



**Mission:** To promote hope, recovery, resilience, quality of life and wellness in Washtenaw County by providing high quality, integrated services to eligible individuals.

**WASHTENAW COUNTY COMMUNITY MENTAL HEALTH (WCCMH)  
BUDGET-FINANCE COMMITTEE MEETING AGENDA**

**4135 Washtenaw Ave, Ann Arbor, MI**

**Learning Resource Center, Michigan Conference Room**

**January 14, 2019**

**2:00PM-3:00PM**

- I. Introductions (5 minutes)
- II. Audience Participation (see guidelines below) (5 minutes)
- III. Budget/Finance Committee minutes (5 minutes) **ACTION**
  - Budget-Finance and Program-Quality Committee meeting minutes from 12/10/18 (Attachment #1)
- IV. Finance Status Reports (15 minutes)
  - Financial Report (Attachment #2) **ACTION**
- V. Contracts and Leases (5 minutes)
  - Executive Director Authorizations (Attachment #3) **ACTION**
- VI. Regional Finance Update (10 minutes)
- VII. Old Business
  - None
- VIII. New Business (10 minutes)
  - Millage CCBHC Grant/Medicaid Funding
- IX. Items for Future Discussions (5 minutes)
  - On-going financial analysis on millage recommendations
- X. Adjournment

Audience Participation Guidelines:

- Three (3) minutes are allowed per speaker
- Speakers are asked to bring a copy of their concerns/comments in writing
- Resolutions on issues will be brought to the appropriate committee as necessary

**WASHTENAW COUNTY COMMUNITY MENTAL HEALTH AGENCY (WCCMH)  
WCCMH BUDGET-FINANCE AND PROGRAM-QUALITY COMBINED QUARTERLY COMMITTEE MEETING  
MINUTES DRAFT**

**4135 Washtenaw Ave, Ann Arbor, MI  
Learning Resource Center, Michigan Conference Room  
December 10, 2018 1:30 pm**

MEMBERS PRESENT: C. Collins, M. Bloom, N. Graebner, D. Strong, K. Walker,  
A. Dusbiber (phone), P. Spriggel (phone), M. Creekmore

MEMBERS ABSENT: S. Antonow

STAFF PRESENT: T. Cortes, K. Bellus, N. Phelps, M. Harding, T. Florence, R. Dornbos,  
L. Gentz, S. Amos O'Neal, H. Linky, M. Taylor, S. Ray, L. Higle,  
S. Swisher, K. Diebboll

OTHERS PRESENT: L. Lutomski, J. Martin

C. Collins called the meeting to order at 1:33 pm.

I. Introductions

- None

II. Audience Participation

- None

III. Budget-Finance Committee Minutes and Actions from 11/5/18

- Budget-Finance Committee Minutes and Actions of 11/5/18 were reviewed.

**MOTION BY D. STRONG, SUPPORTED BY M. BLOOM TO APPROVE THE MINUTES AND ACTIONS FROM THE NOVEMBER 5, 2018 BUDGET-FINANCE COMMITTEE MEETING.**

**MOTION CARRIED**

IV. Program-Quality Committee Minutes and Actions from 11/5/18

- Program-Quality Committee Minutes and Actions of 11/5/18 were reviewed.

**MOTION BY K. WALKER SUPPORTED BY N. GRAEBNER TO APPROVE THE MINUTES AND ACTIONS FROM THE NOVEMBER 5, 2018 PROGRAM-QUALITY COMMITTEE MEETING.**

**MOTION CARRIED**

V. Finance Status Reports

- N. Phelps reviewed the financial status report for the month ending October 31, 2018.
- Medicaid Enrollees were 33,337 in October 2018.
- Healthy Michigan Enrollees in October 2018 were 16,250.
- Medicaid consumers served through October 2018 are 2,056. This is 94 less consumers served than the same period last year.
- ABA Waiver consumers served through October 2018 were 69. This is 18 less consumers served than the same period last year.

