

Report on Compliance
**Community Mental Health Partnership
of Southeast Michigan**

September 30, 2017



Community Mental Health Partnership of Southeast Michigan
Table of Contents
September 30, 2017

Independent Accountant's Report	1 - 2
Schedule of Findings	3
Examined Medicaid Contract Settlement Worksheet	4
Examined Medicaid/HMP Contract Reconciliation and Cash Settlement	5
Examined Financial Status Report – Medicaid.....	6
Examined Financial Status Report – Healthy Michigan	7
Examined Financial Status Report – MI Health Link	8
Examined Financial Status Report – Health Home Services	9
Examined Financial Status Report – Autism Benefit.....	10
Examined Financial Status Report & CRCS Supplemental – Autism Benefit	11
Examined Financial Status Report – Substance Use Disorder Services	12
Examined Supplemental Financial Status Report – SUD Services	13
Examined Restricted Fund Balance Activity	14
Examined Internal Service Fund	15
Examined Shared Risk Calculation and Risk Financing	16
Examined Financial Status Report – All Non Medicaid.....	17 - 21
Explanation of Examination Adjustments	22
Comments and Recommendations	23 - 24



INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

To the Members of the Board
Community Mental Health Partnership of Southeast Michigan
Ann Arbor, Michigan

Report On Compliance

We have examined Community Mental Health Partnership of Southeast Michigan's (the PIHP) compliance with the requirements described in the *Compliance Examination Guidelines* issued by Michigan Department of Health and Human Services that could have a direct and material effect on its Medicaid Contract, General Fund Contract, and Community Mental Health Services Block Grants (including various programs included therein) for the year ended September 30, 2017.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Medicaid Contract, General Fund Contract, and Community Mental Health Services Block Grants (including various programs included therein).

Independent Accountants' Responsibility

Our responsibility is to express an opinion on compliance of the PIHP's Medicaid Contract, General Fund Contract, and Community Mental Health Services Block Grants (including various programs included therein), based on our examination of the compliance requirements referred to above.

We conducted our examination of compliance in accordance with attestation standards established by the American Institute of Certified Public Accountants. An examination includes examining, on a test basis, evidence supporting the PIHP's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our examination provides a reasonable basis for our opinions on compliance for the Medicaid Contract, General Fund Contract, and Community Mental Health Services Block Grants (including various programs included therein). However, our examination does not provide a legal determination of the PIHP's compliance.

Opinion on Each Program

In our opinion, the PIHP complied, in all material respects, with the specified requirements referred to above that could have a direct and material effect on each of its Medicaid Contract, General Fund Contract, and Community Mental Health Services Block Grants (including various programs included therein) for the year ended September 30, 2017.

Other Matters

The results of our examination procedures disclosed instances of noncompliance, which are required to be reported in accordance with *Compliance Examination Guidelines*, and which are described in the accompanying Comments and Recommendations as item 2017-01 and 2017-02. Our opinion on each program is not modified with respect to these matters.

The PIHP's responses to the noncompliance findings identified in our examination are described in the accompanying Schedule of Findings and Comments and Recommendations. The PIHP's responses were not subjected to the examination procedures applied in the examination of compliance and, accordingly, we express no opinion on the responses.

Purpose of this Report

This report is intended solely for the use of the board and management of the PIHP and the Michigan Department of Health and Human Services and is not intended to be, and should not be, used by anyone other than these specified parties.

Roslund, Prestage & Company, P.C.

Roslund, Prestage & Company, P.C.
Certified Public Accountants

June 21, 2018

Community Mental Health Partnership of Southeast Michigan
Schedule of Findings
September 30, 2017

Control deficiencies that are individually or cumulatively material weaknesses in internal control over the Medicaid Contract, General Fund Contract, and/or CMHS Block Grant Program(s):

None

Material noncompliance with the provisions of laws, regulations, or contracts related to the Medicaid Contract, General Fund Contract, and/or CMHS Block Grant Program(s):

None

Known fraud affecting the Medicaid Contract, General Fund Contract, and/or CMHS Block Grant Program(s):

None

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES
CONCURRENT WAIVER PROGRAMS
EXAMINED MEDICAID CONTRACT SETTLEMENT WORKSHEET**

PIHP: CMHPSM
FISCAL YEAR: FY 16 / 17

1. Specialty Managed Care - Medicaid	State Plan (b) & 1915 (B)(3)	HSW	HMP	DHIP	AUTISM	Total	FY Indicator
a. Current Fiscal Year - Medicaid Revenue rec'd thru 9/30	86,090,512	41,898,610	12,738,731	91,602	1,771,587	\$ 142,591,042	FY 17
b. Current Fiscal Year - Medicaid Revenue Accruals	169,867	(152,418)		81,012	3,211,927	\$ 3,310,388	FY 17
c. Performance Bonus Incentive Pool - (enter as a negative)	(655,634)	(314,240)	(95,540)			\$ (1,065,414)	FY 17
d. Sub-Total Current Fiscal Year Medicaid Revenue:	\$ 85,604,745	\$ 41,431,952	\$ 12,643,191	\$ 172,614	\$ 4,983,514	\$ 144,836,016	FY 17
e. Prior Fiscal Year 1 - Accrual Adjustment - Net		(96,325)				\$ (96,325)	FY 16
f. Prior Fiscal Year 2 - Accrual Adjustment - Net						\$ -	FY 15
g. Other Adjustments (DHHS Approval Required)						\$ -	Describe Below
h. Sub-Total - Prior Year Accrual Adjustments:	\$ -	\$ (96,325)	\$ -	\$ -	\$ -	\$ (96,325)	
i. Total Medicaid Revenue - Current Year Settlement:	\$ 85,604,745	\$ 41,335,627	\$ 12,643,191	\$ 172,614	\$ 4,983,514	\$ 144,739,691	
j. Explanation of Accrual Adjustments							

2. Forced Lapse to MDHHS	Amount	Amount	Amount
a. Medicaid Specialty Managed Care Forced Lapse (enter as negative)			\$ -
1. Explanation of Forced Lapse and Explanation of Examination Adjustments:			

3. Medicaid Savings / Medicaid Lapse Calculation	Amount
a. Specialty Managed Care - Medicaid Capitation (incl Autism)	144,739,691
1. Band # 1 (95 - 100%)	5% 7,236,985 PIHP retains
2. Band # 2 (90 - 95%)	5% 7,236,985 Shared PIHP / MDHHS

b. Balance Available for Savings (from Medicaid FSR)		Total Lapse	Total Earned Savings	Total Savings Corridor
b1. Balance Available for Savings (from Healthy Michigan FSR)	-			
b2. Total Available for Savings	-			
c. 1. Band # 1	-			
2. Sub-Total - Band # 1	-			
3. Band # 2	-			
4. Sub-Total - Band # 2	-			
5. Band # 3	-			
6. Totals		\$ -	\$ -	\$ -

4. Summary of Total Savings / Lapse	Total Lapse	Total Earned Savings	Total Savings Corridor	% of Savings by Funding
1. Total Disposition of Medicaid Savings / Lapse			-	#DIV/0!
2. Total Disposition of Healthy Michigan Savings / Lapse			-	#DIV/0!
3. Total Savings / Lapse	\$ -	\$ -	\$ -	#DIV/0!

