


**COUNTY OF MILWAUKEE**  
Inter-Office communication

**Date:** March 30, 2011

**To:** Supervisor John Thomas, Vice-Chair, Finance and Audit Committee  
Supervisor Peggy West, Chair, Health and Human Needs Committee

**From:** Maria Ledger, Interim Executive Director, Department of Family Care 

**Subject:** MCDFC Income Statement for the period January 1, 2011 through February 28, 2011

The attached report summarizes the Milwaukee County Department of Family Care (MCDFC) income statement of the Managed Organization (MCO) for the period January 1, 2011 through February 28, 2011. In addition, it identifies the variance of actual results to the 2011 adjusted budget. The actual amounts are preliminary (see recurring Note on the attached MCDFC-MCO income statement for further information). The budget amounts reflect the cumulative monthly budget for the year.

The MCO is showing a preliminary actual Net Income of \$2,786,821 for the first two months of 2011. Comparing this to the adjusted budget Net Income of \$984,656 creates a positive Net Income Budget Variance of \$984,656. While preliminary results through February show actual revenues and actual expenditures higher than those in the adjusted budget, the variance in revenues is higher and thereby offsets any unfavorable expenditure variance.

MCO enrollment as of February 28, 2011 was 7,573 members, a net decrease of 7 members from the December 31, 2010 of 7,580 members enrolled.

If you have questions concerning the attached income statement, please contact Interim Executive Director Maria Ledger at 287-7610.

Attachment

Cc: County Executive Marvin Pratt  
E. Marie Broussard  
Chairman Lee Holloway  
Stephen Cady  
Jennifer Collins  
Jodi Mapp  
John Ruggini  
Toni Thomas-Bailey  
Jim Hodson

**MCDFC-MCO Income Statement**  
**For the period of January 1 through February 28, 2011**

<u>Revenues</u>	<u>1/1/11 - 2/28/11</u> <u>Actual</u>	<u>1/1/11 - 2/28/11</u> <u>Adjusted Budget</u>
Capitation Revenues	\$41,047,408	\$40,394,486
Member Obligation Revenues	\$4,880,333	\$4,418,016
Contribution from Reserve	\$0	\$195,314
Other Revenues	\$39,005	\$38,649
<b>Total Revenues</b>	<b>\$45,966,746</b>	<b>\$45,046,465</b>
<u>Expenses</u>		
Member Service Expenses	\$42,969,297	\$41,995,049
Administrative Expenses:		
---Labor & Fringes	\$811,749	\$1,423,588
---Vendor Contracts	\$506,221	\$795,119
---Cross Charges/internal transfers	\$249,445	\$230,462
---Other expenses (supplies, mileage, etc.)	\$445,378	\$602,247
--- Est. contribution to reserve		
<b>Total Expenses</b>	<b>\$44,982,090</b>	<b>\$45,046,465</b>
<b>Net Surplus/(Deficit)</b>	<b>\$984,656</b>	<b>\$0</b>

**February 2011 CMO Enrollment:**

**Nursing Home (Comprehensive):**

59 and Under	1,204
60 and Over	6,318

**Non-Nursing Home (Intermediate):**

59 and Under	11
60 and Over	40

**Total Members Served - 2/28/11** **7,573**

Note: The above financial summary represent actual results as of the reporting date, however, the result can change due to changes occurring in member service utilization (IBNR), outstanding receivables, internal charges or other regulatory changes. Any change from a prior period is accounted for in the year-to-date aggregate results. Prior period reporting is not restated.