



**FY2024
BUDGET
OCTOBER 1, 2023 –
SEPTEMBER 30, 2024**

SEPTEMBER 13, 2023

MISSION

- Through effective partnerships, the CMHPSM ensures and supports the provision of high-quality integrated care that is cost effective and focuses on improving the health, wellness and quality of life of people living in our region.

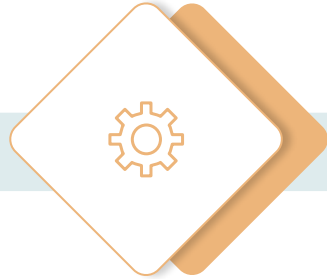
VISION

- The CMHPSM shall strive to address the challenges confronting people living in our region by influencing public policy and participating in initiatives that reduce stigma and disparities in health care delivery while promoting recovery and wellness.

VALUES

- Strength Based and Recovery Focused
- Trustworthiness and Transparency
- Accountable and Responsible
- Shared Governance
- Innovative and Data Driven Decision Making
- Learning Organization

PIHP Retained Functions



- Oversight Monitoring of all PIHP Retained and Delegated Functions
- PIHP Regional Financial Management
- Regional Licensed Independent Practitioner Credentialing

Delegated Functions



- Service Access and Pre-Authorization of Medically Necessary Services
- Clinical Care Coordination and Community Collaboration
- Customer Services & Rights and Responsibilities
- Utilization Management
- Provider Network Management



REVENUE ASSUMPTIONS

CMHPSM FY2024 BUDGET



CMHPSM REVENUE PROJECTION METHODOLOGY



Public Health Emergency End Unwind Continued Economic / COVID Impact on Medicaid Eligible Individual Levels



Eligible individual levels are projected to decrease each month of FY2024. A projected decrease of 16% in September 2024 compared to July 2023 monthly eligible individuals.



Eligible individuals in September 2024 project to be 9% higher than February 2020 eligible individuals.



Increase in per member per month (PMPM) rates to account for this projected decline in eligible individuals. Enrollment will be continuously monitored throughout FY2024.



While we currently project revenue to remain very similar to FY2023 in FY2024, we are currently projecting that a budget amendment may be necessitated this year with enrollment and rate volatility.

Rate Information

- Statewide Rates by Program
- DAB rate increases
- HMP rate decreases
- Large 1915(c) Waiver Program Increases

Revised Draft SFY 2024 Capitation Rates - Excl HRA

POPULATION	SFY 2023 AMENDED CAPITATION RATES	SFY 2024 CAPITATION RATES	INCREASE/DECREASE
<u>Specialty Services</u>			
DAB - Enrolled	\$ 341.97	\$ 367.98	7.6%
DAB - Unenrolled	340.74	374.25	9.8%
HMP - Enrolled	51.65	43.14	(16.5%)
HMP - Unenrolled	46.91	33.86	(27.8%)
TANF - Enrolled	33.92	35.83	5.6%
TANF - Unenrolled	23.09	22.22	(3.8%)
<u>1915(c) Waiver</u>			
Children's Waiver Program	2,871.21	3,409.80	18.8%
Habilitative Supports Waiver	6,047.89	7,101.03	17.4%
Serious Emotional Disturbances	1,656.05	1,966.06	18.7%
Composite Base Capitation Rates	\$ 113.96	\$ 120.42	5.7%

