James “Luigi” Schmitt, Chair, Finance and Audit Committee
Willie Johnson, Co-chair, Finance and Audit Committee
Sheldon Wasserman, Finance Committee
Supreme Moore Omokunde, County Supervisor
Jason Haas, County Supervisor
Sequanna Taylor, County Supervisor
Eddie Cullen, County Supervisor
Scott Manske, County Comptroller
Steven Cady, Research and Policy Director, Office of the Comptroller
Teig Whaley-Smith, DAS Director
Raisa Koltun, Chief of Staff, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board
Dan Laurila, DAS-PSB Operating Budget Manager