

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

*September 30, 2019*



Community Mental Health Partnership of Southeast Michigan  
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September 30, 2019

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## 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 are applicable to its Medicaid Contract, General Fund (GF) Contract, Community Mental Health Services (CMHS) Block Grant, and Substance Abuse Prevention and Treatment (SAPT) Block Grant programs for the year ended September 30, 2019.

### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Medicaid Contract, GF Contract, CMHS Block Grant, and SAPT Block Grant programs.

### Independent Accountants' Responsibility

Our responsibility is to express an opinion on the PIHP's compliance with the Medicaid Contract, GF Contract, CMHS Block Grant, and SAPT Block Grant programs based on our examination of the compliance requirements referred to above.

Our examination of compliance was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the PIHP complied, in all material respects, with the compliance requirements referred to above.

An examination involves performing procedures to obtain evidence about the PIHP's compliance with the specified requirements referred to above. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material noncompliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. However, our examination does not provide a legal determination of the PIHP's compliance.

### Basis for Qualified Opinion

As discussed in the Schedule of Findings as items 2019-01 and 2019-02, our examination disclosed material noncompliance related to the Medicaid Contract during the year ended September 30, 2019.

### Opinion on Each Program

In our opinion, except for the material noncompliance noted above, the PIHP complied, in all material respects, with the specified requirements referred to above that are applicable to its Medicaid Contract, GF Contract, CMHS Block Grant, and SAPT Block Grant programs for the year ended September 30, 2019.

**Purpose of this Report**

This report is intended solely for the information and 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.

A handwritten signature in black ink that reads "Roslund, Prestage & Company, P.C." in a cursive script.

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

June 29, 2020

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

**2019-01 Fiscal Soundness of The Risk-Based PIHP (Repeat Comment)**

Criteria or specific requirements:

Provision 32.0 *Fiscal Soundness of The Risk-Based PIHP* states “Federal regulations require that the risk-based PIHPs maintain a fiscally solvent operation and MDHHS has the right to evaluate the ability of the PIHP to bear the risk of potential financial losses, or to perform services based on determinations of payable amounts under the contract.” (*Medicaid Contract General Provision 32.0*)

Condition:

Row A400 Balance Medicaid Services (Examined Totals) is \$(8,777,340) and Row A1400 Balance Healthy Michigan Plan Services (Examined Totals) is \$(1,845,157). These total \$10,622,497 which represents the PIHP's portion of the shared risk that is unfunded. The PIHP does not have sufficient resources to manage the local portion of the shared risk and is not fiscally solvent. As a result of this insolvency, the PIHP is not in compliance with General Provision 32.0 of the Medicaid Contract.

Examination adjustments:

None

Context and perspective:

The PIHP has incurred substantial annual deficits in the last three fiscal years. During FY18, the PIHP liquidated its remaining investments in the ISF and \$4,286,744 in local risk remained unfunded as of FY18 year end. The deficit for FY19 was \$15,264,468 of which \$11,730,507 was the local portion of shared risk and \$3,533,961 was the State portion of risk. Since the PIHP liquidated its remaining investments in the ISF during FY18, the PIHP did not have any funds remaining to fund its local risk for FY19.

Effect:

Unable to determine

Recommendations:

The PIHP should work with stakeholders on how to address its annual deficits and the remaining unfunded risk at year end.

Views of responsible officials:

Management is in agreement with this recommendation.

Planned corrective action:

The CMHPSM and its partner CMHSPs have worked hard to contain costs and return the PIHP to the point where it can again make contributions to the ISF. As of this writing, the PIHP anticipates making at least a \$1,500,000 contribution to the ISF at the end of FY 20 and hopes to contribute more. Revenue has increased as FY20 capitation payment rates were re-developed and improved entity specific factors were partially implemented for FY20. The latest information available indicates that the CMHPSM will receive the fully implemented entity specific rate changes in FY21 which will increase our region's rates above FY20 levels.

The CMHPSM and its partner CMHSPs have continued an administrative appeal and legal proceedings related to FY17, FY18 and FY19 Medicaid revenue. The administrative appeal provides details supporting the region not being provided with the revenue necessary to deliver the medically necessary services that individuals are entitled to as eligible Medicaid enrollees. Resolution of the administrative appeal, legal actions and/or a renegotiation of revenue capitation rates will correct the financial status of the CMHPSM.

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

The CMHPSM will continue to work with all stakeholders to resolve the FY19 deficit and rebuild the ISF while continuing to deliver medically necessary behavioral health services within our region.

Responsible party:

MDHHS, CMHPSM and CMHPSM stakeholders

Anticipated completion date:

As soon as possible

**2019-02 FSR Examination Adjustments (Repeat Comment)**

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:

The examination adjustments were made to 1) agree revenue and expenses reported on the trial balance with amounts reported on the FSR 2) reclassify administrative expenses into the appropriate funding source and 3) bring the FSR in accordance with the reporting instructions.

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:

The current CMHPSM CFO, Matt Berg, who prepared the FY19 FSR, was new to the PIHP/CMHSP system and was only able to receive some limited training in preparation of an MDHHS FSR before the FY19 FSR was due.

Since preparing that FSR, the CFO has received a significant amount of training and background through conversations with auditors and other CFOs who have prepared the report. By the time of this response, we believe the CFO has received sufficient training and background information to prepare the FY 20 FSR, while avoiding any of the findings from FY19.

The CFO will continue to participate in professional groups to further enhance his knowledge of all MDHHS required reports.

Community Mental Health Partnership of Southeast Michigan  
Schedule of Findings  
September 30, 2019

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

Responsible party:

Matt Berg, CFO

Anticipated completion date:

June 29, 2020

Known fraud affecting the Medicaid Contract, General Fund Contract, and/or Community Mental Health Services Block Grant Program(s):

None

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES  
CONCURRENT WAIVER PROGRAMS  
EXAMINED MEDICAID CONTRACT SETTLEMENT WORKSHEET  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**PIHP:** CMHPSM  
**FISCAL YEAR:** FY 18 / 19

1. Specialty Managed Care - Medicaid		Medicaid (Incl Autism & HRA)	HMP (Incl Autism & HRA)	HSW	DHIP	Total	FY Indicator
a.	Current Fiscal Year - Medicaid Revenue rec'd thru 9/30	101,147,060	16,391,437	44,095,817	122,842	\$ 161,757,156	FY 19
b.	Current Fiscal Year - Medicaid Revenue Accruals			365,670		\$ 365,670	FY 19
c.	Sub-Total Current Fiscal Year Medicaid Revenue:	\$ 101,147,060	\$ 16,391,437	\$ 44,461,487	\$ 122,842	\$ 162,122,826	FY 19
d.	Prior Fiscal Year 1 - Accrual Adjustment - Net			293,344		\$ 293,344	FY 18
e.	Prior Fiscal Year 2 - Accrual Adjustment - Net					\$ -	FY 17
f.	Other Adjustments (DHHS Approval Required)					\$ -	Describe Below
g.	Sub-Total - Prior Year Accrual Adjustments:	\$ -	\$ -	\$ 293,344	\$ -	\$ 293,344	
h.	Total Medicaid Revenue - Current Year Settlement:	\$ 101,147,060	\$ 16,391,437	\$ 44,754,831	\$ 122,842	\$ 162,416,170	
i.	Total Current Fiscal Year Performance Bonus Incentive Pool (PBIP) Withheld (enter as a positive amount)	828,990	322,032	363,721		\$ 1,514,743	
j.	Explanation of Accrual Adjustments						

