

MHR SB PLANNING & FINANCE COMMITTEE MEETING

May 3, 2016

4:00 p.m.

Agenda

Item	Information Enclosed	Action Required	Allocation Required	Page
1. Call to Order				
2. Recognition of Visitors				
3. Meeting Minutes – April 5, 2016	✓	✓		1-9
4. Updated Board Financial Forecast	✓			10-12
5. Zepf Center FY 2016 AOD POS Underspending and Recovery Housing	✓	✓	✓	13-14
6. FY 2017 Purchasing Plan – Proposed Allocations	✓	✓	✓	15-20
7. FY 2017 MHR SB Schedules of Subsidies	✓	✓		21-25
8. Open Session				
9. Adjournment				

PLANNING & FINANCE COMMITTEE MINUTES**April 5, 2016**

Committee Members Present:

Linda Alvarado-Arce, Chair

Chief George Kral

Audrey Weis-Maag

Pastor Waverly Earley

Dr. Tim Valko

James Stengle (Non-Trustee Appointment)

Committee Members Not Present:

William Sanford

Lynn Olman, Vice Chair

Visitors: Richard Arnold; Larry Leyland, TASC; Jim Aulenbacher, Harbor; Paul Lewis, Recovery Council; Jennifer Moses, Zepf; Bryan Renner, Zepf; Ashley Kopaniasz, Unison; Kathy Bihn, NPI; Tryna Smoot, SORC; George Johnson, Rescue; Kristie Ruff, Rescue; Annette Clark, FSNO; Geof Allan, UMADAOP; Deb Angel, Recovery Council; Carole Hood, Rescue; Merisa Parker, Rescue; Lucy Wayton, LSS; Michele Bryant, NAOMI.

Staff: Scott Sylak, Tom Bartlett, Donna Robinson, Tim Goyer, Carolyn Gallatin, Karen Olnhausen, Amy Priest; Cynthia Brown-Chery; Kristal Barham.

Ms. Alvarado-Arce, Planning & Finance Committee Chair opened the meeting at 4:00 p.m., followed by an introduction of visitors.

Mr. Sylak recognized two new Committee members: Chief George Kral was appointed as a voting member and Trustee, and Jim Stengle has joined the P&F Committee in an advisory role until he takes the Oath of Office at the August 16, 2016 Board meeting.

Meeting Minutes: Combined P&F/P&S Committee: March 1, 2016

Dr. Valko made a motion and it was seconded by Chief Kral for discussion; followed by a unanimous vote of (5-0) for approval.

Discussion of Review of Treasurer's Report

Mr. Bartlett indicated that at the March 15, 2016 Board meeting, discussion occurred regarding whether or not the P&F Committee should be reviewing the monthly Board financials as well as the Balance Sheet before they are reviewed at the Board meeting. In that discussion, the Trustees directed that this subject be placed on the April 5, 2016 P&F Committee meeting for their review and to bring forth a recommendation on this matter at the April 19, 2016 Board meeting.

Mr. Bartlett explained the current financial practices and Staff reporting that currently occurs (outlined on page seven of the meeting packet). In addition, he reviewed the list of advantages and disadvantages of having the P&F Committee review the monthly results in advance of the Board meeting prepared by the Board staff on page eight of the meeting packet.

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The Committee said they prefer discussing the Board financials at the Committee level before presenting them to the full Board and suggested exchanging the P&F Committee meeting dates with the Governance Committee which would still allow the Board to continue reviewing the previous month's financial statements.

Ms. Weis-Maag shared the research she conducted on Consent Agendas and noted that with regard to the MHR SB's Consent Agendas, the Chair reviews each Consent Agenda item at the Board meeting to determine which items are removed for discussion and states that the Consent Agenda items have been previously vetted through another Committee; however, the Board Financials aren't reviewed by another Board Committee prior to the Board meeting.

Another option discussed by Committee members would be to permanently remove the Board Financials from the monthly Consent Agendas so they would be discussed by the Trustees prior to a vote for their approval.

Dr. Valko made a motion and it was seconded by Pastor Earley with a recommendation to the Board of Trustees to exchange the Governance Committee meeting dates with the Planning & Finance Committee meeting dates in order for the P&F Committee to discuss the Treasurer's Report in full completion with up-to-date financials prior to the monthly Board meetings. The Committee unanimously voted (5-0) for approval of the recommended motion.

Zepf Center AOD POS Underspending and MH POS Overspending

Mr. Bartlett indicated that the Zepf Center made a request to the MHR SB that the Board reallocates \$100,000 of their FY 2016 AOD POS underspending for the provision of FY 2016 MH POS treatment services. Upon review of this request, Board Staff projected that Zepf Center will have approximately \$400,000 in AOD POS underspending, and they will most likely exceed their FY 2016 MH POS allocation of \$1,300,000. Since the total amount of Board allocations to Zepf Center will not change with their reallocation recommendation, Board staff supported the following motion for recommendation to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County reduces the Zepf Center FY 2016 AOD POS allocation from \$1,140,336 to \$1,040,336, a reduction of \$100,000 and increases the Zepf Center FY 2016 MH POS allocation from \$1,300,000 to \$1,400,000, an increase of \$100,000, and authorizes its Executive Director to amend Zepf Center's FY 2016 Provider Agreement to reflect these changes.

Chief Kral moved to approve the motion and it was seconded by Pastor Earley. Following discussion, the Committee recommended approval, followed by a unanimous vote of (5-0) to approve the motion.

Youth Emergency Shelter - Zepf Center

Mr. Sylak stated that the MHR SB has been part of an ongoing discussion along with several community partners regarding the establishment of a Youth Emergency Shelter designed to serve runaway and homeless youth in Toledo and Lucas County. Currently, this youth population is presenting to the Lucas County Children Services or to Rescue seeking assistance, and they oftentimes end up in the child welfare or the Lucas County juvenile justice system.

Mr. Sylak explained previous attempts by Lucas County agencies to address the problem of youth homelessness and he explained the closing of Toledo Area Ministries (TAM) youth runaway and homeless shelter in 2014. Subsequently, Zepf Center has worked with a core group of community leaders to identify a pathway that has led to operationalizing a 6-8 bed youth emergency shelter as of April 1, 2016 with a total budget for basic operations of approximately \$200,000 which does not include outreach efforts. In collaboration with the Juvenile Court, and possibly the Lucas County Commissioners to provide financial support for start-up expenses, the Zepf Center has requested from the MHR SB to provide \$20,000 towards the start-up costs. Board staff supports the need for this project due to the large number of runaway and homeless youth identified in the Continuum of Care. This Youth Emergency Shelter is consistent with the MHR SB's System-Wide Goals and is identified as a need in its Strategic Plan. Despite the uncertainties regarding future funding sources, Staff recommends using Zepf's FY 2016 AOD underspending for the \$20,000 start-up costs with consideration of future funding as part of the FY 2017 Purchasing Plan.

Ms. Alvarado-Arce asked how this project is reflective to the LGBTQQIA community, and parents and guardians. Mr. Sylak replied that the Zepf Center hired a Youth Shelter Manager at the Zepf Center Ashland Avenue facility with 24 hour/7 days a week operation. Outside of this project, the Youth Engagement and Empower Coalition will join with the Promise House and others to coordinate their services with the Youth Homeless Shelter. Ms. Weis-Maag said it is important that the beds designated for this project stay committed to their original purpose moving forward.