5. Medicaid Savings - Prior Year Earnings to Expend	FY16	FY	FY	FY	FY	Total
a. Prior Year Medicaid Savings Earned - Medicaid	5,070,734					5,070,734
b. Current Year Expenditures - Medicaid	5,070,734					5,070,734
c. Prior Year Medicaid Savings Earned - HMP	1,721,947					1,721,947
d. Current Year Expenditures - HMP	1,721,947					1,721,947
e. Balance of Medicaid Savings:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

6. Narrative: Both CRCS and Contract Settlement Worksheet

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES
CONCURRENT WAIVER PROGRAMS
EXAMINED MEDICAID/HMP CONTRACT RECONCILIATION AND CASH SETTLEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

PIHP: CMHPSM

		PIHP Contract Cost Settled
1. Medicaid Services - Available Resources		
a.	Total Managed Care Capitation (Medicaid & Healthy Michigan Plan)	\$ 139,756,177
b.	1st & 3rd Party Collections - Medicaid (FSR A 121)	-
c.	1st & 3rd Party Collections - HMP (FSR AI 121)	-
d.	Prior Year Medicaid Savings (FSR A 123 + FSR AI 123)	6,792,681
e.	ISF Abatement - Medicaid / HMP(FSR A 124 + FSR AI 124)	-
f.	Redirected CMHSP to CMHSP Contracts (FSR A 302 + FSR AI 302)	-
g.	Redirected Non-MDHHS Earned Contracts (FSR A 303 + FSR AI 303)	-
h.	Redirected from Autism (FSR A 310)	385,979
i.	Sub-Total Other Medicaid Services - Resources	\$ 7,178,660
j.	Total Medicaid Services - Available Resources	\$ 146,934,837

2. Medicaid Services - Expenditures		
a.	PIHP HICA/USE Tax (FSR A 201)	2,245,953
a.1	PIHP HICA/USE Tax Healthy Michigan Plan (FSR AI 201)	284,428
b.	Medicaid Services (FSR A 202 - A 122 - A 325)	131,816,908
b.1	Healthy Michigan Plan Services (FSR AI 202 - AI 122 - AI 325)	16,435,880
b.2	MI Health Link Medicaid Services (FSR A 205)	-
c.	Deposits - ISF Medicaid / HMP (FSR A 203 + FSR AI 203)	-
d.	Psych Hospital HRA (FSR A 204)	2,090,086
e.	Sub-Total Medicaid Services - Expenditures	\$ 152,873,255
f.	Redirected CMHSP to CMHSP Contracts (FSR A 301 + FSR AI 301)	-
g.	Redirected to Autism (FSR A 301a)	-
h.	Redirected to MI Health Link (FSR A 301c)	-
i.	Sub-Total Medicaid Services - Redirected Expenditures	\$ -
j.	Total Medicaid Services - Expenditures	\$ 152,873,255

3. Net Medicaid Services Surplus / (Deficit)		
a.	Medicaid Funding Surplus / (Deficit)	(5,938,418)
b.	Less: Forced Lapse to MDHHS (Medicaid worksheet 2.a)	-
c.	Net Medicaid Services Surplus / (Deficit)	\$ (5,938,418)

4. Disposition		Amount
a. Surplus		
1.	Transfer to Fund Balance - Medicaid Savings Earned	-
2.	Lapse to MDHHS - Contract Settlement	-
3.	Total Disposition - Surplus	\$ -
b. Deficit		
1.	Redirected from General Fund (FSR A 331 + AI 331 + AK 331)	-
2.	Redirected from Local (FSR A 332 + AI 332 + AK 332)	-
3.	Redirected Risk Corridor - PIHP Share (FSR A 333 + AI 333)	4,310,554
4.	Redirected Risk Corridor - MDHHS Share (FSR A 334 + AI 334)	-
5.	Redirected from Restricted Fund Balance (FSR A 335 + AI 335 + AK 335)	1,627,864
6.	Total Disposition - Deficit	\$ 5,938,418

4.1 Medicaid Savings Transferred To/From		Amount
PIHP receiving transferred Medicaid savings		Total Transferred
a.		
b.		
c.		
d.		
e.		
f.	Total	\$ -

5. Cash Settlement: (Due MDHHS) / Due PIHP		Amount
a.	Forced Lapse to MDHHS	-
b.	Lapse to MDHHS - Contract Settlement	-
c.	Risk Corridor - MDHHS Share	-
d.	Return of Prior Year Medicaid Savings	-
e.	Misc (please explain)	-
f.	Misc (please explain)	-
g.	Total Cash Settlement: (Due MDHHS) / Due PIHP	\$ -

6. Medicaid MDHHS Commitment		Amount
a.	MDHHS / PIHP Medicaid Funded Expenditures	139,756,177
b.	Earned Medicaid Savings	-
c.	Sub-Total MDHHS Commitment	\$ 139,756,177
d.	Risk Corridor - MDHHS Share	-
e.	Total MDHHS Medicaid Commitment	\$ 139,756,177
f.	General Fund Supplement for Unfunded Medicaid	-

Examined Cash Settlement and MDHHS Commitment		
	Cash Settlement	Savings
Examined Original Settlement	\$ -	-
Increase (Decrease)	0	0
Comments:		

MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED FINANCIAL STATUS REPORT - MEDICAID page 1
FOR THE YEAR ENDED SEPTEMBER 30, 2017

PIHP:		CMHPSM	YEAR TO DATE REPORTING										
			A	B	C	D	E	F	G	H	I		
			CMHSP or CA										
			Regional Authority / Reporting Board								PIHP Grand Total page 1 & 2	Examination Adjustments	Examined Totals
1		PIHP or CMHSP or CA	CMHPSM	Lenawee	Livingston	Monroe	Washtenaw	# 5	# 6	# 7			
A		MEDICAID SERVICES - PIHP USE ONLY											
A	100	REVENUE											
A	101	Specialty Managed Care Medicaid Revenue	127,112,986								127,112,986		127,112,986
A	115	Medicaid Managed Care - Affiliate Contracts	(128,750,332)	14,781,610	22,723,295	27,320,651	63,924,776				-		-
A	120	Subtotal - Current Period Medicaid Services Revenue	(1,637,346)	14,781,610	22,723,295	27,320,651	63,924,776	-	-	-	127,112,986		127,112,986
A	121	1st & 3rd Party Collections - Medicare/Medicaid Consumers - Rptng Bd											
A	122	1st & 3rd Party Collections - Medicare/Medicaid Consumers - Affiliate		54,175		15,418	288,468				358,061		358,061
A	123	Prior Year Medicaid Savings (Funding Current Year Expenses)	5,070,734								5,070,734		5,070,734
A	124	ISF Abatement											
A	140	Subtotal - Other Medicaid Revenue	5,070,734	54,175	-	15,418	288,468	-	-	-	5,428,795		5,428,795
A	190	TOTAL REVENUE	3,433,388	14,835,785	22,723,295	27,336,069	64,213,244	-	-	-	132,541,781		132,541,781
A	200	EXPENDITURE											
A	201	PIHP HICA/USE Tax	2,245,953								2,245,953		2,245,953
A	202	Medicaid Services	3,066,576	14,835,785	22,723,295	27,336,069	64,213,244				132,174,969		132,174,969
A	203	Payment into Medicaid ISF											
A	204	Psych Hospital Rate Adjuster (HRA)	2,090,086								2,090,086		2,090,086
A	205	MI Health Link - Medicaid Services											
A	290	TOTAL EXPENDITURE	7,402,615	14,835,785	22,723,295	27,336,069	64,213,244	-	-	-	136,511,008		136,511,008
A	295	SUBTOTAL NET MEDICAID SERVICES SURPLUS (DEFICIT)	(3,969,227)	-	-	-	-	-	-	-	(3,969,227)		(3,969,227)
A	300	Redirected Funds (To) From											
A	301	(TO) CMHSP to CMHSP Earned Contracts - J304	-								-		-
A	301a	(TO) Autism - AE310	-								-		-
A	301b	(TO) Healthy MI Plan - AI310	-								-		-
A	301c	(TO) MI Health Link Services (Medicare) - AK310	-								-		-
A	302	FROM CMHSP to CMHSP Earned Contracts - J301 (explain - section AB)											
A	303	FROM Non-MDHHS Earned Contracts - K301 (explain - section AB)											
A	310	FROM Autism - AE301	385,979								385,979		385,979
A	310a	FROM Healthy MI Plan - AI301a											
A	325	Info only - Affiliate Total Redirected Funds - I390											
A	330	Subtotal Redirected Funds rows 301 - 325	385,979	-	-	-	-	-	-	-	385,979		385,979
A	331	FROM General Fund - Redirected to Unfunded Medicaid Costs - B301											
A	332	FROM Local Funds - M301											
A	333	FROM Risk Corridor - PIHP Share - N301	2,249,070								2,249,070		2,249,070
A	334	FROM Risk Corridor - MDHHS Share - N302											
A	335	FROM Restricted Fund Balance - RES 1.a	1,334,178								1,334,178		1,334,178
A	390	Total Redirected Funds	3,969,227	-	-	-	-	-	-	-	3,969,227		3,969,227
A	400	BALANCE MEDICAID SERVICES	-	-	-	-	-	-	-	-	-		-

AB	REMARKS
AB	Remarks may be added about any entry or activity on the report for which additional information may be useful.
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MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED FINANCIAL STATUS REPORT - MI Health Link page 1
FOR THE YEAR ENDED SEPTEMBER 30, 2017

