
Lakeshore Regional Entity Board Financial Officer Report for October 2020

- ✚ A motion is requested to approve the September 2020 disbursements. A summary of those disbursements is included as an attachment.
- ✚ A Statement of Activities report through August 2020 is also included as an attachment.
- ✚ A Bucket Report for August 2020 is included as an attachment for today's meeting. Revenue projections continue to be updated monthly as payments and membership data is received. Our **latest revenue and membership projections by program and CMHSP are attached** to this report for your review. This month's revenue projections reflect an increase of \$947,076 for increases in membership and a rate adjustment for the direct care worker (DCW) payment received last month. Payments to PIHPs will be provided in their September capitation. Expense projections, as reported by each CMHSPs, along with notable variances are also included. Some CMHSPs continue to report challenges and uncertainties in expense projections and may not know with assurance until final claims are due from providers.
- ✚ **COVID-19 Revenue and Reporting** – PIHPs recently (October 6) received instructions from the Michigan Department of Health and Human Services (MDHHS) regarding their expectations surrounding year end cost settlement and financial reporting of COVID-19 related funds such as the DCW wage increase and the Hospital Rate Adjustment (HRA) funding distributed to PIHPs in FY20. Within the correspondence, MDHHS expressed their intent to carve out the reporting and cost settlement of these dollars to require PIHPs to return any lapsed funds but establishing no obligation for MDHHS to cover any shortages. There are many concerns about the implications of this and how these changes may also impact the various reporting requirements under the two different funding streams (Medicaid and CARES ACT). PIHPs have responded to MDHHS with several questions and requests for clarification to help ensure there is adherence and clarification for meeting all state and federal reporting requirements.
- ✚ **Direct Care Worker Increase Extension** – Legislation was passed to add \$150 million to the state budget for a temporary \$2.00 per hour wage increase for the first quarter in FY21 (October-December 2020). This will allow PIHPs to maintain the same wage increase that was allowed in FY20 under the COVID-19 direct care worker hazard pay.
- ✚ **PA2 Funding** – As previously reported, the LRE made requests to Ottawa County for FY19 and FY20 PA2 distributions that are due to the PIHP for substance use treatment and prevention services in Ottawa County. The LRE recently received a partial payment of the FY20 funds due to cover pending payments for substance use treatment and prevention services. We are moving toward resolution and anticipate a full cost settlement of prior years. A summary and Ottawa County PA2 status report is included in your packet.

Revenue Projection

	Total LRE		
	Prior Projection	Current Projection	Change
MCD - MH	\$ 194,639,455	\$ 195,467,756	\$ 828,302
MCD - SUD	\$ 8,473,049	\$ 8,491,963	\$ 18,914
HMP - MH	\$ 19,845,855	\$ 20,040,326	\$ 194,471
HMP - SUD	\$ 13,301,250	\$ 13,404,260	\$ 103,010
Autism	\$ 34,210,988	\$ 34,273,118	\$ 62,130
Waiver	\$ 36,802,737	\$ 36,484,984	\$ (317,752)
LRE / Beacon Admin	\$ 13,573,948	\$ 13,607,255	\$ 33,307
ISF	\$ 2,424,539	\$ 2,431,509	\$ 6,970
Perf. Bonus (Region)	\$ -	\$ -	\$ -
Timely Filing (Region)	\$ -	\$ -	\$ -
IPA	\$ 3,857,246	\$ 3,874,972	\$ 17,725
Total Region	\$ 327,129,067	\$ 328,076,144	\$ 947,076

	Total CMHSPs		
	Prior Projection	Current Projection	Change
Allegan	\$ 27,649,931	\$ 27,708,047	\$ 58,115
Healthwest	\$ 60,089,943	\$ 60,225,865	\$ 135,921
Network180	\$ 157,098,083	\$ 157,620,912	\$ 522,829
Ottawa	\$ 41,258,886	\$ 41,401,394	\$ 142,508
West Michigan	\$ 21,176,492	\$ 21,206,192	\$ 29,700
Total CMHSPs	\$ 307,273,335	\$ 308,162,409	\$ 889,074

