

ONPOINT



Fiscal Year 2023

Proposed Budget

ONPOINT

Significant Assumptions and Key Points

Proposed Budget

- I. Budget was developed using new chart of accounts in compliance with Standard Cost Allocation requirements. Accordingly, certain activity has been classified differently than fiscal year 2022 reports.
- II. Medicaid and Healthy Michigan (HMP) revenue based on rates released by MDHHS, assuming a 5.0% decrease in revenue which is offset by eliminating the 7.5% contribution to the regional internal service fund.
- III. State General Fund revenue based on MDHHS redistribution model.
- IV. Salaries, Wages, and Fringe Benefits include an estimate for moderate benefit rate increases and a cost of living adjustment for all staff. Several new positions are budgeted, including positions related to grant awards and to increase capacity for continued provision of CCBHC and substance use disorder (SUD) services.
- V. All other expenses
 - Built department by department based on actual identified needs of each.
 - Provider claims projected based on actual service utilization experienced during fiscal year 2022 (fiscal year 2021 budget was based on total authorized services), with an estimated increase in utilization of autism and community living support services. Provider rate increases included based on rates set by the region (inpatient and SUD contracts), MDHHS (autism contracts), and local rate increases approved.
 - Grant budgets include currently approved awards and amounts. Significant decrease is primarily related to COVID Emergency Rental Assistance (CERA) grant. A corresponding decrease in contracted services is reflected in the budget.

ONPOINT

Summary Schedule of Revenues and Expenses by Fund Source

Proposed Budget

For the fiscal year ended September 30, 2023

Mental Health Services	Medicaid	Autism	Healthy MI Plan	Medicaid Combined	General Fund
Revenue	\$ 25,193,969	\$ 3,937,779	\$ 2,697,512	\$ 31,829,260	\$ 1,707,737
Expense	<u>26,550,777</u>	<u>1,961,305</u>	<u>2,422,785</u>	<u>30,934,867</u>	<u>1,597,360</u>
Revenue over/(under) expenses	<u>\$ (1,356,808)</u>	<u>\$ 1,976,474</u>	<u>\$ 274,727</u>	<u>\$ 894,393</u>	<u>\$ 110,377</u>

Substance Use Disorder Services	Medicaid	Healthy MI Plan	Medicaid Combined	SUD Block Grant	Public Act 2
Revenue	\$ 730,726	\$ 1,541,824	\$ 2,272,550	\$ 140,046	\$ -
Expense	<u>265,336</u>	<u>558,508</u>	<u>823,844</u>	<u>140,046</u>	<u>-</u>
Revenue over/(under) expenses	<u>\$ 465,390</u>	<u>\$ 983,316</u>	<u>\$ 1,448,706</u>	<u>\$ -</u>	<u>\$ -</u>

This financial report is for internal use only. It has not been audited, and no assurance is provided.

ONPOINT

Statement of Revenue, Expenses and Change in Net Position

Proposed budget

For the fiscal year ended September 30, 2023

	FY2022 Original Budget	FY2022 Projected	FY2023 Draft Budget	Increase (Decrease)
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 23,526,705	\$ 22,852,019	\$ 25,193,969	\$ 1,667,264
Traditional Capitation-Autism	3,530,898	3,483,327	3,937,779	406,881
Traditional Settlement	-	41,351	(619,666)	(619,666)
Healthy Michigan Capitation	2,180,136	2,506,534	2,697,512	517,376
Healthy Michigan Settlement	-	(59,056)	(274,727)	(274,727)
Substance use disorder revenue:				
Traditional Capitation	593,010	666,384	730,726	137,716
Traditional Settlement	-	(415,441)	(465,390)	(465,390)
Healthy Michigan Capitation	1,000,000	1,420,469	1,541,824	541,824
Healthy Michigan Settlement	-	(916,842)	(983,316)	(983,316)
State General Fund:				
Formula Fundings	1,509,348	1,584,815	1,707,737	198,389
Settlement	-	(59,729)	(110,377)	(110,377)
Grants and earned contracts	6,110,319	6,548,296	5,109,145	(1,001,174)
Local funding	346,595	375,605	346,095	(500)
Other reimbursements and revenue	121,000	124,646	268,262	147,262
Total operating revenue	\$ 38,918,011	\$ 38,152,378	\$ 39,079,574	\$ 161,563
Operating expenses				
Salaries and wages	\$ 9,081,057	\$ 8,191,189	\$ 11,496,279	\$ 2,415,222
Fringe benefits	3,286,797	2,832,787	3,818,274	531,477
Supplies and materials	250,853	188,400	409,807	158,954
Provider Network services	20,927,305	19,932,569	20,980,022	52,717
Contractual Services	4,873,187	6,413,897	1,642,209	(3,230,978)
Professional development	179,058	172,135	98,941	(80,117)
Occupancy	309,620	337,162	186,154	(123,466)
Grant and miscellaneous expenses			356,194	356,194
Depreciation	10,134	8,275	14,423	4,289
Total operating expenses	\$ 38,918,011	\$ 38,076,414	\$ 39,002,303	\$ 84,292
Change in net position	-	75,964	77,271	77,271
Beginning net position (unaudited)	30,321	30,321	106,285	
Ending net position	\$ 30,321	\$ 106,285	\$ 183,556	

This financial report is for internal use only. It has not been audited, and no assurance is provided.