- General Fund consumers served through October 2018 are 259. This is 1 more consumer served than the same period last year.
- Healthy Michigan consumers served through October 2018 are 259. This is 19 more consumers served than the same period last year.
- CLS costs to date are \$1.7 Million. This is \$303,000 under budget.
- Community Inpatient costs to date total \$451,000. This is \$1,500 over budget.
- Licensed Residential costs to date are \$866,000. This is \$58,000 under budget.
- Applied Behavior Analysis/Autism service costs to date are \$274,000. This is \$33,000 over budget.
- Medicaid, Healthy Michigan and Autism funds are on budget.
- Financial performance by funding source:
  - Medicaid is showing a deficit of \$310,000.
  - Healthy Michigan is showing a deficit of \$295,000.
  - State General Funds is showing a deficit of \$1,300,000
  - Local Funds are showing a surplus of \$56,000 through October 2018.
- The Fund Balance at the beginning of FY2018 was \$2.7 Million. At this time, it is projected that the use of \$750,000 will be necessary to close the State General Fund deficit for FY2018. The WCCMH/Washtenaw County obligation to the shared-risk corridor with the PIHP and the State is unknown at this time.

**MOTION D. STRONG SUPPORTED BY K. WALKER TO APPROVE THE FINANCIAL STATUS REPORT THROUGH OCTOBER 31, 2018.**

**MOTION CARRIED**

VI. Contracts and Leases

- Behavioral Health Works, Inc.
  - This contract is for WCCMH to provide ABA services from December 1, 2018 through September 30, 2019.
- HealthCall
  - This contract is for WCCMH to provide ADOS-2 testing from December 1, 2018 through September 30, 2019.

**MOTION D. STRONG SUPPORTED BY M. BLOOM TO APPROVE THE CONTRACTS AND LEASES AS PRESENTED.**

**MOTION CARRIED**

VII. Regional Finance Update

- T. Cortes presented the Regional Finance update.
- A document from the State titled Non-liability of CMHSP's for PIHP's Risk under MDHHS Master Contract was distributed and discussed.
- Regional board will be meeting on Wednesday, 12/12/18 to determine next steps regarding PIHP financial obligations and funding issues.

- Dr. George Mellos has taken over Lynda Zeller's duties after her retirement with the State.
- The Board Association has requested to meet with Dr. Mellos about the issues and possible opportunities to change what is happening at the state level.
- On November 27, 2018 the new rates were supposed to be received. The State has sent out a correspondence stating that the rates will not be changing on 1/1/19 but will need to use the 10/1/18 rates as previously determined.

VIII. Old Business

- FY 2018 Year-End Projection and Forecasting Report
  - N. Phelps presented the FY2018 Year-End Projection and Forecasting Report
- Network Management & Contracted Services Budget Pressures
  - H. Linky and N. Phelps presented the Network Management & Contracted Services Budget Pressures.

IX. New Business

- Blue Care Network Update
  - K. Bellus presented the Blue Care Network Update.
- Future Outcomes Discussion
  - Tabled for future meeting