The following motion was recommended for consideration:

The Mental Health and Recovery Services Board of Lucas County reduces the Zepf Center FY 2016 AOD POS allocation by \$20,000 and re-allocates the \$20,000 in grant funding for start-up costs for the Youth Emergency Shelter project for the period of April 1, 2016 through June 30, 2016, and authorizes its Executive Director to amend Zepf Center's FY 2016 Provider Agreement to reflect these changes.

Dr. Valko moved to approve the motion and it was seconded by Pastor Earley. Following discussion, the Committee recommended approval, followed by a unanimous vote of (5-0) to approve the motion.

OMHAS/DSA FY 2016 Match Allocation – Neighborhood Properties, Inc. (NPI)

Mr. Goyer indicated that every two years, NPI applies for a grant through the Ohio Development Services Agency and it requires a match amount of which OMHAS has funded for a two-year cycle. Last year, the MHR SB wrote a letter of support for the OMHAS grant that initiates and maintains housing for homeless persons with mental illness and addiction, and the Board was awarded the match as a pass-through allocation to NPI. The MHR SB has no obligation to provide matching funds related to this pass-through award to NPI.

The following motion was recommended for consideration:

The Mental Health and Recovery Services Board of Lucas County authorizes its Executive Director to accept the grant award of \$50,000 from OMHAS as match for the DSA supportive housing grant, and further authorizes the Executive Director to amend the Board's FY 2016 Provider Agreement with NPI by increasing the amount in Section 6.2.2 (Pass Through Grants) from \$499,615 to \$549,615, effective April 20, 2016.

Pastor Earley moved to approve the motion and it was seconded by Chief Kral. Following discussion, the Committee recommended approval, followed by a unanimous vote of (5-0) to approve the motion.

Family Service of Northwest Ohio (FSNO) MH POS Allocation

Mr. Bartlett explained that over the past two years, the MHR SB has attempted to expand the treatment service opportunities to Lucas County residents who qualify for the Board's services. FSNO approached the Board in request of a MH Non-Medicaid POS allocation due to the approximately four individuals per month seeking mental health services at their agency that don't qualify for Medicaid, but would be eligible for Board funded services under the Federal Poverty Guideline income from 139% to 250%. In their request, FSNO indicated they have some unused psychiatrist capacity that may help individuals who need MH treatment services receive their medications more quickly.

The Board staff is supportive of FSNO's request for a non-Medicaid MH POS allocation, and recommends to amend the motion upon conversation with FSNO who amended their request from \$50,000 to \$25,000 for the time period of May 1, 2016 through June 30, 2017 because FSNO will need time for start-up. If FSNO receives \$25,000 for this time period, they would be able to request an additional allocation if justified in terms of the actual treatment services delivered.

The following revised motion was recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County allocates \$25,000 for Mental Health POS services to Family Service of Northwest Ohio for the May 1, 2016 through June 30, 2017 period, and authorizes its Executive Director to amend the Family Service of Northwest Ohio FY 2016 Provider Agreement to reflect this allocation.

Ms. Weis-Maag moved to approve the motion and it was seconded by Dr. Valko. Following discussion, the Committee recommended approval, followed by a unanimous vote of (5-0) to approve the motion.

Neighborhood Properties, Inc. (NPI) Private Market Rental Assistance Program Allocation

Mr. Bartlett stated that at present, there are 54 individuals who need permanent supportive housing (PSH) who are on NPI's waiting list. The Board approached NPI to assess their willingness to develop a program to reduce the number of persons on their waiting list through private market landlords. NPI responded with a program to address this issue whereby employing a .05 FTE Leasing Assistant to work with the private market landlords to increase their occupancy based upon the available Board and HUD funding. While this new program will be part of the FY 2017 Purchasing Plan with an annual cost of \$140,000 per fiscal year for this program to house 54 individuals, Board staff is recommending a FY 2016 allocation of \$24,000 for this new program to start on May 1, 2016.

The Committee asked Board staff what the \$140,000 allocation goes towards. Mr. Sylak responded that the majority of the funds go for rent at fair market value which for a single bed room is \$540 without utilities included; for efficiency it is approximately \$404, and single room occupancy is \$303. NPI is going to use some of the rent subsidy currently available in the HUD grant by identifying private housing stock. The land bank does not rent as these are fair market rent leases.

Ms. Weis-Maag asked if these renters will still receive NPI supportive housing services and if there were any comments from consumers or the Recovery Council. Mr. Sylak replied that clients will still receive NPI supportive housing services and there was no feedback from consumers.

The following motion was recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County allocates \$24,000 for the Private Market Rental Assistance Program to NPI for FY 2016, and authorizes its Executive Director to amend NPI's FY 2016 Provider Agreement to reflect this allocation.

Pastor Earley moved to approve the motion and it was seconded by Dr. Valko. Following discussion, the Committee recommended approval, followed by a unanimous vote (5-0) to approve the motion.

FY 2016 Behavioral Health Juvenile Justice (BHJJ) Grant Program and Budget Revision

Ms. Olnhausen explained the Behavioral Health Juvenile Justice (BHJJ) grant that has been awarded from the Ohio Department of Youth Services over the past seven years for the collaboration between the MHR SB, Lucas County Juvenile Court, the Zepf Center, and previously Family Council for the youth Multi-Systemic Therapy (MST) Program. In January 2016, Board staff realized the project was going to be underspent due to a lack of referrals to the MST Program for various reasons and staff met with the Juvenile Court administrative team to ascertain if the MST Program was still needed in the community. As a result, the Juvenile Court continues to see value in the MST Program, and after meeting with ODYS, several additional options were presented to increase referrals into the MST Program in addition to some training recommendations. ODYS requested a revision to the current BHJJ Grant Proposal and the FY 2016 Budget of which ODYS has approved.

The following motions are recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County allocates \$242,217, a reduction of \$45,090 from the original \$287,307 allocation to Zepf Center to administer the Multi-Systemic Therapy Program, and authorizes its Executive Director to execute a contract amendment to their FY 2016 Provider Agreement to reflect this change.

The Mental Health and Recovery Services Board of Lucas County allocates \$65,120, an increase of \$9,090 to the original \$56,030 allocation, to the Lucas County Juvenile Court for one staff member (1.0 FTE) housed at the Juvenile Court's Assessment Center and for joint conference expenses, and authorizes its Executive Director to execute a FY 2016 Memorandum of Understanding amendment to reflect this change.

Pastor Earley moved to approve the motion and it was seconded by Chief Kral. Following discussion, the Committee requested that a change be made in the second motion to eliminate the language "for one staff member (1.0 FTE) housed at the Juvenile Court's Assessment Center." There was a unanimous vote (5-0) to approve the motions with the recommended change.

UMADAOP Heroin Prevention Underspending Re-allocation

Mr. Bartlett indicated that during the first six months of FY 2016, UMADAOP has experienced significant underspending in their Heroin Prevention Program to date of approximately

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\$108,847. UMADAOP expressed to their audit firm that the allocation of their agency expenses between their various programs were probably in error for FY 2013 & FY 2014 and their audit firm presented to UMADAOP a quote for \$10,000 to review the “by-program” allocations.

