COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: April 2, 2019

TO: Supervisor Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

FROM: Mary Jo Meyers, Director, Department of Health and Human Services
              Approved by: Mike Lappen, Administrator, Behavioral Health Division

SUBJECT: **Report from the Director, Department of Health and Human Services, submitting an informational report on a 3-year financial audit of the Wraparound Milwaukee Program.**

Background

Wraparound is a managed care entity governed under 42 CFR 438. 42 CFR 438.3(m) contains the following language:

> *Audited financial reports. The contract must require MCOs, PIHPs, and PAHPs to submit audited financial reports specific to the Medicaid contract on an annual basis. The audit must be conducted in accordance with generally accepted accounting principles and generally accepted auditing standards.*

Milwaukee County contracted with Baker Tilly to conduct an audit of the Wraparound Program's Financial Report of for three years ending December 31, 2017, 2016, and 2015 to meet the audit requirement. The Financial Report was prepared by BHD financial staff under direction of DHS. These files are used by DHS for rate-setting purposes.

The audit found the submitted Financial Report "presents fairly, in all material respects, the total claim payments to providers and administrative expenses" described therein.

A copy of the audit report is attached for the committee's review.

Recommendation

This report is informational; no action is required.

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Mary Jo Meyers, Director
Department of Health and Human Services

cc: County Executive Chris Abele
        Raisa Koltun, County Executive's Office
        County Supervisor James Schmitt
        County Supervisor Supreme Moore-Omokunde
        Teig Whaley-Smith, Director, DAS
        Joseph Lamers, Director – Office of Performance, Strategy & Budget
        Steve Cady, Research Director, Comptroller's Office
        Lisa Wozny, Fiscal & Management Analyst, DAS
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