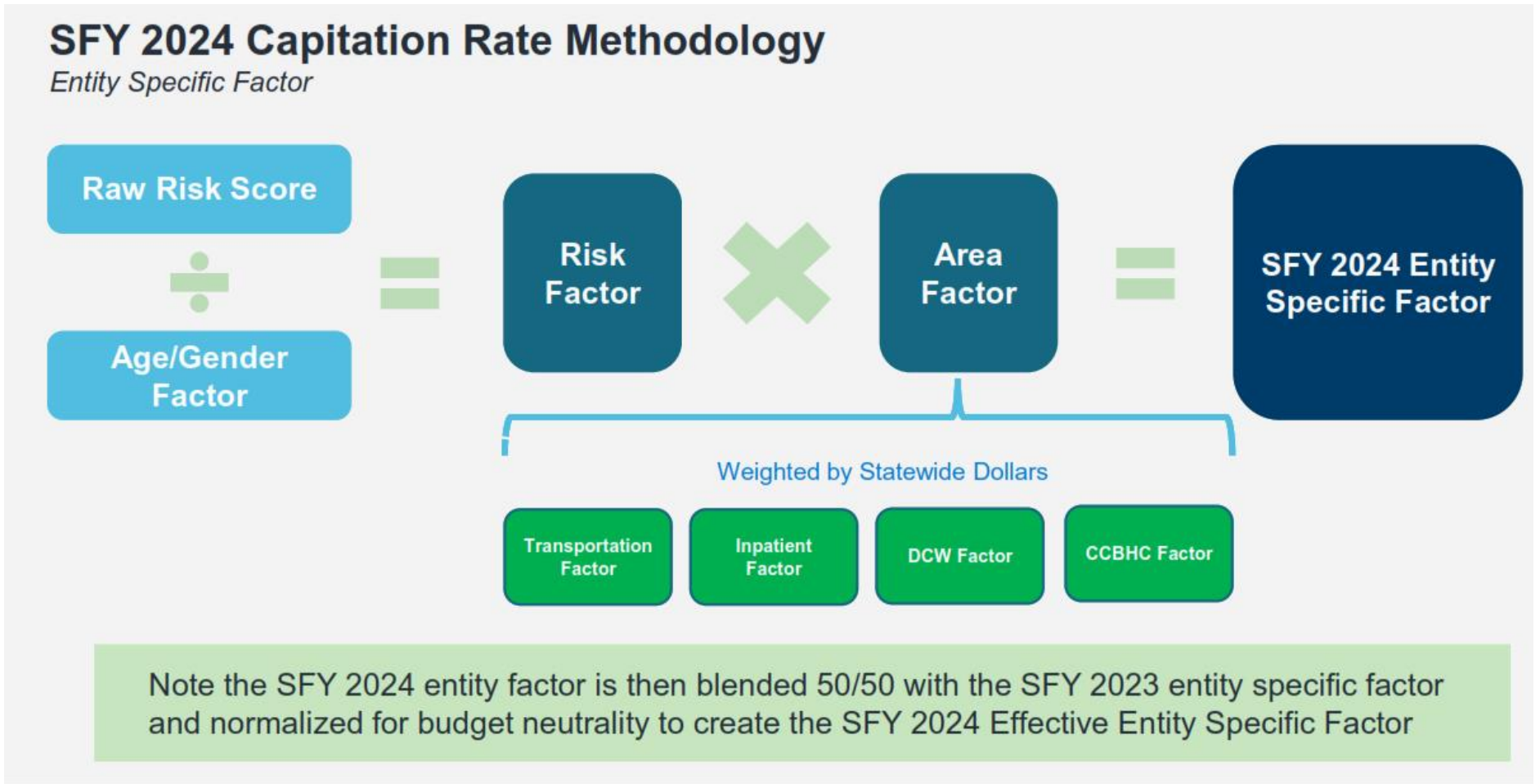
Notes:

1. Reflects composite rates for all services (MH, SUD, Autism) based on SFY 2024 projected enrollment.
2. Includes consideration of CCBHC mild-to-moderate service removal and CCBHC fee schedule application.
3. SFY 2023 Amended capitation rates reflect the rates provided in May 2023.



Rate Information

- FY2023 and FY2024 Entity Specific Factor Blend



Rate Information

- Area factor decrease in SFY2024 towards the statewide mean.