Given their FY 2016 Heroin Prevention Program underspending, the Board staff is supportive of UMADAOP’s request to reduce the Heroin Prevention Program allocation by \$10,000 and fund a new allocation of \$10,000 to complete their auditor’s work which would be beneficial to both MHR SB and UMADAOP’s Board, noting that the total amount of allocations to UMADAOP for FY 2016 wouldn’t change.

The Committee expressed concern and questioned UMADAOP’s underspending of their Heroin Prevention allocation given the heroin/opiate epidemic that is occurring in Lucas County.

Ms. Alvarado-Arce asked why the Committee continues to have discussions with regard to UMADAOP’s audits with the additional request for an allocation to review previous audits. Mr. Sylak agreed that we have had annual discussion regarding UMADAOP’s audit, and he noted that the Board hasn’t yet received their FY 2015 audit review which means they are incurring a significant penalty on a weekly basis that will be coming back to the Committee for resolution in the future.

Mr. Sylak indicated that he and Mr. Bartlett met with Mr. Edwards and his financial staff voicing their concern of how their financials are being managed and alerting them with regard to Medicaid Redesign, indicating that if their financial house isn’t in order, the unlikelihood of a Medicaid contract on January 2017 is high. The Staff asked UMADAOP for a financial plan and action steps to work towards resolution of their financial issues. Mr. Sylak noted that UMADAOP’s cash reserve will be taken to zero if the \$10,000 isn’t reallocated for audit review.

Ms. Weis-Maag said that UMADAOP serves a unique market and said a strong UMADAOP is a community asset that serves parts of the community that more traditional agencies don’t. She said as billing and financial reporting gets more complicated, it requires more resources which has impacted small organizations such as UMADAOP who rely heavily on Board funds. Ms. Weis-Maag suggested consideration of a Board-to-Board meeting, and Mr. Sylak stated that UMADAOP is looking into outsourcing their financial system.

Dr. Valko questioned why the Board should allow UMADAOP to use board funds to conduct audit work and asked if the MHR SB be setting a precedent to authorize other agencies to receive funds for this purpose instead of providing services.

The following motion was recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County reduces the UMADAOP’s FY 2016 Heroin Prevention Education allocation from \$150,000 to \$140,000, a reduction of \$10,000 and makes a new \$10,000 allocation to UMADAOP for audit work, and authorizes its Executive Director to amend UMADAOP’s FY 2016 Provider Agreement to reflect these changes.

Pastor Earley moved to approve the motion and it was seconded by Dr. Valko. Following discussion, the Committee recommended approval, followed by a vote of (4-1) to approve the motion.

FY 2016 AOD Schedule of Subsidies Revision

Mr. Bartlett indicated that the Board traditionally issues the MH and AOD Schedule of Subsidies which sets the amount of subsidies that the MHR SB will provide to the agencies given the clients' income of which was approved by the Board on April 21, 2015. A modification of the FY 2016 AOD Schedule of Subsidies occurred at the August 18, 2015 Board meeting which added methadone administration as one of the AOD treatment Services. Board staff made a recommendation to add ambulatory detox as an AOD treatment Service to the current FY 2016 AOD Schedule of Subsidies as it has been working with treatment agencies to provide this service.

The following motion was recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County approves the revised FY 2016 AOD Schedule of Subsidies included in the April 19, 2016 MHR SB Board meeting packet to be effective retroactively beginning on July 1, 2015.

Ms. Weis-Maag moved to approve the motion and it was seconded by Dr. Valko. Following discussion, the Committee recommended approval, followed by a unanimous vote (5-0) to approve the motion.

Status of 120-Day Notices of Material Changes to Contracts

Mr. Goyer provided an update on the 120-Day Notices that were issued for five programs that it did not intend to fund in FY 2017 or that funding levels would be reduced, outlined on page 17 of the meeting packet. He notified the Committee that TASC appealed their 120-Day Notice today in writing to the Board for their DYS Program, and a meeting with staff is forthcoming for further discussion. Board staff is meeting with UMADAOP on March 31, 2016 regarding their inability to bill through the MACSIS system for payment of non-Medicaid claims, and staff believes that UMADAOP is making an arrangement through another provider to bill through that provider's system for non-Medicaid services. However, UMADAOP is billing the MITS system for Medicaid claims.

Family Service of Northwest Ohio (FSNO) appealed their 120-Day Notice for their "Breaking the Cycle" Program, as well as Big Brothers Big Sisters (BBBS) for their M-3 Mentoring Triad Prevention Program. Mr. Goyer provided background information for each of these two programs (outlined on page 17 of the meeting packet), and expressed that staff recommends that the Board fund each of these two programs for another year with a requirement that the

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agencies submit monthly progress reports to ensure that their programs are on track to meet the objectives moving forward.

The following two motions were presented for consideration by the Board of Trustees:

- **Family Service of Northwest Ohio (FSNO) – Breaking the Cycle Program**

The Mental Health and Recovery Services Board of Lucas County withdraws its notice of intent issued February 16, 2016 to not renew or make material changes to its contract with Family Service of Northwest Ohio “Breaking the Cycle” Program so that this project may be considered as part of the FY 2017 purchasing plan.

Dr. Valko moved to approve the motion and it was seconded by Ms. Weis-Maag. Following discussion, the Committee recommended approval, followed by a unanimous vote (5-0) to approve the motion with a recommendation that the FSNO motion be removed from the Consent Agenda at the April 19, 2016 Board meeting pending data from the number of clients referred, referral sources, and the number of people enrolled in the program to the current date.

- **Big Brothers Big Sisters (BBBS) - M-3 Mentoring Triad Prevention Program**

The Mental Health and Recovery Services Board of Lucas County withdraws its notice of intent issued February 16, 2016 to not renew or make material changes to its contract with Big Brothers Big Sisters (M-3 Mentoring Triad) so that this project may be considered as part of the FY 2017 purchasing plan.

Pastor Earley moved to approve the motion and it was seconded by Chief Kral. Following discussion, the Committee recommended approval, followed by a unanimous vote (5-0) to approve the motion with a recommendation that the BBBS motion be removed from the Consent Agenda at the April 19, 2016 Board meeting pending data from the number of clients referred, referral sources, and the number of people enrolled in the program to the current date.

Open Session

- Mr. Arnold stated that last week, City Council approved the expansion of NAOMI house from 5 to 10 beds. He said a proposed facility 16 adult beds for adult mentally ill individuals on West Bancroft Street will go before the Planning Commission. He said that a facility for up to 12 beds for mentally ill and developmentally disabled individuals at 2740 Monroe Street passed by the Planning Commission in December 2015 was presented at the January through March 2016 Zoning & Planning Committee meetings and no one protested it; someone has since been making phone calls to protest it so it will probably go back to the Zoning & Planning Commission in May.

Adjournment

The meeting was adjourned at 5:57 p.m.

Updated Board Financial Forecast

As part of the FY 2017 Purchasing Plan process, an updated Board's Financial Forecast has been prepared. Attached is the updated Board Financial Forecast which covers FY 2014 through FY 2019.

