

AGENDA

BAY ARENAC BEHAVIORAL HEALTH

BOARD OF DIRECTORS

FINANCE COMMITTEE MEETING

Wednesday, August 7, 2024 at 5:00 pm

Room 225, Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708

Committee Members:	Present	Excused	Absent	Committee Member	Present	Excused	Absent	Others Present:
Tim Banaszak, Ch	_____	_____	_____	Pam Schumacher	_____	_____	_____	BABH: Marci Rozek, Chris Pinter, and Sara McRae
Sally Mrozinski, V Ch	_____	_____	_____	Pat McFarland, Ex Off	_____	_____	_____	
Jerome Crete	_____	_____	_____	Robert Pawlak, Ex Off	_____	_____	_____	Legend: M-Motion; S-Support; MA-Motion Adopted; AB-Abstained
Christopher Girard	_____	_____	_____	Richard Byrne, Ex Off	_____	_____	_____	
Kathy Niemiec	_____	_____	_____					

	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 July 31, 2024		3) Consideration of motion to refer the investment earnings reports for period ending July 31, 2024 to the full Board for information
4.	Contracts 4.1) Rose Home Specialized Residential Services Bid Report 4.2) Finance August 2024 Contract List		4.1) No action necessary 4.2) Consideration of motion to refer the Finance August 2024 contract list to the full Board for approval
5.	Unfinished Business 5.1) None		
6.	New Business 6.1) Fiscal Year (FY) 2025 Medicaid Revenue Projections and FY2024 Expense Trends		6.1) No action necessary
7.	Adjournment	M -	S - pm MA

Bay-Arenac Behavioral Health Authority
Estimated Cash and Investment Balances July 31, 2024

Balance July 1, 2024	4,726,931.57
Balance July 31, 2024	4,625,815.30
Average Daily Balance	3,725,054.15
Estimated Actual/Accrued Interest July 2024	13,143.68
Effective Rate of Interest Earning July 2024	4.23%
Estimated Actual/Accrued Interest Fiscal Year to Date	192,150.29
Effective Rate of Interest Earning Fiscal Year to Date	4.19%

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

Cash Available - Operating Fund

	Rate	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Beg. Balance Operating Funds - Cash, Cash equivalents, Investments		3,940,689	3,431,903	4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935
Cash in		6,328,711	12,694,585	11,257,050	21,945,755	11,552,037	11,480,507	4,835,627	19,658,739	13,131,069	13,733,115	3,521,802	21,031,319
Cash out		(6,837,497)	(12,104,052)	(11,993,562)	(16,681,841)	(12,645,602)	(11,203,146)	(9,401,946)	(16,716,214)	(13,094,320)	(14,391,408)	(7,959,163)	(17,914,080)
Ending Balance Operating Fund		3,431,903	4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935	4,168,174
Investments													
Money Markets		3,431,903	4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935	4,168,174
	90.00												
	180.00												
	180.00												
	270.00												
	270.00												
Total Operating Cash, Cash equivalents, Invested		3,431,903	4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935	4,168,174
Average Rate of Return General Funds		2.60%	2.69%	3.82%	3.96%	4.01%	4.04%	4.05%	4.08%	4.08%	4.08%	4.08%	4.08%
		3.51%	3.71%	3.82%	4.09%	4.13%	4.11%	4.10%	4.24%	4.08%	4.05%	4.08%	4.05%
		4,880,009	4,808,545	3,285,926	5,917,883	6,430,680	6,756,419	6,038,598	6,050,472	6,064,203	5,992,215	5,443,183	5,315,682

Cash Available - Other Restricted Funds

	Rate	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Beg. Balance-Other Restricted Funds - Cash, Cash equivalents, Investments		435,308	437,156	438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706
Cash in		1,849	1,797	1,864	1,812	1,880	1,888	1,773	1,903	1,850	1,919	1,865	1,935
Cash out													
Ending Balance Other Restricted Funds		437,156	438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706	457,642
Investments													
Money Market		437,156	438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706	457,642
	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		437,156	438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706	457,642
Average Rate of Return Other Restricted Funds		3.88%	3.97%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
		429,285	430,073	440,817	441,723	442,651	443,587	444,504	445,432	446,359	447,294	448,229	449,170
Total - Bal excludes payroll related cash accounts		3,869,059	4,461,390	3,726,743	8,992,468	7,900,782	8,180,031	3,615,485	6,559,912	6,598,512	5,942,137	1,506,641	4,625,815
Total Average Rate of Return		2.51%	2.58%	4.04%	4.08%	4.20%	4.21%	4.17%	4.20%	4.19%	4.19%	4.18%	4.19%