PIHP:	CMHPSM	YEAR TO DATE REPORTING									PIHP Grand Total page 1 & 2	Examination Adjustments	Examined Totals
		A	B	C	D	E	F	G	H	I			
		Regional Authority / Reporting Board	CMHSP or CA										
			# 1	# 2	# 3	# 4	# 5	# 6	# 7				
1	PIHP or CMHSP or CA	CMHPSM	Lenawee	Livingston	Monroe	Washtenaw	0	0	0				
AK	MI HEALTH LINK SERVICES - PIHP USE ONLY												
AK 100	REVENUE												
AK 101	MI Health Link												
AK 102	ICO - Risk Financing / (ICO - Shared Savings)												
AK 115	MI Health Link - Affiliate Contracts												
AK 120	Subtotal - Current Period MI Health Link Services Revenue												
AK 121	1st & 3rd Party Collections - MI Health Link Consumers - Rpting Bd												
AK 122	1st & 3rd Party Collections - MI Health Link Consumers - Affiliate												
AK 140	Subtotal - Other MI Health Link Revenue												
AK 190	TOTAL REVENUE												
AK 200	EXPENDITURE												
AK 202	MI Health Link Services												
AK 290	TOTAL EXPENDITURE												
AK 295	SUBTOTAL NET MI HEALTH LINK SERVICES SURPLUS (DEFICIT)												
AK 300	Redirected Funds (To) From												
AK 301	(TO) CMHSP to CMHSP Earned Contracts - J304.3												
AK 302	FROM CMHSP to CMHSP Earned Contracts - J301.3 (explain - section AL)												
AK 303	FROM Non-MDHHS Earned Contracts - K301.3 (explain - section AL)												
AK 310	FROM Medicaid - A301b												
AK 325	Info only - Affiliate Total Redirected Funds - ID390												
AK 330	Subtotal Redirected Funds rows 301 - 325												
AK 331	FROM General Fund - Redirected to Unfunded MI Health Link Costs - B301.3												
AK 332	FROM Local Funds - M301.3												
AK 333	Intentionally left blank												
AK 334	Intentionally left blank												
AK 335	FROM Restricted Fund Balance - RES 1.a												
AK 336	(TO) Local funds - M313.3												
AK 390	Total Redirected Funds												
AK 400	BALANCE MI HEALTH LINK SERVICES (must = 0)												

AL	REMARKS
AL	Remarks may be added about any entry or activity on the report for which additional information may be useful.
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**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED FINANCIAL STATUS REPORT - Health Home Services
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

PIHP:	CMHPSM	YEAR TO DATE REPORTING										
		A	B	C	D	E	F	G	H	I		
		Regional Authority / Reporting Board	CMHSP							PIHP Grand Total	Examination Adjustments	Examined Totals
			# 1	# 2	# 3	# 4	# 5	# 6	# 7			
1	PIHP or CMHSP or CA	CMHPSM	Lenawee	Livingston	Monroe	Washtenaw	0	0	0			

AG	Health Home Program - PIHP USE ONLY											
AG 100	REVENUE											
AG 101	Revenue - Health Home Services											
AG 115	Affiliate Contracts	-									-	-
AG 190	TOTAL REVENUE	-	-	-	-	-	-	-	-	-	-	-
AG 200	EXPENDITURE											
AG 201	Expenditure - Health Home Services											
AG 202	PIHP HICA/USE Tax											
AG 204	Surplus Funding Retained											
AG 290	TOTAL EXPENDITURE	-	-	-	-	-	-	-	-	-	-	-
AG 295	SUBTOTAL NET HEALTH HOME SERVICES SURPLUS (DEFICIT)	-	-	-	-	-	-	-	-	-	-	-
AG 300	Redirected Funds (To) From											
AG 325	Info only - Affiliate Total Redirected Funds - IC390											
AG 331	FROM General Fund - B301.4											
AG 332	FROM Local Funds - M301.4											
AG 390	Total Redirected Funds	-	-	-	-	-	-	-	-	-	-	-
AG 400	BALANCE	-	-	-	-	-	-	-	-	-	-	-

AH	REMARKS											
AH	Remarks may be added about any entry or activity on the report for which additional information may be useful. Please note risk management arrangement between PIHP and Affiliates.											
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**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED FINANCIAL STATUS REPORT AND CRCS - AUTISM BENEFIT page 1
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

1. Financial Status Report - Autism Benefit

PIHP:	CMHPSM	YEAR TO DATE REPORTING											PIHP Grand Total page 1 & 2	Examination Adjustments	Examined Totals
		A	B	C	D	E	F	G	H	I					
		CMHSP													
		Regional Authority / Reporting Board	# 1	# 2	# 3	# 4	# 5	# 6	# 7						
1.1	PIHP or CMHSP	CMHPSM	Lenawee	Livingston	Monroe	Washtenaw	0	0	0						
AE		AUTISM SERVICES - PIHP USE ONLY													
AE	100	REVENUE													
AE	101	Autism Benefit revenue	4,983,514									4,983,514			4,983,514
AE	115	Autism Benefit - Affiliate Contracts	(4,486,126)	370,059	1,519,189	856,624	1,740,254					-	-	-	-
AE	120	Subtotal Revenue - Autism Benefit	497,388	370,059	1,519,189	856,624	1,740,254	-	-	-	-	4,983,514	-	-	4,983,514
AE	121	1st & 3rd Party Collections - Autism Benefit Consumers - Rptng Bd													
AE	122	1st & 3rd Party Collections - Autism Benefit Consumers - Affiliate													
AE	140	Subtotal - Other Autism Benefit Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
AE	190	TOTAL REVENUE	497,388	370,059	1,519,189	856,624	1,740,254	-	-	-	-	4,983,514	-	-	4,983,514
AE	200	EXPENDITURE													
AE	201	PIHP HICA/USE Tax	42,886									42,886			42,886
AE	202	Autism Benefit Services	68,523	370,059	1,519,189	856,624	1,740,254					4,554,649			4,554,649
AE	290	TOTAL EXPENDITURE	111,409	370,059	1,519,189	856,624	1,740,254	-	-	-	-	4,597,535	-	-	4,597,535
AE	295	SUBTOTAL NET AUTISM BENEFIT SERVICES SURPLUS (DEFICIT)	385,979	-	-	-	-	-	-	-	-	385,979	-	-	385,979
AE	300	Redirected Funds (To) From													
AE	301	(To) Medicaid - A310	(385,979)									(385,979)			(385,979)
AE	310	FROM Medicaid - A301a													
AE	390	Total Redirected Funds	(385,979)	-	-	-	-	-	-	-	-	(385,979)	-	-	(385,979)
AE	400	BALANCE AUTISM BENEFIT SERVICES (must = 0)	-	-	-	-	-	-	-	-	-	-	-	-	-

AF	REMARKS
AF	Remarks may be added about any entry or activity on the report for which additional information may be useful. Explain prior fiscal year accrual adjustment.
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**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED FINANCIAL STATUS REPORT & CRCS SUPPLEMENTAL - AUTISM BENEFIT
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

PIHP: CMHPSM

1. Number of Units by Provider Type		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1.a	NEW CODE	0359T	0362T	+0363T	0364T	+0365T	0366T	+0367T	0368T	+0369T	0370T	0371T	0372T	0373T	0374T	TOTAL
	Reporting Units	Encounter	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	Encounter	Encounter	Encounter	First 30 mins	Add'l 30 mins	
Provider Type	Unit Rate	\$ 480.00	\$ 60.00	\$ 60.00	\$ 30.00	\$ 30.00	\$ 8.57	\$ 8.57	\$ 60.00	\$ 60.00	\$ 120.00	\$ 72.00	\$ 51.43	\$ 120.00	\$ 60.00	
BCBA QBHP, LP/LLP	# of Units	226	23	47	5,376	22,920			4,065	7,703	1,181			125	975	
		\$ 108,480.00	\$ 1,380.00	\$ 2,820.00	\$ 161,280.00	\$ 687,600.00	\$ -	\$ -	\$ 243,900.00	\$ 462,180.00	\$ 141,720.00	\$ -	\$ -	\$ 15,000.00	\$ 58,500.00	\$ 1,882,860.00

1.b		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1.b	NEW CODE	0359T	0362T	+0363T	0364T	+0365T	0366T	+0367T	0368T	+0369T	0370T	0371T	0372T	0373T	0374T	TOTAL
	Reporting Units	Encounter	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	Encounter	Encounter	Encounter	First 30 mins	Add'l 30 mins	
Provider Type	Unit Rate	\$ 340.00	\$ 42.50	\$ 42.50	\$ 30.00	\$ 30.00	\$ 8.57	\$ 8.57	\$ 42.50	\$ 42.50	\$ 85.00	\$ 51.00	\$ 36.43	\$ 120.00	\$ 60.00	
BCaBA	# of Units	2							102	174						
		\$ 680.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,335.00	\$ 7,395.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,410.00