SFY 2024 Area Factors Change From Prior Year

MANAGED CARE ENTITY	SFY 2024 FINAL FACTORS	PREVIOUS 2023 FACTORS	PERCENTAGE CHANGE
NorthCare Network	1.0970	1.0705	2.5%
Northern Michigan Regional Entity	1.0297	1.0076	2.2%
Lakeshore Regional Entity	0.9790	0.9772	0.2%
Southwest Michigan Behavioral Health	0.9896	0.9958	(0.6%)
Mid-State Health Network	0.9911	0.9789	1.2%
CMH Partnership of Southeast Michigan	1.0150	1.0369	(2.1%)
Detroit Wayne Mental Health Authority	1.0104	1.0155	(0.5%)
Oakland County CMH Authority	1.0011	1.0243	(2.3%)
Macomb County CMH Services	1.0131	1.0141	(0.1%)
Region 10 PIHP	0.9787	0.9716	0.7%



Rate Information

- Area factor decrease in SFY2024 towards the statewide mean.

PIHP Entity Specific SFY 2024 Factor Change

MANAGED CARE ENTITY	SFY 2023 ENTITY SPECIFIC FACTOR	SFY 2024 ENTITY SPECIFIC FACTOR	PERCENT CHANGE	PERCENT CHANGE INCLUDING HSW
NorthCare Network	1.0387	1.0526	1.3%	1.2%
Northern Michigan Regional Entity	1.0020	1.0038	0.2%	0.3%
Lakeshore Regional Entity	0.9553	0.9415	(1.4%)	(1.3%)
Southwest Michigan Behavioral Health	0.8371	0.8343	(0.3%)	(0.4%)
Mid-State Health Network	1.0824	1.0775	(0.4%)	(0.4%)
CMH Partnership of Southeast Michigan	1.0515	1.0619	1.0%	0.4%
Detroit Wayne Mental Health Authority	0.9508	0.9394	(1.2%)	(1.2%)
Oakland County CMH Authority	1.2942	1.3256	2.4%	1.8%
Macomb County CMH Services	0.9064	0.9230	1.8%	1.6%
Region 10 PIHP	1.0136	1.0150	0.1%	0.1%

Notes:

- SFY 2023 and SFY 2024 entity specific factors reflect a 50/50 blend of current year risk and area factors and prior year risk and area factors.
- SFY 2024 entity specific factors have been normalized to be budget neutral to MDHHS.



Rate Information

- Statewide Enrollment Projection by Program: DAB, TANF & HMP

Enrollment Projections by Population

MONTH	DAB	TANF	HMP	TOTAL
<i>February 2020</i>	<i>500,325</i>	<i>1,216,718</i>	<i>668,988</i>	<i>2,386,031</i>
July 2023	547,173	1,512,756	1,035,924	3,095,853
August 2023	544,238	1,494,208	1,012,934	3,051,380
September 2023	541,057	1,474,109	988,021	3,003,187
October 2023	538,477	1,457,803	967,811	2,964,091
November 2023	535,677	1,440,110	945,880	2,921,666
December 2023	533,009	1,423,254	924,987	2,881,251
January 2024	530,284	1,406,029	903,637	2,839,950
February 2024	527,758	1,390,068	883,854	2,801,680
March 2024	525,033	1,372,853	862,516	2,760,402
April 2024	522,102	1,354,331	839,558	2,715,992
May 2024	519,567	1,338,313	819,704	2,677,585
June 2024	516,993	1,322,043	799,537	2,638,572
July 2024	514,379	1,305,529	779,069	2,598,978
August 2024	514,379	1,305,529	779,069	2,598,978
<u>September 2024</u>	<u>514,379</u>	<u>1,305,529</u>	<u>779,069</u>	<u>2,598,978</u>
SFY 2024 AVERAGE	524,336	1,368,449	857,057	2,749,843

Notes:
1. Based upon enrollment data which reflects anticipated enrollment through August 2023



EXPENDITURE ASSUMPTIONS

CMHPSM FY2024 BUDGET



DIRECT CARE PREMIUM PAY

- The FY2024 direct care worker premium pay has been increased by \$0.85/hour per the approved State of Michigan SFY2024 budget. Statewide capitated payment rates have been actuarially determined to include the \$3.59/hour premium pay for FY2024.
- Direct care workers delivering premium pay eligible services must be paid the additional \$3.20/hour directly, and \$0.39/hour goes to the provider for premium pay related employer costs.
- Applicable provider fee schedules will include the \$3.60/hour premium pay increase for the entirety of FY2024. The CMHPSM will cover the additional \$0.01/hour as some eligible services are 15-minute services codes.