2. Forced Lapse to MDHHS		Amount	Examination Adjustments	Examined Totals
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)	163,930,913

1.	Band # 1 (95 - 100%)	5%	8,196,546	PIHP retains
2.	Band # 2 (90 - 95%)	5%	8,196,546	Shared PIHP / MDHHS

b.	Balance Available for Savings (from Medicaid FSR)	-
b1.	Balance Available for Savings (from Healthy Michigan FSR)	-
b2.	Total Available for Savings	-

Total Lapse	Total Earned Savings	Total Savings Corridor
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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		FY	FY	FY	FY	Total
a.	Prior Year Medicaid Savings Earned - Medicaid					-
b.	Current Year Expenditures - Medicaid					-
c.	Prior Year Medicaid Savings Earned - HMP					-
d.	Current Year Expenditures - HMP					-
e.	Balance of Medicaid Savings:	\$ -	\$ -	\$ -	\$ -	\$ -

6. Narrative: Both CRCS and Contract Settlement Worksheet	
Preparer's note: The amounts shown as submitted amounts throughout this examined FSR are based on the FSR that was submitted by CMHPSM to MDHHS on 04-27-20. The changes between the 02-28-20 FSR and the 04-27-20 FSR are not shown as examination adjustments in this report as the 04-27-20 FSR was accepted as the final FSR by MDHHS.	



**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, 2019**

PIHP: CMHPSM

	PIHP Contract Cost Settled
<b>1. Medicaid Services - Available Resources</b>	
a. Total Managed Care Capitation (Medicaid & Healthy Michigan Plan)	\$ 162,416,170
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)	-
e. ISF Abatement - Medicaid / HMP (FSR A 124 + FSR AI 124)	-
f. Redirected FROM CMHSP to CMHSP Contracts (FSR A 302 + FSR AI 302)	-
g. Redirected FROM Non-MDHHS Earned Contracts (FSR A 303 + FSR AI 303)	-
h. Redirected FROM Restricted Fund Balance (FSR A 315 + AI 315 + AK 315)	-
i. Sub-Total Other Medicaid Services - Resources	\$ -
j. Total Medicaid Services - Available Resources	\$ 162,416,170

<b>2. Medicaid Services - Expenditures</b>	
a. PIHP Insurance Provider Assessment (IPA) Tax (FSR A 201 + FSR AI 201)	1,739,461
b. Medicaid Services (FSR A 202 - A 122 - A 325)	155,835,442
b.1 Healthy Michigan Plan Services (FSR AI 202 - AI 122 - AI 325)	16,014,571
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 + FSR AI 204)	4,091,164
e. Sub-Total Medicaid Services - Expenditures	\$ 177,680,638
f. Redirected TO CMHSP to CMHSP Contracts (FSR A 301 + FSR AI 301)	-
h. Redirected TO MI Health Link (FSR A 301c)	-
i. Sub-Total Medicaid Services - Redirected Expenditures	\$ -
j. Total Medicaid Services - Expenditures	\$ 177,680,638

<b>3. Net Medicaid Services Surplus / (Deficit)</b>	
a. Medicaid Funding Surplus / (Deficit)	(15,264,468)
b. Less: Forced Lapse to MDHHS (Medicaid worksheet 2.a)	-
c. Net Medicaid Services Surplus / (Deficit)	\$ (15,264,468)

<b>4. Disposition</b>	<b>Amount</b>
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. Redirected Risk Corridor - MDHHS Share (FSR A 334 + AI 334)	3,533,961
5. Redirected from Restricted Fund Balance (FSR A 335 + AI 335 + AK 335)	1,108,010
6. Total Disposition - Deficit	\$ 4,641,971

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

<b>5. Cash Settlement: (Due MDHHS) / Due PIHP</b>	<b>Amount</b>
a. Forced Lapse to MDHHS	-
b. Lapse to MDHHS - Contract Settlement	-
c. Risk Corridor - MDHHS Share	3,533,961
d. Return of Prior Year Medicaid Savings	
e. Misc (please explain)	
f. Misc (please explain)	
g. Total Cash Settlement: (Due MDHHS) / Due PIHP	\$ 3,533,961

<b>6. Medicaid MDHHS Commitment</b>	<b>Amount</b>
a. MDHHS / PIHP Medicaid Funded Expenditures	162,416,170
b. Earned Medicaid Savings	-
c. Sub-Total MDHHS Commitment	\$ 162,416,170
d. Risk Corridor - MDHHS Share	3,533,961
e. Total MDHHS Medicaid Commitment	\$ 165,950,131
f. General Fund Supplement for Unfunded Medicaid	-

<b>7. Report Certification</b>		
Examined	Cash Settlement	Savings
Original Settlement	\$ 3,533,961	-
Increase (Decrease)	2997926	0
	536,035.00	-
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, 2019

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

A	MEDICAID SERVICES - PIHP USE ONLY												
A	100	REVENUE											
A	101	Specialty Managed Care Medicaid Revenue	146,024,733								146,024,733		146,024,733
A	115	Medicaid Managed Care - Affiliate Contracts	(150,251,075)	16,293,323	28,733,759	32,338,946	72,885,047				-	-	-
A	120	Subtotal - Current Period Medicaid Services Revenue	(4,226,342)	16,293,323	28,733,759	32,338,946	72,885,047	-	-	-	146,024,733	-	146,024,733
A	121	1st & 3rd Party Collections - Medicare/Medicaid Consumers - Rpting Bd									-		-
A	122	1st & 3rd Party Collections - Medicare/Medicaid Consumers - Affiliate		67,768	-	26,716	281,990				376,474		376,474
A	123	Prior Year Medicaid Savings (Funding Current Year Expenses)	-								-		-
A	124	ISF Abatement									-		-
A	140	Subtotal - Other Medicaid Revenue	-	67,768	-	26,716	281,990	-	-	-	376,474	-	376,474
A	190	TOTAL REVENUE	(4,226,342)	16,361,091	28,733,759	32,365,662	73,167,037	-	-	-	146,401,207	-	146,401,207
A	200	EXPENDITURE											
A	201	PIHP Insurance Provider Assessment (IPA) Tax	1,402,431								1,402,431		1,402,431
A	202	Medicaid Services (incl Autism)	2,002,491	16,361,091	28,733,759	32,365,662	73,167,037				152,630,040	3,581,876	156,211,916
A	203	Payment into Medicaid ISF									-		-
A	204	Psych Hospital Rate Adjuster (HRA)	2,029,412								2,029,412		2,029,412
A	205	MI Health Link - Medicaid Services									-		-
A	290	TOTAL EXPENDITURE	5,434,334	16,361,091	28,733,759	32,365,662	73,167,037	-	-	-	156,061,883	3,581,876	159,643,759
A	295	SUBTOTAL NET MEDICAID SERVICES SURPLUS (DEFICIT)	(9,660,676)	-	-	-	-	-	-	-	(9,660,676)	(3,581,876)	(13,242,552)
A	300	Redirected Funds (To) From											
A	301	(TO) CMHSP to CMHSP Earned Contracts - J304	-								-		-
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	310a	FROM Healthy MI Plan - AI301a									-		-
A	315	FROM Restricted Fund Balance - RES 1.c	-								-		-
A	325	Info only - Affiliate Total Redirected Funds - I390									-		-
A	330	Subtotal Redirected Funds rows 301 - 325	-	-	-	-	-	-	-	-	-	-	-
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	-								-		-
A	334	FROM Risk Corridor - MDHHS Share - N302	2,821,167								2,821,167	536,035	3,357,202
A	335	FROM Restricted Fund Balance - Risk Financing RES 1.c	1,108,010								1,108,010		1,108,010
A	390	Total Redirected Funds	3,929,177	-	-	-	-	-	-	-	3,929,177	536,035	4,465,212
A	400	BALANCE MEDICAID SERVICES	(5,731,499)	-	-	-	-	-	-	-	(5,731,499)	(3,045,841)	(8,777,340)