X. Items for Future Discussions

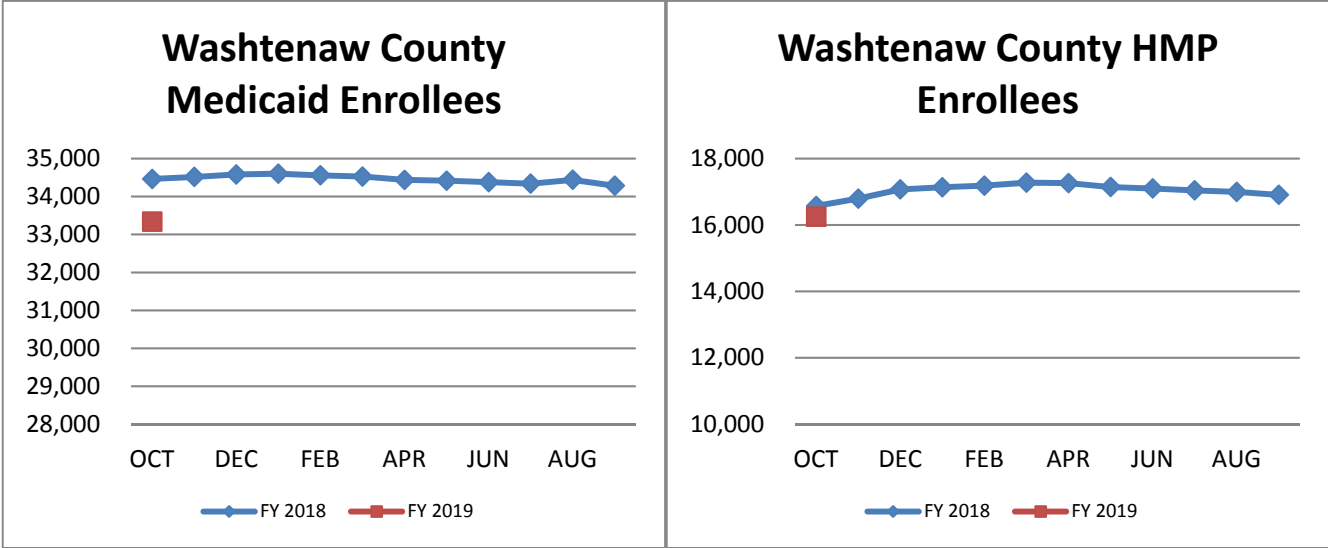
- None

XI. Meeting adjourned at 3:03 pm.

**WASHTENAW COUNTY COMMUNITY MENTAL HEALTH  
 YEAR-TO-DATE FINANCIAL STATUS  
 FISCAL YEAR 2019: For the period ending November 30, 2018  
 Prepared: January 8, 2018**

**1. Washtenaw County Enrollees**

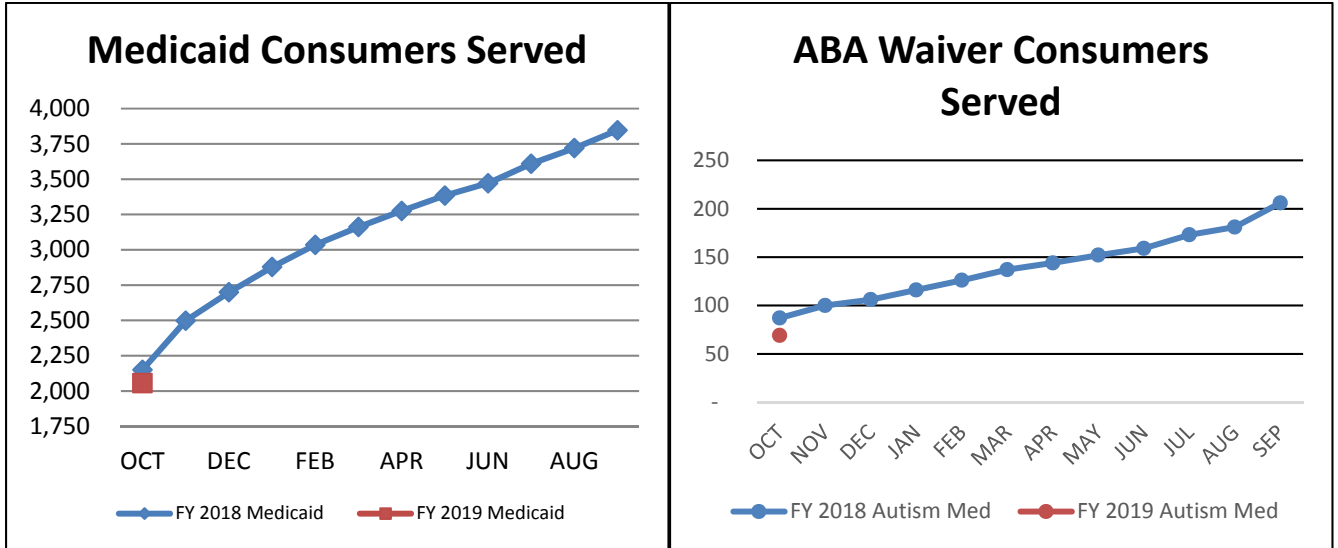
A summary of FY 2019 Washtenaw County Medicaid and Healthy Michigan Enrollees is shown below:



Washtenaw County Medicaid Enrollees were 33,337 in October 2018. This is a 3.27% decrease from the same time last year (1,127 less enrollees than in October 2017). Healthy Michigan enrollment in October was 16,250. This is a 1.95% decrease from the same time last year (323 less enrollees than in October 2017).

The data for the November enrollees was not available from the PIHP at the time this report was created. We will provide the updated information once it is made available.