1.c		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1.c	NEW CODE	0359T	0362T	+0363T	0364T	+0365T	0366T	+0367T	0368T	+0369T	0370T	0371T	0372T	0373T	0374T	TOTAL
	Reporting Units	Encounter	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	First 30 mins	Add'l 30 mins	Encounter	Encounter	Encounter	First 30 mins	Add'l 30 mins	
Provider Type	Unit Rate				\$ 27.50	\$ 27.50	\$ 7.86	\$ 7.86						\$ 110.00	\$ 55.00	
BT	# of Units				13,639	77,093	379	713						5	8	
					\$ 375,072.50	\$ 2,120,057.50	\$ 2,978.94	\$ 5,604.18						\$ 550.00	\$ 440.00	\$ 2,504,703.12

2. Autism Fee Schedule Expenditures		Total
a.	Total Utilization Costs	\$ 4,399,973.00
b.	Total Administrative costs	\$ 486,635.39
c.	Total Assessment costs	\$ 54,019.55
d.	Total ABA Training Costs	
e.	PIHP HICA/Use Tax	\$ 42,886.00
f.	Total Autism Benefit Fee Schedule Expenditures	\$ 4,983,513.94

3. Fee Schedule Expenditures vs. PIHP FSR Expenditures		Total
a.	FSR Expenditures (Line AE.290)	\$ 4,597,535.00
b.	Autism Benefit Fee Schedule Expenditures	\$ 4,983,513.94
c.	Variance	\$ (385,978.94)

4. Autism Cash Settlement		Total
a.	Autism Benefit Service Expenditures used for Settlement	\$ 4,983,513.94
b.	Autism Interim Payment Funding rec'd thru 9/30 (enter as negative)	\$ (1,771,587.17)
c.	Autism Interim Payment Funding rec'd after 9/30 (enter as negative)	\$ (2,420,152.93)
d.	MDHHS Cash Settlement (Due MDHHS) / Due PIHP	\$ 791,773.84

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED FINANCIAL STATUS REPORT - Substance Use Disorder Services - Page 1
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

PIHP:	CMHPSM	YEAR TO DATE REPORTING									PIHP Grand Total page 1 & 2	Examination Adjustments	Examined Totals
		A	B	C	D	E	F	G	H	I			
		CMHSP											
		Regional Authority / Reporting Board	# 1	# 2	# 3	# 4	# 5	# 6	# 7				
1	PIHP or CMHSP or CA	CMHPSM	Lenawee	Livingston	Monroe	Washtenaw	0	0	0				

AC	Substance Use Disorder (SUD) Services - PIHP USE ONLY											
AC 100	REVENUE											
AC 101	Revenue - SUD Agreement	5,274,005									5,274,005	5,274,005
AC 115	Affiliate Contracts	(1,245,178)	579,255	665,923							-	-
AC 120	Subtotal SUD Agreement Revenue	4,028,827	579,255	665,923	-	-	-	-	-	-	5,274,005	5,274,005
AC 121	Fees & Collections - Rptng Bd										-	-
AC 122	Fees & Collections - Affiliate										-	-
AC 140	Subtotal - Other Revenue	-	-	-	-	-	-	-	-	-	-	-
AC 190	TOTAL REVENUE	4,028,827	579,255	665,923	-	-	-	-	-	-	5,274,005	5,274,005
AC 200	EXPENDITURE											
AC 201	Expenditure - SUD Services	4,401,780	579,255	678,370							5,659,405	5,659,405
AC 290	TOTAL EXPENDITURE	4,401,780	579,255	678,370	-	-	-	-	-	-	5,659,405	5,659,405
AC 295	SUBTOTAL NET SUD SERVICES SURPLUS (DEFICIT)	(372,953)	-	(12,447)	-	-	-	-	-	-	(385,400)	(385,400)
AC 300	Redirected Funds (To) From											
AC 301	(TO) CMHSP to CMHSP Earned Contracts - J304.2	-									-	-
AC 302	FROM CMHSP to CMHSP Earned Contracts - J301.2										-	-
AC 303	FROM Non-MDHHS Earned Contracts - K301.2										-	-
AC 325	Info only - Affiliate Total Redirected Funds - IA390			12,447							12,447	12,447
AC 331	FROM General Funds - Redirected to Unfunded SUD Costs - B301.2										-	-
AC 332	FROM Local Funds - M301.2										-	-
AC 335	FROM Restricted Fund Balance - RES 1.a	1,537,194									1,537,194	1,537,194
AC 390	Total Redirected Funds	1,537,194	-	12,447	-	-	-	-	-	-	1,549,641	1,549,641
AC 400	BALANCE SUD Services	1,164,241	-	-	-	-	-	-	-	-	1,164,241	1,164,241

AD	REMARKS
AD	Remarks may be added about any entry or activity on the report for which additional information may be useful. Please note risk management arrangement between PIHP and Affiliates.
AD	An examination adjustment was made to reconcile the Livingston's FSR to CMHPSM's FSR for SUD Services.
AD	AC201 SUD Services (Livingston) was increased from 665,923 to 678,370; a change of 12,447.
AD	AC325 Affiliate Total Redirected Funds (Livingston) was increased from 0 to 12,447; a change of 12,447.
AD	
AD	
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**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED SUPPLEMENTAL FINANCIAL STATUS REPORT - SUD SERVICES
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

PIHP: CMHPSM

EXPENDITURES

	Fund Source	Budgeted Revenue	General Admin	Access Mgt Sys	Treatment	Womens Specialty	Prevention	PFS 2015-2020	State Targeted Response	Other (DHHS Approval Required)	Total	Examination Adjustments	Examined Totals	Balance
A	State Agreement	A.	B.	C.	D.	E.	F.	G.	H.	I.	J.		K.	
1	Community Grant													
1.a	- General Admin	229,008	229,008								229,008		229,008	-
1.b	- Access Management System	65,000		65,000							65,000		65,000	-
1.c	- Treatment	2,862,566			2,426,976						2,426,976		2,426,976	435,590
1.d	- Women's Specialty Services (WSS)	446,100				208,272					208,272		208,272	237,828
1.e	- Other (DHHS Approval required)													-
1.f	Subtotal - Community Grant	3,602,674	229,008	65,000	2,426,976	208,272					2,929,256		2,929,256	673,418
2	Prevention	1,404,521	87,642				1,050,801				1,138,443		1,138,443	266,078
3	State Disability Assistance	38,855			30,078						30,078		30,078	8,777
4	Partnership For Success (2015-2020)													-
5	State Targeted Response	227,955							11,987		11,987		11,987	215,968
6	Subtotal - State Agreement	5,274,005	316,650	65,000	2,457,054	208,272	1,050,801		11,987		4,109,764		4,109,764	1,164,241
B	Medicaid													
1	Medicaid	1,533,356	93,497	10,618	1,370,505	58,736					1,533,356		1,533,356	-
2	Healthy MI Plan	3,189,424	156,908	17,819	2,989,263	25,434					3,189,424		3,189,424	-
3	Medicaid- Savings / ISF													-
4	Healthy MI Plan - Savings / ISF													-
5	Subtotal - Medicaid	4,722,780	250,405	28,437	4,359,768	84,170					4,722,780		4,722,780	
C	MI Health Link (Medicare)													
1	MI Health Link (Medicare)													-
2	Subtotal - Medicare													-
D	Local & Other													
1	Restricted Fund Balance	2,099,644			2,016,210		83,434				2,099,644		2,099,644	-
2	Fees & Collections													-
3	Other Contracts & Sources													-
4	Other Local													-
5	Subtotal - Local & Other	2,099,644			2,016,210		83,434				2,099,644		2,099,644	
E	Grand Total	12,096,429	567,055	93,437	8,833,032	292,442	1,134,235		11,987		10,932,188		10,932,188	1,164,241

F	Local Match Computation	Funds Subject to Match								Total Match Funds (Local & Other - D1+D2+D4)		Examined Totals	Match Percentage
		6,209,408	316,650	65,000	4,473,264	208,272	1,134,235	-	11,987	-	2,099,644	2,099,644	33.81%