By their very nature, financial forecasts contain assumptions which shape the projected financial results in the future. This financial forecast was developed using these key assumptions which are shown below:

- The Board's projected FY 2016 financial results are estimated at an Increase in Net Assets (Surplus) of \$763,801. The primary reasons for this improved performance (In February, the projected FY 2016 financial results were estimated at \$351,085 Increase in Net Assets) is that the Board has not made as many targeted allocations as was anticipated in the FY 2016 Board Budget.
- This forecast assumes that the Board's grant allocations will be increased 2% per year in FY 2017/2018/2019 assuming these programs are achieving their outcomes and are spending their fiscal year grant allocation amounts.
- The FY 2016 Targeted Allocations made by the Board which had partial fiscal year budgets will be funded in FY 2017/2018/2019 to reflect twelve months of operations for these programs. The most notable FY 2016 partial year targeted allocations are Rescue's Recovery Helpline, Rescue's Urgent Care, TASC's GAIN Short Screener, Unison's Prevention and expansion of PACT services, NPI's Housing Waiting List Reduction and Harbor's Individual Placement Services programs.
- In FY 2017, the Board will have a Targeted Allocations Budget of \$600,000. It is further assumed that these FY 2017 Targeted Allocations will continue in FY 2018/2019.
- NPI's Peer Respite Housing program's operational expenses have been included in FY 2018/2019 at \$450,000 per fiscal year.
- The Wernert Center's expanded center will receive a \$670,000 allocation in FY 2018/2019 for expanded programming and staffing.
- For FY 2017/2018/2019, the forecast assumes that there will be \$150,000 in Peer Support POS services which is a new treatment service.
- There will be an Inclusion/Health Equity Budget of \$200,000 in FY 2017 and this allocation will grow to \$300,000 in FY 2018/2019.

- The Board's Administrative Budget for FY 2017/2018/2019 was prepared using the 19 positions that are included in the current Board's Table of Organization. No additional staff positions have been included in this forecast.
- For the Fiscal Year 2017/2018/2019 projections, both total Board grant allocations and POS allocations is projected to be underspent by 4% annually.

With all of these financial assumptions combined, the MHR SB Financial Forecast is projected to have a \$3,125,990 Decrease in Net Assets (Deficit) for FY 2017. This FY 2017 Decrease in Net Assets includes projected spending of \$1,800,000 for the Wernert Center capital project which will be largely completed by June 2017.

Deficit spending will continue in FY 2018 with a \$2,900,875 Decrease in Net Assets with the assumption that the Board will provide total year funding for both the Wernert Center's expanded programming and staffing as well as NPI's Peer Respite Housing operations. With these two new program allocations in FY 2018, the Board will have fully utilized the increased revenues associated with the new 1.0 mill levy revenue.

The projected FY 2019 Decrease in Net Deficit of \$2,968,598 will bring the Board's projected Decrease in Net Assets to \$8,995,463 for these three fiscal years. Continuation of this projected annual \$3,000,000 Deficit spending into FY 2020 will fairly quickly compromise the amount of the Board's operating fund balance to act as a shock absorber for our system of care given unanticipated agency needs or variability associated with the receipt of funding from OMHAS.

This Board Financial Forecast necessitates that Board funded programs which are not achieving their contracted outcomes receive a greater level of scrutiny regarding their level of funding in future fiscal years to reduce the projected Board's deficit spending. It is important that the Board can maintain adequate reserves to provide stability for the agencies which will receive Board funding so that these services continue into the future. The Board's Operating Fund Balance of \$7.8 million at the end of FY 2019 will give the Board 3.4 months of projected FY 2019 operating expenses reserve which should be considered a normal or reasonable reserve.

MENTAL HEALTH AND RECOVERY SERVICES BOARD OF LUCAS COUNTY
FY 2014 - FY 2019 Financial Forecast

	FY2014 Actual	FY2015 Actual	FY2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
REVENUE						
Total All Revenue Sources	\$ 27,220,161	\$ 25,008,042	\$ 24,684,543	\$ 24,773,151	\$ 24,650,796	\$ 24,650,796
Change in Total Levy Revenue	\$ 2,599,683	\$ 329,126	\$ (12,742)	\$ -	\$ -	\$ -
EXPENSES						
Pass Through Programming	3,486,135	3,838,628	3,790,305	3,590,784	3,468,429	3,468,429
Central Pharmacy Medications	0	0	50,000	100,000	150,000	150,000
Board Administration Expenses	1,460,828	1,473,663	1,615,704	1,816,677	1,860,433	1,907,157
Non-Medicaid POS	5,511,589	4,237,894	5,487,360	5,736,784	5,736,784	5,736,784
Non-Medicaid Services Grants	11,021,579	12,509,089	12,977,373	16,654,896	16,336,024	16,357,024
Total Expenses	<u>21,480,131</u>	<u>22,059,274</u>	<u>23,920,742</u>	<u>27,899,141</u>	<u>27,551,671</u>	<u>27,619,394</u>
SURPLUS/(DEFICIT)	<u>\$ 5,740,030</u>	<u>\$ 2,948,768</u>	<u>\$ 763,801</u>	<u>\$ (3,125,990)</u>	<u>\$ (2,900,875)</u>	<u>\$ (2,968,598)</u>
Beginning Fund Balance	7,255,569	12,995,599	15,994,367	16,758,168	13,632,178	10,731,303
Net Surplus/(Deficit)	5,740,030	2,948,768	763,801	(3,125,990)	(2,900,875)	(2,968,598)
Ending Operating Fund Balance	\$ 12,995,599	\$ 13,744,367	\$ 14,658,168	\$ 13,332,178	\$ 10,681,303	\$ 7,712,705
Wernert Center Project Set Aside	\$ -	\$ 2,200,000	\$ 2,050,000	\$ 250,000	\$ -	\$ -
Disaster Response Set Aside	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Fund Balance	<u>\$ 12,995,599</u>	<u>\$ 15,994,367</u>	<u>\$ 16,758,168</u>	<u>\$ 13,632,178</u>	<u>\$ 10,731,303</u>	<u>\$ 7,762,705</u>

4/28/2016

Zepf Center FY 2016 AOD POS Underspending and Recovery Housing

On February 26, 2016 Zepf Center made a request to the MHRSB that the Board reallocate \$100,000 of Zepf Center's FY 2016 AOD POS underspending to Zepf Center's FY 2016 MH POS contract. At that time, an additional request of \$20,000 was made for FY 16 start-up expenses related to the Youth Emergency Shelter. In review of these requests, Board staff determined that Zepf Center will have approximately \$400,000 in AOD POS underspending. Board staff made a recommendation to the Trustees at the April MHRSB meeting to approve Zepf's requests, and the recommendation was approved.

On March 24, 2016 Zepf Center made an additional request that the Board re-allocate up to \$200,000 of Zepf Center's remaining FY 2016 AOD POS underspending, now estimated at \$280,000, to their FY 2016 Recovery Housing grant. In review of this request, Board staff identified that Zepf's Recovery Housing project has an anticipated annual budget of \$1,138,752. It is estimated that approximately \$800,000 of the Recovery Housing revenue is derived from profits realized by Zepf from the provision of treatment services. Additional revenue includes a modest amount of client fees and the FY 2016 MHRSB Recovery Housing grant of \$150,000.