AB		REMARKS
AB		Remarks may be added about any entry or activity on the report for which additional information may be useful.
AB		An examination adjustment was made to Row A202 (CMHPSM) to agree expenses reported on the trial balance with expenses reported on the FSR.
AB		Row A202 (CMHPSM) was increased from \$2,002,491 to \$3,074,562; a difference of \$1,072,071
AB		
AB		An examination adjustment was made to Row A202 (CMHPSM) to reclassify Medicaid administrative expenses that had inadvertently been included in HMP administrative expenses.
AB		Row A202 (CMHPSM) was increased from \$3,074,562 to \$5,584,367; a difference of \$2,509,805
AB		
AB		An examination adjustment was made to Row A334 to increase Risk Corridor - MDHHS Share to correspond with other examination adjustments that were made.
AB		Row A334 (CMHPSM) was increased from \$2,821,167 to \$3,357,202; a difference of \$536,035
AB		
AB		

MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT  
EXAMINED FINANCIAL STATUS REPORT - Healthy Michigan page 1  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

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

AI		HEALTHY MICHIGAN SERVICES - PIHP USE ONLY										
AI	100	REVENUE										
AI	101	Healthy Michigan Plan	16,391,437							16,391,437		16,391,437
AI	115	Healthy Michigan Managed Care - Affiliate Contracts	(15,364,359)	2,480,320	2,887,100	2,133,210	7,863,729			-	-	-
AI	120	Subtotal - Current Period Healthy Michigan Services Revenue	1,027,078	2,480,320	2,887,100	2,133,210	7,863,729	-	-	-	16,391,437	16,391,437
AI	121	1st & 3rd Party Collections - HMP Consumers - Rpting Bd								-		-
AI	122	1st & 3rd Party Collections - HMP Consumers - Affiliate								-		-
AI	123	Prior Year Healthy MI Plan Savings (Funding Current Year Expenses)	-							-		-
AI	124	ISF Abatement HMP								-		-
AI	140	Subtotal - Other Healthy Michigan Revenue	-	-	-	-	-	-	-	-	-	-
AI	190	TOTAL REVENUE	1,027,078	2,480,320	2,887,100	2,133,210	7,863,729	-	-	-	16,391,437	16,391,437
AI	200	EXPENDITURE										
AI	201	PIHP Insurance Provider Assessment (IPA) Tax Healthy Michigan Plan	337,030							337,030		337,030
AI	202	Healthy Michigan Plan Services (incl Autism)	3,160,017	2,480,320	2,887,100	2,133,210	7,863,729			18,524,376	(2,509,805)	16,014,571
AI	203	Payment into Healthy Michigan Plan ISF								-		-
AI	204	Psych Hospital Rate Adjuster (HRA)	2,061,752							2,061,752		2,061,752
AI	290	TOTAL EXPENDITURE	5,558,799	2,480,320	2,887,100	2,133,210	7,863,729	-	-	-	20,923,158	18,413,353
AI	295	SUBTOTAL NET HEALTHY MICHIGAN SERVICES SURPLUS (DEFICIT)	(4,531,721)	-	-	-	-	-	-	-	(4,531,721)	(2,021,916)
AI	300	Redirected Funds (To) From										
AI	301	(TO) CMHSP to CMHSP Earned Contracts - J304.1	-							-		-
AI	301a	(TO) Medicaid - A310a	-							-		-
AI	302	FROM CMHSP to CMHSP Earned Contracts - J301.1 (explain - section AJ)								-		-
AI	303	FROM Non-MDHHS Earned Contracts - K301.1 (explain - section AJ)								-		-
AI	310	FROM Medicaid - A301b								-		-
AI	315	FROM Restricted Fund Balance - RES 1.g	-							-		-
AI	325	Info only - Affiliate Total Redirected Funds - I390								-		-
AI	330	Subtotal Redirected Funds rows 301 - 325	-	-	-	-	-	-	-	-	-	-
AI	331	FROM General Fund - Redirected to Unfunded Healthy Michigan Costs - B301.1								-		-
AI	332	FROM Local Funds - M301.1								-		-
AI	333	FROM Risk Corridor - PIHP Share - N301.1	-							-		-
AI	334	FROM Risk Corridor - MDHHS Share - N302.1	176,759							176,759		176,759
AI	335	FROM Restricted Fund Balance - Risk Financing RES 1.g	-							-		-
AI	390	Total Redirected Funds	176,759	-	-	-	-	-	-	176,759	-	176,759
AI	400	BALANCE HEALTHY MICHIGAN PLAN SERVICES	(4,354,962)	-	-	-	-	-	-	(4,354,962)	2,509,805	(1,845,157)

AJ		REMARKS
AJ		Remarks may be added about any entry or activity on the report for which additional information may be useful.
AJ		An examination adjustment was made to Row AI202 (CMHPSM) to reclassify Medicaid administrative expenses that had inadvertently been included in HMP administrative expenses.
AJ		Row AI202 (CMHPSM) was decreased from \$3,160,017 to \$650,212; a difference of \$(2,509,805)
AJ		
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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, 2019

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

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	PIHP Insurance Provider Assessment (IPA) Tax								-		-
AG	202	Expenditure - Health Home Services								-		-
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	315	FROM Restricted Fund Balance - RES 1.f	-							-		-
AG	325	Info only - Affiliate Total Redirected Funds - IC390								-		-
AG	330	Subtotal Redirected Funds rows 301 - 325	-	-	-	-	-	-	-	-	-	-
AG	331	FROM General Fund - B301.4								-		-
AG	332	FROM Local Funds - M301.4								-		-
AG	335	FROM Restricted Fund Balance - Risk Financing RES 1.f	-							-		-
AG	390	Total Redirected Funds	-	-	-	-	-	-	-	-	-	-
AG	400	BALANCE HEALTH HOMES BEHAVIORAL HEALTH SERVICES	-	-	-	-	-	-	-	-	-	-

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 - Opioid Health Home Services  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

