

**MILWAUKEE COUNTY FISCAL NOTE FORM**

DATE: 9/27/12

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** The Department of Family Care is requesting authorization to enter into a Hosting and Access Agreement with Lakeland Care District MCO to use MIDAS to support its own care management and claims processing systems and to receive the revenues thereunder.

**FISCAL EFFECT:**

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

*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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	121,260
	Revenue	0	\$277,800.00
	Net Cost	0	(\$156,540.00)
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

## 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.

MCDFC has worked to develop a proprietary data application system called MIDAS (Member Information, Documentation, and Authorization System) to assist the Department – MCO in managing the Family Care program. The Milwaukee County Board of Supervisors by prior action has authorized this Department to enter into a Hosting and Access Agreement with another Family Care agency in 2009 and 2012. Lakeland Care District is another external Family Care program interested in obtaining access to lease MIDAS. This would begin effective January 1, 2013.

MIDAS has been an effective program to support the operations of the MCDFC MCO. This highly successful system is now in use under a Hosting and Access Agreement between this Department and Southwest Family Care Alliance MCO as well as Northern Bridges MCO. Adding Lakeland Care District MCO will allow MCDFC to continue to maintain and continue to develop this application as well as offsetting any costs associated with Hosting and Access for multiple users with revenues received by the Hosting and Access Agreements with each of the three entities. An additional developer/support position is included in the 2013 budget along with the hosting fees for Lakeland Care District. Revenues are anticipated to be in excess of expenditures under this agreement.

Department/Prepared By Jim Hodson

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes

No

<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.