

COUNTY OF MILWAUKEE, WISCONSIN

2

Balance Sheet
Behavioral Health Division Fund
As of December 31, 2021
(In Thousands)

Assets

Current Assets:	
Cash	\$ 46,632
Patient Receivables	18,629
Allowance for Uncollectible Accounts	(11,298)
Accounts Receivable - Other	14
Due from Other Governments	6,890
Total Current Assets	60,867
Noncurrent Assets:	
Capital Assets:	
Land Improvements	1,263
Buildings and Improvements	33,201
Machinery, Vehicles and Equipment	3,097
Total Capital Assets	37,561
Less: Accumulated Depreciation	(34,676)
Total Capital Assets (Net)	2,885
Total Assets	\$ 63,752

Liabilities

Current Liabilities:	
Accounts Payable	\$ 10,784
Accrued Payroll	677
Due to Other Governments	51
Bonds and Notes Payable - General Obligation	71
Compensated Absences Payable	2,603
Other Current Liabilities	1,394
Total Current Liabilities	15,580
Long-Term Liabilities:	
Bonds and Notes Payable - General Obligation	338
Compensated Absences Payable	842
Total Long-Term Liabilities	1,180
Total Liabilities	16,760

Net Position

Net Investments in Capital Assets	2,476
Restricted for:	
Commitments	2,424
Operational Reserve	33,424
Capital Reserve	1,422
Title XIX Capitation	9,404
Compensated Absences	1,287
Unrestricted (Deficit)	(3,445)
Total Net Position	46,992
Total Liabilities and Net Position	\$ 63,752

BEHAVIORAL HEALTH DIVISION

DASHBOARD REPORT

2nd Quarter 2022

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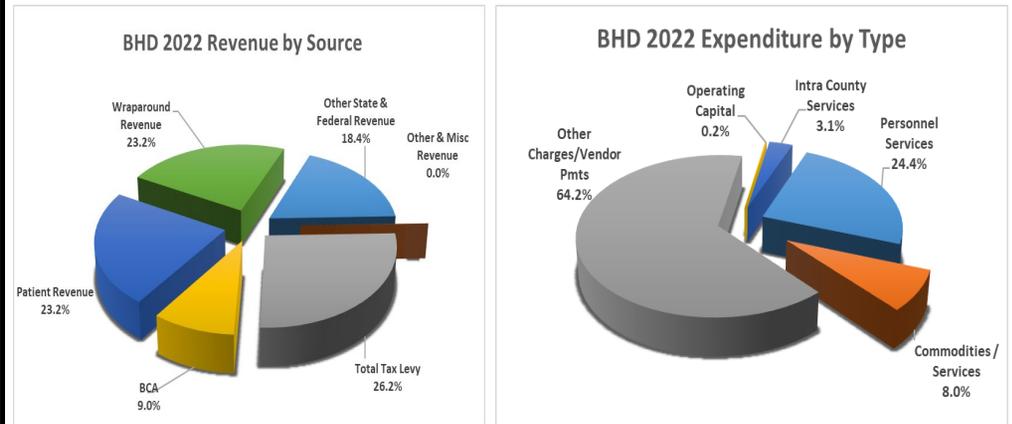
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BHD COMBINED DASHBOARD

2nd Quarter 2022

	2022 Annual Projection			
	Actual YTD	Projection	Budget	Variance
Revenue	80,736,112	182,868,797	208,112,922	(25,244,125)
Expense				
Personnel	36,599,588	60,448,099	65,228,858	4,780,759
Commodities/Services	13,337,500	19,843,238	19,947,610	104,372
Depreciation/Inventory	(2,850)	(3,664)	-	3,664
Other Charges	73,737,339	159,174,057	170,046,732	10,872,675
Capital	479,318	574,622	499,223	(75,399)
Intra County Services	3,366,261	7,706,776	7,462,303	(244,473)
Total Expense	127,517,155	247,743,128	263,184,726	15,441,598
Tax Levy	46,781,043	64,874,331	55,071,804	(9,802,527)

2022 Projected Annual Revenues & Expenses by Percentage



Note: "Other Charges" in Expenditures include all Provider Payments - Fee For Service, Purchase of Service and other contracted services.

Financial Highlights & Major Variances

- Inpatient services deficit due to extended operations (\$2.6m)
- State Institute deficit of (\$1.6m)
- Reserve funding for MHEC startup operations in PCS (\$4.7m)
- AODA programming deficit (\$1.1m)
- CSP Surplus due to lower utilization \$1.1m
- Wraparound deficit due to RCC enrollment issues (\$0.4m)

2022 Budget Initiatives

Initiative	Status
FQHC Partnerships	↑ In progress
Inpatient Closure	→ Delayed but on track
Crisis Stabilization Redesign	→ In progress
MHEC Opening	↑ September 6th First Admission

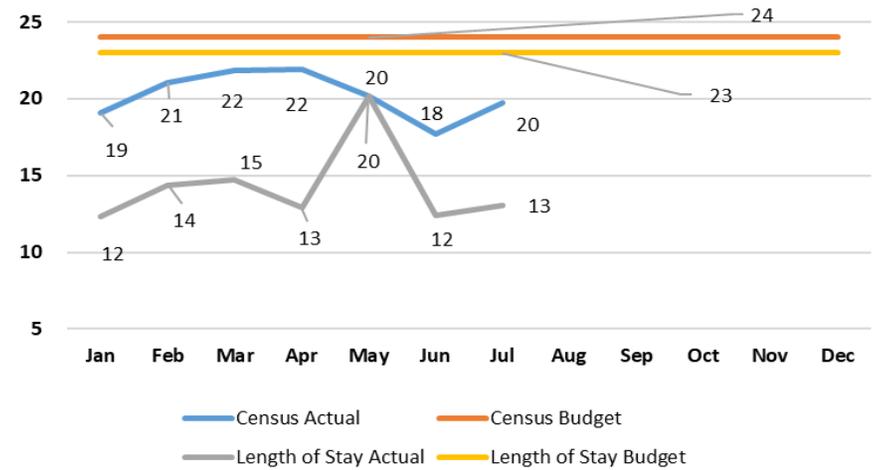
Complete	↑	Not Done	↓	Progressing	→
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ACUTE ADULT INPATIENT DASHBOARD

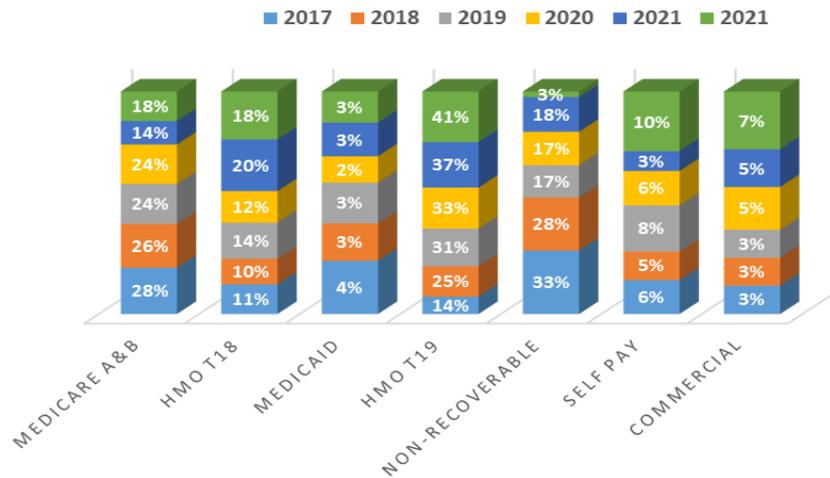
2nd Quarter 2022

	2022 Annual Projection			
	Actual YTD	Projection	Budget	Variance
Revenue	8,604,597	9,491,651	11,704,242	(2,212,591)
Expense				
Personnel	5,771,301	11,360,267	13,034,932	1,674,665
Commodities/Service	6,804,727	8,959,975	7,761,942	(1,198,033)
Depreciation/Invento	-	-	-	-
Other Charges	2,728,833	5,606,007	5,913,417	307,410
Capital	-	-	-	-
Intra County Services	4,532,818	7,737,218	5,697,307	(2,039,911)
Total Expense	19,837,678	33,663,467	32,407,598	(1,255,869)
Tax Levy	11,233,081	24,171,816	20,703,356	(3,468,460)