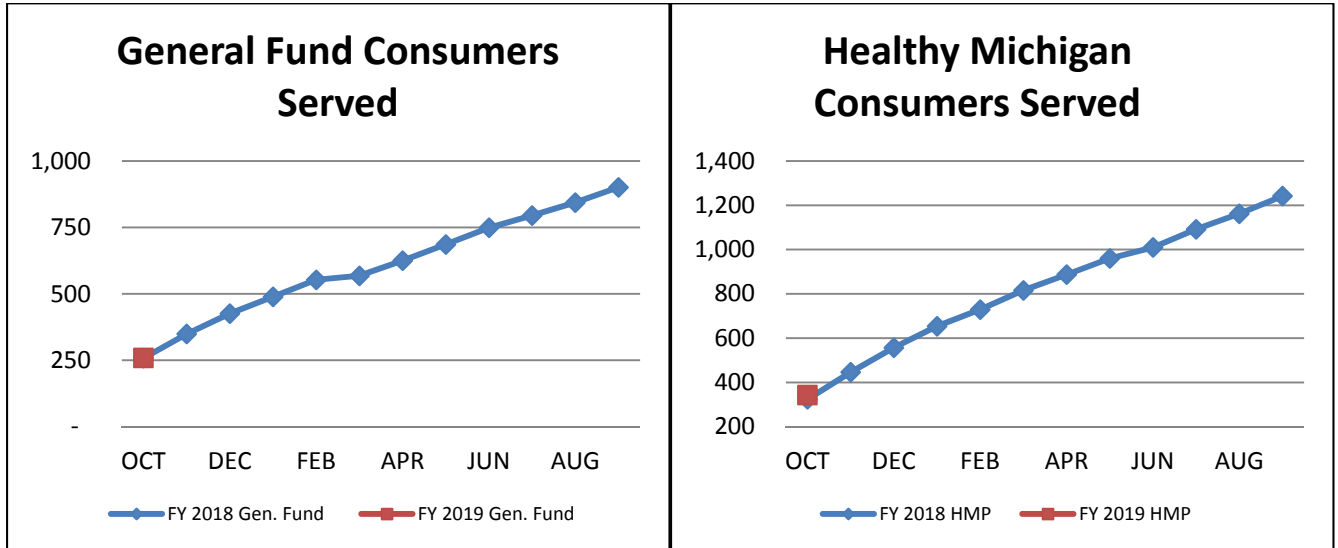
**2. WCCMH Consumers Served to Date**



Medicaid consumers served through October 2018 are 2,056. This is 94 less consumers than the prior year (2,150 consumers were served through October 2017).

ABA Waiver consumers served through October 2018 are 69. This is 18 less consumers than the prior year (87 consumers were served through October 2017).

The data for the November consumers served was unavailable at the time this report was created. We will provide the updated information once it is made available.



General fund consumers served through October 2018 are 259. This is 1 more consumers served than the same period last year.

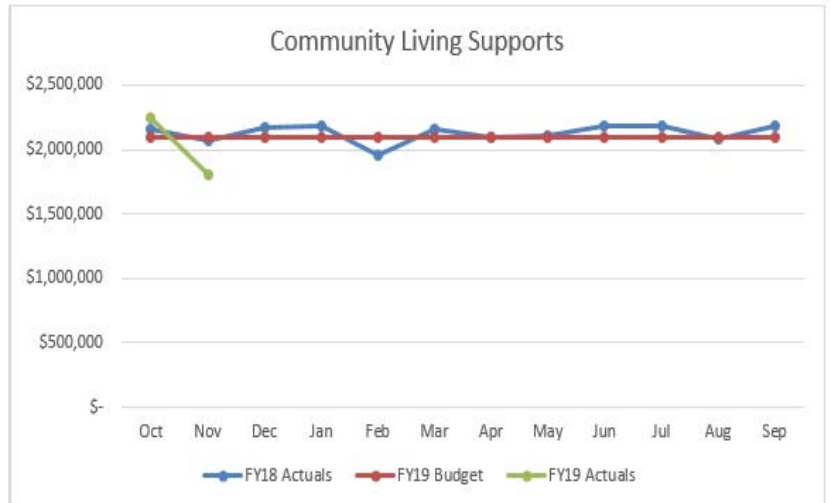
Healthy Michigan consumers served through October 2018 were 343. This is 19 more consumers than the same period last year.

The data for the November consumers served was unavailable at the time this report was created. We will provide the updated information once it is made available.