**Bay-Arenac Behavioral Health
Report of Bids for Rose Home
August 7, 2024**

I. Description of Services Subject to Bid Request:

Specialized residential services to individuals in one licensed residential home in Auburn, Michigan. The home is currently in operation and serves five residents.

II. Provider

LoveJoy Special Needs Center Corporation
Valley Residential Services, Inc.

Total Bid

\$2,049.70/day
\$1,526.25/day *

III. Recommendation:

* The recommended provider is Valley Residential Services, Inc.

**Bay-Arenac Behavioral Health
Finance Council Board Meeting
Summary of Proposed Contracts
August 7, 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	T	Bay Human Services, Inc. - Rose Home Termination of services provided at Rose Home	\$1,467.09/day	\$0	Terminated eff. 8/29/24	Y N
2	M	Hope Network Behavioral Health Services - West Lake Residential Services for 1 BABHA Individual at the West Lake location	\$0	\$542.27/day	7/31/24 - 9/30/24	Y N
3*	N	Noble Pathway Pediatric Therapy ABA Services	\$0	State rates eff. 10/1/22	9/1/24 - 9/30/25	Y N
4*	M	Valley Residential Services, Inc. Rose Home	\$0	\$1,526.25/day	10/1/24 - 9/30/25	Y N
Admin/Other Services						
5	R	NetSource One Mitel phone system support	\$7,773/year	\$10,000/year	8/21/24-8/20/25	Y N
6	N	Wayne State University Agreement for Stepping Up program/data collection effort associated with jail screening and jail diversion activities	N/A	N/A	Ongoing	Y N
7*	M	Articulate 360 Annual License for 1 Seat	\$0	\$1,499	8/1/24 - 7/31/25	Y N
SECTION II. SERVICES PROVIDED BY THE BOARD (REVENUE CONTRACTS)						
SECTION III. STATE OF MICHIGAN GRANT CONTRACTS						
8	S	MDHHS: CMHSP General Fund FY25 funding for BABHA	\$1,626,054	Same	10/1/24 - 9/30/25	Y N
SECTION IV. MISC PURCHASES REQUIRING BOARD APPROVAL						
9	R	Arthur J Gallagher & Co Malpractice insurance for Dr. Roderick Smith	\$9,246	\$9,706.75	8/7/24-8/7/25	Y 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:

- 3* Credentialing for this organization will be reviewed by the BABHA Credentialing Committee on 8/12/2024.
- 4* Contract start date is pending the provider obtaining licensure.
- 7* Board previously approved \$1,399 at the 7/18/24 Board Meeting