G REMARKS													
Remarks may be added about any entry or activity on the report for which additional information may be useful.													
The following examination adjustments were made to reconcile the budgeted revenue to the August 30, 2017 allocation letter.													
	Expenditure Category Detail	Amount	Expenditure Category Detail	Amount	Expenditure Category Detail	Amount							
G	Budgeted Revenue Column												
G	A.1.c was increased from 2,426,976 to 2,862,566; a change of 435,590												
G	A.1.d was increased from 208,272 to 446,100; a change of 237,828												
G	A.2 was increased from 1,138,443 to 1,404,521; a change of 266,078												
G	A.3 was increased from 30,078 to 38,855; a change of 8,777												
G	A.5 was increased from 11,987 to 227,955; a change of 215,968												
G	D.1 was increased from 1,537,194 to 2,099,644; a change of 562,450												
G	Treatment Expenditures Column												
G	B.1 was decreased from 1,793,546 to 1,370,505; a change of 423,041												
G	B.2 was decreased from 3,212,842 to 2,989,263; a change of 223,579												
G	D.1 was increased from 1,453,760 to 2,016,210; a change of 562,450												
G	Womens Specialty Expenditures Column												
G	B.1 was increased from 0 to 58,736; a change of 58,736												
G	B.2 was increased from 0 to 25,434; a change of 25,434												
	Total						Total				Total		

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED RESTRICTED FUND BALANCE ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

PIHP: **CMHPSM**

1. Restricted Fund Balance Activity		Restricted Fund Balance @ Beginning of Fiscal Year	Current Period Deposits	Current Period Financing Medicaid (A 335)	Current Period Financing SUD Non-Medicaid (AC 335)	Current Period Financing Healthy MI Plan (AI 335)	Current Period Financing MI Health Link (AK 335)	Restricted Fund Ending Balance
a.	Restricted Fund Balances / Current Activity	\$ 7,179,364	\$ 2,885,117	\$ (1,334,178)	\$ (1,537,194)	\$ (293,686)	\$ -	\$ 6,899,423
b.	PA2	\$ 7,179,364	\$ 1,819,703	\$ (364,305)	\$ (1,537,194)	\$ (198,145)		\$ 6,899,423
c.	Performance Bonus Incentive Pool (PBIP)		\$ 1,065,414	\$ (969,873)		\$ (95,541)		\$ -

1.1 PA2 Transferred From Coordinating Agency PA2 Fund Balances	Total Transferred	Examination Adjustments	Examined Totals
a.			
b.			
c.			
d.			
e.			
f.	Total PA2 Transferred from CAs	\$ -	
g.	Final Restricted Fund Balance after Transfers	\$ 6,899,423	\$ 6,899,423

h.	PA2 Portion of Restricted Fund Balance	\$ 6,899,423		\$ 6,899,423
i.	Performance Bonus Incentive Pool (PBIP) Portion of Restricted Fund Balance	\$ -		\$ -
Explanation of Examination Adjustments				

MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT
EXAMINED INTERNAL SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017

PIHP: **CMHPSM**

1. Internal Service Fund Fiscal Year Activity		ISF Balance @ Beginning of Fiscal Year	Current Period ISF Contributions Interest Earned	Current Period ISF Contributions Deposits	Current Period ISF Reduction (Abatement)	Current Period ISF Financing Medicaid (Risk)	Current Period ISF Financing HMP (Risk)	ISF Ending Balance
a.	ISF Balances / Current Activity	\$ 11,390,506	\$ 55,257	\$ -	\$ -	\$ (2,249,070)	\$ (2,061,484)	\$ 7,135,209
b.	Specialty Managed Care	\$ 10,149,157	\$ 49,178	\$ -	\$ -	\$ (2,249,070)	\$ (814,056)	\$ 7,135,209
c.	Healthy Michigan Plan	\$ 1,241,349	\$ 6,079	\$ -	\$ -		\$ (1,247,428)	\$ -

1.1	PIHP Transferred To/From ISF balances	Total Transferred
a.		
b.		
c.		
d.		
e.		
f.	Total Transferred to/from PIHPs	\$ -
g.	Final balance after transfers	\$ 7,135,209
h.	Specialty Managed Care portion of balance	\$ 7,135,209
i.	Healthy Michigan Plan portion of balance	\$ -

2. PIHP Maximum Allowable Funding of ISF		Amount
a.	Specialty Managed Care - Medicaid Capitation (FSR A 120 + FSR AE 120) HMP - FSR AI 120	\$ 144,739,691
b.	% of Current Year Medicaid Capitation	7.5%
c.	Maximum Allowable Funding of Med ISF	\$ 10,855,477

3. Disposition of ISF Ending Balance		Amount	Narrative of Resolution if ISF Over Funded
a.	Maximum Allowable Funding of Medicaid ISF	\$ 10,855,477	
b.	Medicaid ISF Ending Balance	\$ 7,135,209	
c.	Within Maximum Allowable Limit / (Overfunded)	\$ 3,720,268	
Explanation of Examination Adjustments			

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAM CONTRACT
 SHARED RISK CALCULATION & RISK FINANCING
 FOR THE YEAR ENDED SEPTEMBER 30, 2017**

PIHP: CMHPSM

1. Shared Risk Calculation		Medicaid Amount	HMP Amount	Total Amount																			
a1.	Specialty Managed Care - Medicaid Capitation (FSR A 120 + FSR AE 120) HMP - FSR AI 120	\$ 132,096,500	\$ 12,643,191	\$ 144,739,691																			
a2.	Band # 1 (100 - 105%)	5%		7,236,985	Full PIHP Responsibility																		
a3.	Band # 2 (105 - 110%)	5%		7,236,985	Shared State / PIHP Responsibility																		
b.	Total Risk			5,938,418																			
					<table border="1"> <thead> <tr> <th>State Risk</th> <th>Local Risk</th> <th>Total Risk Corridor</th> </tr> </thead> <tbody> <tr> <td align="right">5,938,418</td> <td align="right">5,938,418</td> <td align="right">5,938,418</td> </tr> <tr> <td align="right">-</td> <td align="right">-</td> <td align="right">-</td> </tr> <tr> <td align="right">-</td> <td align="right">-</td> <td align="right">-</td> </tr> <tr> <td align="right">-</td> <td align="right">-</td> <td align="right">-</td> </tr> <tr> <td align="right">\$ -</td> <td align="right">\$ 5,938,418</td> <td align="right">\$ 5,938,418</td> </tr> </tbody> </table>	State Risk	Local Risk	Total Risk Corridor	5,938,418	5,938,418	5,938,418	-	-	-	-	-	-	-	-	-	\$ -	\$ 5,938,418	\$ 5,938,418
State Risk	Local Risk	Total Risk Corridor																					
5,938,418	5,938,418	5,938,418																					
-	-	-																					
-	-	-																					
-	-	-																					
\$ -	\$ 5,938,418	\$ 5,938,418																					
c1.	Band # 1 Liability			5,938,418																			
c2.	Sub-Total - Band # 1			-																			
c3.	Band # 2 Liability			-																			
c4.	Sub-Total - Band # 2			-																			
c5.	Band # 3 Liability			-																			
c6.	Total Risk Responsibility			\$ -																			

2. Disposition of Risk		State Risk	Local Risk	Total Risk Corridor
a.	Stop/Loss Insurance (FSR Line N 101)			-
b.	Medicaid / HMP for PIHP Share Risk Corridor (FSR Line N 102)			-
c.	Local Funds / Local Fund Balance - Medicaid / HMP Services (FSR Line M 301, M 301.1)			-
d.	General Fund Redirect for Unfunded Medicaid / HMP Costs - MDHHS Approved ONLY (FSR Line B 301, B301.1)			-
e.	Due PIHP From MDHHS (FSR Line N 103)			-
f.	Total Risk Corridor Funding	\$ -	\$ -	\$ -

3. Summary of Total Risk / Funding		State Risk	Local Risk	Total Risk Corridor
a.	Total Risk	-	5,938,418	5,938,418
b.	Total Disposition of MDHHS / Local Risk - Medicaid		3,583,248	3,583,248
b1.	Total Disposition of MDHHS / Local Risk - Healthy Michigan Plan		2,355,170	2,355,170
c.	Balance of Risk Corridor (Must = \$0)	\$ -	\$ -	\$ -

Explanation of Examination Adjustments

**MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED FINANCIAL STATUS REPORT - ALL NON-MEDICAID
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

