

Chairperson: Joy Tapper
Research Analyst: Kate Flynn Post, (414) 257-7473
Committee Coordinator: Jessica Iggens, (414) 257-7606

**MILWAUKEE COUNTY MENTAL HEALTH BOARD
FINANCE COMMITTEE MEETING**

Thursday, September 4, 2025 – 1:30 P.M.
Microsoft Teams

MINUTES

PRESENT: *Joy Tapper, Mary Neubauer, Kweku Amoasi, Dennise Lavrenz*

EXCUSED: *Jon Lehrmann*

SCHEDULED ITEMS:

NOTE: All Informational Items are Informational Only Unless Otherwise Directed by the Board.

1. **Welcome.**

Chairperson Tapper welcomed everyone to the September 4, 2025 virtual Finance Committee Meeting.

2. **Reserve Investment Update.**

Matt Fortman, Fiscal Administrator, provided a verbal update as to the Reserve Investment request. He indicated that it is legal to invest reserves, but there are several limitations and other factors to consider. The county treasurer currently invests the funds and if the board were to adopt a policy directing the treasurer's office to invest funds in a specific way, this may result in a decrease in the BHS tax levy amount. Questions and discussion ensued. Board Member Amoasi inquired about how the interest is divided back to the Mental Health Board and what other municipalities are doing about investments. Chairperson Tapper indicated she would like to meet with the appropriate individuals to understand the investment including how return on investments is assigned to the Mental Health Board. She also requested that the return on investment be included in future reports.

This Item was Informational.

3. **State and Federal Budget Updates.**

Matt Fortman, Fiscal Administrator provided an update as to the state and federal budget. He spoke about the 1915 (i) Housing Waiver at the state level which went live earlier this year. BHS has only received a small amount of reimbursement so far, but the potential ceiling on this benefit is high. He indicated that this benefit is available to all continuum of care members and Milwaukee County is exploring billing with this waiver. Chairperson Tapper noted that Health Systems advocated for this waiver, and some have been utilizing it. She also noted that this waiver may be applicable to care coordination at discharge.

SCHEDULED ITEMS (CONTINUED):

	<p>Fiscal Administrator Fortman also spoke about the Institution for Mental Disease (IMD) Waiver at the state level. He indicated that this waiver has been in limbo but as of recently there may be potential to move forward soon. This waiver could potentially save 4 million dollars annually and could potentially expand the number of available psychiatric beds in general in Wisconsin.</p> <p>He also highlighted the youth justice state correction costs. He provided historical context of how the county is required to pay for the youth justice state correction costs. The State 27-29 budget initially included a cost of \$2501.00/day; however, the governor struck out the “2” with his veto powers decreasing the daily rate to \$501. This is a one-time short time fix, and it is expected that halfway through 2027 there will be a cost increase. This does not have a direct impact on the BHS budget, but it is a potentially a very large, mandated increase for services in Milwaukee County so could potentially result in a decrease in tax levy for BHS.</p> <p>On the federal level, Fiscal Administrator Fortman spoke about changes in Medicaid enrollment requirements, with changes to occur on December 31, 2026. There are waiver requests available for the Medicaid Enrollment process, but it is not clear what the waiver requests look like. He indicated that the impacts of these new requirements are not yet known, however, the National Counties Association estimated the changes will result in a 4% decline in Medicaid enrollment, which would be a revenue reduction in BHS of about \$4.2 million.</p> <p>He also indicated that there was an Executive Order put in place in February requiring federal agencies distributing funds to enforce citizenship requirements on the use of those federal funds. Milwaukee County does not currently track citizenship and Milwaukee County’s legal mandate for mental health services does not specify citizenship status. This requirement could potentially be a large administrative burden and a barrier to care for that subset of individuals. He also noted there was another Executive Order that recommended additional termination language be put in federal awards that could put existing or future federal funding at risk.</p> <p>Questions and discussion ensued.</p> <p>This Item was Informational.</p>
4.	<p>Behavioral Health Services and County Budget Update.</p> <p>Matt Fortman, Fiscal Administrator, provided a verbal update as to the BHS and County Budgets. He indicated there are no major updates; the County Executive was made aware of the additional amendment that the Mental Health Board approved in the August cycle meeting. There will be a more comprehensive update in October after the County Executive releases his budget.</p> <p>This Item was Informational.</p>
5.	<p>Annual Financial Audit Report.</p>

SCHEDULED ITEMS (CONTINUED):