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	Prior Projection	Current Projection	Change
Allegan	\$ 103.17	\$ 102.92	\$ (0.25)
Healthwest	\$ 94.14	\$ 93.97	\$ (0.17)
Network180	\$ 95.30	\$ 95.20	\$ (0.10)
Ottawa	\$ 94.35	\$ 94.10	\$ (0.26)
West Michigan	\$ 91.78	\$ 91.54	\$ (0.24)
Total CMHSPs	\$ 95.34	\$ 95.19	\$ (0.16)

	Prior Projection	Current Projection	Change
Allegan	268,003	269,215	1,212
Healthwest	638,317	640,910	2,593
Network180	1,648,434	1,655,684	7,250
Ottawa	437,274	439,990	2,716
West Michigan	230,726	231,665	939
Total Member Months	3,222,754	3,237,464	14,710

	CMHSPs Breakdown		
	Prior Projection	Current Projection	Change
MCD - MH			
Allegan	\$ 17,223,609	\$ 17,292,561	\$ 68,951
Healthwest	\$ 40,217,611	\$ 40,379,493	\$ 161,881
Network180	\$ 97,252,529	\$ 97,675,853	\$ 423,324
Ottawa	\$ 25,583,003	\$ 25,699,464	\$ 116,461
West Michigan	\$ 14,362,702	\$ 14,420,386	\$ 57,684
Total MCD - MH	\$ 194,639,455	\$ 195,467,756	\$ 828,302

MCD - SUD			
Allegan	\$ 690,915	\$ 692,505	\$ 1,590
Healthwest	\$ 1,876,665	\$ 1,879,901	\$ 3,236
Network180	\$ 4,264,640	\$ 4,273,645	\$ 9,004
Ottawa	\$ 983,158	\$ 987,261	\$ 4,102
West Michigan	\$ 657,671	\$ 658,652	\$ 981
Total MCD - SUD	\$ 8,473,049	\$ 8,491,963	\$ 18,914

HMP - MH			
Allegan	\$ 1,512,303	\$ 1,523,712	\$ 11,409
Healthwest	\$ 4,187,536	\$ 4,223,838	\$ 36,303
Network180	\$ 9,996,519	\$ 10,102,357	\$ 105,838
Ottawa	\$ 2,642,146	\$ 2,669,168	\$ 27,022
West Michigan	\$ 1,507,351	\$ 1,521,251	\$ 13,900
Total HMP - MH	\$ 19,845,855	\$ 20,040,326	\$ 194,471

HMP - SUD			
Allegan	\$ 1,002,927	\$ 1,009,111	\$ 6,184
Healthwest	\$ 2,870,329	\$ 2,889,770	\$ 19,441
Network180	\$ 6,703,781	\$ 6,759,141	\$ 55,360
Ottawa	\$ 1,707,563	\$ 1,722,439	\$ 14,877
West Michigan	\$ 1,016,651	\$ 1,023,799	\$ 7,148
Total HMP - SUD	\$ 13,301,250	\$ 13,404,260	\$ 103,010

Autism			
Allegan	\$ 2,465,310	\$ 2,470,441	\$ 5,131
Healthwest	\$ 2,474,344	\$ 2,478,445	\$ 4,100
Network180	\$ 23,308,871	\$ 23,350,652	\$ 41,781
Ottawa	\$ 5,001,586	\$ 5,010,891	\$ 9,304
West Michigan	\$ 960,876	\$ 962,689	\$ 1,813
Total Autism	\$ 34,210,988	\$ 34,273,118	\$ 62,130

Waiver			
Allegan	\$ 4,754,867	\$ 4,719,716	\$ (35,150)
Healthwest	\$ 8,463,458	\$ 8,374,418	\$ (89,040)
Network180	\$ 15,571,743	\$ 15,459,265	\$ (112,478)
Ottawa	\$ 5,341,429	\$ 5,312,171	\$ (29,258)
West Michigan	\$ 2,671,241	\$ 2,619,414	\$ (51,827)
Total Waiver	\$ 36,802,737	\$ 36,484,984	\$ (317,752)