

ONPOINT



Fiscal Year 2024

Proposed Budget

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Significant Assumptions and Key Points

Proposed Budget

- I. Medicaid and Healthy Michigan (HMP) revenue based on preliminary projections received from the Lakeshore Regional Entity (LRE), assuming an approximate 6.0% decrease in revenue. Final revenue rates have not been received from the Michigan Department of Health and Human Services, but those final rates are anticipated to be higher than the LRE projections.
- II. The agency received approval for Certified Community Behavioral Health Clinic (CCBHC) Demonstration status; but has not received final revenue rate approval from MDHHS. Revenue projections prepared based on rates from OnPoint's submitted cost report, assuming approximately 18,000 eligible daily visits.
- III. State General Fund revenue based on MDHHS redistribution model, and includes projected carryforward revenue from fiscal year 2023.
- IV. Salaries, Wages, and Fringe Benefits include an estimate for moderate benefit rate increases. Eligible position step increases have been included, but no cost of living adjustment for staff. A number of new positions are budgeted, primarily 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 2023, with an estimated increase in utilization of autism and community living support services. Provider rate increases have not been included other than based on rates set by the region (inpatient and SUD contracts) and the direct care worker (DCW) wage increase approved by MDHHS.
 - Grant budgets include currently approved awards and amounts. Significant decrease is primarily related to the CCBHC Expansion grant, which ended August 31, 2023.

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Summary Schedule of Revenues and Expenses by Fund Source

October 1, 2023 through September 30, 2024

	Revenue	Expense	Lapse or (Deficit)
Medicaid			
Medicaid - Mental Health	\$ 21,940,074	\$ 22,959,349	\$ (1,019,275)
Autism	3,888,638	2,355,330	1,533,308
Medicaid - SUD	740,224	329,819	410,405
Healthy Michigan Plan - Mental Health	1,998,875	2,214,640	(215,765)
Healthy Michigan Plan - SUD	1,287,401	662,954	624,447
Medicaid subtotal	<u>29,855,212</u>	<u>28,522,092</u>	<u>1,333,120</u>
CCBHC Demonstration			
CCBHC - Medicaid	6,413,647	5,496,108	917,539
CCBHC - Healthy MI Plan	1,242,828	1,491,022	(248,194)
CCBHC - NonMedicaid	-	730,516	(730,516)
CCBHC - Third Party Revenue	81,555	-	81,555
CCBHC Subtotal	<u>7,738,030</u>	<u>7,717,646</u>	<u>20,384</u>
General Fund	<u>1,793,123</u>	<u>1,794,867</u>	<u>(1,744)</u>
General fund subtotal	<u>1,793,123</u>	<u>1,794,867</u>	<u>(1,744)</u>
SUD Treatment Block Grant	<u>272,528</u>	<u>272,528</u>	<u>-</u>

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Statement of Revenue, Expenses and Change in Net Position

Proposed budget amendment

For the fiscal year ended September 30, 2024

	Original 2023 Budget	Projected 2023 Actual	Requested 2024 Budget	Over (Under) Prior Budget
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 25,193,969	\$ 24,530,859	\$ 21,940,074	\$ (3,253,895)
Traditional Capitation-Autism	3,937,779	4,037,981	3,888,638	(49,141)
Traditional Settlement	(619,666)	(820,987)	(514,033)	105,633
Healthy Michigan Capitation	2,697,512	2,917,631	1,998,875	(698,637)
Healthy Michigan Settlement	(274,727)	334,572	215,765	490,492
Substance use disorder revenue:				
Traditional Capitation	730,726	754,847	740,224	9,498
Traditional Settlement	(465,390)	(284,023)	(410,405)	54,985
Healthy Michigan Capitation	1,541,824	1,525,668	1,287,401	(254,423)
Healthy Michigan Settlement	(983,316)	(718,473)	(624,447)	358,869
CCBHC Demonstration	-	-	7,656,476	7,656,476
State General Fund:				
Formula Fundings	1,707,737	1,808,359	1,793,123	85,386
Settlement	(110,377)	(401,871)	-	110,377
Grants and earned contracts	5,109,145	5,027,628	2,362,800	(2,746,345)
Local funding	346,095	346,095	346,095	-
Performance based incentive payment	-	245,757	245,757	245,757
Other reimbursements and revenue	268,262	459,451	561,711	293,449
Total operating revenue	\$ 39,079,574	\$ 39,763,493	\$ 41,488,054	\$ 2,408,480
Operating expenses				
Salaries and wages	\$ 11,496,279	\$ 9,749,937	\$ 10,829,937	\$ (666,343)
Fringe benefits	3,818,274	3,426,908	3,621,548	(196,726)
Supplies and materials	409,507	246,588	164,312	(245,195)
Provider Network services	20,980,022	21,520,155	23,603,305	2,623,283
Contractual Services	1,520,125	2,215,787	2,182,827	662,702
Professional development	98,941	133,869	154,994	56,053
Occupancy	310,452	332,388	150,706	(159,746)
Grant and miscellaneous expenses	354,280	213,880	145,467	(208,813)
Depreciation	14,423	43,065	158,215	143,792
Total operating expenses	\$ 39,002,303	\$ 37,882,577	\$ 41,011,311	\$ 2,009,008
Nonoperating expenses				
Interest expense	-	55,587	46,998	46,998
Change in net position	77,271	1,825,329	429,745	352,474

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