

AGENDA

BAY ARENAC BEHAVIORAL HEALTH BOARD OF DIRECTORS FINANCE COMMITTEE MEETING

Wednesday, January 10, 2024 at 5:00 pm

William B. Cammin Clinic, Bay Room, 1010 N. Madison Avenue, Bay City, MI 48708

Committee Members:	Present	Excused	Absent		Present	Excused	Absent	
Ernie Krygier, Ch	_____	_____	_____	Patrick McFarland	_____	_____	_____	Others Present: BABH: Chris Pinter and Marci Rozek Legend: M-Motion; S-Support; MA-Motion Adopted; AB-Abstained
Sally Mrozinski, V Ch	_____	_____	_____	Robert Pawlak, Ex Off	_____	_____	_____	
Tim Banaszak	_____	_____	_____	Colleen Maillette, Ex Off	_____	_____	_____	
Jerome Crete	_____	_____	_____	Richard Byrne, Ex Off	_____	_____	_____	
Robert Luce	_____	_____	_____					

	Agenda Item	Discussion	Motion/Action
1.	Call To Order & Roll Call		
2.	Public Input (Maximum of 3 Minutes)		
3.	Investment Earning Reports for Period Ending December 31, 2023		3) Consideration of motion to refer the investment earnings reports for period ending December 31, 2023 to the full Board for information
4.	Contracts 4.1) Finance January 2024 Contract List		4.1) Consideration of motion to refer the Finance January 2024 contract list to the full Board for approval
5.	Unfinished Business 5.1) None		
6.	New Business 6.1) Residential Lease comparisons		6.1) No action necessary

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	6.2) Overview of CMHSP Medicaid, General Fund and local revenue funding streams		6.2) No action necessary
7.	Adjournment	M -	S - pm MA

Bay-Arenac Behavioral Health Authority
Estimated Cash and Investment Balances December 31, 2023

Balance December 1, 2023	9,620,440.48
Balance December 31, 2023	7,900,782.64
Average Daily Balance	7,550,645.29
Estimated Actual/Accrued Interest December 2023	27,554.13
Effective Rate of Interest Earning December 2023	4.38%
Estimated Actual/Accrued Interest Fiscal Year to Date	63,165.10
Effective Rate of Interest Earning Fiscal Year to Date	4.20%

Note: The Cash and Investment Balances exclude Payroll and AP related Cash Accounts.

Cash Available - Operating Fund

	Rate	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Beg. Balance Operating Funds - Cash, Cash equivalents, Investments		6,239,568	5,801,955	5,531,567	4,929,028	4,145,850	3,560,754	2,822,426	3,940,689	3,431,903	4,022,437	3,285,926	8,549,839
Cash in		4,869,398	5,256,044	5,799,795	6,405,791	7,365,485	6,140,991	9,939,499	6,328,711	12,694,585	11,257,050	21,945,755	11,552,037
Cash out		(5,307,011)	(5,526,431)	(6,402,334)	(7,188,968)	(7,950,581)	(6,879,319)	(8,821,236)	(6,837,497)	(12,104,052)	(11,993,562)	(16,681,841)	(12,645,602)
Ending Balance Operating Fund		5,801,955	5,531,567	4,929,028	4,145,850	3,560,754	2,822,426	3,940,689	3,431,903	4,022,437	3,285,926	8,549,839	7,456,274
Investments													
Money Markets		5,801,955	5,531,567	4,929,028	4,145,850	3,560,754	2,822,426	3,940,689	3,431,903	4,022,437	3,285,926	8,549,839	7,456,274
	90.00												
	180.00												
	180.00												
	270.00												
	270.00												
Total Operating Cash, Cash equivalents, Invested		5,801,955	5,531,567	4,929,028	4,145,850	3,560,754	2,822,426	3,940,689	3,431,903	4,022,437	3,285,926	8,549,839	7,456,274
Average Rate of Return General Funds		1.86%	1.93%	2.03%	2.14%	2.25%	2.41%	2.51%	2.60%	2.69%	3.82%	3.96%	4.01%
		2.09%	2.24%	2.50%	2.81%	3.01%	3.66%	3.46%	3.51%	3.71%	3.82%	4.09%	4.13%
Average		6,329,471	6,169,890	5,963,080	5,703,476	5,435,635	5,145,279	5,024,820	4,880,009	4,808,545	3,285,926	5,917,883	6,430,680