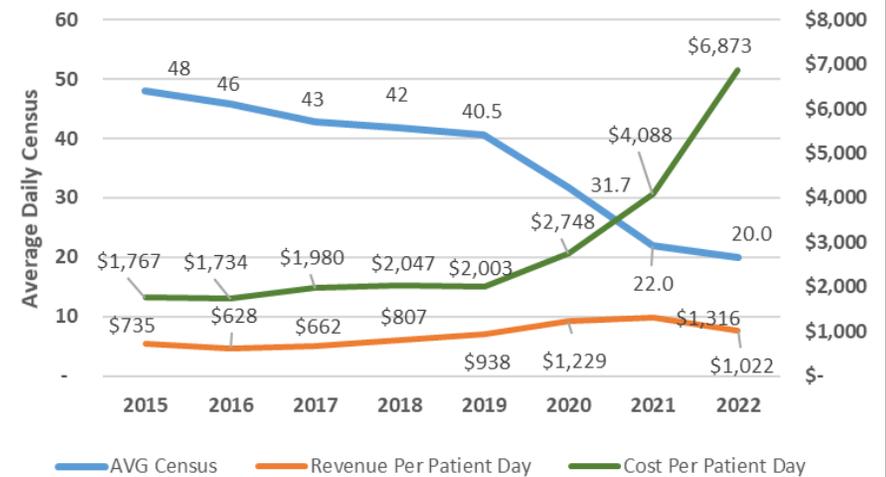
Adult Census and Length of Stay



ADULT INPATIENT PAYER SOURCES



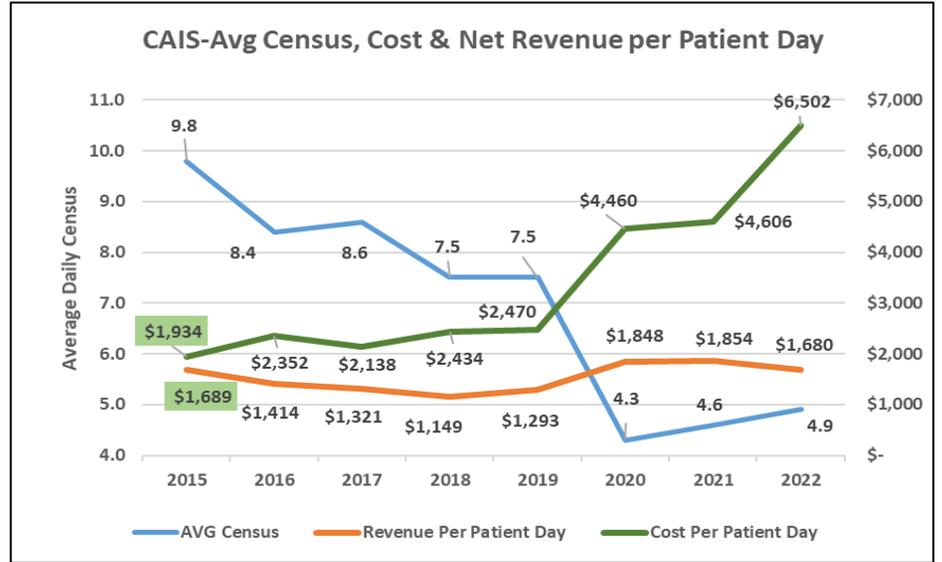
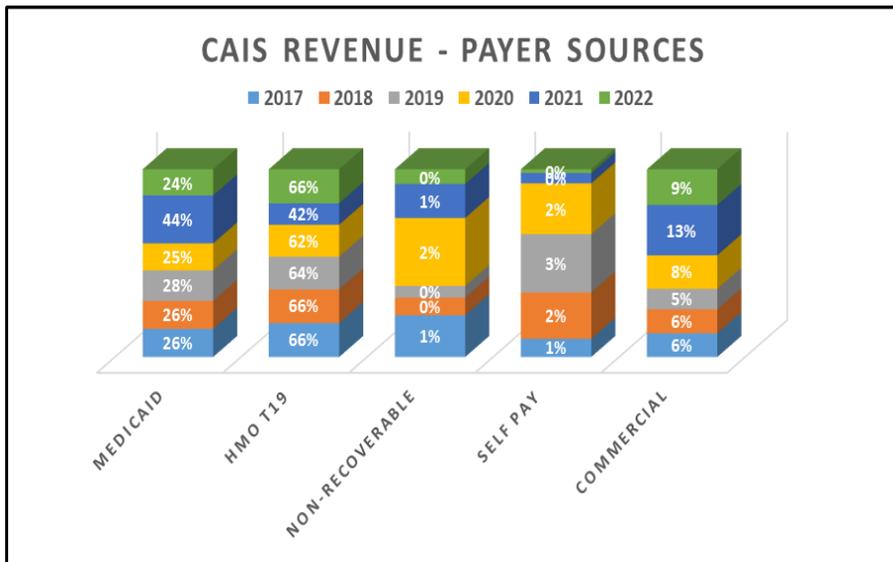
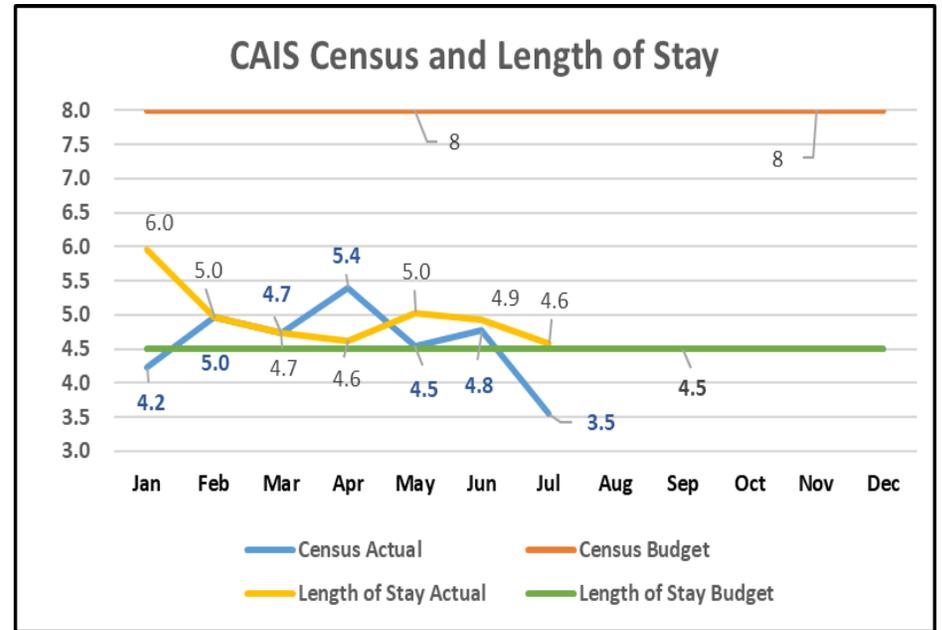
Avg Census, Cost & Net Revenue per Patient Day