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

AE		Opioid Health Home Program - PIHP USE ONLY										
AE	100	REVENUE										
AE	101	Revenue - Opioid Health Home Services								-		-
AE	115	Affiliate Contracts	-							-		-
AE	190	TOTAL REVENUE	-	-	-	-	-	-	-	-	-	-
AE	200	EXPENDITURE										
AE	201	PIHP Insurance Provider Assessment (IPA) Tax								-		-
AE	202	Expenditure - Opioid Health Home Services								-		-
AE	204	Surplus Funding Retained								-		-
AE	290	TOTAL EXPENDITURE	-	-	-	-	-	-	-	-	-	-
AE	295	SUBTOTAL NET OPIOID HEALTH HOME SERVICES SURPLUS (DEFICIT)	-	-	-	-	-	-	-	-	-	-
AE	300	Redirected Funds (To) From										
AE	315	FROM Restricted Fund Balance - RES 1.e	-							-		-
AE	325	Info only - Affiliate Total Redirected Funds - IB390								-		-
AE	330	Subtotal Redirected Funds rows 301 - 325	-	-	-	-	-	-	-	-	-	-
AE	331	FROM General Fund - B301.3								-		-
AE	332	FROM Local Funds - M301.3								-		-
AE	335	FROM Restricted Fund Balance - Risk Financing RES 1.e	-							-		-
AE	390	Total Redirected Funds	-	-	-	-	-	-	-	-	-	-
AE	400	BALANCE OPIOID HEALTH HOME SERVICES	-	-	-	-	-	-	-	-	-	-

AF		REMARKS
AF		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 - MI Health Link page 1**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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

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 - Rptng 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 - A301c											
AK 315	FROM Restricted Fund Balance - RES 1.h											
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 - B301.5											
AK 332	FROM Local Funds - M301.5											
AK 335	FROM Restricted Fund Balance - Risk Financing RES 1.h											
AK 336	(TO) Local funds - M313.3											
AK 390	Total Redirected Funds											
AK 400	BALANCE MI HEALTH LINK SERVICES (must = 0)											

[illegible]

**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, 2019**

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

AC		<b>Substance Use Disorder (SUD) Services - PIHP USE ONLY</b>											
AC	100	<b>REVENUE</b>											
AC	101	Revenue - SUD Agreement	7,149,035								7,149,035		7,149,035
AC	115	Affiliate Contracts	(1,577,973)	635,707	875,742	66,524					-	-	-
AC	120	<b>Subtotal SUD Agreement Revenue</b>	5,571,062	635,707	875,742	66,524	-	-	-	-	7,149,035	-	7,149,035
AC	121	Fees & Collections - Rptg Bd									-		-
AC	122	Fees & Collections - Affiliate									-	-	-
AC	140	<b>Subtotal - Other Revenue</b>	-	-	-	-	-	-	-	-	-	-	-
AC	190	<b>TOTAL REVENUE</b>	5,571,062	635,707	875,742	66,524	-	-	-	-	7,149,035	-	7,149,035
AC	200	<b>EXPENDITURE</b>											
AC	201	Expenditure - SUD Services	7,340,328	635,707	875,742	66,524					8,918,301	(1,047,650)	7,870,651
AC	290	<b>TOTAL EXPENDITURE</b>	7,340,328	635,707	875,742	66,524	-	-	-	-	8,918,301	(1,047,650)	7,870,651
AC	295	<b>SUBTOTAL NET SUD SERVICES SURPLUS (DEFICIT)</b>	(1,769,266)	-	-	-	-	-	-	-	(1,769,266)	1,047,650	(721,616)
AC	300	<b>Redirected Funds (To) From</b>											
AC	301	(TO) CMHSP to CMHSP Earned Contracts - <b>J304.2</b>	-								-		-
AC	302	FROM CMHSP to CMHSP Earned Contracts - <b>J301.2</b> (explain section AD)									-		-
AC	303	FROM Non-MDHHS Earned Contracts - <b>K301.2</b> (explain section AD)									-		-
AC	315	FROM Restricted Fund Balance - <b>RES 1.d</b>	-								-		-
AC	325	Info only - Affiliate Total Redirected Funds - <b>IA390</b>									-		-
AC	330	<b>Subtotal Redirected Funds rows 301 - 325</b>	-	-	-	-	-	-	-	-	-	-	-
AC	331	FROM General Funds - Redirected to Unfunded SUD Costs - <b>B301.2</b>									-		-
AC	332	FROM Local Funds - <b>M301.2</b>									-		-
AC	335	FROM Restricted Fund Balance - Risk Financing <b>RES 1.d</b>	2,065,596								2,065,596		2,065,596
AC	390	<b>Total Redirected Funds</b>	2,065,596	-	-	-	-	-	-	-	2,065,596	-	2,065,596
AC	400	<b>BALANCE SUD Services</b>	296,330	-	-	-	-	-	-	-	296,330	1,047,650	1,343,980

AD		<b>REMARKS</b>											
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 Row AC201 (CMHPSM) to agree expenses reported on the trial balance with expenses reported on the FSR.											
AD		Row AC201 (CMHPSM) was decreased from \$7,340,328 to \$6,292,678; a difference of \$1,047,650											
AD		An examination adjustment was made to agree the PIHP FSR with a resubmitted CMHSP FSR (not shown as an examination adjustment on Livingston's compliance report)											
AD		Row AC115 (Livingston) was increased from \$875,472 to \$875,742; a difference of \$270											
AD		Row AC201 (Livingston) was increased from \$875,472 to \$875,742; a difference of \$270											
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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, 2019

PIHP: CMHPSM

			EXPENDITURES													
	Fund Source	Budgeted Revenue	General Admin	Access Mgt Sys	Treatment	Womens Specialty	Prevention	PFS 2015-2020	State Targeted Response (STR) GY1: 10/1/18-4/30/19	State Targeted Response (STR) GY 2: 5/1/19-9/30/19	Gambling Disorder Prevention	Other (DHHS Approval Required)	Total	Examination Adjustments	Examined Totals	Balance
A	State Agreement	A.	B.	C.	D.	E.	F.	G.	H.	I.	J.	K.	L.			M.
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	-
1.c	- Treatment	3,221,251			3,221,521								3,221,521		3,221,521	(270)
1.d	- Women's Specialty Services (WSS)	243,870				243,870							243,870		243,870	-
1.e	- Other (DHHS Approval required)												-		-	-
1.f	Subtotal - Community Grant	3,759,129	229,008	65,000	3,221,521	243,870	-	-	-	-	-	-	3,759,399		3,759,399	(270)
2	Prevention	1,285,171	95,000				1,107,179						1,202,179		1,202,179	82,992
3	State Disability Assistance	82,855			21,168								21,168		21,168	61,687
4	Partnership For Success (2015-2020)												-		-	-
5	State Targeted Response	1,821,880							272,224	457,034			729,258		729,258	1,092,622
6	Gambling Disorder Prevention	200,000									93,051		93,051		93,051	106,949
8	Subtotal - State Agreement	7,149,035	324,008	65,000	3,242,689	243,870	1,107,179	-	272,224	457,034	93,051	-	5,805,055		5,805,055	1,343,980
B	Medicaid															
1	Medicaid	2,066,500	79,385		1,987,115								2,066,500		2,066,500	-
2	Healthy MI Plan	4,841,454	185,986		4,655,468								4,841,454		4,841,454	-
3	Medicaid- Savings / ISF												-		-	-
4	Healthy MI Plan - Savings / ISF												-		-	-
5	Subtotal - Medicaid	6,907,954	265,371	-	6,642,583	-	-	-	-	-	-	-	6,907,954	-	6,907,954	-
C	MI Health Link (Medicare)															
1	MI Health Link (Medicare)												-		-	-
2	Subtotal - Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D	Local & Other															
1	Restricted Fund Balance	2,065,596			1,778,828		286,768						2,065,596		2,065,596	-
2	Fees & Collections												-		-	-
3	Other Contracts & Sources												-		-	-
4	Other Local												-		-	-
5	Subtotal - Local & Other	2,065,596	-	-	1,778,828	-	286,768	-	-	-	-	-	2,065,596	-	2,065,596	-
E	Grand Total	16,122,585	589,379	65,000	11,664,100	243,870	1,393,947	-	272,224	457,034	93,051	-	14,778,605	-	14,778,605	1,343,980
F	Local Match Computation	Funds Subject to Match											Total Match Funds (Local & Other - D1+D2+D4)		Examined Totals	Match Percentage
		7,870,651	324,008	65,000	5,021,517	243,870	1,393,947	-	272,224	457,034	93,051	-	2,065,596		2,065,596	26.24%

