

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
Inter-Office Communication

DATE: May 16, 2013

TO: Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by Kathie Eilers, Interim Administrator, Behavioral Health Division

SUBJECT: Report from the Director, Department of Health and Human Services, Requesting Authorization for the Behavioral Health Division to Increase the Purchase of Service Contracts with various agencies for \$442,500 for Reimbursement of Medicaid Funds for the Provision of Community Mental Health Services Retroactively for the time period of January 1 through December 31, 2013

Issue

Section 46.09 of the Milwaukee County Code of General Ordinances requires County Board approval for the purchase of human services from nongovernmental vendors. Per Section 46.09, the Director of the Department of Health and Human Services (DHHS) is requesting authorization for the Behavioral Health Division (BHD) to increase the purchase of service contracts for Bell Therapy, La Causa, Transitional Living Services (TLS) and Community Advocates related to reimbursement of Medicaid revenues that are paid directly to Milwaukee County. The requested contract additions total \$442,500 and are retroactive for the period from January 1, 2013 through December 31, 2013.

Discussion

Throughout 2012 and 2013 BHD has embarked on an Electronic Medical Record (EMR) initiative. As BHD moves towards full implementation of AVATAR, their new electronic medical record, and as the BHD redesign progresses, BHD is in a position to institute expanded Medicaid billing for contract agencies. AVATAR, through a technology called portal connect, will enable contracted agencies to enter client data into one common medical and billing record. This will allow for coordinated services and also for agency billing of carve out services that the State will only allow the County to bill.

As a pilot project and in preparation for the growth of community services and community service billing, BHD is requesting that funding be added to the Bell Therapy, La Causa, TLS and Community Advocates contracts to reimburse these agencies for Medicaid revenues that are paid directly to Milwaukee County for services provided for Targeted Case Management (TCM) and the Crisis Resource Centers (CRC). Until AVATAR is fully operational, the services will be billed electronically by BHD using CMHC technology (the system that AVATAR is replacing) and, when paid by Forward Health, electronically posted to the client's BHD account. The agency will receive a payment from Milwaukee County, based on these revised purchase of service contracts, equal to the amount of revenue received from Forward Health. This mechanism is necessary in order for BHD to close out open client accounts and indicate that revenue has been received for services.

Based on expected Medicaid revenue for new contracted services, BHD is requesting the following contract additions:

• Transitional Living Services	CRC Services	\$51,000
• Community Advocates	CRC Services	\$73,000
• La Causa	TCM Services	\$145,000
• La Causa	CLASP	\$98,500
• Bell Therapy	TCM services	\$75,000

The contract additions are revenue neutral and the agency payments will be based on T19 remittance received by BHD minus a 5% administrative fee. Vendors have been providing services to clients since the beginning of 2013 but BHD had some timing issues related to getting the system for this billing change in place. Based on that, BHD is requesting that these contracts be retroactive so that vendors can be reimbursed for revenue received for all services provided in 2013. BHD intends to expand this process to all contracted agencies as part of the 2014 budget.

Recommendation

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, or his designee, to increase the purchase of service contracts with the various aforementioned agencies and as detailed on the attached resolution for a total of \$442,500 to provide Medicaid reimbursement for services provided for the retroactive time period from January 1, 2013 through December 31, 2013.

Fiscal Effect

This initiative has no tax levy impact as the contract additions are based on increased revenue received by BHD. A fiscal note form is attached.

Respectfully Submitted,



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
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