From September 2014 through March 24, 2016 the project provided shelter, food and utilities to 325 individuals, including 256 Lucas County residents. Their average length of stay has been 112 days. As of March 24th, the facility had capacity for 104 residents and was full. Eighty-nine of those residents were from Lucas County.

Zepf Center administrators have indicated that the funding model for this valuable resource cannot be maintained at its current level and is therefore requesting additional MHRSB support. Board staff shares Zepf's concerns related to its current funding model for recovery housing. Board staff recognizes Zepf's considerable investment in recovery housing and commends Zepf Center for their initiative. However, Board staff concurs that the current funding model is unsustainable and believes approving Zepf's request to transfer \$200,000 in FY2016 AOD POS underspending to its FY 2016 Recovery Housing grant would do little to establish a long term solution.

Therefore, in an effort to preserve this valuable resource for Lucas County residents as well as develop a potential funding model that may be transferred to other recovery housing providers, Board staff proposed the following alternative for Zepf's consideration:

1. The current Zepf Recovery Housing Grant of \$150,000 would remain as is through FY 2016, but would not carry into FY 2017.
2. As a transitional period, retroactive to April 1st, Board staff will recommend an additional \$87,360 in rental subsidy be available from Zepf Center's FY 2016 AOD POS underspending to fund Zepf Center's Recovery Housing for Lucas County residents on a "per night used" basis. Reimbursement will be based upon \$12 per night for up to 120 days per person for a maximum of 80 beds per night. The allocation would be drawn down by actual usage and would not be provided as a grant allocation.

3. Understanding that current census figures has actual utilization at 89 Lucas County residents per night, the MHR SB would require that Zepf Center set aside a minimum of 10 additional beds per night for Lucas County residents at Zepf's full expense.
4. Lucas County residents would receive preferred access to all open beds until a 90 bed limit per night is reached.
5. The MHR SB would request input into the establishment of a mutually agreeable client fee structure for resident that does not exceed 30% of their net income.
6. Zepf would agree not to remove Lucas County residents from the Recovery House project for inability to pay client fees within the first 120 days of the client's residency.
7. MHR SB reimbursement for Recovery Housing would be limited to 120 days per person per year.
8. Zepf would agree to regular outcome reporting as to be determined.

Zepf Center has agreed to the alternative funding model and consequently Board staff is presenting the below motion for consideration of the MHR SB Trustees. If the below motion is approved, it would be staff's intention to include sufficient funds in the FY 2017 Purchasing Plan for full implementation of this alternative funding model at Zepf, estimated at \$350,400. Additionally, this funding model will be adopted to fund similarly requested services as need dictates and resources allow.

The Programs & Services Committee reviewed the proposed allocation at its April 26, 2016 meeting, and voted to support the motion that appears below.

The following motion is recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County reduces Zepf Center FY 2016 AOD POS allocation from \$1,020,336 to \$932,976, a reduction of \$87,360 and increases the Zepf Center FY 2016 Recovery Housing allocation by \$87,360, and authorizes its Executive Director to amend Zepf Center's FY 2016 Provider Agreement to reflect these changes.

FY 2017 Purchasing Plan – Proposed Allocations

The attached “FY 2017 Allocations Worksheet” lists recommendations which MHR SB staff propose the Board consider for FY 2017 funding. For comparative purposes, the worksheet includes FY 2016 approved allocations and amount that providers requested for FY 2017. The total investment proposed at this meeting is \$20,269,681. It is noted that as of this writing there are several items of indeterminate amounts for which recommendations are yet to be submitted. Most notably, a recommendation for an allocation to TASC for their programming in the Lucas County Jail is pending further review of their budgets. The DYS program at TASC is subject to a “120-Day notice,” also waiting for a budget review and possibly dependent on the amount of grant funding MHR SB will receive through OMHAS for that project. Harbor submitted an allocation request to fund ambulatory detox services, and while staff is supportive of adding the service, more information is needed in order to determine the amount to recommend for FY 2017. Finally, no allocation is recommended at this time for UMADAOP’s Outpatient AOD Treatment as that project is also subject to “120-day notice.”

Two agencies (FSNO and Harbor) submitted requests for funding for new projects that were unsolicited; staff recommends if they are to be considered it be done subsequent to the FY 2017 Purchasing Plan. Thomas Wernert Center asked for additional funding in order to “gear up” for their expanded facility; staff recognizes that there were increased operating costs budgeted as part of the proposal for expansion, but because the project will likely be delayed in completion, it is too soon to begin ramping up in anticipation. Staff does, however, recommend increasing the Center’s allocation by \$19,000 to strengthen peer support efforts. As was done in FY 2016, a line item on the allocation worksheet sets aside \$600,000 as a reserve available for new programs that may be considered throughout FY 2017. [*The amount is an estimate and may vary depending on allocations yet to be made and/or underspending amounts in FY 2016.*] Though these funds have not been directed to any agency, the total amount has been included in the Board’s financial forecasting models.

Prior to making its recommendations, Staff reviewed outcomes reports for the period ended December 31, 2015, financial utilization through the same period, and third quarter outcomes for agencies that were questionable at the half-year. Some highlights of the resultant recommendations include:

- 31 grant-funded programs are recommended to receive a 2% increase from FY 2016 funding based on their progress toward achieving outcomes and full utilization of the prior year’s allocation. That increase totals \$161,241.
- Allocations to A Renewed Mind, Harbor, Unison and Zepf of \$16,200 each are recommended for Cognitive Enhancement Therapy (CET). The award is intended to cover the cost of licenses, conferences (including travel) and miscellaneous supplies and materials for the program, including alumni groups.

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- While Recovery Housing is not new to the system in FY 2017, staff recommends a different way of investing in it. The proposal involves a per diem rate and an agreed number of beds that will be set aside for Lucas County residents. Both A Renewed Mind and Zepf have requested funding; the FY 2017 Allocations Worksheet reflects those recommendations.
- A new allocation to Zepf is recommended as they have agreed to the Board's request for the provision of a Program of Assertive Community Treatment (PACT) team. This was a recommendation of the Access to Treatment Workgroup, and Unison already expanded their PACT team in FY 2016 in response.
- Two programs, Inpatient Engagement and Preventing Psychiatric Emergencies, each provided by Harbor, Unison and Zepf are under professional evaluation; until that is complete, staff recommends no changes to the agencies' allocations.
- Actual spending for AOD outpatient treatment has been below FY 2016 allocation levels at every agency that had an allocation. Staff recommends reducing allocations to Harbor, New Concepts, Unison and Zepf to reflect current experience, while maintaining allocations at A Renewed Mind, Family Service of Northwest Ohio, Lutheran Social Services and UMADAOP. Keeping options open at a greater number of agencies is intended to reduce bottlenecks in order to provide access to treatment within 48 hours.
- Investment in services at Rescue is up \$651,124 (18%) from July 1, 2015. This increase includes 2% increases for residential, emergency and outreach, and services at the Juvenile Detention Center; however, the majority of the increase relates to the implementation of the Recovery Help Line and Urgent Care Center, offset by the elimination of Central Access and a reduction in the amount for inpatient physicians.
- Several investments that were made for a portion of FY 2016 are carried over as full year programs in FY 2017. They include: Individual Placement Services – Harbor; Housing Waiting List Reduction – NPI; expansion of PACT services – Unison; expansion of prevention services – Unison; and Recovery Helpline and Urgent Care – Rescue.