REMARKS															
G	Remarks may be added about any entry or activity on the report for which additional information may be useful.														
G	An examination adjustment was made to the SUD Supplemental to agree revenue and expenses reported on the trial balance with amounts reported on the FSR.  Row A1.c (Treatment) was increased from \$3,221,251 to \$3,221,521; a difference of \$270 Row A5 (STR GY2) was increased from \$406,793 to \$457,034; a difference of \$50,241 Row A6 (Gambling) was decreased from \$95,195 to \$93,051; a difference of \$2,144 Row D1 (Budgeted Revenue) was increased from \$2,059,226 to \$2,065,596; a difference of \$6,370 Row D1 (Treatment) was increased from \$1,705,924 to \$1,778,828; a difference of \$72,904 Row D1 (Prevention) was decreased from \$353,302 to \$286,768; a difference of \$(66,534)	Expenditure Category Detail	Amount	Expenditure Category Detail	Amount	Expenditure Category Detail			Amount						
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**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT**  
**EXAMINED RESTRICTED FUND BALANCE ACTIVITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**PIHP:**

**CMHPSM**

1.	Restricted Fund Balance Activity	PA2	PA2 - (Risk Financing)	Performance Bonus Incentive Pool (PBIP)	Performance Bonus Incentive Pool (PBIP) - (Risk Financing)	Restricted Fund Balances / Current Activity
a.	Restricted Fund Balance @ Beginning of Fiscal Year	\$ 7,216,725				\$ 7,216,725
b.	Current Period Deposits	\$ 1,841,366		\$ 1,108,010		\$ 2,949,376
c.	Current Period Financing Medicaid				\$ (1,108,010)	\$ (1,108,010)
d.	Current Period Financing SUD Non-Medicaid		\$ (2,065,596)			\$ (2,065,596)
e.	Current Period Financing Opioid Health Homes Behavioral Health					\$ -
f.	Current Period Financing Health Homes Behavioral Health					\$ -
g.	Current Period Financing Healthy MI Plan					\$ -
h.	Current Period Financing MI Health Link					\$ -
i.	Current Period Financing Behavioral Health System					\$ -
j.	Restricted Fund Ending Balance	\$ 6,992,495		\$ -		\$ 6,992,495

**Explanation of Examination Adjustme**

An examination adjustment was made to add the PBIP received during FY19 as Current Period Deposits and Financing.

Row 1b (PBIP) was increased from \$0 to \$1,108,010; a difference of \$1,108,010

Row 1c (PBIP) was increased from \$0 to \$(1,108,010); a difference of \$(1,108,010)

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAMS CONTRACT**  
**EXAMINED INTERNAL SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b.	Specialty Managed Care			\$ -	\$ -			\$ -
c.	Healthy Michigan Plan			\$ -	\$ -			\$ -

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	\$ -
h.	Specialty Managed Care portion of balance	\$ -
i.	Healthy Michigan Plan portion of balance	\$ -

2. PIHP Maximum Allowable Funding of ISF		Amount
a.	Specialty Managed Care - Medicaid Capitation (FSR Medicaid - A 120 + FSR HMP - AI 120 + Medicaid Worksheet - 1.i PBIP Withhold)	\$ 163,930,913
b.	% of Current Year Medicaid Capitation	7.5%
c.	Maximum Allowable Funding of Med ISF	\$ 12,294,818

3. Disposition of ISF Ending Balance		Amount	Narrative of Resolution if ISF Over Funded
a.	Maximum Allowable Funding of Medicaid ISF	\$ 12,294,818	
b.	Medicaid ISF Ending Balance	\$ -	
c.	Within Maximum Allowable Limit / (Overfunded)	\$ 12,294,818	

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT WAIVER PROGRAM CONTRACT**  
**EXAMINED SHARED RISK CALCULATION & RISK FINANCING**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

**PIHP:** CMHPSM

1. Shared Risk Calculation			Medicaid Amount	HMP Amount	PBIP Amount	Total Amount	
a1.	Specialty Managed Care - Medicaid Capitation (FSR Medicaid - A 120 + FSR HMP - AI 120 + Medicaid Worksheet - 1.i PBIP Withhold)		\$ 146,024,733	\$ 16,391,437	\$ 1,514,743	\$ 163,930,913	
a2.	Band # 1 (100 - 105%)	5%			8,196,546	Full PIHP Responsibility	
a3.	Band # 2 (105 - 110%)	5%			8,196,546	Shared State / PIHP Responsibility	
b. Total Risk					15,264,468		
					State Risk	Local Risk	Total Risk Corridor
c1.	Band # 1 Liability			8,196,546		8,196,546	8,196,546
c2.	Sub-Total - Band # 1			7,067,922			
c3.	Band # 2 Liability			7,067,922	3,533,961	3,533,961	7,067,922
c4.	Sub-Total - Band # 2			-			
c5.	Band # 3 Liability			-	-		-
c6.	Total Risk Responsibility				\$ 3,533,961	\$ 11,730,507	\$ 15,264,468

2. Disposition of Risk		State Risk	Local Risk	Total Risk Corridor
a.	Stop/Loss Insurance (FSR - Non-Medicaid Line N 101)		-	-
b.	Medicaid / HMP for PIHP Share Risk Corridor (FSR - Non-Medicaid Line N 102)		-	-
c.	Local Funds / Local Fund Balance - Medicaid / HMP Services (FSR - Non-Medicaid Line M 301, M 301.1)		-	-
d.	Restricted Funds / Restricted Fund Balance - Medicaid / HMP Services (FSR - Non-Medicaid Line N 104)		1,108,010	1,108,010
e.	General Fund Redirect for Unfunded Medicaid / HMP Costs - MDHHS Approved ONLY (FSR - Non-Medicaid Line B 301, B301.1)	-	-	-
f.	Due PIHP From MDHHS (FSR - Non-Medicaid Line N 103)	3,533,961		3,533,961
g.	Total Risk Corridor Funding	\$ 3,533,961	\$ 1,108,010	\$ 4,641,971

3. Summary of Total Risk / Funding		State Risk	Local Risk	Total Risk Corridor
a.	Total Risk	3,533,961	11,730,507	15,264,468
b.	Total Disposition of MDHHS / Local Risk - Medicaid	3,357,202	9,885,350	13,242,552
b1.	Total Disposition of MDHHS / Local Risk - Healthy Michigan Plan	176,759	1,845,157	2,021,916
c.	Balance of Risk Corridor (Must = \$0)	\$ -	\$ -	\$ -

**Explanation of Examination Adjustments**

An examination adjustment was made to remove the General Fund Redirect shown on Row 2.e. since CMHPSM does not receive any GF funding Row 2.e was decreased from \$2,997,926 to \$0; a difference of \$(2,997,926).

