

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 5/24/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services, Requesting Authorization for the Behavioral Health Division to Increase the Purchase of Service Contracts with various agencies for \$442,500 for Reimbursement of Medicaid Funds for the Provision of Community Mental Health Services Retroactively for the Time Period of January 1 through December 31, 2013

**FISCAL EFFECT:**

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| <input type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input checked="" type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input checked="" type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
|--|--|

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	Expenditure or Revenue Category	Current Year	Subsequent Year
<b>Operating Budget</b>	Expenditure	\$442,500	0
	Revenue	\$442,500	0
	Net Cost	\$0	0
<b>Capital Improvement Budget</b>	Expenditure		
	Revenue		
	Net Cost		

## DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Per Section 46.09, the Director of the Department of Health and Human Services (DHHS) is requesting authorization for the Behavioral Health Division (BHD) to add funding to the Bell Therapy, La Causa, Transitional Living Services (TLS) and Community Advocates contracts to reimburse these agencies for Medicaid revenues that are paid directly to Milwaukee County. The requested contract additions total \$442,500 and are retroactive for the time period from January 1, 2013 through December 31, 2013.

B. The contract additions are revenue neutral and the agency payments will be based on T19 remittance received by BHD minus a 5% administrative fee. Based on expected Medicaid revenue for new contracted services, BHD is requesting the following annual contract additions:

- |                                |              |           |
|--------------------------------|--------------|-----------|
| • Transitional Living Services | CRC Services | \$51,000  |
| • Community Advocates          | CRC Services | \$73,000  |
| • La Causa                     | TCM Services | \$145,000 |
| • La Causa                     | CLASP        | \$98,500  |
| • Bell Therapy                 | TCM services | \$75,000  |


C. There is no tax levy impact associated with this initiative. BHD plans to expand this program in 2014 and that will be reflected in the 2014 contract proposals.

D. The dollar amount is a maximum amount whereas the total payments will be based on the actual received T19 remittance by BHD. No other assumptions are made.

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By Chris Walker, Fiscal and Budget Analyst - DHHS

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No  
Did CDPB Staff Review?  Yes  No  Not Required