CMHSP: CMHPSM

		REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
A	MEDICAID SERVICES - Summary From FSR - Medicaid Worksheet			
A 190	TOTAL REVENUE	132,183,720	-	132,183,720
A 290	TOTAL EXPENDITURE	136,152,947	-	136,152,947
A 295	NET MEDICAID SERVICES SURPLUS (DEFICIT)	(3,969,227)	-	(3,969,227)
A 390	Total Redirected Funds	3,969,227	-	3,969,227
A 400	BALANCE MEDICAID SERVICES	-	-	-
AC	SUD NON-MEDICAID SERVICES - Summary From FSR - SUD Worksheet			
AC 190	TOTAL REVENUE	5,274,005	-	5,274,005
AC 290	TOTAL EXPENDITURE	5,646,958	-	5,646,958
AC 295	NET SUD NON-MEDICAID SERVICES SURPLUS (DEFICIT)	(372,953)	-	(372,953)
AC 390	Total Redirected Funds	1,537,194	-	1,537,194
AC 400	BALANCE SUD NON-MEDICAID SERVICES	1,164,241	-	1,164,241
AE	AUTISM BENEFIT SERVICES - Summary From FSR - Autism			
AE 190	TOTAL REVENUE	4,983,514	-	4,983,514
AE 290	TOTAL EXPENDITURE	4,597,535	-	4,597,535
AE 295	NET AUTISM BENEFIT SERVICES SURPLUS (DEFICIT)	385,979	-	385,979
AE 390	Total Redirected Funds	(385,979)	-	(385,979)
AE 400	BALANCE AUTISM BENEFIT SERVICES	-	-	-
AG	HEALTH HOME SERVICES - Summary From FSR - Health Home Services Worksheet			
AG 190	TOTAL REVENUE	-	-	-
AG 290	TOTAL EXPENDITURE	-	-	-
AG 295	NET HEALTH HOME SERVICES SURPLUS (DEFICIT)	-	-	-
AG 390	Total Redirected Funds	-	-	-
AG 400	BALANCE HEALTH HOME SERVICES	-	-	-
AI	HEALTHY MICHIGAN SERVICES - Summary From FSR - Healthy Michigan Worksheet			
AI 190	TOTAL REVENUE	14,365,138	-	14,365,138
AI 290	TOTAL EXPENDITURE	16,720,308	-	16,720,308
AI 295	NET HEALTHY MICHIGAN SERVICES SURPLUS (DEFICIT)	(2,355,170)	-	(2,355,170)
AI 390	Total Redirected Funds	2,355,170	-	2,355,170
AI 400	BALANCE HEALTHY MICHIGAN SERVICES	-	-	-
AK	MI HEALTH LINK SERVICES - Summary From FSR - MI Health Link Worksheet			
AK 190	TOTAL REVENUE	-	-	-
AK 290	TOTAL EXPENDITURE	-	-	-
AK 295	NET MI HEALTH LINK SERVICES SURPLUS (DEFICIT)	-	-	-
AK 390	Total Redirected Funds	-	-	-
AK 400	BALANCE MI HEALTH LINK SERVICES	-	-	-
RES	RESTRICTED FUND BALANCE ACTIVITY			
RES 190	TOTAL REVENUE	10,064,481		
RES 390	TOTAL Redirected Funds	(3,165,058)		
RES 400	BALANCE RESTRICTED FUND	6,899,423	-	6,899,423
B	GENERAL FUND			
B 100	REVENUE			
B 101	CMH Operations			-
B 102	Categorical			-
B 120	Subtotal - Current Period General Fund Revenue	-	-	-
B 121	1st & 3rd Party Collections (Not in Section 226a Funds) 100% Services			-
B 122	1st & 3rd Party Collections (Not in Section 226a Funds) 90% Services			-
B 123	Prior Year GF Carry Forward			-
B 140	Subtotal - Other General Fund Revenue	-	-	-
B 190	TOTAL REVENUE	-	-	-
B 200	EXPENDITURE			
B 201	100% MDHHS Matchable Services / Costs			-
B 202	100% MDHHS Matchable Services Based on CMHSP Local Match Cap			-
B 203	90% MDHHS Matchable Services / Costs - REPORTED			-
	90% MDHHS Matchable Services / Costs - EXAMINATION ADJUSTMENTS			-
	90% MDHHS Matchable Services / Costs - EXAMINED TOTAL	\$ -	-	-
B 204	Intentionally left blank			
B 205	Intentionally left blank			
B 290	TOTAL EXPENDITURE	-	-	-
B 295	NET GENERAL FUND SURPLUS (DEFICIT)	-	-	-
B 300	Redirected Funds (To) From			
B 301	(TO) Medicaid - Redirected for Unfunded Medicaid Costs - A331 (PIHP use only)	-	-	-
B 301.1	(TO) Healthy Michigan - Redirected for Unfunded Healthy Michigan Costs - AI331 (PIHP use only)	-	-	-
B 301.2	(TO) SUD Non-Medicaid - Redirected for Unfunded SUD Non-Medicaid Services AC331 (PIHP use only)	-	-	-
B 301.3	(TO) MI Health Link - Redirected for Unfunded MI Health Link Costs - AK331 (PIHP use only)	-	-	-
B 301.4	(TO) Health Home Services - Redirected for Unfunded Health Home Services AG331 (PIHP use only)	-	-	-
B 304	(TO) Targeted Case Management - D301	-	-	-
B 305	(TO) GF Cost of SED - E301	-	-	-
B 306	(TO) GF Cost of SED - Not SED Waiver eligible - E303	-	-	-
B 308	(TO) GF Cost of Children's Waiver - F301	-	-	-
B 309	(TO) Allowable GF Cost of Injectable Medications - G301	-	-	-

**MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

CMHSP:	CMHPSM				
B	310	(TO) PIHP to Affiliate Medicaid Services Contracts - I304	-	-	-
B	310.1	(TO) PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - IA304	-	-	-
B	310.3	(TO) PIHP to Affiliate Health Home Services Contracts - IC304	-	-	-
B	310.4	(TO) PIHP to Affiliate MI Health Link Services Contracts - ID304	-	-	-
B	312	(TO) CMHSP to CMHSP Earned Contracts - J305 (explain - section Q)	-	-	-
B	313	FROM CMHSP to CMHSP Earned Contracts - J302	-	-	-
B	314	FROM Non-MDHHS Earned Contracts - K302	-	-	-
B	330	Subtotal Redirected Funds rows 301 - 314	-	-	-
B	331	FROM Local Funds - M302	-	-	-
B	332	FROM Risk Corridor - N303	-	-	-
B	390	Total Redirected Funds	-	-	-
B	400	BALANCE GENERAL FUND (cannot be < 0)	-	-	-

OTHER GF CONTRACTUAL OBLIGATIONS

C INTENTIONALLY LEFT BLANK

FEE FOR SERVICE MEDICAID

D	TARGETED CASE MANAGEMENT - (GHS Only)				
D	190	Revenue	-	-	-
D	290	Expenditure	-	-	-
D	295	NET TARGETED CASE MANAGEMENT (cannot be > 0)	-	-	-
D	300	Redirected Funds (To) From	-	-	-
D	301	FROM General Fund - B304	-	-	-
D	302	FROM Local Funds - M304	-	-	-
D	303	(TO) CMHSP to CMHSP Earned Contracts - J304.4	-	-	-
D	304	FROM CMHSP to CMHSP Earned Contracts - J303.4	-	-	-
D	390	Total Redirected Funds	-	-	-
D	400	BALANCE TARGETED CASE MANAGEMENT (GHS Only) (must = 0)	-	-	-

E	SED WAIVER				
E	100	REVENUE	-	-	-
E	101	FFS Medicaid - SED-Trad	-	-	-
E	102	FFS Medicaid - SED-DHS	-	-	-
E	190	TOTAL REVENUE	-	-	-
E	200	EXPENDITURE	-	-	-
E	201	Expenditure - Traditional - Federal Reimbursable	-	-	-
E	202	Expenditure - Traditional - Not SED waiver eligible	-	-	-
E	203	Expenditure - SED-DHS - Federal Reimbursable	-	-	-
E	204	Expenditure - SED-DHS - Not SED waiver eligible	-	-	-
E	290	TOTAL EXPENDITURE	-	-	-
E	295	NET SED WAIVER (DEFICIT)	-	-	-
E	300	Redirected Funds (To) From	-	-	-
E	301	FROM General Fund - B305	-	-	-
E	302	FROM Local Funds - M305	-	-	-
E	303	FROM General Fund - Not SED Waiver eligible - B306	-	-	-
E	304	FROM Local Funds - Not SED Waiver eligible - M306	-	-	-
E	390	Total Redirected Funds	-	-	-
E	400	BALANCE SED WAIVER (must = 0)	-	-	-