An examination adjustment was made to Section 3 to correspond with other examination adjustments that were made.

Row 3.b (State Risk) was increased from \$0 to \$3,357,202; a difference of \$3,357,202

Row 3.b1 (State Risk) was decreased from \$2,997,926 to \$176,759; a difference of \$(2,821,167)

Row 3.b (Local Risk) was increased from \$8,196,545 to \$9,885,350; a difference of \$1,688,805

Row 3.b1 (Local Risk) was decreased from \$2,997,926 to \$1,845,157; a difference of \$(1,152,769)

<b>MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)</b> <b>EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID</b> <b>FOR THE YEAR ENDED SEPTEMBER 30, 2019</b>
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CMHSP:	CMHPSM
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REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
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<b>A</b>		<b>MEDICAID SERVICES - Summary From FSR - Medicaid</b>		
A	190	TOTAL REVENUE	146,024,733	-
A	290	TOTAL EXPENDITURE	155,685,409	3,581,876
A	295	NET MEDICAID SERVICES SURPLUS (DEFICIT)	(9,660,676)	(3,581,876)
A	390	Total Redirected Funds	3,929,177	536,035
A	400	BALANCE MEDICAID SERVICES	(5,731,499)	(3,045,841)

<b>AC</b>		<b>SUD NON-MEDICAID SERVICES - Summary From FSR - SUD</b>		
AC	190	TOTAL REVENUE	7,149,035	-
AC	290	TOTAL EXPENDITURE	8,918,301	(1,047,650)
AC	295	NET SUD NON-MEDICAID SERVICES SURPLUS (DEFICIT)	(1,769,266)	1,047,650
AC	390	Total Redirected Funds	2,065,596	-
AC	400	BALANCE SUD NON-MEDICAID SERVICES	296,330	1,047,650

<b>AE</b>		<b>OPIOID HEALTH HOME SERVICES - Summary From FSR - Opioid Health Home Services</b>		
AE	190	TOTAL REVENUE	-	-
AE	290	TOTAL EXPENDITURE	-	-
AE	295	NET SURPLUS (DEFICIT)	-	-
AE	390	Total Redirected Funds	-	-
AE	400	BALANCE OPIOID HEALTH HOME SERVICES	-	-

<b>AG</b>		<b>HEALTH HOME SERVICES - Summary From FSR - Health Home Services</b>		
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	-	-

<b>AI</b>		<b>HEALTHY MICHIGAN SERVICES - Summary From FSR - Healthy Michigan</b>		
AI	190	TOTAL REVENUE	16,391,437	-
AI	290	TOTAL EXPENDITURE	20,923,158	(2,509,805)
AI	295	NET HEALTHY MICHIGAN SERVICES SURPLUS (DEFICIT)	(4,531,721)	2,509,805
AI	390	Total Redirected Funds	176,759	-
AI	400	BALANCE HEALTHY MICHIGAN SERVICES	(4,354,962)	2,509,805

<b>AK</b>		<b>MI HEALTH LINK SERVICES - Summary From FSR - MI Health Link</b>		
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	-	-

<b>RES</b>		<b>RESTRICTED FUND BALANCE ACTIVITY</b>		
RES	180	Beginning Restricted Fund balance	7,216,725	
RES	190	TOTAL REVENUE (Deposits)	2,949,376	
RES	290	TOTAL EXPENDITURE (PBIP only)	-	
RES	390	Total Redirected Funds	(3,173,606)	
RES	400	BALANCE RESTRICTED FUND	6,992,495	

<b>B</b>		<b>GENERAL FUND</b>		
B	100	REVENUE		
B	101	CMH Operations		
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		
B	204	90% MDHHS Matchable Services / Costs - EXAMINATION ADJUSTMENTS		
B	205	90% MDHHS Matchable Services / Costs - EXAMINED TOTAL	\$ -	-
		Intentionally left blank		
		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 - <b>A331</b> (PIHP use only)	-	-
B	301.1	(TO) Healthy Michigan - Redirected for Unfunded Healthy Michigan Costs - <b>AI331</b> (PIHP use only)	-	-
B	301.2	(TO) SUD Non-Medicaid - Redirected for Unfunded SUD Non-Medicaid Services <b>AC331</b> (PIHP use only)	-	-
B	301.3	(TO) Opioid Health Home Services - Redirected for Unfunded Opioid Health Home Services <b>AE331</b> (PIHP use only)	-	-
B	301.4	(TO) Health Home Services - Redirected for Unfunded Health Home Services <b>AG331</b> (PIHP use only)	-	-
B	301.5	(TO) MI Health Link - Redirected for Unfunded MI Health Link Costs - <b>AK331</b> (PIHP use only)	-	-
B	304	(TO) Targeted Case Management - <b>D301</b>	-	-
B	305	(TO) GF Cost of SED - <b>E301</b>	-	-
B	306	(TO) GF Cost of SED - Not SED Waiver eligible - <b>E303</b>	-	-
B	308	(TO) GF Cost of Children's Waiver - <b>F301</b>	-	-
B	309	(TO) Allowable GF Cost of Injectable Medications - <b>G301</b>	-	-
B	310	(TO) PIHP to Affiliate Medicaid Services Contracts - <b>I304</b>	-	-
B	310.1	(TO) PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - <b>IA304</b>	-	-
B	310.2	(TO) PIHP to Affiliate Opioid Health Home Services Contracts - <b>IB304</b>	-	-

<b>MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)</b> <b>EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID</b> <b>FOR THE YEAR ENDED SEPTEMBER 30, 2019</b>				
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CMHSP:	CMHPSM
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			REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
B	310.3	(TO) PIHP to Affiliate Health Home Services Contracts - <b>IC304</b>	-	-	-
B	310.4	(TO) PIHP to Affiliate MI Health Link Services Contracts - <b>ID304</b>	-	-	-
B	312	(TO) CMHSP to CMHSP Earned Contracts - <b>J305</b> (explain - section Q)	-	-	-
B	313	FROM CMHSP to CMHSP Earned Contracts - <b>J302</b>			-
B	314	FROM Non-MDHHS Earned Contracts - <b>K302</b>			-
B	330	<b>Subtotal Redirected Funds rows 301 - 314</b>	-	-	-
B	331	FROM Local Funds - <b>M302</b>			-
B	332	FROM Risk Corridor - <b>N303</b>			-
B	390	<b>Total Redirected Funds</b>	-	-	-
B	400	<b>BALANCE GENERAL FUND (cannot be &lt; 0)</b>	-	-	-

<b>OTHER GF CONTRACTUAL OBLIGATIONS</b>				
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C		<b>INTENTIONALLY LEFT BLANK</b>			
C	100	<b>Revenue</b>			
C	170				
C	180				
C	190	<b>Total Revenue</b>	-	-	-
C	290	Expenditure			
C	295	<b>NET SURPLUS (DEFICIT)</b>	-	-	-
C	300	<b>Redirected Funds (To) From</b>			
C	301				
C	302				
C	390	<b>Total Redirected Funds</b>	-	-	-
C	400	<b>BALANCE (cannot be &lt; 0)</b>	-	-	-

