

Chairperson: Kathie Eilers
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**MILWAUKEE COUNTY MENTAL HEALTH BOARD
FINANCE COMMITTEE**

Thursday, September 7, 2023 - 1:30 P.M.
Microsoft Teams Meeting

MINUTES

PRESENT: Kathie Eilers and Dennise Lavrenz
EXCUSED: Jon Lehrmann, Mary Neubauer, and Earlise Ward

SCHEDULED ITEMS:

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| 1. | <p>Welcome.</p> <p>Chairwoman Eilers welcomed everyone to the September 7, 2023, Mental Health Board Finance Committee's quarterly remote/virtual meeting.</p> |
| 2. | <p>Minutes from the August 24, 2023, Committee Meeting.</p> <p>The minutes were reviewed, acknowledged, and accepted by the Committee.</p> <p>This Item was Informational.</p> |
| 3. | <p>2022 Balance Sheet.</p> <p>This information represents the 2022 public financially audited results. The Committee's attention was drawn to the capital assets. The hospital was not fully closed and decommissioned until early 2023. Those assets are now almost entirely fully depreciated, so there will be some adjustments in the year end 2023 balance sheet account. There won't be a financial impact from the change. Another item to note is the year end bottom-line balance reflects a deficit. The deficit is, however, less than what was anticipated.</p> <p>Questions and comments ensued.</p> <p>This Item was informational.</p> |
| 4. | <p>2023 Financial Dashboard.</p> <p>There is a \$5.3 million deficit being projected for 2023. Some of the major factors impacting this dollar amount was detailed. There continues to be a deficit in the Wraparound Milwaukee</p> |

SCHEDULED ITEMS (CONTINUED):

	<p>program, which is due to changes made in residential care center enrollment Medicaid funding. There will be a need to rely on reserves in this area until this issue is resolved. Fortunately, the Wraparound program has reserves of its own.</p> <p>A Wisconsin Medicaid Cost Reporting (WIMCR) shortfall is being projected, which pays the federal share of the non-reimbursed loss related to the community Medicaid programs. It's a one-time payment, and it's often very hard to predict the amount. 2023 Budget numbers for this area were optimistically projected.</p> <p>Other financial highlights were provided and include the state institute deficit, which is due to Granite Hills capacity; an Alcohol and Other Drug Abuse program deficit; Crisis Mobile Team revenue and staffing, which are both lower than expected; a surplus in Community Support Programs (CSP), which can be attributed to a provider bandwidth issue; and because of capacity issues, there is a surplus in Community Based Residential Facility services.</p> <p>Comprehensive Community Services, a program fully funded by the State, is continuing to see growth. Good trends are being seen related to Medicaid enrollment and payment rates. A setback with construction has delayed Crisis stabilization facility progress. The Peer Support Academy is on track, and Behavioral Health Services has moved forward with some provider rate increases.</p> <p>The inpatient dashboard was reviewed. Targeted Case Management's expenses are expected to be slightly less than what was reflected in the budget and is related to volume of services. The tax levy variance is relatively low, and the payer mix is healthy.</p> <p>Questions and comments ensued.</p> <p>This Item was informational.</p>
5.	<p>2023 Financial Reporting Package.</p> <p>The information from this report is more of a granular numeric fashion type view of what was displayed in the dashboard. It is always provided to the Committee each quarter for full transparency and for the Committee's own historical records.</p> <p>This Item was informational.</p>
6.	<p>Update on Financial Vulnerabilities, Risks, and Progress on Initiatives Related to the Budget.</p> <p>The Wisconsin Department of Health Services (DHS) informed Wraparound leadership Residential Care Center (RCC) placement costs will no longer be funded after 2024. Right now, Behavioral Health Services (BHS) has access to general purpose revenue funds to cover some of those costs. However, those funds will sunset by mid-2025. BHS will need a plan to</p>

SCHEDULED ITEMS (CONTINUED):

	<p>fund those services in the future. BHS is currently working with the Division of Child Protective Services (DCPS) on funding some of the costs. The majority of these youth have program cross pollination. The hope is to partner with DCPS to find a way to cover those costs outside of the Medicaid benefit.</p> <p>The number of services eligible for coverage under the Wraparound Health Management Organization (HMO) has decreased while the administrative burden, in terms of reporting, has increased. Comprehensive Community Services (CCS) is a great option, but it doesn't provide the fully loaded service of continuum of care seen with the HMOs. CCS doesn't fund group home placements or inpatient care. BHS is looking into other options with the State, as they have been helping brainstorm.</p> <p>BHS and the provider network continue to find it challenging to hire and retain staff. There are some additional funds for the Community Support Programs rates in the budget; however, the issues are being seen across all programs.</p> <p>BHS is hopeful to see some savings as Granite Hills ramps up capacity. In turn, state institute costs and utilization should start to decrease.</p> <p>Revenue opportunities include access to a significant amount of opioid settlement funds. Some funds have already been awarded through the process. The plan is to apply for additional funds for ongoing services related to opioid misuse, in addition to funding for things like alcohol and cannabis use services.</p> <p>Right now, the Comptroller and Budget Offices are working County-wide on the Negotiated Indirect Cost Rate Agreement, which will enable BHS and other County departments to draw down the true administrative costs on grant awards.</p> <p>This Item is informational.</p>
7.	<p>Quarterly Fund Transfers Summary.</p> <p>There are two fund transfers this quarter. The first fund transfer realigned salaries with the correct cost center. It moves costs for 18 positions to better align expenditures in the correct program area. The other moved some of the budget for the Wisconsin Medicaid Cost Reporting from one cost center to another to be more aligned with where they expect that revenue to be received.</p> <p>This Item is informational.</p>
8.	<p>Quarterly Reserve Impact Analysis and Overview.</p> <p>Behavioral Health Services (BHS) has three different main reserve funds. There is the Wraparound reserve fund, the Capital reserve fund, and the surplus reserve fund. The</p>

SCHEDULED ITEMS (CONTINUED):

	<p>balances for year ending 2022 were reviewed. The Capital reserve's balance was brought down to \$0 and will be closed out at the end of this year. The deficit for 2022 was shared primarily between the surplus and capital reserve funds. The Statute requiring a Capital reserve fund was tied to the hospital. As a result of the hospital closing, it is no longer needed. There are some risks (the cost of youth residential services and state institute payments) on the horizon, which could hit the Surplus reserve fund in future years.</p> <p>Questions and comments ensued.</p> <p>This Item was informational.</p>
9.	<p>Adjournment.</p> <p>Chairwoman Eilers ordered the meeting adjourned.</p>
<p>This meeting was recorded. The official copy of these minutes, along with the audio recording of this meeting, is available on Milwaukee County's Legislative Information Center website, which can be accessed by clicking the link below.</p> <p>Length of meeting: 1:37 p.m. a.m. to 2:20 p.m.</p> <p>Adjourned,</p> <p><i>Jodi Mapp</i></p> <p>Jodi Mapp Senior Executive Assistant Milwaukee County Mental Health Board</p>	
<p>The next regular meeting of the Milwaukee County Mental Health Board Finance Committee is Thursday, October 26, 2023, at 8:00 a.m.</p> <p>To View All Associated Meeting Materials, Visit the Milwaukee County Legislative Information Center at: <u>Milwaukee County - Calendar (legistar.com)</u></p> <p>Visit the Milwaukee County Mental Health Board Web Page at: <u>https://county.milwaukee.gov/EN/DHHS/About/Governance</u></p>	