The Programs & Services Committee reviewed the proposed FY 2017 Allocations Worksheet at its April 26, 2016 meeting. Although there were questions, the only change recommended by the Committee was to grant NAMI the \$10,000 increase they requested for Suicide Prevention (reflected in this allocations worksheet). An increase of \$19,000 for peer support was added to the Wernert Center allocation by staff after the P&S Committee meeting, as well as an allocation of \$200,000 for the MHR SB Diversity/Health Equity Pool.

The following motion is recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County allocates \$20,269,681 to fund the purchase of prevention, treatment, and other supportive services in FY 2017. The Board's Executive Director is authorized to execute appropriate FY 2017 Provider Agreements with the Agencies and for the amounts listed on the FY 2017 Allocations Worksheet included in the May 17, 2016 Board meeting packet. FY 2017 Provider Agreements will also include funds that are passed through the Board from State or Federal Agencies at the amounts prescribed by those agencies.

FY 2017 Allocations Worksheet

Agency	Program	Approved FY 2016 Allocations	FY 2017 Agency Requests	Proposed FY 2017 Allocations	Comments
A Renewed Mind	Cognitive Enhancement	\$ 27,000	\$ 27,000	\$ 16,200	
A Renewed Mind	MH POS Outpatient - CET	\$ 10,000	\$ 10,000	\$ -	
A Renewed Mind	MH POS Outpatient	\$ 50,000	\$ 50,000	\$ 60,000	Combined
A Renewed Mind	AOD Outpatient Treatment	\$ 100,000	\$ 100,000	\$ 100,000	
A Renewed Mind	LCCC Vivitrol Program	\$ 100,000	\$ 100,000	\$ 100,000	
A Renewed Mind	Recovery Housing Support	\$ -	\$ 65,000	\$ 39,420	New Allocation
Total ARM		\$ 287,000	\$ 352,000	\$ 315,620	
ABLE	MH Impact Project	\$ 132,176	\$ 134,820	\$ 134,820	
ABLE	Government Benefits	\$ 73,364	\$ 73,364	\$ 74,831	
ABLE	Government Benefits	\$ 5,000	\$ 10,000	\$ 5,000	Increase not Recommended
Total ABLE		\$ 210,540	\$ 218,184	\$ 214,651	
Adelante	Buena Vida	\$ 91,800	\$ 93,636	\$ 93,636	
Big Brothers BS	Mentoring Triad	\$ 45,122	\$ 45,000	\$ 45,000	
FSNO	Breaking the Cycle	\$ 36,278	\$ 21,766	\$ 21,766	
FSNO	Boys Girls Club Therapy	\$ -	\$ 21,302	\$ -	Unsolicited
Total FSNO		\$ 36,278	\$ 43,068	\$ 21,766	
Harbor	MH Outpatient Treatment	\$ 900,000	\$ 900,000	\$ 900,000	
Harbor	AOD Outpatient Treatment	\$ 200,000	\$ 102,191	\$ 102,191	
Harbor	Ambulatory Detox - POS	\$ -	\$ 97,809	\$ -	
Harbor	Ambulatory Detox - Grant	\$ -	\$ 226,200	\$ -	Negotiating Amount
Harbor	Engagement Services	\$ 249,900	\$ 430,975	\$ 249,900	Pending Evaluation
Harbor	Preventing Psych. Emerge.	\$ 156,933	\$ 312,295	\$ 156,933	Pending Evaluation
Harbor	Cognitive Enhancement	\$ 37,000	\$ 22,245	\$ 16,200	
Harbor	School/Comm. Prevention	\$ 367,200	\$ 374,544	\$ 374,544	
Harbor	Early Childhood Prevention	\$ 79,000	\$ 80,580	\$ 80,580	
Harbor	Community Senior Prev.	\$ 205,000	\$ 209,100	\$ 209,100	
Harbor	Ind. Placement & Support	\$ 44,385	\$ 88,770	\$ 88,770	Partial year in FY 2016
Harbor	SUD Clinical Training	\$ -	\$ 70,260	\$ -	Unsolicited
Harbor	Heroin Prev. Education	\$ 102,000	\$ 127,800	\$ 104,040	Increase not Recommended
Total Harbor		\$ 2,341,418	\$ 3,042,769	\$ 2,282,258	
Learning Club	After School Programming	\$ 109,754	\$ 111,949	\$ 111,949	
Lutheran Social Svcs	AOD Outpatient Treatment	\$ 50,000	\$ 50,000	\$ 50,000	
Mercy St. Vincent's	Mother & Child Dependency	\$ 71,829	\$ 73,266	\$ 73,266	
NAMI	Suicide Prevention	\$ 30,600	\$ 41,212	\$ 41,212	
NAMI	Education/Outreach/Advoc.	\$ 104,958	\$ 107,057	\$ 107,057	
NAMI	Creative Expressions	\$ 79,754	\$ 81,349	\$ 81,349	
NAMI	Family Navigator	\$ 102,000	\$ 104,040	\$ 104,040	
Total NAMI		\$ 317,312	\$ 333,658	\$ 333,658	
New Concepts	MH Outpatient Treatment	\$ 25,000	\$ 34,711	\$ 34,711	
New Concepts	AOD Outpatient Treatment	\$ 640,000	\$ 565,289	\$ 565,289	
Total New Concepts		\$ 665,000	\$ 600,000	\$ 600,000	