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

E		<b>SED WAIVER</b>			
E	100	<b>REVENUE</b>			
E	101	FFS Medicaid - SED-Trad			-
E	102	FFS Medicaid - SED-DHS			-
E	190	<b>TOTAL REVENUE</b>	-	-	-
E	200	<b>EXPENDITURE</b>			
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	<b>TOTAL EXPENDITURE</b>	-	-	-
E	295	<b>NET SED WAIVER (DEFICIT)</b>	-	-	-
E	300	<b>Redirected Funds (To) From</b>			
E	301	FROM General Fund - <b>B305</b>			-
E	302	FROM Local Funds - <b>M305</b>			-
E	303	FROM General Fund - Not SED Waiver eligible - <b>B306</b>			-
E	304	FROM Local Funds - Not SED Waiver eligible - <b>M306</b>			-
E	390	<b>Total Redirected Funds</b>	-	-	-
E	400	<b>BALANCE SED WAIVER (must = 0)</b>	-	-	-

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

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



MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)				
EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID				
FOR THE YEAR ENDED SEPTEMBER 30, 2019				
CMHSP:	CMHPSM			
		REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
OTHER FUNDING				
H		MDHHS EARNED CONTRACTS		
H	100	REVENUE		
H	101	PASARR		-
H	102	DHHS Block Grants for CMH services	179,938	179,938
H	103	DD Council Grants		-
H	104	PATH/Homeless		-
H	105	Prevention		-
H	106	Aging		-
H	107	HUD Shelter Plus Care		-
H	108	Multicultural Integration		-
H	109	DHHS Block Grants for SUD services	488,735	488,735
H	150	Other MDHHS Earned Contracts (describe):		-
H	151	Other MDHHS Earned Contracts (describe):		-
H	190	TOTAL REVENUE	668,673	668,673
H	200	EXPENDITURE		
H	201	PASARR		-
H	202	DHHS Block Grants for CMH services	179,938	179,938
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	209	DHHS Block Grants for SUD services	488,735	488,735
H	250	Other MDHHS Earned Contracts (describe):		-
H	251	Other MDHHS Earned Contracts (describe):		-
H	290	TOTAL EXPENDITURE	668,673	668,673
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 (incl Autism)		-
I	104	Revenue - from PIHP Healthy Michigan Plan (incl Autism)		-
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 (incl Autism)		-
I	202	Expenditure - Healthy Michigan Plan (incl Autism)		-
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	306	FROM Local Funds - M309.1		-
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-MEDICAID) SERVICES CONTRACTS (must = 0)	-	-
IB		PIHP to AFFILIATE OPIOID HEALTH HOME SERVICES CONTRACTS - CMHSP USE ONLY		
IB	190	Revenue - Medicaid Opioid Health Home Services - from PIHP		-
IB	290	Expenditure - Medicaid Opioid Health Home Services		-
IB	295	NET PIHP to AFFILIATE OPIOID HEALTH HOME SERVICES CONTRACTS SURPLUS (DEFICIT)	-	-
IB	300	Redirected Funds (To) From		
IB	304	FROM General Fund - B310.2		-
IB	306	FROM Local Funds - M309.3		-
IB	390	Total Redirected Funds	-	-
IB	400	BALANCE PIHP to AFFILIATE OPIOID HEALTH HOME SERVICES CONTRACTS (cannot be < 0)	-	-

**MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)**  
**EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

CMHSP: CMHPSM

REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
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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 (cannot be < 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			
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 - M309.5			-
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 - AI302 (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 - AI301 (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			-
K	290	Expenditure			-
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 - AI303 (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)	-	-	-

<b>MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)</b> <b>EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID</b> <b>FOR THE YEAR ENDED SEPTEMBER 30, 2019</b>
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CMHSP:	CMHPSM
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			REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
L		Intentionally left Blank			
L	100	REVENUE			
L	101				
L	102				
L	190	TOTAL REVENUE	-	-	-
L	200	EXPENDITURE			
L	201				
L	202				
L	290	TOTAL EXPENDITURE	-	-	-
L	295	NET SURPLUS (DEFICIT)	-	-	-
L	300	Redirected Funds (To) From			
L	300.3				
L	300.5				
L	301				
L	302				
L	390	Total Redirected Funds	-	-	-
L	400	BALANCE (must = 0)	-	-	-

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	29,501		29,501
M	109	SED Partner			-
M	110	All Other Local Funding			-
M	111	Performance Bonus Incentive Pool (PBIP) Restricted Local Funding			-
M	190	TOTAL REVENUE	1,607,281	-	1,607,281
M	200	EXPENDITURE			
M	201	GF 10% Local Match	-	-	-
M	202	Reported Local match cap amount			
		Examination Adjustment Local match cap amount			
		Examined Total 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)	29,501	-	29,501
M	300	Redirected Funds (To) From			
M	301	(TO) Medicaid Services - A332 (PIHP use only)	-	-	-
M	301.1	(TO) Healthy Michigan - AI332 (PIHP use only)	-	-	-
M	301.2	(TO) SUD (Non-Medicaid) Services - AC332 (PIHP use only)	-	-	-
M	301.3	(TO) Opioid Health Home Services - AE332 (PIHP use only)	-	-	-
M	301.4	(TO) Health Home Services - AG332 (PIHP use only)	-	-	-
M	301.5	(TO) MI Health Link - AK332 (PIHP use only)	-	-	-
M	302	(TO) General Fund - B331	-	-	-
M	304	(TO) Targeted Case Management - D302	-	-	-
M	305	(TO) SED Waiver - E302	-	-	-
M	306	(TO) SED Waiver - Not SED Waiver eligible - E304	-	-	-
M	308	(TO) Children's Waiver - F302	-	-	-
M	309	(TO) Injectable Medications - G302	-	-	-
M	309.1	(TO) PIHP to Affiliate Medicaid Services Contracts - I306	-	-	-
M	309.2	(TO) PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - IA306	-	-	-
M	309.3	(TO) PIHP to Affiliate Opioid Health Home Services Contracts - IB306	-	-	-
M	309.4	(TO) PIHP to Affiliate Health Home Services Contracts - IC306	-	-	-
M	309.5	(TO) PIHP to Affiliate MI Health Link Services Contracts - ID306	-	-	-
M	310	(TO) CMHSP to CMHSP Earned Contracts - J307	-	-	-
M	311	(TO) Non-MDHHS Earned Contracts - K305	-	-	-
M	313	(TO) Activity Not Otherwise Reported - O302	-	-	-
M	313.3	FROM MI Health Link (Medicare) - AK336 - (PIHP use only)			-
M	315	FROM Non-MDHHS Earned Contracts - K304			-
M	390	Total Redirected Funds	-	-	-
M	400	BALANCE LOCAL FUNDS	29,501	-	29,501