	<p>Matt Fortman, Fiscal Administrator, presented the annual financial audit report. This document is included in the annual comprehensive financial report that is published on the county's website. It is a balance sheet accounting and schedule of revenues and expenses as it pertains to behavioral health services.</p> <p>This Item was Informational.</p>
6.	<p>2nd Quarter 2025 Dashboard.</p> <p>Matt Fortman, Fiscal Administrator, presented the 2nd Quarter 2025 Dashboard Report. He indicated that right now there is a projected \$10 million deficit and highlighted the major variances causing the deficit. He also provided an update as to the 2025 Budget Initiatives. He highlighted the three-year summary trend of BHS including where revenue is coming from (source) and expenditures by type.</p> <p>He presented the Inpatient Services Dashboard for 2nd Quarter 2025 including annual projections, inpatient bed days, inpatient expenses by setting, and cost per bed day. Chairperson Tapper noted that the inpatient utilization hasn't decreased, rather, where the patients are being served has changed.</p> <p>He presented the TCM/CCM (Targeted Case Management / Crisis Case Management Dashboard) for 2nd Quarter 2025 and indicated that this program is on target with anticipated expenses. Discussion held on write off trend definition and expectations.</p> <p>He presented the CCS (Comprehensive Community Services) Adult Dashboard for 2nd Quarter 2025 and indicated there is a small write off for CCS that is usually connected with the participant losing Medicaid. The current write off trend is predicted to tick back down following resolution of some claims. He also spoke about the average member cost. Justin Heller, BHS Budget and Management Coordinator, noted that the increase in cost per member could be due to the CCS rate increase in 2025. In addition, the preliminary numbers for write offs for July is closer to 6%. Discussion held regarding increase in CCS rates in other counties compared to Milwaukee.</p> <p>Administrator Fortman presented the CSP (Community Support Program) Dashboard for 2nd Quarter 2025 and indicated there are a few challenges including cost per member per quarter increasing and that this expense has been corrected in the 2026 budget. There are also challenges with the write off trends due to Medicaid enrollment and indicated that psychiatry billing is carved out of the family care benefit specific to the CSP benefit. Discussion held regarding loss of Medicaid enrollment.</p> <p>He also presented the SUD Services (Substance Use Disorder) Dashboard for 2nd Quarter 2025 and indicated revenue is currently projected under budget based on grants that were assumed renewed but have not been. This has been corrected in the 2026 budget. Justin Heller, BHS Budget and Management Coordinator, indicated that opioid settlement funds have been used to offset some costs in this area.</p>

SCHEDULED ITEMS (CONTINUED):

	<p>Administrator Fortman presented the Children Community Mental Health Services Dashboard for 2nd Quarter 2025. He indicated that there were some structural issues in this program that have been corrected for 2026 but will cause a levy deficit in 2025.</p> <p>This Item was Informational.</p>
7.	<p>2nd Quarter 2025 Reporting Package.</p> <p>Matt Fortman, Fiscal Administrator presented the 2nd Quarter 2025 Reporting Package, which is a condensed version of Item #6. Discussion held on how to digest the reports and the best way to read the reports. Administrator Fortman indicated that the annual audit report provides a way to verify the numbers being presented. Board members can request additional updates at any time. Chairperson Tapper asked whether there have been any conversations about how to reduce the deficit for 2025. Discussion held in response to this question. Chairperson Tapper indicated that the largest deficit is coming out of revenue and it is important to see what can still be done this year to decrease the deficit.</p> <p>This Item was Informational.</p>
8.	<p>Quarterly Fund Transfer Report.</p> <p>Matt Fortman, Fiscal Administrator, presented the Quarterly Fund Transfer report. He indicated that these fund transfers are typically called budget amendments, and the Mental Health Board delegated the authority for routine budget amendments to BHS administration. He updated the committee on the five fund transfers included in the report: Office Space lease for BHS as Renaissance Faire, Wraparound Crisis Placement Adjustment, Transfer Personal Costs from 6472 to 6313, Move BHS 2025 Abatement costs to individual low orgs, and 647 \$6.7m Reduce Exp and Rev related o REACH crisis.</p> <p>This Item was Informational.</p>
9.	<p>Quarterly Reserve Fund Overview.</p> <p>Matt Fortman, Fiscal Administrator, presented the Quarterly Reserve Fund Overview. He indicated that the projected reserve fund for end of year 2025 will be \$35,162,625. He also indicated that the number of reserve funded items that were approved by the Mental Health Board is roughly 1 million with the future balance after Know Commitments/Risk being \$34,162,625. Questions and discussion ensued regarding forecasting potential risks.</p> <p>This Item was Informational.</p>
10.	<p>Adjournment.</p>

SCHEDULED ITEMS (CONTINUED):

Chairperson Tapper adjourned the meeting.

This meeting was recorded. The official copy of these minutes and subject reports, along with the audio recording of this meeting, is available on the Milwaukee County's Legislative Information Center website, which can be accessed by clicking the associated link.

Length of meeting: 1:33 p.m. to 3:39 p.m.

Adjourned,

Jessica Iggens

Jessica Iggens

Committee Coordinator

Milwaukee County Mental Health Board

**The next meeting for the Milwaukee County Mental Health Board Finance Committee is
Thursday, October 23, 2025 @ 8:00 am**

**To View All Associated Meeting Materials,
Visit the Milwaukee County Legislative Information Center at:
[Milwaukee County - Calendar \(legistar.com\)](https://legistar.com)**

**Visit the Milwaukee County Mental Health Board Web Page at:
<https://county.milwaukee.gov/EN/DHHS/About/Governance>**

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