CAIS (Child & Adolescent Inpatient) DASHBOARD

2nd Quarter 2022

	Actual YTD	2022 Annual Projection		
	Actual YTD	Projection	Budget	Variance
Revenue	1,620,584	1,868,584	1,676,221	192,363
Expense				
Personnel	3,081,132	4,498,698	4,598,768	100,070
Commodities/Service	109,168	164,817	94,850	(69,967)
Depreciation/Invento	-	-	-	-
Other Charges	-	-	-	-
Capital	-	-	-	-
Intra County Services	1,534,421	2,566,425	1,829,220	(737,205)
Total Expense	4,724,721	7,229,940	6,522,838	(707,102)
Tax Levy	3,104,137	5,361,356	4,846,617	(514,739)



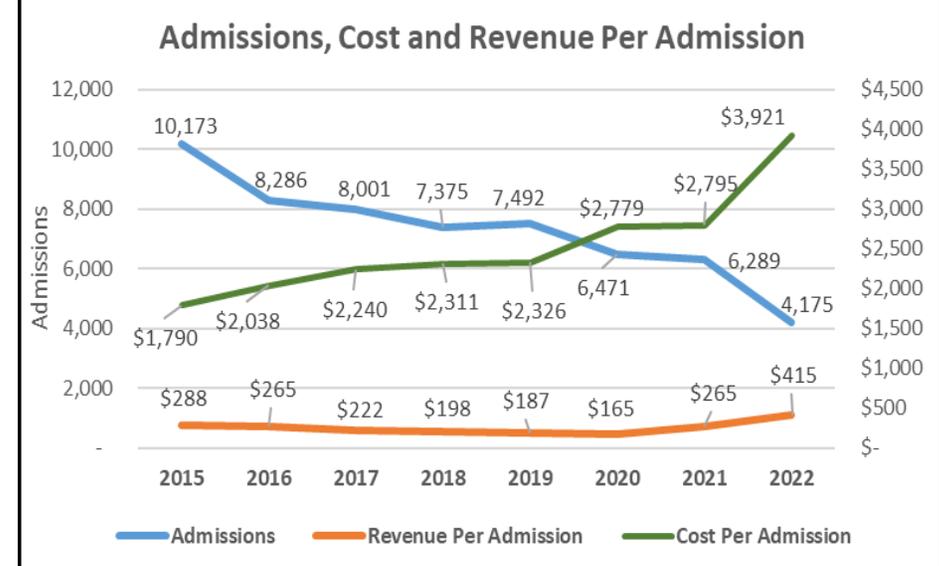
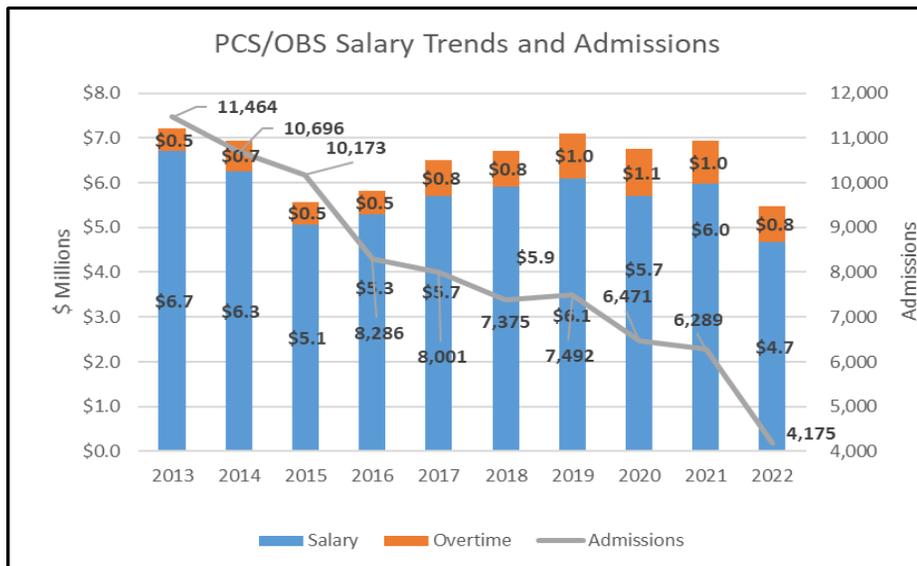
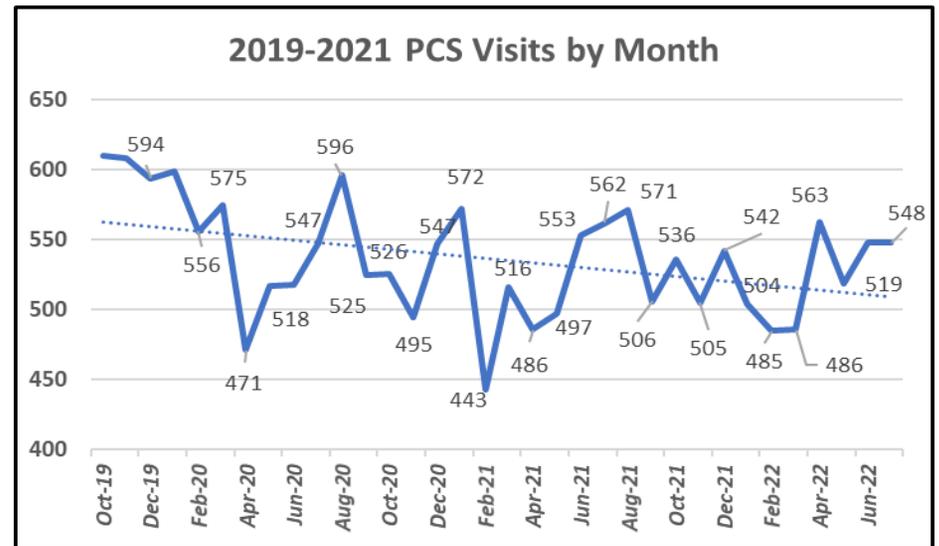
PCS - ER and Observation DASHBOARD

2nd Quarter 2022

	2022 Annual Projection			
	Actual YTD	Projection	Budget	Variance
Revenue*	1,003,107	10,472,613	14,679,373	(4,206,760)
Expense				
Personnel	6,511,904	10,548,910	11,203,392	654,482
Commodities/Services	281,252	372,705	359,898	(12,807)
Depreciation/Inventory	-	-	-	-
Other Charges	1,041,179	6,743,067	6,075,179	(667,888)
Capital	-	-	-	-
Intra County Services	3,091,720	5,448,982	4,984,419	(464,563)
Total Expense	10,926,054	23,113,663	22,622,888	(490,775)
Tax Levy	9,922,947	12,641,050	7,943,515	(4,697,535)

* The majority of "Revenue" \$7,700,026 is BCA (Basic County Allocation), a source of taxpayer revenue. The Revenue deficit is mostly due to a Budgeted contribution from reserves of \$3.3m which will be settled at year end when exact amount known.