FY 2017 Allocations Worksheet

Agency	Program	Approved FY 2016 Allocations	FY 2017 Agency Requests	Proposed FY 2017 Allocations	Comments
NPI	ACF Operations	\$ 1,006,041	\$ 1,026,041	\$ 1,026,041	
NPI	Rental Assistance	\$ 795,661	\$ 811,574	\$ 811,574	
NPI	Waiting List RA	\$ 24,000	\$ 140,000	\$ 140,000	
NPI	PATH (Match)	\$ 53,517	\$ 53,517	\$ 53,517	
NPI	Road to Recovery	\$ 105,000	\$ 107,100	\$ 107,100	
NPI	PSH Modernization	\$ 250,000	\$ 250,000	\$ 250,000	
NPI	Wellness&Recovery Center	\$ -	\$ 38,613	\$ 38,613	
NPI	Peer Recovery Coaching	\$ 306,000	\$ 312,120	\$ 312,120	
Total NPI		\$ 2,540,220	\$ 2,738,965	\$ 2,738,965	
Rescue	Adult Crisis Stabilization Unit	\$ 500,000	\$ 510,000	\$ 510,000	
Rescue	Child/Adolescent CSU	\$ 560,000	\$ 571,200	\$ 571,200	
Rescue	Outreach/Emergency Svcs.	\$ 1,358,808	\$ 1,385,984	\$ 1,385,984	
Rescue	Inpatient Doctors	\$ 450,000	\$ 350,000	\$ 350,000	
Rescue	Central Access	\$ 265,000	\$ -	\$ -	Eliminated in FY 2016.
Rescue	Recovery Helpline	\$ 267,583	\$ 365,000	\$ 365,000	
Rescue	Urgent Care	\$ 443,407	\$ 865,000	\$ 865,000	
Rescue	Juvenile Detention/Assess.	\$ 137,400	\$ 140,148	\$ 140,148	
Total Rescue		\$ 3,982,198	\$ 4,187,332	\$ 4,187,332	
St. Paul's	Winter Crisis	\$ 55,000	\$ 56,100	\$ 56,100	
St. Paul's	Payee Program	\$ 203,490	\$ 207,560	\$ 207,560	
St. Paul's	Shelter Beds	\$ 230,375	\$ 234,983	\$ 234,983	
St. Paul's	Outreach Coordinator	\$ 55,000	\$ 56,100	\$ 56,100	
Total St. Paul's		\$ 543,865	\$ 554,743	\$ 554,743	
Swanton Area CC	Parent & Community	\$ 26,642	\$ 26,642	\$ 26,642	
Sylvania CAT	Parent Training & Education	\$ 110,509	\$ 112,719	\$ 112,719	
Sylvania CAT	Community Drug Drop Off	\$ 18,000	\$ 18,000	\$ 18,000	
Total SCAT		\$ 128,509	\$ 130,719	\$ 130,719	
TASC	Jail Reentry Program	\$ 512,550	\$ 409,335	\$ -	Pending Budget Review
TASC	Family Drug Court	\$ 70,110	\$ 96,748	\$ -	Pending Budget Review
TASC	GAIN Short Screener	\$ 40,785	\$ 203,925	\$ -	Pending Budget Review
TASC	DYS Aftercare	\$ 129,992	\$ 161,917	\$ -	Under 120 Day Appeal
TASC	Release to Recovery	\$ 33,000	\$ 33,000	\$ -	Pending Budget Review
Total TASC		\$ 786,437	\$ 904,925	\$ -	
UMADAOP	AOD Outpatient Treatment	\$ 50,000	\$ 50,000	\$ -	Under 120 Day Appeal
UMADAOP	Healthy Workplace	\$ 51,000	\$ 52,020	\$ 52,020	
UMADAOP	Heroin Prevention	\$ 150,000	\$ 150,000	\$ 140,000	
Total UMADAOP		\$ 251,000	\$ 252,020	\$ 192,020	
Unison	MH Outpatient Treatment	\$ 1,200,000	\$ 1,230,000	\$ 1,230,000	
Unison	Dual Disorder Treatment	\$ 400,000	\$ 290,000	\$ 290,000	
Unison	Engagement Services	\$ 252,960	\$ 258,019	\$ 252,960	Pending Evaluation
Unison	Preventing Psych. Emerge.	\$ 152,578	\$ 155,630	\$ 152,578	Pending Evaluation
Unison	Residential Support	\$ 123,420	\$ 123,420	\$ 123,420	
Unison	PACT Engagement	\$ 40,234	\$ 120,701	\$ 120,701	Partial Year in FY 2016
Unison	Cognitive Enhancement	\$ 37,000	\$ 12,650	\$ 16,200	
Unison	Prevention Services	\$ 129,560	\$ 201,151	\$ 201,151	
Total Unison		\$ 2,335,752	\$ 2,391,571	\$ 2,387,010	

FY 2017 Allocations Worksheet

Agency	Program	Approved FY 2016 Allocations	FY 2017 Agency Requests	Proposed FY 2017 Allocations	Comments
Wernert Center	Operations/Club Room	\$ 261,834	\$ 306,567	\$ 286,081	Increase Peer Support
Wernert Center	Peer Enrichment Program	\$ 320,076	\$ 363,569	\$ 326,478	
Total Wernert Center		\$ 581,910	\$ 670,136	\$ 612,559	
Zepf	MH Outpatient Treatment	\$ 1,400,000	\$ 1,365,693	\$ 1,365,693	Increase for ACT Team
Zepf	MH ACT Team		\$ 120,000	\$ 120,000	New Allocation
Zepf	AOD Outpatient Treatment	\$ 858,269	\$ 744,366	\$ 744,366	
Zepf	Methadone Administration	\$ 182,067	\$ 148,567	\$ 148,567	
Zepf	Engagement Services	\$ 102,000	\$ 104,040	\$ 102,000	Pending Evaluation
Zepf	Preventing Psych. Emerge.	\$ 153,000	\$ 156,060	\$ 153,000	Pending Evaluation
Zepf	Cognitive Enhancement	\$ 32,000	\$ 28,964	\$ 16,200	
Zepf	Residential Support	\$ 401,705	\$ 409,739	\$ 409,739	
Zepf	Recovery Housing	\$ 150,000	\$ 153,000	\$ 350,400	Increased Allocation
Zepf	Youth Shelter	\$ 20,000	\$ 50,000	\$ 50,000	
Zepf	Gambling Prevention	\$ 62,850	\$ 59,415	\$ 59,415	
Zepf	Gambling Treatment	\$ 20,000	\$ 50,000	\$ 50,000	
Total Zepf		\$ 3,381,891	\$ 3,389,844	\$ 3,569,380	
Board/Staff Directed Allocations					
CCNO	Medication	\$ 40,000	\$ 40,000	\$ 40,000	
Family Council	Pooled Funds	\$ 228,000	\$ 228,000	\$ 228,000	
LC Adult Probation	Forensic Monitor	\$ 60,730	\$ 61,945	\$ 61,945	
LC Sheriff - Jail	Medication	\$ 40,000	\$ -	\$ 10,000	No utilization in FY 2016.
MHRS Board	Mental Health First Aid	\$ 50,000	\$ 50,000	\$ 50,000	
MHRS Board	Mini Grants	\$ 77,764	\$ 100,000	\$ 100,000	
MHRS Board	CIT Training	\$ 37,000	\$ 37,000	\$ 37,000	
MHRS Board	Recovery Helpline Advert.	\$ 34,000	\$ 68,000	\$ 68,000	
MHRS Board	Program Evaluation	\$ 29,150	\$ -	\$ -	
MHRS Board	Family/Consumer Feedback	\$ 53,000	\$ -	\$ -	Estimated amount.
MHRS Board	Peer Support Trainings	\$ 10,000	\$ 10,000	\$ 10,000	
Toledo/LC Health	Naloxone Distribution	\$ 120,000	\$ 90,000	\$ 105,000	\$15,000 advertising in FY 2017
United Way	211 Recovery Helpline	\$ 21,080	\$ 41,134	\$ 41,134	
FY 2016 & 2017 Allocations		\$ 19,585,200	\$ 20,936,506	\$ 19,292,254	
Other Allocations					
OOD	Recovery to Work	\$ 265,000	\$ 307,786	\$ 177,427	Current OOD funding
Targeted Allocations	Estimated	\$ 257,000	\$ -	\$ 600,000	Estimated
MHR SB	Diversity/Health Equity Pool	\$ -	\$ -	\$ 200,000	Estimated
Preliminary FY 2017 Purchasing Plan		\$ 20,107,200	\$ 21,244,292	\$ 20,269,681	
Previously Approved FY 2016/2017					
FSNO	MH POS	\$ -	\$ 25,000	\$ 25,000	New POS allocation April 2016

FY 2017 MHR SB Schedules of Subsidies

The U. S. Department of Health and Human Services has released the 2016 Poverty Guidelines. Each fiscal year, the MHR SB uses the new Poverty Guidelines to update the Board's Schedule of Eligibility by income and family size which becomes the Board's Schedules of Subsidies effective in the following fiscal year. A total of three documents are attached; the first document identifies the three MHR SB levels of subsidy support consistent with the HHS's 2016 Poverty Guidelines' income and family size, and the other two documents are the proposed FY 2017 MH and AOD Services Schedule of Subsidies.