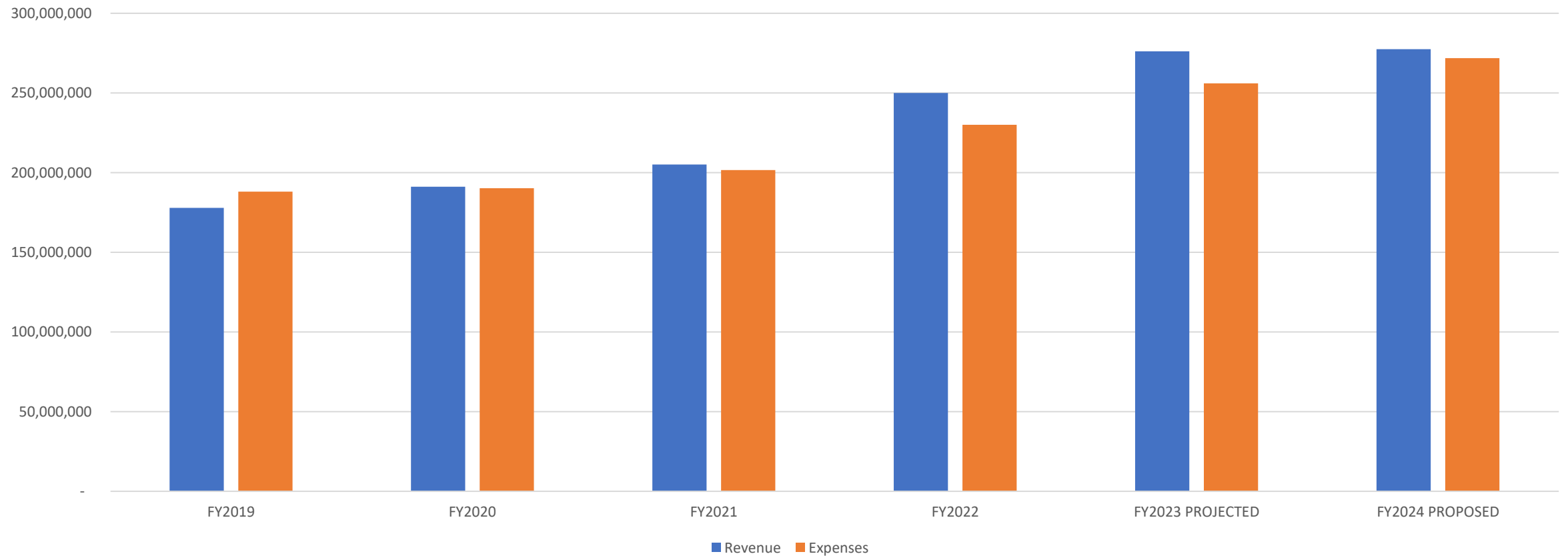
ASSUMPTIONS FOR MENTAL HEALTH SERVICE BUDGET

- The CMHSPs will continue to receive revenue with the same methodology used in FY2023. Most Medicaid and Healthy Michigan revenue will be distributed in 1/12th monthly payments at the levels indicated within the budget. Waiver related payments will be passed through to the appropriate CMHSP for each individual after the CMHPSM administrative expense is deducted.
- Two of our CMHSPs are now designated as Certified Community Behavioral Health Clinics (CCBHCs): Washtenaw County Community Mental Health and Monroe Community Mental Health Authority has been approved for FY2024.