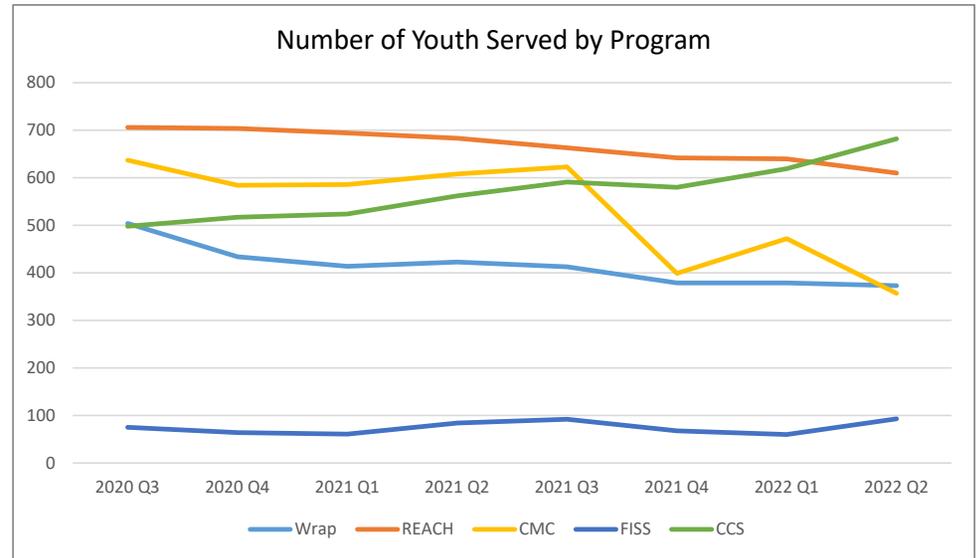
Number of PCS visits plateaued/decreased for the 10 months from June 2019 through March 2020 prior to the Covid related drop in April 2020. There is continued variability by month with a downward trend:



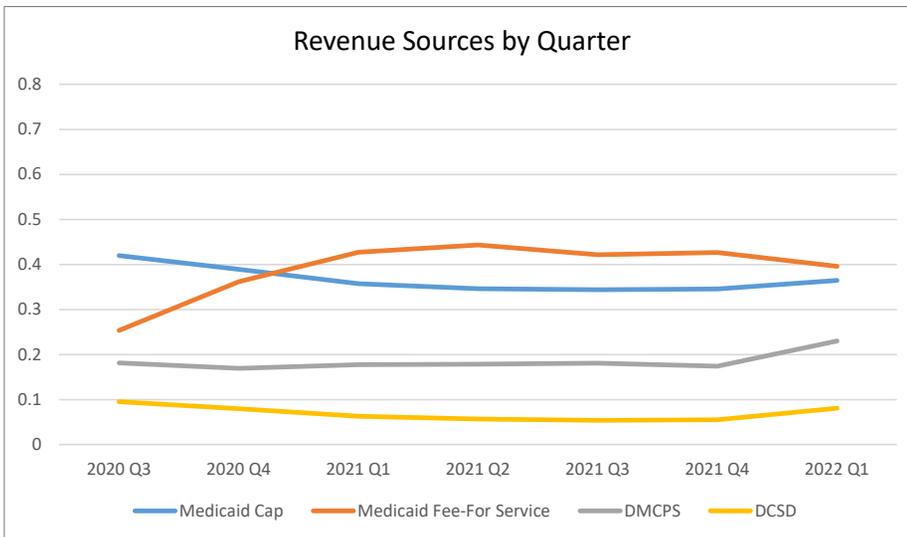
WRAPAROUND DASHBOARD

2nd Quarter 2022

	2022 Annual Projection			
	Actual YTD	Projection	Budget	Variance
Revenue	26,986,657	66,678,368	68,790,008	(2,111,640)
Expense				
Personnel	3,566,655	5,502,802	6,715,624	1,212,822
Commodities/Services	852,788	1,744,990	1,042,872	(702,118)
Depreciation/Inventory	-	-	-	-
Other Charges	23,102,127	57,539,174	61,823,761	4,284,587
Capital	-	-	-	-
Intra County Services	1,560,064	2,051,385	(1,049,735)	(3,101,120)
Total Expense	29,081,633	66,838,351	68,532,522	1,694,171
Tax Levy	2,094,977	159,983	(257,486)	(417,469)



^ Note: OYEAH program ended in 2019 and is no longer reflected in graph



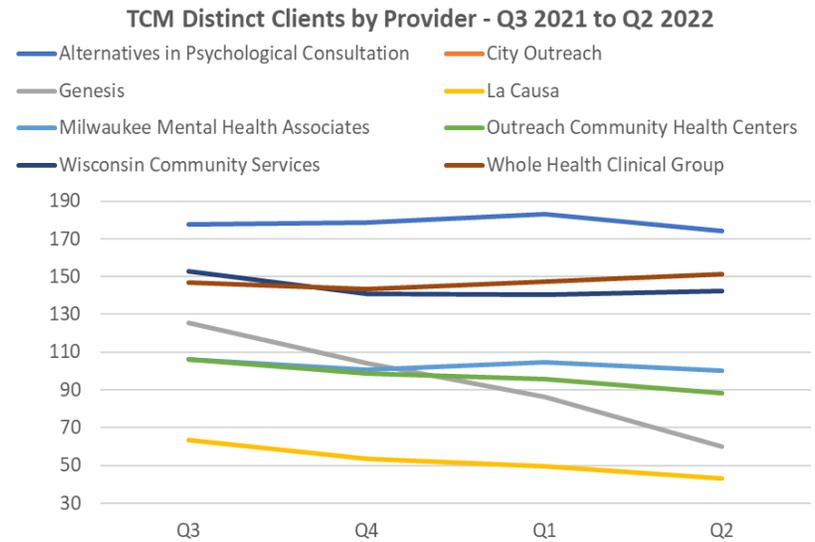
* Note - Medicaid Fee for Service is an estimate for 2021 Q4. Data is always one quarter behind.

WRAP by Low Org	Projected 2022			
	Wrap HMO	Wrap Grants	CCS	FISS
REVENUE:				
State and Federal Revenue	233,210	4,986,556	0	220,890
Other Direct Revenue	43,708,370	0	17,529,342	0
Revenue Total	43,941,580	4,986,556	17,529,342	220,890
EXPENDITURE:				
Personnel	4,995,549	362,521	0	144,733
Commodities/Services	989,792	720,417	34,780	0
Depreciation/Inventory	0	0	0	0
Other Charges	36,711,743	3,540,622	16,982,241	304,568
Capital	0	0	0	0
Intra County Services	1,253,055	124,993	626,069	47,268
Expenditure Total	43,950,139	4,748,553	17,643,090	496,569
TAX LEVY	8,559	(238,003)	113,748	275,679