**3. Financial Statement Highlights**

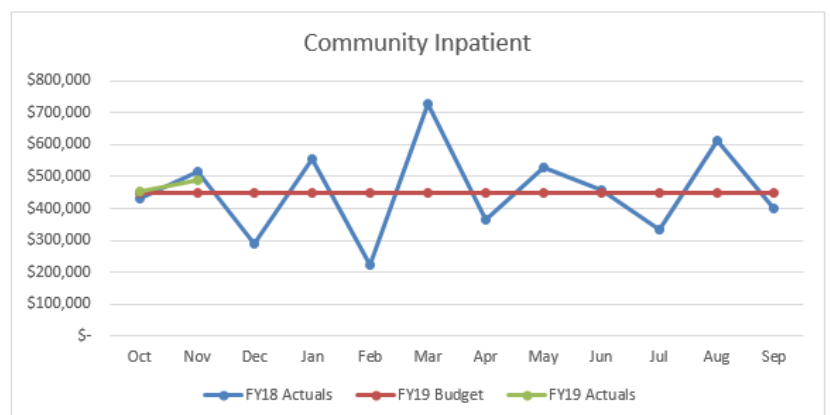
- a. CLS service costs to date are \$4.2 Million. The costs year to date are 4.13% less than last year as of November 2017. This is \$21,000 over the budgeted cost.

	FY18 Actuals	FY19 Budget	FY19 Actuals	YTD % Change
Oct	\$ 2,158,063	\$ 2,091,667	\$ 2,248,763	4.20%
Nov	2,074,986	\$ 2,091,667	1,809,279	-4.13%
Dec	2,173,418	\$ 2,091,667		
Jan	2,185,057	\$ 2,091,667		
Feb	1,951,526	\$ 2,091,667		
Mar	2,163,993	\$ 2,091,667		
Apr	2,101,028	\$ 2,091,667		
May	2,103,031	\$ 2,091,667		
Jun	2,182,163	\$ 2,091,667		
Jul	2,188,001	\$ 2,091,667		
Aug	2,084,920	\$ 2,091,667		
Sep	2,182,573	\$ 2,091,667		



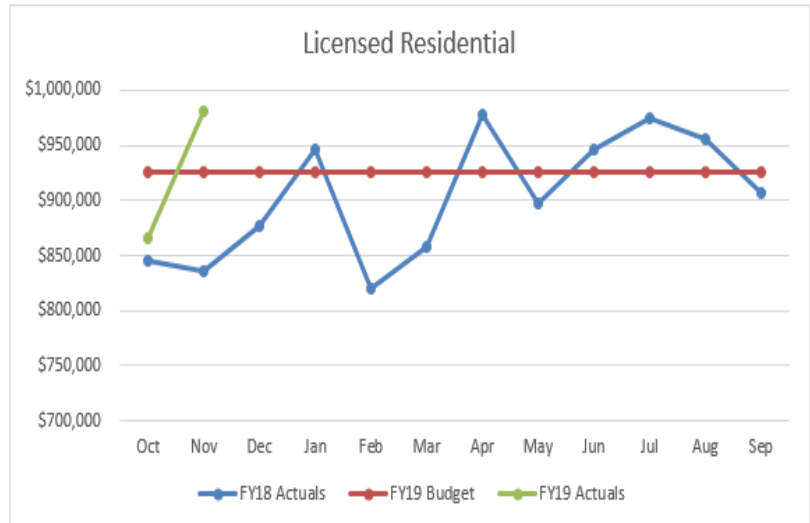
- b. Community Inpatient costs to date are \$939,000. The costs year to date are .47% less than last year as of November 2017. This is \$39,000 over the budgeted cost.

	FY18 Actuals	FY19 Budget	FY19 Actuals	YTD % Change
Oct	\$ 429,190	450,000	\$ 451,590	5.22%
Nov	514,899	450,000	488,108	-0.47%
Dec	286,978	450,000		
Jan	553,608	450,000		
Feb	224,309	450,000		
Mar	727,928	450,000		
Apr	365,206	450,000		
May	526,885	450,000		
Jun	456,373	450,000		
Jul	332,017	450,000		
Aug	611,452	450,000		
Sep	401,452	450,000		