N		RISK CORRIDOR			
N	100	REVENUE			
N	101	Stop/Loss Insurance			-
N	102	Medicaid ISF for PIHP Share Risk Corridor	-		-
N	103	MDHHS for MDHHS Share of Medicaid Risk Corridor	2,997,926	536,035	3,533,961
N	104	Restricted Fund balance for PIHP Share Risk Corridor	1,108,010		1,108,010
N	190	TOTAL REVENUE	4,105,936	536,035	4,641,971
N	300	Redirected Funds (To) From			
N	301	(TO) Medicaid Services - PIHP Share - A333 (PIHP use only)	-	-	-
N	301.1	(TO) Healthy Michigan - PIHP Share - AI333 (PIHP use only)	-	-	-
N	301.2	(TO) Restricted Fund balance for PIHP Share - A335 & AI335 (PIHP use only)	(1,108,010)	-	(1,108,010)
N	302	(TO) Medicaid Services - MDHHS Share - A334 (PIHP use only)	(2,821,167)	(536,035)	(3,357,202)
N	302.1	(TO) Healthy Michigan - MDHHS Share - AI334 (PIHP use only)	(176,759)	-	(176,759)
N	303	(TO) General Fund - B332	-	-	-
N	390	Total Redirected Funds	(4,105,936)	(536,035)	(4,641,971)
N	400	BALANCE RISK CORRIDOR (must = 0)	-	-	-



MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)  
EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

CMHSP:CMHPSM

REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
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O		ACTIVITY NOT OTHERWISE REPORTED			
O	100	REVENUE			
O	101	Other Revenue (describe): CMHSP Reimbursement Revenue for SIS Assessments by PIHP	236,852		236,852
O	102	Other Revenue (describe):			-
O	103	Other Revenue (describe):			-
O	190	TOTAL REVENUE	236,852	-	236,852
O	200	EXPENDITURE			
O	201	Other Expenditure (describe): PIHP Expenditures for CMHSP SIS Assessments	236,852		236,852
O	202	Other Expenditure (describe): HICA Tax Penalty	15,123		15,123
O	203	Other Expenditure (describe): SUD additional expenditures	10,706		10,706
O	290	TOTAL EXPENDITURE	262,681	-	262,681
O	295	NET ACTIVITY NOT OTHERWISE REPORTED SURPLUS (DEFICIT)	(25,829)	-	(25,829)
O	300	Redirected Funds (To) From			
O	301	(TO) Children's Waiver - F303	-	-	-
O	302	FROM Local Funds - M313			-
O	390	Total Redirected Funds	-	-	-
O	400	BALANCE ACTIVITY NOT OTHERWISE REPORTED	(25,829)	-	(25,829)

P		GRAND TOTALS			
P	190	GRAND TOTAL REVENUE	179,133,323	536,035	179,669,358
P	290	GRAND TOTAL EXPENDITURE	188,036,002	24,421	188,060,423
P	390	GRAND TOTAL REDIRECTED FUNDS (must = 0)	-	-	-
P	400	NET INCREASE (DECREASE)	(8,902,679)	511,614	(8,391,065)

Q		REMARKS
Q		This section has been provided for the CMHSP to provide narrative descriptions as requested in the FSR instructions or where additional narrative would be meaningful to the CMHSP / MDHHS.
Q		An examination adjustment was made to Row N103 MDHHS Share of Medicaid Risk Corridor to correspond with other examination adjustments that were made.
Q		Row N103 was increased from \$2,997,926 to \$3,533,961; a difference of \$536,035
Q		
Q		
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Q		
Q		

**Examined Financial Status Report – Medicaid**

An examination adjustment was made to Row A202 (CMHPSM) to agree expenses reported on the trial balance with expenses reported on the FSR.

- Row A202 (CMHPSM) was increased from \$2,002,491 to \$3,074,562; a difference of \$1,072,071

An examination adjustment was made to Row A202 (CMHPSM) to reclassify Medicaid administrative expenses that had inadvertently been included in HMP administrative expenses.

- Row A202 (CMHPSM) was increased from \$3,074,562 to \$5,584,367; a difference of \$2,509,805

An examination adjustment was made to Row A334 to increase Risk Corridor - MDHHS Share to correspond with other examination adjustments that were made.

- Row A334 (CMHPSM) was increased from \$2,821,167 to \$3,357,202; a difference of \$536,035

**Examined Financial Status Report – Healthy Michigan**

An examination adjustment was made to Row AI202 (CMHPSM) to reclassify Medicaid administrative expenses that had inadvertently been included in HMP administrative expenses.

- Row AI202 (CMHPSM) was decreased from \$3,160,017 to \$650,212; a difference of \$(2,509,805)

**Examined Financial Status Report – Substance Use Disorder Services**

An examination adjustment was made to Row AC201 (CMHPSM) to agree expenses reported on the trial balance with expenses reported on the FSR.

- Row AC201 (CMHPSM) was decreased from \$7,340,328 to \$6,292,678; a difference of \$1,047,650

An examination adjustment was made to agree the PIHP FSR with a resubmitted CMHSP FSR (not shown as an examination adjustment on Livingston's compliance report)

- Row AC115 (Livingston) was increased from \$875,472 to \$875,742; a difference of \$270
- Row AC201 (Livingston) was increased from \$875,472 to \$875,742; a difference of \$270

**Examined Supplemental Financial Status Report – SUD Services**

An examination adjustment was made to the SUD Supplemental to agree revenue and expenses reported on the trial balance with amounts reported on the FSR.

- Row A1.c (Treatment) was increased from \$3,221,251 to \$3,221,521; a difference of \$270
- Row A5 (STR GY2) was increased from \$406,793 to \$457,034; a difference of \$50,241
- Row A6 (Gambling) was decreased from \$95,195 to \$93,051; a difference of \$2,144
- Row D1 (Budgeted Revenue) was increased from \$2,059,226 to \$2,065,596; a difference of \$6,370
- Row D1 (Treatment) was increased from \$1,705,924 to \$1,778,828; a difference of \$72,904
- Row D1 (Prevention) was decreased from \$353,302 to \$286,768; a difference of \$(66,534)

**Examined Restricted Fund Balance Activity**

An examination adjustment was made to add the PBIP received during FY19 as Current Period Deposits and Financing.

- Row 1b (PBIP) was increased from \$0 to \$1,108,010; a difference of \$1,108,010
- Row 1c (PBIP) was increased from \$0 to \$(1,108,010); a difference of \$(1,108,010)

**Examined Shared Risk Calculation and Risk Financing**

An examination adjustment was made to remove the General Fund Redirect shown on Row 2.e. since CMHPSM does not receive any GF funding

- Row 2.e was decreased from \$2,997,926 to \$0; a difference of \$(2,997,926).

An examination adjustment was made to Section 3 to correspond with other examination adjustments that were made.

- Row 3.b (State Risk) was increased from \$0 to \$3,357,202; a difference of \$3,357,202
- Row 3.b1 (State Risk) was decreased from \$2,997,926 to \$176,759; a difference of \$(2,821,167)
- Row 3.b (Local Risk) was increased from \$8,196,545 to \$9,885,350; a difference of \$1,688,805
- Row 3.b1 (Local Risk) was decreased from \$2,997,926 to \$1,845,157; a difference of \$(1,152,769)

**Examined Financial Status Report – All Non Medicaid**

An examination adjustment was made to Row N103 MDHHS Share of Medicaid Risk Corridor to correspond with other examination adjustments that were made.

- Row N103 was increased from \$2,997,926 to \$3,533,961; a difference of \$536,035

Community Mental Health Partnership of Southeast Michigan  
Comments and Recommendations  
September 30, 2019

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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 Community Mental Health Services 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.

There are no comments or recommendations for the September 30, 2019 fiscal year.