

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
INTER-OFFICE COMMUNICATION

DATE: December 28, 2012

TO: Supervisor Marina Dimitrijevic, Chairwoman – Milwaukee County Board

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by Paula Lucey, Administrator, Behavioral Health Division

SUBJECT: **Report, from the Director of Health and Human Services, Requesting Authorization to Create a Trust Fund for the Behavioral Health Division’s Wraparound Milwaukee Program**

Issue

The establishment of a Trust Fund requires approval of the County Board per Resolution File No. 86-779 (a)(a), therefore the Director, Department of Health and Human Service (DHHS), is requesting approval to create a trust fund to be utilized for the receipt and disbursement of funds associated with the Behavioral Health Division’s (BHD) Wraparound Milwaukee Program (Wraparound).

In addition, Chapter 15.18 of the County’s General Ordinances governing departmental bank accounts must be revised to authorize the Director, DHHS, to establish the required accounts and to disburse funds from these accounts.

Background

BHD’s Child and Adolescent Community Services functions as a purchaser, provider and manager for the mental health services system for Milwaukee County youth and some young adults through the Wraparound Milwaukee Program and the Family Intervention and Support Services (FISS) Program. The Wraparound Milwaukee Program functions as a unique managed care entity under a contract and federal 1915(a) agreement with Medicaid for youth with serious emotional disturbance (SED) in Milwaukee County. Services are targeted to children and young adults up to age 24 with severe emotional and mental health needs, involved with two or more child or adult serving systems and who are at risk of residential treatment or other institutional settings.

Wraparound Milwaukee consists of five programs with different target groups of SED youth: Regular Wraparound – Child Welfare or Delinquency and Court Services referred youth who are court ordered into Wraparound; REACH – typically referrals are made through the school

systems and are for non-court involved SED youth; FOCUS – collaborative program with Delinquency and Court Services for SED youth at risk of juvenile correctional placement; Re-Entry Program - for SED youth transitioning out of the Department of Corrections and Healthy Transitions Program (Project O'YEAH) – for youth, age 16 to 24 with SED who need help obtaining mental health services, housing, employment, education, etc. as they transition to adulthood. There are currently approximately 1,000 slots available on a daily basis for Wraparound.

Wraparound currently receives a monthly capitated rate for each child enrolled in the program. This capitated rate is revised based on actuarial studies conducted at the discretion of the State. Based on correspondence from the State (see Attachment 1 and Attachment 2) and meetings with the Milwaukee County Comptroller, it has been determined that any excess funds received by Milwaukee County related to the Wraparound program must be spent on services for those clients and cannot be dropped to the County's bottom line. In 2012, Wrap is anticipating a significant surplus primarily due to clients in the newly developed and expanded REACH and Project O'Yeah (Healthy Transitions) programs are using less behavioral care and services than anticipated. Therefore, based on current 2012 projections, BHD is requesting that \$2.5 million in surplus capitated rate revenues be put into a trust fund for the Wraparound program to be used in the future for Wraparound clients. This trust fund will provide assurance to the policy makers and taxpayers of Milwaukee County that, even as capitated rates may change, the Wraparound program will be fully funded and not necessitate tax levy, barring any unforeseen major changes.

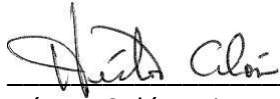
Fiscal Effect

The \$2.5 million that is recommended to be moved into the trust fund for Wraparound has not been anticipated in any BHD quarterly reports for 2012. Therefore there is no tax levy impact associated with this request. Establishing this trust fund will ensure that the financial stability of the Wraparound program is maintained in the future.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, DHHS, or his designee, to work with the Comptroller's Office to create a trust fund and change related Ordinances as detailed on the attached Resolution for the purposes of receiving and disbursing revenues received from the State for the Wraparound Milwaukee program. Approval of this recommendation will enable the Behavioral Health Division to comply with the requirements of CMS and the State in relation to the Wraparound Milwaukee program.

Respectfully Submitted,



Héctor Colón, Director
Department of Health and Human Services

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