F	CHILDREN'S WAIVER				
F	190	Revenue	-	-	-
F	290	Expenditure	-	-	-
F	295	NET CHILDREN'S WAIVER (cannot be > 0)	-	-	-
F	300	Redirected Funds (To) From	-	-	-
F	301	FROM General Fund - B308	-	-	-
F	302	FROM Local Funds - M308	-	-	-
F	303	FROM Activity not otherwise reported - O301	-	-	-
F	390	Total Redirected Funds	-	-	-
F	400	BALANCE CHILDREN'S WAIVER (must = 0)	-	-	-

G	INJECTABLE MEDICATIONS				
G	190	Revenue	-	-	-
G	290	Expenditure	-	-	-
G	295	NET INJECTABLE MEDICATIONS (cannot be > 0)	-	-	-
G	300	Redirected Funds (To) From	-	-	-
G	301	FROM General Fund - B309	-	-	-
G	302	FROM Local Funds - M309	-	-	-
G	390	Total Redirected Funds	-	-	-
G	400	BALANCE INJECTABLE MEDICATIONS (must = 0)	-	-	-

OTHER FUNDING

H	MDHHS EARNED CONTRACTS				
H	100	REVENUE	-	-	-
H	101	PASARR	-	-	-
H	102	DHHS Block Grants for CMH services	183,804		183,804
H	103	DD Council Grants	-	-	-

**MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

CMHSP:	CMHSPSM				
H	104	PATH/Homeless			-
H	105	Prevention			-
H	106	Aging			-
H	107	HUD Shelter Plus Care			-
H	108	Multicultural Integration			-
H	150	Other MDHHS Earned Contracts (describe):			-
H	151	Other MDHHS Earned Contracts (describe):			-
H	190	TOTAL REVENUE	183,804	-	183,804
H	200	EXPENDITURE			
H	201	PASARR			-
H	202	DHHS Block Grants for CMH services	183,804		183,804
H	203	DD Council Grants			-
H	204	PATH/Homeless			-
H	205	Prevention			-
H	206	Aging			-
H	207	HUD Shelter Plus Care			-
H	208	Multicultural Integration			-
H	250	Other MDHHS Earned Contracts (describe):			-
H	251	Other MDHHS Earned Contracts (describe):			-
H	290	TOTAL EXPENDITURE	183,804	-	183,804
H	400	BALANCE MDHHS EARNED CONTRACTS (must = 0)	-	-	-

I	PIHP to AFFILIATE MEDICAID SERVICES CONTRACTS - CMHSP USE ONLY				
I	100	REVENUE			
I	101	Revenue - from PIHP Medicaid			-
I	104	Revenue - from PIHP Healthy Michigan Plan			-
I	122	1st & 3rd Party Collections - Medicare/Medicaid Consumers - Affiliate			-
I	123	1st & 3rd Party Collections - Healthy Michigan Plan Consumers - Affiliate			-
I	190	TOTAL REVENUE	-	-	-
I	201	Expenditure - Medicaid			-
I	202	Expenditure - Healthy Michigan Plan			-
I	203	Expenditure - MI Health Link (Medicaid) Services			-
I	290	TOTAL EXPENDITURE	-	-	-
I	295	NET PIHP to AFFILIATE MEDICAID SERVICES CONTRACTS SURPLUS (DEFICIT)	-	-	-
I	300	Redirected Funds (To) From			
I	301	(TO) CMHSP to CMHSP Earned Contracts - J306	-	-	-
I	302	FROM CMHSP to CMHSP Earned Contracts - J303			-
I	303	FROM Non-MDHHS Earned Contracts - K303			-
I	304	FROM General Fund - B310			-
I	390	Total Redirected Funds	-	-	-
I	400	BALANCE PIHP to AFFILIATE MEDICAID SERVICES CONTRACTS (must = 0)	-	-	-

IA	PIHP to AFFILIATE SUBSTANCE USE DISORDER (NON-MEDICAID) CONTRACTS - CMHSP USE ONLY				
IA	100	REVENUE			
IA	101	Revenue - SUD Non-Medicaid - from PIHP			-
IA	122	Revenue - Fees & Collections - Affiliate			-
IA	190	TOTAL REVENUE	-	-	-
IA	200	EXPENDITURE			
IA	201	Expenditure			-
IA	290	TOTAL EXPENDITURE	-	-	-
IA	295	NET PIHP to AFFILIATE SUD (NON-MEDICAID) SERVICES CONTRACTS SURPLUS (DEFICIT)	-	-	-
IA	300	Redirected Funds (To) From			
IA	301	(TO) CMHSP to CMHSP Earned Contracts - J306.2	-	-	-
IA	302	FROM CMHSP to CMHSP Earned Contracts - J303.2			-
IA	303	FROM Non-MDHHS Earned Contracts - K303.2			-
IA	304	FROM General Fund - B310.1			-
IA	306	FROM Local Funds - M309.2			-
IA	390	Total Redirected Funds	-	-	-
IA	400	BALANCE PIHP to AFFILIATE SUD (NON-MEDICAD) SERVICES CONTRACTS (must = 0)	-	-	-

IB	PIHP to AFFILIATE AUTISM BENEFIT SERVICES CONTRACTS - CMHSP USE ONLY				
IB	100	REVENUE			
IB	101	Revenue - from PIHP			-
IB	122	1st & 3rd Party Collections - Autism Benefit Consumers - Affiliate			-
IB	190	TOTAL REVENUE	-	-	-
IB	200	EXPENDITURE			
IB	201	Expenditure			-
IB	290	TOTAL EXPENDITURE	-	-	-
IB	400	BALANCE PIHP to AFFILIATE AUTISM BENEFIT SERVICES CONTRACTS (must = 0)	-	-	-

IC	PIHP to AFFILIATE HEALTH HOME SERVICES CONTRACTS - CMHSP USE ONLY				
IC	190	Revenue - Medicaid Health Home Services - from PIHP			-
IC	290	Expenditure - Medicaid Health Home Services			-
IC	295	NET PIHP to AFFILIATE HEALTH HOME SERVICES CONTRACTS SURPLUS (DEFICIT)	-	-	-
IC	300	Redirected Funds (To) From			
IC	304	FROM General Fund - B310.3			-
IC	306	FROM Local Funds - M309.4			-
IC	390	Total Redirected Funds	-	-	-
IC	400	BALANCE PIHP to AFFILIATE HEALTH HOME SERVICES CONTRACTS (must = 0)	-	-	-

ID	PIHP to AFFILIATE MI HEALTH LINK SERVICES CONTRACTS - CMHSP USE ONLY				
ID	100	REVENUE			
ID	101	Revenue - MI Health Link - from PIHP			-
ID	122	1st & 3rd Party Collections - MI Health Link Consumers - Affiliate			-
ID	190	TOTAL REVENUE	-	-	-
ID	200	EXPENDITURE			

**MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

CMHSP:	CMHPSM			
ID 201	Expenditure			-
ID 290	TOTAL EXPENDITURE		-	-
ID 295	NET PIHP to AFFILIATE MI HEALTH LINK SERVICES CONTRACTS SURPLUS (DEFICIT)		-	-
ID 300	Redirected Funds (To) From			
ID 301	(TO) CMHSP to CMHSP Earned Contracts - J306.3		-	-
ID 302	FROM CMHSP to CMHSP Earned Contracts - J303.3			
ID 303	FROM Non-MDHHS Earned Contracts - K303.3			
ID 304	FROM General Fund - B310.4			
ID 306	FROM Local Funds - M309.3			
ID 390	Total Redirected Funds		-	-
ID 400	BALANCE PIHP to AFFILIATE MI HEALTH LINK SERVICES CONTRACTS (must = 0)		-	-