TCM (Targeted Case Management) DASHBOARD 2nd Quarter 2022

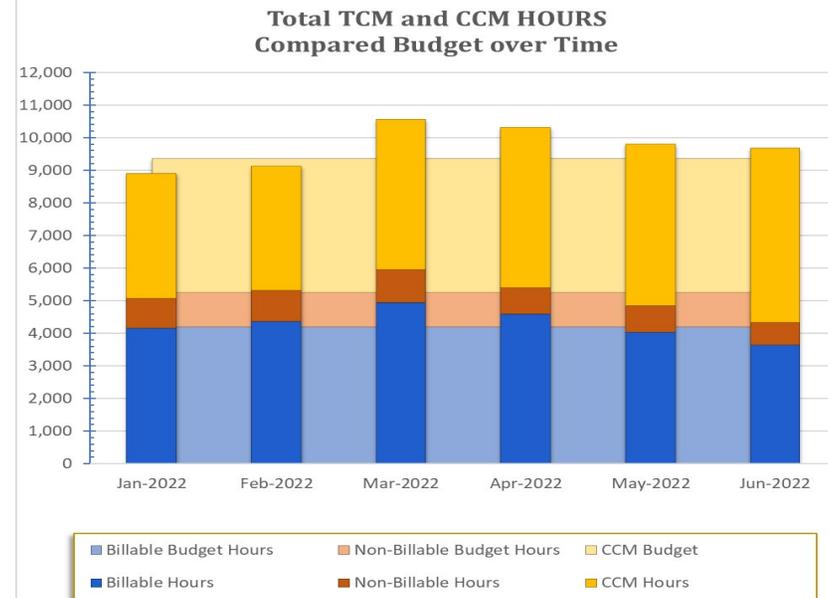
	2022 Annual Projection			
	Actual YTD	Projection	Budget	Variance
Revenue	3,897,706	7,998,965	6,758,950	1,240,015
Expense				
Personnel	175,446	285,774	278,396	(7,378)
Commodities/Services	273	468	-	(468)
Depreciation/Inventory	-	-	-	-
Other Charges	4,089,973	7,797,666	6,620,974	(1,176,692)
Capital	-	-	-	-
Intra County Services	270,476	481,765	369,330	(112,435)
Total Expense	4,536,168	8,565,672	7,268,700	(1,296,972)
Tax Levy	638,462	566,707	509,750	(56,957)

Average Enrollment 782 780 1,001



	2022			Q2	2022			YTD
	Billable	Non-billable	% Non-billable		Billable	Non-billable	% Non-billable	
Alt in Psych Cons	12,221	2,614	21%		23,676	5,642	24%	
City Outreach	26	23	90%		26	23	0%	
Genesis	5,486	1,439	26%		14,058	4,234	30%	
La Causa	2,537	678	27%		5,964	1,380	23%	
Milw MHA	6,213	1,800	29%		13,151	3,771	29%	
Outreach CHC	5,841	523	9%		11,916	1,359	11%	
Wisc Com Srv	9,282	1,746	19%		15,890	853	5%	
WHCG	7,556	484	6%		18,359	3,669	20%	
TOTAL	49,162	9,308	19%		103,040	20,931	20%	

*** Non-billable services are paid to Providers, but not billable to Medicaid



CCS (Comprehensive Community Services) DASHBOARD

2nd Quarter 2022

	2022 Annual Projection			
	Actual YTD	Projection	Budget	Variance
Revenue	19,575,367	37,608,364	40,118,504	(2,510,140)
Expense				
Personnel	614,780	967,382	988,393	21,011
Commodities/Service	13,312	22,820	112,375	89,555
Depreciation/Invento	-	-	-	-
Other Charges	18,512,352	34,634,995	37,643,032	3,008,036
Capital	-	-	-	-
Intra County Services	1,420,529	2,614,811	2,080,193	(534,618)
Total Expense	20,560,973	38,240,009	40,823,993	2,583,984
Tax Levy	985,606	631,645	705,489	73,844

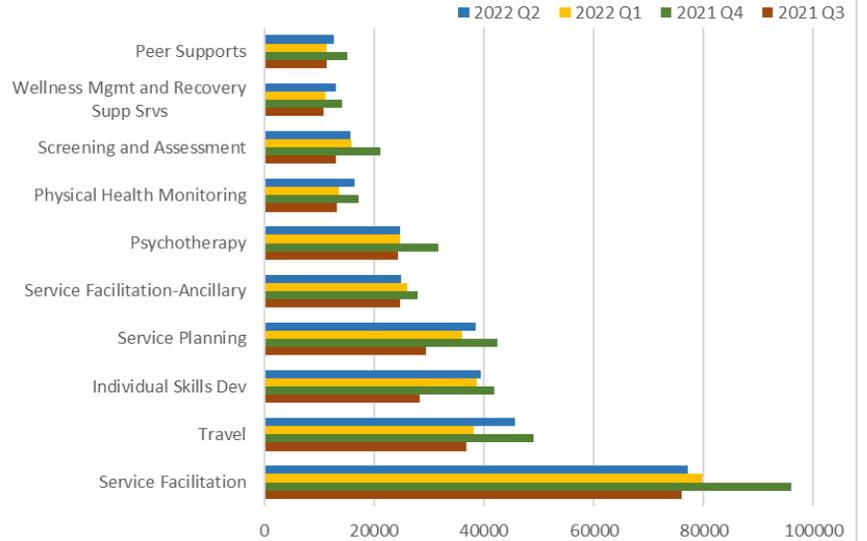
Average Enrollment	1,692	1,707	2,139
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Distinct Clients Served 2018 to 2022



	Number of Billable to Nonbillable Dollars - Top 10 Providers					
	2022 Q2 Totals			2022 YTD Totals		
	Billable	Non-Billable	% Non-Billable	Billable	Non-Billable	% Non-Billable
Project Access	1,165,425	13,415	1.2%	2,318,789	32,379	1.4%
Wisconsin Community Services	1,121,164	2,100	0.2%	2,097,743	6,814	0.3%
Whole Health Clinical Group	584,002	300	0.1%	1,241,163	300	0.0%
Alternatives in Psychological Con	571,378		0.0%	1,172,972	4,307	0.4%
Summit Wellness	491,714		0.0%	920,626		0.0%
Professional Services Group	440,488	5,110	1.2%	820,657	8,410	1.0%
Sirona Recovery	359,778	5,346	1.5%	748,662	10,456	1.4%
Creative Counseling	354,603		0.0%	623,633		0.0%
Milwaukee Mental Health Associates	276,856		0.0%	596,820	321	0.1%
Guest House	263,459	5,882	2.2%	574,117	7,424	1.3%

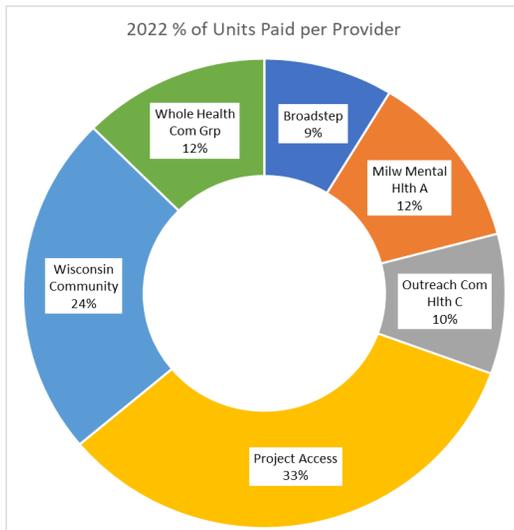
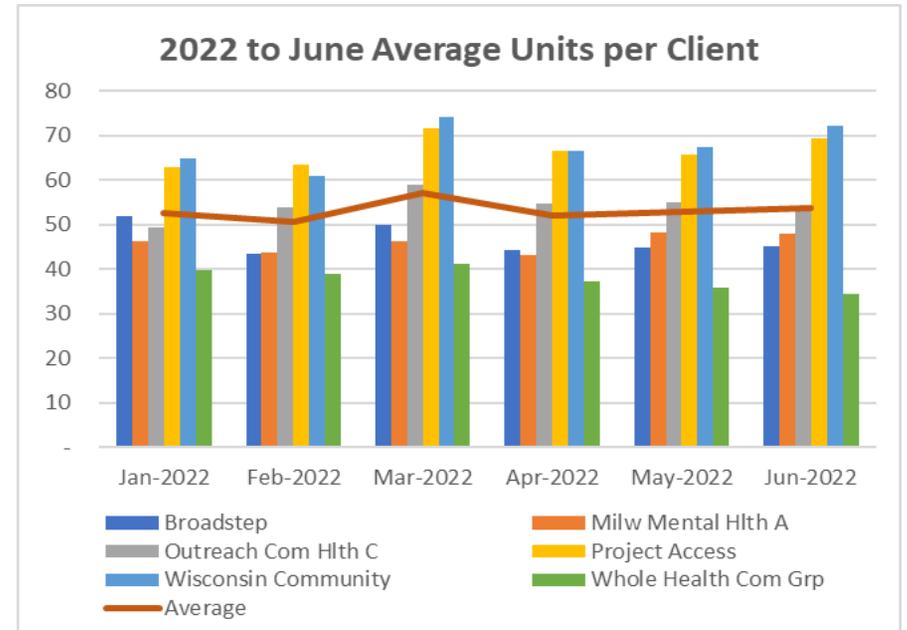
Top 10 CCS Services by Units