Mid-State Health Network

	FY2024 Amended Revenue Projection (Capitation Rates Dated March 28, 2024)							FY 2024	Expense Over/	% Over/
	Medicaid	HSW	Autism	CWP	SEDW	HMP	Total	Exp Projections	(Under) Rev	(Under)
Bay Arenac	36,394,392.78	11,685,366.66	5,930,728.28	195,402.00	92,576.88	4,055,367.24	58,353,833.84	67,632,794	9,278,960.16	16%
CEI	105,183,089.40	22,256,104.86	13,358,818.65	937,929.60	925,768.80	14,280,564.60	156,942,275.91	143,390,487	(13,551,788.51)	-9%
Central Mi	73,198,620.54	37,249,626.96	11,479,776.03	468,964.80	254,586.42	8,516,621.04	131,168,195.79	140,994,440	9,826,244.21	7%
Gratiot	11,250,535.08	5,285,164.56	1,996,482.79	39,080.40	23,144.22	1,200,585.30	19,794,992.35	21,749,776	1,954,783.65	10%
Huron	7,659,594.96	2,115,899.76	499,120.70	-	23,144.22	812,515.26	11,110,274.90	14,526,128	3,415,852.60	31%
The Right Door	14,006,516.34	3,295,271.70	1,086,321.52	234,482.40	92,576.88	1,452,217.14	20,167,385.98	17,998,165	(2,169,221.48)	-11%
LifeWays	56,533,811.88	16,359,085.80	8,866,732.38	156,321.60	439,740.18	6,372,069.66	88,727,761.50	108,436,225	19,708,463.83	22%
Montcalm	18,004,065.66	2,094,243.84	4,433,366.19	78,160.80	277,730.64	1,982,173.44	26,869,740.57	29,432,368	2,562,627.43	10%
Newaygo	14,537,665.14	1,698,720.00	557,840.78	39,080.40	46,288.44	1,600,722.66	18,480,317.42	19,594,325	1,114,007.08	6%
Saginaw	68,931,547.14	11,679,688.86	9,307,133.00	429,884.40	300,874.86	7,116,416.16	97,765,544.42	86,130,432	(11,635,112.83)	-12%
Shiawassee	17,658,170.70	4,278,945.96	2,554,323.57	-	69,432.66	2,073,510.30	26,634,383.19	26,755,432	121,048.81	0%
Tuscola	15,306,464.04	5,288,659.68	1,820,322.54	-	-	1,686,897.60	24,102,343.86	23,381,769	(720,574.80)	-3%
MSHN SUD	17,955,174.18	-	-	-	-	28,215,956.16	46,171,130.34	46,306,923	135,792.31	0%
Total	456,619,647.84	123,286,778.64	61,890,966.43	2,579,306.40	2,545,864.20	79,365,616.56	726,288,180.07	746,329,262.54	20,041,082.47	3%

FY2025 Original Revenue Projection (Capitation Rates Dated June 21, 2024)

	FY2025 Original Revenue Projection (Capitation Rates Dated June 21, 2024)							FY2024 Exp	Expense Over/	% Over/
	Medicaid	HSW	Autism	CWP	SEDW	HMP	Total	Projections	(Under) Rev	(Under)
Bay Arenac	37,294,656.00	12,135,205.92	6,614,638.09	174,694.80	89,421.12	4,222,543.80	60,531,159.73	67,632,794	7,101,634.27	12%
CEI	107,750,644.92	23,155,104.72	15,297,782.24	873,474.00	961,277.04	14,848,028.16	162,886,311.08	143,390,487	(19,495,823.68)	-12%
Central Mi	74,977,486.32	38,279,950.80	13,196,029.46	419,267.52	245,908.08	8,870,727.72	135,989,369.90	140,994,440	5,005,070.10	4%
Gratiot	11,481,249.96	5,534,664.12	2,145,814.67	34,938.96	22,355.28	1,250,175.84	20,469,198.83	21,749,776	1,280,577.17	6%
Huron	7,822,312.80	2,181,915.12	641,583.30	-	22,355.28	845,701.32	11,513,867.82	14,526,128	3,012,259.68	26%
The Right Door	14,363,349.00	3,337,756.80	1,397,024.33	209,633.76	89,421.12	1,509,220.68	20,906,405.69	17,998,165	(2,908,241.19)	-14%
LifeWays	57,941,828.52	17,039,264.04	10,864,368.99	139,755.84	491,816.16	6,649,216.92	93,126,250.47	108,436,225	15,309,974.86	16%
Montcalm	18,503,279.88	2,159,578.08	4,456,257.42	69,877.92	268,263.36	2,071,138.08	27,528,394.74	29,432,368	1,903,973.26	7%
Newaygo	14,914,650.48	1,667,124.48	1,057,564.90	34,938.96	44,710.56	1,667,121.24	19,386,110.62	19,594,325	208,213.88	1%
Saginaw	70,862,889.00	12,019,828.20	10,526,843.19	384,328.56	268,263.36	7,432,913.04	101,495,065.35	86,130,432	(15,364,633.76)	-15%
Shiawassee	18,103,370.40	4,412,459.16	2,758,814.62	-	67,065.84	2,163,139.80	27,504,849.82	26,755,432	(749,417.82)	-3%
Tuscola	15,695,953.68	5,489,060.04	2,119,372.05	-	-	1,757,910.96	25,062,296.73	23,381,769	(1,680,527.67)	-7%
MSHN SUD	17,824,520.04	-	-	-	-	29,873,186.52	47,697,706.56	46,306,923	(1,390,783.91)	-3%
Total	467,536,191.00	127,411,911.48	71,076,093.26	2,340,910.32	2,570,857.20	83,161,024.08	754,096,987.34	746,329,262.54	(7,767,724.80)	-1%