J	CMHSP to CMHSP EARNED CONTRACTS			
J 190	Revenue			-
J 290	Expenditure			-
J 295	NET CMHSP to CMHSP EARNED CONTRACTS SURPLUS (DEFICIT)		-	-
J 300	Redirected Funds (To) From			
J 301	(TO) Medicaid Services - A302 (PIHP use only)		-	-
J 301.1	(TO) Healthy Michigan - A1302 (PIHP use only)		-	-
J 301.2	(TO) SUD (Non-Medicaid) Services Contracts - AC302 (PIHP use only)		-	-
J 301.3	(TO) MI Health Link - AK302 (PIHP use only)		-	-
J 302	(TO) General Fund - B313		-	-
J 303	(TO) PIHP to Affiliate Medicaid Services Contracts - I302		-	-
J 303.2	(TO) PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - IA302		-	-
J 303.3	(TO) PIHP to Affiliate MI Health Link Services Contracts - ID302		-	-
J 303.4	(TO) Targeted Case Management - D304		-	-
J 304	FROM Medicaid Services - A301 (PIHP use only)			
J 304.1	FROM Healthy Michigan - A1301 (PIHP use only)			
J 304.2	FROM SUD (Non-Medicaid) Service Contracts - AC301 (PIHP use only)			
J 304.3	FROM MI Health Link - AK301 (PIHP use only)			
J 304.4	FROM Targeted Case Management - D303			
J 305	FROM General Fund - B312			
J 306	FROM PIHP to Affiliate Medicaid Services Contracts - I301			
J 306.2	FROM PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - IA301			
J 306.3	FROM PIHP to MI Health Link Services Contracts - ID301			
J 307	FROM Local Funds - M310			
J 390	Total Redirected Funds		-	-
J 400	BALANCE CMHSP to CMHSP EARNED CONTRACTS (must = 0)		-	-

K	NON-MDHHS EARNED CONTRACTS			
K 190	Revenue	7,633		7,633
K 290	Expenditure	7,633		7,633
K 295	NET NON-MDHHS EARNED CONTRACTS SURPLUS (DEFICIT)		-	-
K 300	Redirected Funds (To) From			
K 301	(TO) Medicaid Services - A303 (PIHP use only)		-	-
K 301.1	(TO) Healthy Michigan - A1303 (PIHP use only)		-	-
K 301.2	(TO) SUD (Non-Medicaid) Services Contracts - AC303 (PIHP use only)		-	-
K 301.3	(TO) MI Health Link - AK303 (PIHP use only)		-	-
K 302	(TO) General Fund - B314		-	-
K 303	(TO) PIHP to Affiliate Medicaid Services Contracts - I303		-	-
K 303.2	(TO) PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - IA303		-	-
K 303.3	(TO) PIHP to Affiliate MI Health Link Services Contracts - ID303		-	-
K 304	(TO) Local Funds - M315		-	-
K 305	FROM Local Funds - M311			
K 390	Total Redirected Funds		-	-
K 400	BALANCE NON-MDHHS EARNED CONTRACTS (must = 0)		-	-

L	Intentionally left Blank			

M	LOCAL FUNDS			
M 100	REVENUE			
M 101	County Appropriation for Mental Health			-
M 102	County Appropriation for Substance Abuse - Non Public Act 2 Funds			-
M 103	Section 226 (a) Funds			-
M 104	Affiliate Local Contribution to State Medicaid Match Provided from CMHSP (PIHP only)	1,577,780		1,577,780
M 105	Medicaid Fee for Service Adjuster Payments			-
M 106	Local Grants			-
M 107	Interest	1,261		1,261
M 109	SED Partner			-
M 110	All Other Local Funding			-
M 190	TOTAL REVENUE	1,579,041		1,579,041
M 200	EXPENDITURE			
M 201	GF 10% Local Match			-
M 202	Reported Local match cap amount			
	Examination Adjustment Local match cap amount			
	Local match cap amount	\$ -		
M 203	GF Local Match Capped per MHC 330.1308			-
M 204	Local Cost for State Provided Services			-
M 205	Local Contribution to State Medicaid Match (CMHSP Contribution Only)			-
M 206	Local Contribution to State Medicaid Match on Behalf of Affiliate (PIHP Only)	1,577,780		1,577,780
M 207	Local Match to Grants and MDHHS Earned Contracts			-
M 209	Local Only Expenditures			-
M 290	TOTAL EXPENDITURE	1,577,780		1,577,780
M 295	NET LOCAL FUNDS SURPLUS (DEFICIT)	1,261		1,261
M 300	Redirected Funds (To) From			

Community Mental Health Partnership of Southeast Michigan
Explanation of Examination Adjustments
September 30, 2017

Financial Status Report – Substance Use Disorder Services

An examination adjustment was made to reconcile the Livingston's FSR to CMHPSM's FSR for SUD Services.

AC201 SUD Services (Livingston) was increased from 665,923 to 678,370; a change of 12,447.

AC325 Affiliate Total Redirected Funds (Livingston) was increased from 0 to 12,447; a change of 12,447.

Supplemental Financial Status Report – SUD Services

The following examination adjustments were made to reconcile the budgeted revenue to the August 30, 2017 allocation letter.

Budgeted Revenue Column

A.1.c was increased from 2,426,976 to 2,862,566; a change of 435,590

A.1.d was increased from 208,272 to 446,100; a change of 237,828

A.2 was increased from 1,138,443 to 1,404,521; a change of 266,078

A.3 was increased from 30,078 to 38,855; a change of 8,777

A.5 was increased from 11,987 to 227,955; a change of 215,968

D.1 was increased from 1,537,194 to 2,099,644; a change of 562,450

Treatment Expenditures Column

B.1 was decreased from 1,793,546 to 1,370,505; a change of 423,041

B.2 was decreased from 3,212,842 to 2,989,263; a change of 223,579

D.1 was increased from 1,453,760 to 2,016,210; a change of 562,450

Womens Specialty Expenditures Column

B.1 was increased from 0 to 58,736; a change of 58,736

B.2 was increased from 0 to 25,434; a change of 25,434

During our compliance audit, we may have become aware of matters that are opportunities for strengthening internal controls, improving compliance and increasing operating efficiency. These matters are not individually or cumulatively material weaknesses in internal control over the Medicaid Contract, General Fund Contract, and/or CMHS Block Grant program(s). Furthermore, we consider these matters to be immaterial deficiencies, not findings. The following comments and recommendations are in regard to those matters.

2017-01 FSR Examination Adjustments

Criteria or specific requirements:

The FSR must include revenues and expenditures in proper categories and follow the reporting instructions. (Contract Section 7.8)

Condition:

The PIHP is not in compliance with FSR instructions.

Examination adjustments:

Examination adjustments were made to sections of the FSR. See detailed descriptions of these examination adjustments in the Explanation of Examination Adjustments section of this report.

Context and perspective:

Management was aware of the rules regarding reporting of revenues and expenditures on the *Financial Status Report*.

Effect:

See detailed descriptions of these examination adjustments in the Explanation of Examination Adjustments section of this report.

Recommendations:

The PIHP should review its current policies and procedures regarding the preparation and review of the Financial Status Report to assure that all amounts are reported in compliance with the reporting instructions. Specifically, a review of the final draft should be performed by a knowledgeable person who is independent from the original preparation of the report(s).

Views of responsible officials:

Management is in agreement with our recommendation.

Planned corrective action:

Procedures have been established to review Substance Use Disorder Recovery Oriented Systems of Care final cost settlements affiliation redirected funds to be included as net adjustments in the financial status report for Substance Use Disorder.

Responsible party:

Suzanne Stolz, CFO

Anticipated completion date:

April 1, 2018

2017-02 Administrative Cost Report

The PIHP is required to complete the Administration Cost Report (ACR) pursuant to the *Administrative Cost Report Instructions* issued by the Michigan Department of Health and Human Services (MDHHS). Those instructions state, in part:

Part One – Section D: Reconcile to Financial Status Report (FSR)
DHHS, in its efforts to promote reporting integrity, is placing an emphasis on various reports reconciling. In this section the ACR expenses reported should reconcile to FSR expenses.

Conditions:

Section D

- Total Expenses (Line D9) amounts reported did not reconcile with the Financial Status Report for the following items: PIHP-Med Spec. Serv. Inc. HSW and Autism.

Examination adjustments:

None.

Context and perspective:

Section D variance: Amount reported on line D9 for PIHP-Med Spec. Serv. Inc. HSW was \$136,511,008. However, the total expenses reported on the FSR was \$136,152,947, for a variance of \$358,061. Amount reported on line D9 for Autism was \$4,983,514. However, the total expenses reported on the FSR was \$4,597,535, for a variance of \$385,979.

Effect:

The ACR does not reconcile to the FSR.

Recommendations:

We recommend that management review all reports to assure that all required reconciliations are completed and all required information is presented before filing the reports.

Views of responsible officials:

Management is in agreement with our recommendation.

Planned corrective action:

The Autism benefit resulted in a surplus of \$385,979. The reports will be reviewed with an additional level to interpret unprecedented outcomes

Responsible party:

Suzanne Stolz, CFO

Anticipated completion date:

June 26, 2018