ASSUMPTIONS FOR FY2024 PIHP ADMINISTRATION

- Salaries are budgeted at appropriate tier placements and scheduled increases, including a 3% cost of living adjustment (COLA) for all CMHPSM employees effective October 1, 2023. Salary tier information is on the following page.
- Fringe benefits are budgeted at 32.5% of salaries.
- The CMHPSM administrative budget includes 27 full-time positions and two part-time positions at the CMHPSM for a total of 28.0 full time equivalents (FTEs).

CMHPSM REVENUE & EXPENSE FY2019-2024



**Community Mental Health Partnership of Southeast Michigan
Proposed Budget for FY2024**

	Budget FY 2023	YTD 7/31/2023	Projected YE 2023	Proposed Budget FY 2024
MEDICAID				
MEDICAID REVENUE				
Medicaid	116,734,441	101,675,031	123,775,535	109,289,565
Medicaid Waivers	53,639,152	45,556,487	55,530,982	60,344,963
Healthy Michigan Revenue	18,448,797	17,240,634	20,838,331	14,449,098
Medicaid Autism	16,267,125	13,163,003	15,895,924	14,603,811
Prior Year Carry Forward	10,000,000	-	14,993,512	15,000,000
Behavioral Health Home	650,000	591,234	729,633	739,375
CCBHC - Supplemental	2,000,000	7,163,234	8,889,012	14,646,464
CCBHC - Medicaid/HMP		-		14,646,465
HRA MCAID Revenue	2,000,000	1,383,536	2,566,256	2,700,000
HRA HMP Revenue	1,500,000	1,283,128	2,767,072	2,700,000
Medicaid Revenue	221,239,514	188,056,287	245,986,257	249,119,741
MEDICAID EXPENDITURES				
IPA MCAID	2,031,950	906,049	1,892,099	2,208,102
IPA HMP	223,517	106,296	212,593	272,912
HRA MC	2,000,000	2,014,012	2,767,072	2,700,000
HRA HMP	1,500,000	2,187,416	2,566,256	2,700,000
Lenawee CMH				
Medicaid	14,652,005	12,964,789	15,557,746.56	17,843,611
Medicaid Waivers	6,332,531	5,016,089	6,178,238.79	6,606,953
Healthy Michigan Expense	4,719,346	3,611,520	4,333,824.36	2,537,816
Autism Medicaid	1,322,668	1,012,184	1,214,620.20	1,096,819
Behavioral Health Homes	60,000	40,673	47,420	50,000
DHIP		75,188	73,599	
Lenawee CMH Total	27,086,551	22,720,443	27,405,450	28,135,199
Livingston CMH				
Medicaid	22,712,650	19,923,041	23,907,650	25,958,028
Medicaid Waivers	10,347,972	7,322,744	8,895,174	9,563,961
Healthy Michigan Expense	4,135,002	3,219,683	3,863,619	2,467,711
Autism Medicaid	5,771,052	4,493,579	5,392,294	5,309,239
Behavioral Health Homes	60,000	42,741	54,908	55,000
DHIP		130,784	116,488	
Livingston CMH Total	43,026,675	35,132,572	42,230,134	43,353,939
Monroe CMH				
Medicaid	26,401,165	23,010,872	27,613,046	22,014,214
Medicaid Waivers	10,770,650	8,349,363	10,290,944	11,035,801
Healthy Michigan	3,285,257	2,510,655	3,012,786	2,860,301
Autism Medicaid	2,606,757	1,992,132	2,390,558	2,066,470
CCBHC Medicaid/HMP				6,000,000
CCBHC Supplemental				6,000,000
Behavioral Health Homes	60,000	88,991	118,655	96,500
DHIP		26,475	231,564	
Monroe CMH Total	43,123,829	35,978,488	43,657,553	50,073,286
Washtenaw CMH				
Medicaid	53,825,070	48,167,843	57,801,411	49,619,192
Medicaid Waivers	34,351,501	24,154,255	29,295,989	31,350,706
Healthy Michigan Expense	7,597,382	5,761,142	6,913,371	6,155,256
Autism Medicaid	7,116,076	5,396,163	6,475,395	7,423,397
CCBHC Medicaid/HMP				8,500,000
CCBHC Supplemental	1,980,000	6,656,769	8,315,240	8,500,000
Behavioral Health Homes	340,000	303,819	387,552	390,000
DHIP		47,125	57,185	
Washtenaw CMH Total	105,210,029	90,487,116	109,246,142	111,938,551
Medicaid Expenditures	224,202,551	189,532,393	229,977,298	241,381,989
Medicaid Total	(2,963,037)	(1,476,106)	16,008,959	7,737,752