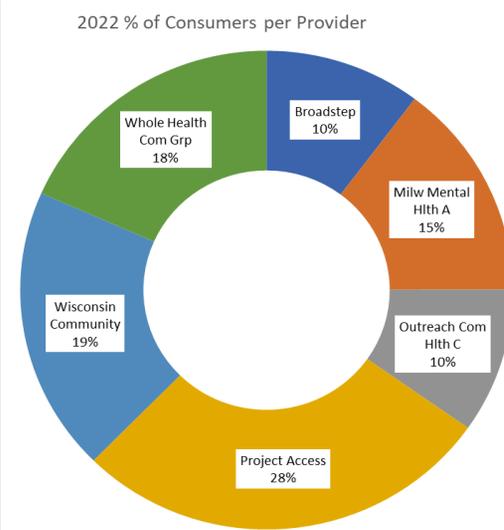
CSP (Community Support Program) DASHBOARD 2nd Quarter 2022

	2022 Annual Projection			
	Actual YTD	Projection	Budget	Variance
Revenue	7,356,402	15,212,912	15,737,329	(524,417)
Expense				
Personnel	798,372	776,053	1,085,886	309,833
Commodities/Services	104,855	179,751	209,030	29,279
Depreciation/Inventory	-	-	-	-
Other Charges	7,297,863	14,135,918	15,647,199	1,511,281
Capital	-	-	-	-
Intra County Services	686,808	1,226,352	1,022,246	(204,106)
Total Expense	8,887,898	16,318,074	17,964,361	1,646,287
Tax Levy	1,531,496	1,105,162	2,227,032	1,121,870

Average Enrollment	1,181	1,181	1,274
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Agency	Individual Units	
	June	YTD Total
Broadstep	5,463	34,009
Milw MHA	7,988	47,884
Outreach	6,217	37,754
Proj Access	21,778	130,526
Wisc Com Srv	16,149	92,307
Whole Health	7,311	49,159
Grand Total	64,906	391,639



Agency	Distinct Clients	
	June	YTD Ave per Month
Broadstep	121	122
Milw MHA	167	174
Outreach	117	116
Proj Access	316	327
Wisc Com Srv	224	228
Whole Health	212	218
Grand Total	1,157	1,184

Behavioral Health Division
Combined Reporting
 2022 Annual Projection as of June 2022

	2022 Budget				2022 Annual Projection				2022 Projected Surplus/(Deficit)			
	Hospital	Community Services	Mgmt/ Ops/Fiscal	Total BHD	Hospital	Community Services	Mgmt/ Ops/Fiscal	Total BHD	Hospital	Community Services	Mgmt/ Ops/Fiscal	Total BHD
Revenue												
BCA	7,700,026	14,636,560	-	22,336,586	7,700,026	14,636,560	-	22,336,586	-	-	-	-
Intergovernmental	1,125,472	25,484,410	-	26,609,882	1,041,179	22,729,652	(122,471)	23,648,360	(84,293)	(2,754,758)	(122,471)	(2,961,522)
Charges for Services	15,334,338	130,690,198	51,200	146,075,736	13,091,400	123,690,307	-	136,781,706	(2,242,938)	(6,999,891)	(51,200)	(9,294,030)
Other Revenue	3,900,000	1,457,813	7,732,905	13,090,718	244	89,329	12,572	102,145	(3,899,756)	(1,368,484)	(7,720,333)	(12,988,573)
Total Revenue	28,059,836	172,268,981	7,784,105	208,112,922	21,832,848	161,145,848	(109,899)	182,868,797	(6,226,988)	(11,123,133)	(7,894,004)	(25,244,125)
Expense												
Salary	11,854,174	13,552,846	6,182,700	31,589,720	10,502,030	9,369,534	7,486,564	27,358,127	1,352,144	4,183,312	(1,303,864)	4,231,593
Overtime	1,341,400	184,846	168,022	1,694,268	1,348,308	246,005	204,757	1,799,070	(6,908)	(61,159)	(36,735)	(104,802)
Fringe	15,641,518	10,034,762	6,268,590	31,944,870	14,557,537	9,771,672	6,961,692	31,290,901	1,083,981	263,090	(693,102)	653,969
Commodities/Services	8,216,690	3,148,071	8,582,849	19,947,610	9,497,496	3,027,426	7,318,316	19,843,238	(1,280,806)	120,645	1,264,533	104,372
Depreciation/Inventory	-	-	-	-	-	0	(3,664)	(3,664)	-	(0)	3,664	3,664
Other Charges	11,988,596	158,020,645	37,491	170,046,732	12,349,074	146,729,227	95,756	159,174,057	(360,478)	11,291,419	(58,265)	10,872,676
Capital	-	133,543	365,680	499,223	-	228,682	345,940	574,622	-	(95,139)	19,740	(75,399)
Intra County Services	12,510,946	8,647,957	(13,696,600)	7,462,303	15,752,624	14,473,411	(22,519,259)	7,706,776	(3,241,678)	(5,825,454)	8,822,659	(244,473)
Total Expense	61,553,324	193,722,670	7,908,732	263,184,726	64,007,070	183,845,956	(109,899)	247,743,127	(2,453,746)	9,876,714	8,018,631	15,441,599
Tax Levy	33,493,488	21,453,689	124,627	55,071,804	42,174,222	22,700,109	0	64,874,330	(8,680,734)	(1,246,419)	124,627	(9,802,526)

Hospital includes Adult Inpatient, Child and Adolescent Inpatient and Crisis ER/Observation.

Mgmt/Ops/Fiscal includes administrative functions includes all support functions such as: management, quality, contracts, legal, dietary, fiscal, admissions, medical records and facilities.

Community includes Wraparound, AODA and Community Mental Health.

Community Mental Health includes major programs: TCM, CCS, CSP and CRS in addition to CBRF, CCC, IOP, Day Treatment, Community Administrative functions and Community Crisis programs including Mobile Teams, Access Clinic and contracted crisis services.