Mid-State Health Network

Revenue Budget Projection Increase / (Decrease)

	Medicaid	HSW	Autism	CWP	SEDW	HMP	Total	Percent Change
Bay Arenac	900,263.22	449,839.26	683,909.81	(20,707.20)	(3,155.76)	167,176.56	2,177,325.89	3.73%
CEI	2,567,555.52	898,999.86	1,938,963.59	(64,455.60)	35,508.24	567,463.56	5,944,035.17	3.79%
Central Michigan	1,778,865.78	1,030,323.84	1,716,253.43	(49,697.28)	(8,678.34)	354,106.68	4,821,174.11	3.68%
Gratiot	230,714.88	249,499.56	149,331.88	(4,141.44)	(788.94)	49,590.54	674,206.48	3.41%
Huron	162,717.84	66,015.36	142,462.60	-	(788.94)	33,186.06	403,592.92	3.63%
The Right Door	356,832.66	42,485.10	310,702.81	(24,848.64)	(3,155.76)	57,003.54	739,019.71	3.66%
LifeWays	1,408,016.64	680,178.24	1,997,636.61	(16,565.76)	52,075.98	277,147.26	4,398,488.97	4.96%
Montcalm	499,214.22	65,334.24	22,891.23	(8,282.88)	(9,467.28)	88,964.64	658,654.17	2.45%
Newaygo	376,985.34	(31,595.52)	499,724.12	(4,141.44)	(1,577.88)	66,398.58	905,793.20	4.90%
Saginaw	1,931,341.86	340,139.34	1,219,710.19	(45,555.84)	(32,611.50)	316,496.88	3,729,520.93	3.81%
Shiawassee	445,199.70	133,513.20	204,491.05	-	(2,366.82)	89,629.50	870,466.63	3.27%
Tuscola	389,489.64	200,400.36	299,049.51	-	-	71,013.36	959,952.87	3.98%
MSHN SUD	(130,654.14)	-	-	-	-	1,657,230.36	1,526,576.22	3.31%
Total	10,916,543.16	4,125,132.84	9,185,126.83	(238,396.08)	24,993.00	3,795,407.52	27,808,807.27	3.83%
Percent Change	2.39%	3.35%	14.84%	-9.24%	0.98%	4.78%	3.83%	

Draft SFY 2025 Capitation Rates - Excluding HRA

POPULATION	SFY 2024 AMENDED CAPITATION RATES	SFY 2025 CAPITATION RATES	INCREASE/DECREASE
Specialty Services			
DAB - Enrolled	\$ 386.19	\$ 417.84	8.2%
DAB - Unenrolled	378.24	392.19	3.7%
HMP - Enrolled	46.48	54.38	17.0%
HMP - Unenrolled	37.80	41.47	9.7%
TANF - Enrolled	38.83	42.65	9.8%
TANF - Unenrolled	23.90	26.80	12.1%
1915(c) Waiver			
Children's Waiver Program	3,316.80	2,965.31	(10.6%)
Habilitative Supports Waiver	7,137.81	7,360.56	3.1%
Serious Emotional Disturbances	1,964.28	1,897.32	(3.4%)
Composite Base Capitation Rates	\$ 132.30	\$ 141.26	6.8%

Notes:

1. Reflects composite rates for all services (MH, SUD, Autism) based on the enrollment projections used in each respective rate setting.
2. Excludes consideration of 1915(c) Waiver adjustment and inpatient psych tiered rate adjustment