Except for updating the Board's Subsidy support with the HHS's 2016 Poverty Guidelines' income and family size, there are no changes proposed to the FY 2017 Schedules of Subsidies.

The Board Schedules of Subsidies do not require any client co-payment if an individual has less than 190% of the federal poverty guidelines income, which is considerably higher than the Medicaid expansion which enrolls individuals into Medicaid up to 138% of the federal poverty guidelines.

A client who receives treatment services and has 190% up to 210% of the 2016 poverty guidelines requires a \$10 co-payment for most treatment services. Between 210% up to 230% of the poverty guidelines require a \$15 co-payment, and a \$20 co-payment is required for individuals between 230% up to 250% of federal poverty guidelines.

These proposed FY 2017 Schedules of Subsidies do not consider the proposed Medicaid treatment service rates under consideration by the Ohio Governor's Office of Health Transformation's Benefit and Service Development Work Group. The State of Ohio is going to Medicaid treatment services rates which account for the licensure and credentials of the clinician who provides the treatment service.

It is anticipated that new Medicaid treatment service rates will become effective on January 1, 2017 for any agencies who wish to accept these new Medicaid treatment service rates on a voluntary basis. On July 1, 2017, all Ohio treatment services providers will be required to use these new Medicaid treatment service rates.

OMHAS has indicated that they will not be updating MACSIS for the new treatment services rates due to the amount of effort it would require. Since the MHR SB uses MACSIS, the Board will have to make a decision regarding one of the following actions: purchase a new billing system which will accommodate the new treatment service rates which account for the licensure and credentials of the clinician who provides the treatment service, establish Board rates for treatment services independent of Medicaid rates which would permit the continued usage of MACSIS, or go to a grant basis reimbursement approach for providers which perform treatment services.

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The official mandatory adoption of these new treatment service rates is July 1, 2017, and the adoption of the proposed FY 2017 MHR SB Schedules of Subsidies is consistent with this date. It would also permit the Board staff time to consider these other alternatives and make a recommendation to the MHR SB for their consideration.

The following motion is recommended to the Board of Trustees:

The Mental Health and Recovery Services Board of Lucas County approves the revised FY 2017 MH and AOD Services Schedules of Subsidies included in the May 17, 2016 MHR SB Board packet to be effective July 1, 2016.

**MHRS Board Schedule of Eligibility by Income and Family Size
FY 2017**

FAMILY SIZE	Base Subsidy		Level A		Level B		Level C	
	MONTHLY FROM	INCOME TO						
1	\$0	\$1,881	\$1,882	\$2,079	\$2,080	\$2,277	\$2,278	\$2,475
2	\$0	\$2,537	\$2,538	\$2,804	\$2,805	\$3,071	\$3,072	\$3,338
3	\$0	\$3,192	\$3,193	\$3,528	\$3,529	\$3,864	\$3,865	\$4,200
4	\$0	\$3,848	\$3,849	\$4,253	\$4,254	\$4,658	\$4,659	\$5,063
5	\$0	\$4,503	\$4,504	\$4,977	\$4,978	\$5,451	\$5,452	\$5,925
6	\$0	\$5,159	\$5,160	\$5,702	\$5,703	\$6,245	\$6,246	\$6,788
7	\$0	\$5,816	\$5,817	\$6,428	\$6,429	\$7,040	\$7,041	\$7,652
8 or more	\$0	\$6,474	\$6,475	\$7,156	\$7,157	\$7,837	\$7,838	\$8,519

Rider-blank

Rider A \$10

Rider B \$15

Rider C \$20

Level A: 190 - 210% of 2016 HHS Poverty Guidelines

Level B: 210 - 230% of 2016 HHS Poverty Guidelines

Level C: 230 - 250% of 2016 HHS Poverty Guidelines

1/23/2016

**Mental Health and Recovery Services Board of Lucas County
Alcohol and Other Drug Services**

FY 2017 Schedule of Subsidies

FY 2017

	Base	Level A	Level B	Level C
100% Subsidized Services				
Methadone Administration	\$11.56	\$11.56	\$11.56	\$11.56
Partially Subsidized Services				
Ambulatory Detoxification	\$193.87	\$183.87	\$178.87	\$173.87
Assessment	\$96.24	\$86.24	\$81.24	\$76.24
Case Management	\$78.17	\$68.17	\$63.17	\$58.17
Crisis Intervention	\$129.59	\$119.59	\$114.59	\$109.59
Group Counseling*	\$38.08	\$28.08	\$23.08	\$18.08
Individual Counseling*	\$87.28	\$77.28	\$72.28	\$67.28
Intensive Outpatient	\$136.90	\$126.90	\$121.90	\$116.90
Laboratory Urinalysis	\$60.00	\$50.00	\$45.00	\$40.00
Medical/Somatic	\$176.28	\$166.28	\$161.28	\$156.28
Client Co-payment	\$0.00	\$10.00	\$15.00	\$20.00

* These services are billed in 1/4 hour units, but subsidy is reflected per one hour of service

Note: Subsidies are based on the assumption that agencies' rates are at or above the Medicaid ceiling. If an agency's rates are below the Medicaid ceiling rates appropriate adjustments will be made as necessary.

4/28/2016

Mental Health and Recovery Services Board of Lucas County

Mental Health Services

Schedule of Subsidies

FY 2017

	Base	Level A	Level B	Level C
100% Subsidized Services				
Partial Hospitalization	\$116.81	\$116.81	\$116.81	\$116.81
Community Psych Support Tx (Individual)*	\$85.32	\$85.32	\$85.32	\$85.32
Community Psych Support Tx (Group)*	\$39.24	\$39.24	\$39.24	\$39.24
Partially Subsidized Services				
Pharmacological Management	\$210.87	\$200.87	\$195.87	\$190.87
Mental Health Assessment (non-physician)	\$129.99	\$119.99	\$114.99	\$109.99
Mental Health Assessment (physician)	\$210.87	\$200.87	\$195.87	\$190.87
BH Counseling and Therapy (Individual)*	\$90.00	\$80.00	\$75.00	\$70.00
BH Counseling and Therapy (Group)*	\$39.48	\$29.48	\$24.48	\$19.48
Crisis Intervention BH Service	\$154.35	\$144.35	\$139.35	\$134.35
Client co-payment	\$0.00	\$10.00	\$15.00	\$20.00

* These services are billed in 1/4 hour units, but subsidy is reflected per one hour of service

Note: Subsidies are based on the assumption that agencies' rates are at or above the Medicaid ceiling. If an agency's rates are below the Medicaid ceiling rates appropriate adjustments will be made as necessary.

4/28/2016