Behavioral Health Division
Community Services (CARS & Wraparound)
2022 Annual Projection as of June 2022

	2022 Budget				2022 Annual Projection				2022 Projected Surplus/(Deficit)			
	AODA	Mental Health	WRAP	Total CARSD	AODA	Mental Health	WRAP	Total CARSD	AODA	Mental Health	WRAP	Total CARSD
Revenue												
BCA	-	14,636,560	-	14,636,560	0	14,636,560	-	14,636,560	-	-	-	-
Intergovernmental	10,803,222	10,628,059	4,053,129	25,484,410	8,745,627	8,543,370	5,440,656	22,729,652	(2,057,595)	(2,084,689)	1,387,527	(2,754,758)
Charges for Services	550,000	65,453,089	64,687,110	130,690,198	438,685	62,103,238	61,148,384	123,690,307	(111,315)	(3,349,850)	(3,538,726)	(6,999,891)
Other Revenue	-	1,408,043	49,770	1,457,813	0	-	89,329	89,329	-	(1,408,043)	39,559	(1,368,484)
Total Revenue	11,353,222	92,125,751	68,790,008	172,268,981	9,184,311	85,283,168	66,678,368	161,145,848	(2,168,911)	(6,842,583)	(2,111,640)	(11,123,133)
Expense												
Salary	111,714	9,815,379	3,625,753	13,552,846	75,384	6,847,400	2,446,750	9,369,534	36,330	2,967,979	1,179,003	4,183,312
Overtime	-	182,975	1,871	184,846	51	239,035	6,919	246,005	(51)	(56,060)	(5,048)	(61,159)
Fringe	111,546	6,835,216	3,088,000	10,034,762	108,680	6,613,860	3,049,133	9,771,672	2,866	221,356	38,867	263,090
Commodities/Services	474,686	1,630,513	1,042,872	3,148,071	425,907	856,529	1,744,990	3,027,426	48,779	773,984	(702,118)	120,645
Depreciation/Inventory	-	-	-	-	0	-	0	0	-	-	(0)	(0)
Other Charges	13,047,213	83,149,671	61,823,761	158,020,645	11,830,675	77,359,377	57,539,174	146,729,227	1,216,538	5,790,294	4,284,587	11,291,419
Capital	-	133,543	-	133,543	-	228,682	-	228,682	-	(95,139)	-	(95,139)
Intra County Services	757,907	8,939,785	(1,049,735)	8,647,957	953,692	11,468,334	2,051,385	14,473,411	(195,785)	(2,528,549)	(3,101,120)	(5,825,454)
Total Expense	14,503,066	110,687,082	68,532,522	193,722,670	13,394,388	103,613,217	66,838,351	183,845,956	1,108,678	7,073,865	1,694,171	9,876,714
Tax Levy	3,149,844	18,561,331	(257,486)	21,453,689	4,210,077	18,330,049	159,983	22,700,109	(1,060,233)	231,282	(417,469)	(1,246,419)

Community Mental Health includes the following major programs: TCM, CCS, CSP and CRS in addition to CBRF, CCC, IOP, Day Treatment, Community Administrative functions,

Behavioral Health Division
Inpatient - Hospital

2022 Annual Projection as of June 2022

	2022 Budget				2022 Annual Projection				2022 Projected Surplus/(Deficit)			
	Adult	CAIS	Crisis ER/Obs	Total Inpatient	Adult	CAIS	Crisis ER/Obs	Total Inpatient	Adult	CAIS	Crisis ER/Obs	Total Inpatient
Revenue												
BCA	-	-	7,700,026	7,700,026	-	-	7,700,026	7,700,026	-	-	-	-
Intergovernmental	-	-	1,125,472	1,125,472	-	-	1,041,179	1,041,179	-	-	(84,293)	(84,293)
Charges for Services	11,704,242	1,676,221	1,953,875	15,334,338	9,491,408	1,868,584	1,731,408	13,091,400	(2,212,834)	192,363	(222,467)	(2,242,938)
Other Revenue	-	-	3,900,000	3,900,000	244	-	-	244	244	-	(3,900,000)	(3,899,756)
Total Revenue	11,704,242	1,676,221	14,679,373	28,059,836	9,491,651	1,868,584	10,472,613	21,832,848	(2,212,591)	192,363	(4,206,760)	(6,226,988)
Expense												
Salary	4,926,236	2,051,134	4,876,804	11,854,174	3,756,722	2,071,453	4,673,855	10,502,030	1,169,514	(20,319)	202,949	1,352,144
Overtime	535,885	153,924	651,591	1,341,400	395,801	150,783	801,724	1,348,308	140,084	3,141	(150,133)	(6,908)
Fringe	7,572,811	2,393,710	5,674,997	15,641,518	7,207,744	2,276,462	5,073,331	14,557,537	365,067	117,248	601,666	1,083,981
Commodities/Services	7,761,942	94,850	359,898	8,216,690	8,959,975	164,817	372,705	9,497,496	(1,198,033)	(69,967)	(12,807)	(1,280,806)
Depreciation/Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Other Charges	5,913,417	-	6,075,179	11,988,596	5,606,007	-	6,743,067	12,349,074	307,410	-	(667,888)	(360,478)
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Intra County Services	5,697,307	1,829,220	4,984,419	12,510,946	7,737,218	2,566,425	5,448,982	15,752,624	(2,039,911)	(737,205)	(464,563)	(3,241,678)
Total Expense	32,407,598	6,522,838	22,622,888	61,553,324	33,663,467	7,229,940	23,113,663	64,007,070	(1,255,869)	(707,102)	(490,775)	(2,453,746)
Tax Levy	20,703,356	4,846,617	7,943,515	33,493,488	24,171,816	5,361,356	12,641,050	42,174,222	(3,468,460)	(514,739)	(4,697,535)	(8,680,734)

Behavioral Health Division

Management/Operations/Fiscal

2022 Annual Projection as of June 2022

	2022 Budget	2022 Annual Projection	2022 Projected Surplus/(Deficit)	
Revenue				
BCA	-	-	-	
Intergovernmental	-	(122,471)	(122,471)	
Charges for Services	51,200	-	(51,200)	
Other Revenue	7,732,905	12,572	(7,720,333)	\$7.5m Reserves -Will settle up at year end as needed
Total Revenue	7,784,105	(109,899)	(7,894,004)	
Expense				
Salary	6,182,700	7,486,564	(1,303,864)	County targeted reduction of BHD levy in Budget (\$2m)
Overtime	168,022	204,757	(36,735)	
Fringe	6,268,590	6,961,692	(693,102)	
Commodities/Services	8,582,849	7,318,316	1,264,533	Budgeted \$1m rent for admin staff-did not need in 2022
Depreciation/Inventory	-	(3,664)	3,664	
Other Charges	37,491	95,756	(58,265)	
Capital	365,680	345,940	19,740	
Intra County Services	(13,696,600)	(22,519,259)	8,822,659	Includes Allocation to program areas
Total Expense	7,908,732	(109,899)	8,018,631	
Tax Levy	124,627	0	124,627	

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: August 31, 2022

To: Maria Perez, Chairperson – Milwaukee County Mental Health Board

From: Shakita LaGrant-McClain, Director, Department of Health and Human Services

Subject: A report from the Director, Department of Health and Human Services, notifying the Milwaukee County Mental Health Board of Financial Risks, Vulnerabilities, and Opportunities.

File Type: Informational Report

BACKGROUND

The Milwaukee County Behavioral Health Division has identified the following vulnerabilities.

Risks & Vulnerabilities

1) Wraparound Milwaukee Residential Care Center Costs

Wisconsin Department of Health Services recently informed Wraparound Milwaukee leadership that Residential Care Center placement costs will no longer be funded after SFY2024. RCC costs currently represent approximately \$5.0m in total annual expenditures for Wraparound Milwaukee youth. If no alternative fund source is identified prior to SFY2024, the \$5.0m in annual costs will need to be supported with tax levy. Wraparound Milwaukee is currently exploring options and next steps with DHS.

DHS is exploring opportunities to receive Medicaid funding for this level of care through a Psychiatric Residential Treatment Facility or Qualified Residential Treatment Facility designation. This project is still in early phases; it is unclear how many current Wraparound RCCs will qualify for reimbursement under this model. It is also unclear if 100% of the services previously funded will continue to be funded through this change.