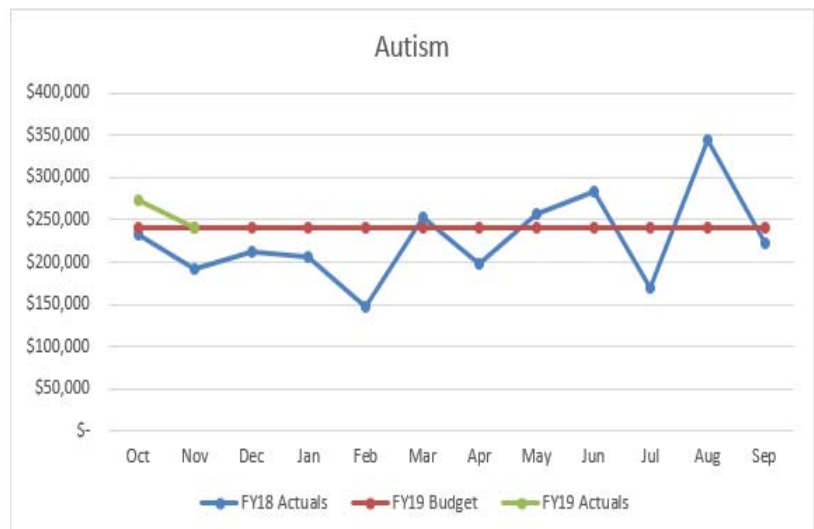
- c. Licensed Residential costs to date are \$1.8 Million. The costs year to date are 9.89% more than last year as of November 2017. This is \$2,000 under the budgeted cost.

	FY18 Actuals	FY19 Budget	FY19 Actuals	YTD % Change
Oct	\$ 845,486	\$ 925,000	\$ 866,002	2.43%
Nov	835,932	925,000	981,647	9.89%
Dec	877,606	925,000		
Jan	945,844	925,000		
Feb	819,635	925,000		
Mar	857,183	925,000		
Apr	977,074	925,000		
May	897,294	925,000		
Jun	946,248	925,000		
Jul	973,928	925,000		
Aug	955,501	925,000		
Sep	907,217	925,000		



- d. Applied Behavior Analysis/Autism service costs to date are \$515,000. The costs year to date are 21.64% more than last year as of November 2017. This is \$34,000 over the budgeted cost.

	FY18 Actuals	FY19 Budget	FY19 Actuals	YTD % Change
Oct	\$ 232,440	\$ 240,583	\$ 274,122	17.93%
Nov	191,560	240,583	241,620	21.64%
Dec	211,309	240,583		
Jan	206,977	240,583		
Feb	147,684	240,583		
Mar	252,156	240,583		
Apr	197,173	240,583		
May	257,596	240,583		
Jun	284,231	240,583		
Jul	170,328	240,583		
Aug	344,560	240,583		
Sep	223,270	240,583		





- e. A significant amount of General Fund is used to supplement Medicaid deductibles for our consumers on a spend-down. The number of cases that met their spend-down deductible through October 2018 were 91. The number of cases that did not meet their spend-down deductible through October 2018 were 53. The amount spent through October 2018 is \$91,000. The data for the November spend-down consumers was not available at the time this report was created. We will provide the updated information once it is made available.

#### **4. PIHP Revenue Key Points**

- a. Medicaid, Healthy Michigan Plan and Autism funds are coming in at budget.
- b. By funding source, Medicaid is showing a deficit of \$1.3 Million.
- c. By funding source, HMP is showing a deficit of \$533,000.

#### **5. State General Fund Key Points**

- a. General Fund programs and funding redirected to other Risk-Based programs is showing a deficit of \$68,000.
- b. General Fund overages are primarily resulting in the CLS and Licensed Residential business units.
- c. General Fund funding has been redirected by the WCCMH as detailed below:
  - i. \$25,000 to SED Waiver
  - ii. \$6,000 to Child Waiver

#### **6. Local Key Points**

- a. The majority of Local Funding comes from Washtenaw County.
- b. Local Funds are showing a surplus of \$114,000 through November 2018.
- c. Uses of Local Funding include:
  - i. The 10% GF Match of non-residential services
  - ii. Local contribution – required by MDHHS
  - iii. Local share for State Facilities
  - iv. Shelter expenses and other Local needs

#### **7. Fund Balance**

WCCMH's Fund Balance at the beginning of FY 2018 is \$2.7 Million. At this time, it is projected that the use of \$750,000 will be necessary to close the State General Fund deficit for FY 2018. The WCCMH/Washtenaw County obligation to the shared-risk corridor with the PIHP and the State is unknown at this time.