Cash Available - Other Restricted Funds

	Rate	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Beg. Balance-Other Restricted Funds - Cash, Cash equivalents, Investments		424,765	426,097	427,405	428,924	430,428	432,047	433,645	435,308	437,156	438,953	440,817	442,629
Cash in		1,332	1,308	1,519	1,504	1,619	1,598	1,663	1,849	1,797	1,864	1,812	1,880
Cash out													
Ending Balance Other Restricted Funds		426,097	427,405	428,924	430,428	432,047	433,645	435,308	437,156	438,953	440,817	442,629	444,508
Investments													
Money Market		426,097	427,405	428,924	430,428	432,047	433,645	435,308	437,156	438,953	440,817	442,629	444,508
	91.00												
	0.70%												
	91.00												
	1.10%												
	91.00												
	1.15%												
	91.00												
	1.35%												
	90.00												
	1.70%												
	91.00												
	2.05%												
	90.00												
	2.15%												
	365.00												
	80.00%												
Total Other Restricted Funds		426,097	427,405	428,924	430,428	432,047	433,645	435,308	437,156	438,953	440,817	442,629	444,508
Average Rate of Return Other Restricted Funds		2.98%	3.19%	3.32%	3.47%	3.58%	3.68%	3.76%	3.88%	3.97%	5.00%	5.00%	5.00%
		3.41%	4.00%	4.00%	4.35%	4.35%	4.50%	4.50%	5.00%	5.00%	5.00%	5.00%	5.00%
Average		424,251	424,882	425,556	426,252	426,976	427,717	428,476	429,265	430,073	440,817	441,723	442,651
Total - Bal excludes payroll related cash accounts		6,228,052	5,958,972	5,357,952	4,576,278	3,992,801	3,256,071	4,375,997	3,869,059	4,461,390	3,726,743	8,992,468	7,900,783
Total Average Rate of Return		1.93%	1.99%	2.09%	2.17%	2.25%	2.34%	2.41%	2.51%	2.58%	4.04%	4.08%	4.20%

Bay-Arenac Behavioral Health
Finance Council Board Meeting
Summary of Proposed Contracts
January 10, 2024

		Old Rate	New Rate	Term	Out Clause?	Performance Issues? (Y/N) Risk Assessment Rating (Poor/Fair/Good/Excellent)
SECTION I. SERVICES PROVIDED BY OUTSIDE AGENCIES						
Clinical Services						
1	S	Calhoun County Community Mental Health Authority DBA Summit Pointe Continuation of services for 1 BABHA individual residing at an out-of-county placement <i>Medication Reviews</i> <i>Targeted Case Management</i> <i>Psychiatric Evaluation</i> <i>Individual Therapy</i>	\$40 - \$160 \$116 \$160 \$67 - \$132	Same Same Same Same	1/29/24 - 1/28/25	Y N
2	M	Superior Care of Michigan Residential services to 1 BABHA consumer	\$264.90/day	\$274.40/day	10/1/23 - 1/24/24	Y N
3	R	Superior Care of Michigan Residential services to 1 BABHA consumer	\$274.40/day	Same	1/25/24 - 1/24/25	Y N
4	N	Mid-Michigan Specialized Residential DBA Bertram Haus LLC Residential services to 1 BABHA consumer	\$0	\$550/day	1/10/24 - 9/30/24	Y N
5	N	Linda Winningham, RD Dietary services: <i>Nutritional counseling</i> <i>Nutritional assessment</i> <i>Nutritional re-assessment</i> <i>Treatment plan</i> <i>Treatment plan monitoring</i>	\$0	\$91/event \$49/unit \$46/unit \$110/event \$85/event	1/19/24 - 9/30/24	Y N
6	N	Hope Network Southeast Bay Valley Home (individuals currently at Union Home)	\$0	Contract Maximum: \$393,464 Cost Settled Contract	1/19/24 - 9/30/24	Y N
Admin/Other Services						
7	N	MOU - Recovery Court Addresses responsibilities and requirements for maintaining compliance with the Michigan Drug Court Statute	\$0	\$0	1/19/24 - Ongoing	Y N
8	S	CAN Council Commitment to follow protocols & procedures related to child safety and welfare - Arenac County	\$0	\$0	1/19-24 - Ongoing	Y N
9	S	CAN Council Commitment to follow protocols & procedures related to child safety and welfare - Bay County	\$0	\$0	1/19-24 - Ongoing	Y N
10	N	David Gaffney Ethics & Pain Management training		\$2,800 plus mileage & meal allowance	4/18/24-10/22/24	Y N
SECTION II. SERVICES PROVIDED BY THE BOARD (REVENUE CONTRACTS)						
SECTION III. STATE OF MICHIGAN GRANT CONTRACTS						
SECTION IV. MISC PURCHASES REQUIRING BOARD APPROVAL						
11	R	The Doctors Company Professional liability insurance, Dr. Roderick Smith	\$5,246	\$5,021	2/1/24-2/1/25	N/A N