**Community Mental Health Partnership of Southeast Michigan
Proposed Budget for FY2024**

	Budget FY 2023	YTD 7/31/2023	Projected YE 2023	Proposed Budget FY 2024
SUD/GRANTS				
SUD/GRANTS REVENUE				
Healthy Michigan Plan SUD	10,344,199	9,218,324	11,160,897	8,101,577
Medicaid SUD	3,473,674	3,436,949	4,150,241	3,213,686
PA2 - Tax Revenue (Est)	1,800,000	1,793,363	1,800,000	1,825,000
PA2 - Use of Reserve (Est)	890,159	234,348	900,000	1,088,518
Federal/State Grants	9,249,568	7,074,414	8,347,813	11,277,832
Opioid Health Homes	475,000	891,055	769,243	850,000
SUD/Grants REVENUE	26,232,600	22,648,453	27,128,194	26,356,613
SUD/GRANTS EXPENDITURES				
SUD Administration				
Salaries & Fringes	1,244,808	830,790	991,236	1,199,692
Indirect Cost Recovery	0	(2,412)		(432,333)
SUD Administration	1,244,808	828,378	991,236	767,359
Lenawee Medicaid/HMP SUD	2,141,943	1,749,035	2,332,047	2,334,501
Livingston Medicaid/HMP SUD	2,566,539	1,872,680	2,294,237	2,694,735
Monroe Medicaid/HMP SUD	2,952,548	3,068,526	3,642,238	4,110,257
Washtenaw Medicaid/HMP SUD	6,560,499	6,818,182	8,172,350	9,225,314
Opioid Health Homes	380,000	554,456	667,110	680,000
Veteran Navigation	200,000	131,559	159,763	192,000
COVID/ARPA Grants	2,160,575	1,616,417	1,874,209	2,872,345
SOR	3,201,294	2,048,692	2,422,659	3,890,236
Gambling Prevention Grant	200,000	37,634	43,204	217,582
Tobacco	4,000	595	225	4,000
Women's Specialty Services	699,601	471,617	546,475	350,489
		-		
SUD/Grants Expenditures	22,311,807	19,197,771	23,145,753	27,338,818
SUD/Grants Total	3,920,793	3,450,682	3,982,441	(470,111)
PIHP				
PIHP REVENUE				
Incentives (Est)	2,002,943	1,712,614	2,028,048	1,890,000
Local Match	940,504	621,860	621,860	-
Other Income	276,464	282,889	182,117	200,000
PIHP Revenue	3,219,911	2,617,363	2,832,025	2,090,000
PIHP EXPENDITURES				
PIHP Admin				
Local Match	940,504	621,860	621,860	-
Salaries & Fringes	1,465,246	1,095,178	1,383,383	1,869,229
Contracts	829,554	550,981	661,177	865,500
Other Expenses	451,526	433,321	518,582	472,248
PIHP Admin	3,686,830	2,701,340	3,185,002	3,206,977
Board Expense	3,000	1,682	2,650	3,000
PIHP Expenditures	3,689,830	2,703,022	3,187,652	3,209,977
PIHP Total	(469,919)	(85,659)	(355,627)	(1,119,977)
Organization Total	487,837	1,888,917	19,635,773	6,147,664
Totals				
Revenue	250,692,025	213,322,103	275,946,476	277,566,354
Expenses	250,204,188	211,433,186	256,310,704	271,930,784
Net	487,837	1,888,917	19,635,773	5,635,570