Washtenaw County Community Mental Health  
FINANCIAL PERFORMANCE BY FUND SOURCE  
 NOVEMBER 2018 FYTD

ATTACHMENT #2  
 JANUARY 2019

	Total
<b>Medicaid **</b>	
<u>Revenue</u>	
B & B3	\$ 6,451,305.70
HSW	3,752,782.88
Prior Year Adjustments	-
Care for Caid	-
Total Medicaid Revenue	\$ 10,204,088.58
 <u>Expense</u>	
Service Costs	\$ 10,177,637.96
Admin. Cost Allocation	1,329,429.26
Redirect To Cover COFR Exp.	-
Redirect To Cover MiChild Exp	-
Total Medicaid Expense	\$ 11,507,067.21
Medicaid Surplus/(Deficit)	\$ (1,302,978.63)
 <b>Autism Benefit **</b>	
<u>Revenue</u>	
Medicaid Benefit	\$ 402,176.77
MIChild Benefit	-
Total Autism Benefit Revenue	\$ 402,176.77
 <u>Expense</u>	
Medicaid Service Costs	\$ 356,423.13
Admin. Cost Allocation	45,753.63
MIChild Service Costs	-
Admin. Cost Allocation	-
Total Autism Benefit Expense	\$ 402,176.77
Autism Surplus/(Deficit)	\$ -
 <b>Healthy Michigan **</b>	
Revenue	\$ 727,801.51
Expense	1,261,033.36
Healthy MI Surplus/(Deficit)	\$ (533,231.85)
 <b>General Fund</b>	
<u>Revenue</u>	
CMH Operations	\$ 524,532.00
CMH Operations Contra	-
Categorical	-
Redirect To SED Waiver	(25,284.95)
Redirect To Children's Waiver	(6,052.10)
Redirect To Injectable Meds.	-
Funding Fr. Other Local Sources	4,318.24
Total General Fund Revenue	\$ 497,513.19
Total General Fund Expense	\$ 565,686.10
General Fund Surplus/(Deficit)	\$ (68,172.91)

Washtenaw County Community Mental Health  
FINANCIAL PERFORMANCE BY FUND SOURCE  
 NOVEMBER 2018 FYTD

ATTACHMENT #2  
 JANUARY 2019

	Total
<b>SED Waiver</b>	
Revenue	\$ 33,302.61
Expense	33,302.61
SED Waiver Surplus/(Deficit)	\$ -
<b>Children's Waiver</b>	
Revenue	\$ 88,457.02
Expense	88,457.02
CW Surplus/(Deficit)	\$ -
<b>Injectable Meds</b>	
Revenue	\$ -
Expense	-
Inj. Meds. Surplus/(Deficit)	\$ -
<b>Grants And Contracts</b>	
Revenue	\$ 243,464.54
Expense	243,464.54
Grants & Cont. Surplus/(Deficit)	\$ 0.00
<b>CMHSP To CMHSP</b>	
Revenue	\$ 108,177.56
Redirect to GF	(4,318.24)
Expense	103,859.32
CMHSP to CMHSP Surplus/(Deficit)	\$ -
<b>Local</b>	
Revenue	\$ 367,241.46
Expense	252,325.82
Local Surplus/(Deficit)	\$ 114,915.64
<b>Private Grant &amp; All NOR</b>	
Revenue	\$ 37,181.00
Expense	33,497.00
Priv. Grant & NOR Surplus/(Deficit)	\$ 3,684.00
<b>Grand Total</b>	
Revenue	\$ 12,601,226.68
Expense	14,387,010.43
Grand Total Surplus/(Deficit)	\$ (1,785,783.75)

\*\* Denotes PIHP Medicaid Subcontracting Agreement Funds

PIHP Medicaid Surplus/(Deficit)	\$ (1,836,210.48)
WCCMH Surplus/(Deficit)	\$ 50,426.73
	\$ (1,785,783.75)

Washtenaw County Community Mental Health  
For Two Months Ending November 30, 2018