R = Renewal with rate increase since previous contract
D = Renewal with rate decrease since previous contract
S = Renewal with same rate as previous contract
ES = Extension

M = Modification
N = New Contract/Provider
NC = New Consumer
T = Termination

Footnotes:

4 This home is pending HCBS provisional approval.

BABH Residential Provider Monthly Lease Amounts

<u>Provider</u>	<u>Bay & Arenac Counties</u>	<u>Outside of Bay & Arenac Counties</u>
Provider A	\$1,074 - \$1,943	
Provider B	\$1,200 - \$2,000	
Provider C	\$1,250 - \$1,900	
Provider D	\$1,900 - \$2,200	\$1,100 - \$1,800 (UP and Saginaw), one at \$3,039 in CEI region which is considered commercial property
Provider E	\$1,925 - \$2,000	
Provider F	\$2,400	\$1,528 (Genesse), \$3,920 (Oakland)

These ranges reported are exclusive of Bay County leases which are \$2,600/month.

COMMUNITY MENTAL HEALTH SERVICES PROGRAMS (CMHSP)
Overview of Funding Streams
January, 2024

Medicaid Capitation Revenue

- Received through Mid-State Health Network PIHP, a CMHSP entity under Section 330.1204b
- Nearly \$650 Million for 12 CMHSPs covering 21 counties
- Annual Medicaid Revenue for Bay-Arenac ranges from **\$44-50 Million** (excluding Healthy MI and Autism below)
- Annual Healthy MI (i.e. ACA Medicaid expansion) revenue just over **\$4 Million**
- Annual Autism revenue just over **\$5 Million**

State of Michigan General Fund Appropriation

- *MI Mental Health Code Sections 330.1202 and 1308 (requires state support; establishes threshold)*
- Formerly 75-90% of CMHSP Operations
- Nearly \$3.8 Million as recently as 2010
- Current appropriation: **\$1.6 Million**

County Appropriation

- *MI Mental Health Code Sections 330.1204 and 1302 (enables CMHSP creation; establishes county financial support)*
- Formerly 10-25% of nearly all CMHSP operations, i.e. “local or county match”
- Residential services were excluded to encourage development
- Frozen at 2001 level due to creation of CMHSP Authority under *Section 330.1205*
- Annual Appropriations 2001-2024: **\$787,000** (\$682,000 Bay County; \$105,000 Arenac County)
- Annual CMHSP “Local Match” Obligations:
 - *Mental Health Code Section 330.1302* 10% of net cost for general fund and state inpatient facility operations. Expense ranges between **\$200,000 - \$300,000**
 - *MDHHS Appropriations Act Section 928*. Expense of nearly **\$215,000**

CMHSP Special Fund Account

- *MI Mental Health Code Section 330.1226a*
- Permits accumulation of local 1st and 3rd party revenue separately from earned revenue under state contracts
- Maintenance of effort requirements *per Section 330.1311* (county financial support as of September 30, 1980)
- Annual revenue of approximately: **\$450,000**