Wraparound is currently providing services to youth enrolled in RCC settings at a deficit after receiving directive from DHS to change the Wraparound enrollment status of these individuals.

2) Labor Market

The Behavioral Health Division has seen an increase in provider agencies requesting rate increases due to difficulties hiring and retaining staff at current rates. Milwaukee County has very limited ability to increase rates without increases to local, state, or federal revenue to offset increased costs. Milwaukee County has raised this issue with DHS partners, but no immediate solutions have been identified.

BHS is struggling to fill internal vacant position. BHS leadership is working with Milwaukee County's HR Compensation team on strategies that may boost recruitment and retention.

Opportunities:

1) Revenue Opportunities

Milwaukee County is expecting substantial ARPA, Healthcare Infrastructure, and Opioid Settlement funding over the next several years. These one-time increases are aimed at assisting our community recover from the coronavirus pandemic and opioid epidemic. BHD leadership is developing plans for use of these funds that will be brought to the Milwaukee County Mental Health Board at future meetings. The focus will be on creating efficiencies, expanding access to care to underserved communities, and reducing reliance on BHD reserve funds during the transition of inpatient care to Granite Hills.

Milwaukee County BHS is in the initial phases of working with Sellers Dorsey to explore potential Medicaid financing opportunities that could generate new federal funding opportunities in Milwaukee County for initiatives that are currently being funded through Tax Levy. If opportunities are identified, this could assist with counteracting the labor market and inflation challenges that exist in BHS' provider network.

2) NICRA

Milwaukee County has substantial overhead costs. However, the Behavioral Health Division is only able to drawdown the 10% de minimis indirect cost rate for most grants. This means subsidizing the difference between the 10% indirect cost rate funded by grant revenue and Milwaukee County's actual indirect cost rate which is closer to 40%-50%. This is not sustainable as the Behavioral Health Division continues to rely more on grant funding for direct services. DHHS is partnering with the new Department of Administrative Services Grants Office and the Office of the Comptroller to obtain a Negotiated Indirect Cost Rate Agreement (NICRA) for Milwaukee County. This has a possibility to create immediate tax levy savings and allow BHD to continue to expand services with new grant opportunities.

PREPARED BY:

Matthew Fortman, Fiscal Administrator, Department of Health and Human Services

APPROVED BY:

Shakita LaGrant-McClain, Director, Department of Health and Human Services

cc: Thomas Lutzow, Chairperson, Milwaukee County Mental Health Board Finance Committee

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: August 31, 2022

To: Maria Perez, Chairperson – Milwaukee County Mental Health Board

From: Shakita LaGrant-McClain, Director, Department of Health and Human Services

Subject: A report from the Director, Department of Health and Human Services, notifying the Milwaukee County Mental Health Board of Fund Transfers Processed in the previous quarter.

File Type: Informational Report

BACKGROUND

Per the “BHD Fund Transfer Policy” adopted by the Mental Health Board, the BHD Fiscal Administrator will provide a quarterly informational report notifying the MHB as to any administrative fund transfers that have occurred during the previous quarter.

Wisconsin Statutes 51.41 authorizes the Milwaukee County Mental Health Board (MHB) to propose an annual budget to the County Executive for the Behavioral Health Division (BHD). Once this budget is approved by the County Executive, the budget provides the total spending authority for BHD for one calendar year. This budget reflects total expenditures, revenues and property tax levy required for the operation of programs and services within BHD.

Throughout the course of the year, certain adjustments to the budget may be necessary to better reflect BHD’s actual experience. In most cases, these adjustments, or appropriation transfers, would increase or decrease BHD’s expenditures and revenues compared to its base budget while maintaining the same tax levy as established in the original budget.

Quarterly Fund Transfer Report

Title	Description	Total Funds Transferred
Wellness Clinic Manager	An appropriation transfer in the amount of \$50,000 to recognize additional Medicaid revenue from patient billing related to the creation of a clinic manager/psychotherapist position in the Wellness Clinic. Additional funding for the new position comes from elimination of an existing vacant RN position originally budgeted to support the Wellness Clinic.	\$50,000
Revenue re-alignment for CMHSBG grant	The CMHSBG grant was budgeted in org-6476-43035, commingling with other state grants . This fund transfer request will help to re-align the revenue budget accordingly.	\$842,653
WRAP Budget re-alignment from 6472 to 6474	An appropriation transfer of \$23,540,382 to realign the budget from Low Org 6472 to 6474 within the Wraparound program to correctly align with the low org where the revenues and expenses.	\$23,540,382
WIMCR Salary Increases	An appropriation transfer in the amount of \$200,000 to recognize additional Wisconsin Medicaid Cost Report Revenue to offset salary increases related to emergency advancement requests for retention of staff in 2022.	\$200,000
2022 Youth CCS Admin Coord	An appropriation transfer in the amount of \$70,000 to recognize additional Medicaid cost report revenue due to the creation of Admin Coordinator position to facilitate service expansion Comprehensive Community Services for youth.	\$70,000
MHEC Operational ARPA Funds	An appropriation transfer in the amount of \$1,041,179 to recognize additional state ARPA revenue related to Mental Health Emergency Center startup operational costs. This is a part of a \$4.5m state ARPA award. The remainder of these funds will support construction and other capital costs.	\$1,041,179

Quarterly Fund Transfer Report

Title	Description	Total Funds Transferred
2022 BHS Inpatient Extension Part 1	<p>An appropriation transfer in the amount of \$7,043,608 to recognize revenue and expenditure authority related to personnel services, ongoing professional services agreements and other hospital expenses. The need for funding is due to the delay in closing the BHS Hospital. The costs represent 3 additional months of services. These costs are funded through a mixture of revenue and BHD reserve funds.</p> <p>This transfer is part 1 of 2.</p>	\$7,043,608
2022 BHD Inpatient Extension Part 2	<p>An appropriation transfer in the amount of \$2,980,387 to recognize revenue and expenditure authority related to personnel services, ongoing professional services agreements and other hospital expenses. The need for funding is due to the delay in closing the BHS Hospital. The costs represent 3 additional months of services. These costs are funded through a mixture of revenue and BHD reserve funds.</p> <p>This transfer is part 2 of 2.</p>	\$2,980,387

PREPARED BY:

Matthew Fortman, Fiscal Administrator, Department of Health and Human Services

APPROVED BY:

Shakita LaGrant-McClain, Director, Department of Health and Human Services

cc: Thomas Lutzow, Chairperson, Milwaukee County Mental Health Board Finance Committee

2022 Year-End Projected BHD Reserve Balances

	2020 Balance	2021 Contribution	2021 Balance	2022 Contribution (Projected)	2022 Balance (Projected)
0904 Wrap Reserve	9,311,826	91,980	9,403,806	-	9,403,806
0906 Capital Reserve	2,942,631	(1,520,726)	1,421,905	(1,421,905)	0
0905 Surplus Reserve	24,121,207	9,310,616	33,431,823	(8,380,622)	25,051,201
Total Reserves	36,375,664	7,881,870	44,257,534	(9,802,527)	34,455,007

Reserve Impacts - 2023 & Beyond

	Surplus Reserve
Commitments/Risks	
Relocation Costs	\$ 3,760,000
Youth Residential Costs	\$ 5,000,000
State Institute Payments	\$ 2,000,000
Total Commitments/Risks	\$ 10,760,000
Current Balance	25,051,201
Future Balance after Known Commitments/Risks	\$ 14,291,201