	<u>Approved Annual Budget</u>	<u>YTD Approved Budget</u>	<u>Projected Annual Budget</u>	<u>YTD Projected Budget</u>	<u>YTD Actuals</u>	<u>YTD Over/(Under) Projected Budget</u>
<b>Operating Revenue</b>						
<b>PIHP Revenue</b>						
Medicaid Capitation	\$ 68,673,590	\$ 11,445,598	\$ 61,408,765	\$ 10,234,794	\$ 10,071,965	\$ (162,830)
Healthy Michigan Capitation	7,043,374	1,173,896	4,001,682	666,947	727,802	\$ 60,855
Autism Capitation	3,006,863	501,144	2,951,725	491,954	534,301	\$ 42,347
<b>MDHHS Revenue</b>						
State General Funds	3,147,193	524,532	3,147,193	524,532	524,532	\$ (0)
Medicaid Fee for Service	820,235	136,706	820,235	136,706	90,423	\$ (46,283)
Grants & Earned Contracts	2,224,209	370,702	2,224,209	370,702	258,104	\$ (112,597)
<b>All Other Revenue</b>						
County Appropriation	1,693,272	282,212	2,185,277	364,213	264,549	\$ (99,664)
Project Revenue	751,000	125,167	751,000	125,167	129,229	\$ 4,062
All Other	1,172,977	195,496	1,172,977	195,496	325,355	\$ 129,859
<b>TOTAL Operating Revenue</b>	<b>\$ 88,532,713</b>	<b>\$ 14,755,452</b>	<b>\$ 78,663,063</b>	<b>\$ 13,110,511</b>	<b>\$ 12,926,259</b>	<b>\$ (184,252)</b>
<b>Operating Expenses</b>						
<b>Administrative Expenses</b>						
General Administration	\$ 7,350,417	\$ 1,225,070	\$ 7,350,417	\$ 1,225,070	\$ 1,140,897	\$ (84,173)
Program Administration	3,494,325	582,388	3,494,325	582,388	581,499	\$ (888)
<b>Residential Services</b>						
Community Living Supports	25,100,000	4,183,333	25,100,000	4,183,333	4,204,806	\$ 21,472
Licensed Residential	11,100,000	1,850,000	11,100,000	1,850,000	1,847,649	\$ (2,351)
<b>Outpatient Services</b>						
Autism Services	2,587,000	431,167	2,887,000	481,167	515,742	\$ 34,575
Case Management	4,816,278	802,713	4,816,278	802,713	804,578	\$ 1,865
Supports Coordination	2,354,878	392,480	2,354,878	392,480	373,527	\$ (18,953)
Skill Building	5,979,556	996,593	6,679,556	1,113,259	1,121,608	\$ 8,348
Supported Employment	1,747,546	291,258	2,047,546	341,258	335,915	\$ (5,343)
Psychiatry	2,747,242	457,874	2,747,242	457,874	454,542	\$ (3,332)
Nursing Services	2,282,899	380,483	2,487,899	414,650	363,644	\$ (51,006)
Therapy Services	1,804,501	300,750	1,804,501	300,750	298,741	\$ (2,010)
All Other	8,476,214	1,412,702	7,271,214	1,211,869	1,371,430	\$ 159,561
<b>Other Expenses</b>						
Community Inpatient	5,400,000	900,000	5,400,000	900,000	939,698	\$ 39,698
Local Matches & Shelter	1,282,838	213,806	1,282,838	213,806	99,664	\$ (114,142)
Grants & Earned Contracts	2,009,019	334,837	2,224,209	370,702	258,105	\$ (112,597)
<b>TOTAL Operating Expenses</b>	<b>\$ 88,532,713.00</b>	<b>\$ 14,755,452.17</b>	<b>\$ 89,047,903.00</b>	<b>\$ 14,841,317.17</b>	<b>\$ 14,712,042.38</b>	<b>\$ (129,274.79)</b>
Revenue Over/(Under) Expenses	-	-	(10,384,840)	(1,730,807)	(1,785,784)	(54,977)

**Executive Director Contract Authorizations  
 January 2019 Finance Committee Meeting**

**ACTION REQUESTED:** Acceptance of the Executive Director's signature on contracts with a value of less than \$25,000

**Contracts**

<b>Contractor</b>	<b>Amount</b>	<b>Term</b>	<b>Purpose</b>	<b>Approval Date</b>
West Interactive Services	\$7,392	10/1/2018-9/30/2019	Reminder Communications	10/19/2018
Deborah Kennard	\$2,000	10/1/2018-9/30/2019	Eye Movement Desensitization and Reprocessing Training	10/19/2018
Saline Area Schools	\$20,000	10/1/2018-09/30/2019	Respite Services	10/19/2018
UpToDate	\$5,850	10/1/2018-09/30/2019	Evidence-based physician-authored clinical decision support resource	10/19/2018
Policy Research Associates	\$22,500	1/1/2019-09/30/2019	Youth System Intercept Mapping	

**Recommendation:** Acceptance