

**NORTHEAST MICHIGAN COMMUNITY
MENTAL HEALTH AUTHORITY**

CMH Compliance Examination

September 30, 2017

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**INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO MEDICAID, GF AND CMHS BLOCK GRANT
PROGRAMS AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH *CMH COMPLIANCE EXAMINATION GUIDELINES* ISSUED BY
THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES**

To the Board of Directors
Northeast Michigan Community Mental Health Authority

Compliance

We have examined the compliance of the Northeast Michigan Community Mental Health Authority (the “Authority”) with the specified requirements described in *CMH Compliance Examination Guidelines*, issued by the Michigan Department of Health and Human Services (“MDHHS”), that are applicable to its Medicaid, General Fund (“GF”) and Community Mental Health Services (“CMHS”) Block Grant Programs for the year ended September 30, 2017. Compliance with these requirements is the responsibility of the Authority’s management. Our responsibility is to express an opinion on the Authority’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Authority’s compliance with specified requirements based on specified criteria established by MDHHS and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Authority’s compliance with those requirements.

In our opinion, the Northeast Michigan Community Mental Health Authority complied, in all material respects, with the specified requirements referred to above that are applicable to its Medicaid, GF and CMHS Block Grant Programs for the year ended September 30, 2017.

Internal Control Over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations and programs applicable to its Medicaid, GF and CMHS Block Grant Programs. In planning and performing our examination, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on its Medicaid, GF and CMHS Block Grant Programs in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with criteria established by MDHHS, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of the Medicaid, GF or CMHS Block Grant programs on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the Medicaid, GF or CMHS Block Grant programs will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a MDHHS contract that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above.

Examination Schedules

As required by CMH Compliance Examination Guidelines, we have prepared the accompanying Examined FSR Schedule and Examined Cost Settlement Schedule.

Purpose of this Report

This report is intended solely for the information and use of the Authority's compliance with specified requirements described in *CMH Compliance Examination Guidelines*, issued by the MDHHS. This report is an integral part of our examination in accordance with these guidelines in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Straley Lamp & Kraenzlein P.C.

March 2, 2018

MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID
FOR THE YEAR ENDED SEPTEMBER 30, 2017

CMHSP: **Northeast CMHSP**

REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
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A	MEDICAID SERVICES - Summary From FSR - Medicaid Worksheet				
A 190	TOTAL REVENUE		-	-	-
A 290	TOTAL EXPENDITURE		-	-	-
A 295	NET MEDICAID SERVICES SURPLUS (DEFICIT)		-	-	-
A 390	Total Redirected Funds		-	-	-
A 400	BALANCE MEDICAID SERVICES		-	-	-

AC	SUD NON-MEDICAID SERVICES - Summary From FSR - SUD Worksheet				
AC 190	TOTAL REVENUE		-	-	-
AC 290	TOTAL EXPENDITURE		-	-	-
AC 295	NET SUD NON-MEDICAID SERVICES SURPLUS (DEFICIT)		-	-	-
AC 390	Total Redirected Funds		-	-	-
AC 400	BALANCE SUD NON-MEDICAID SERVICES		-	-	-

AE	AUTISM BENEFIT SERVICES - Summary From FSR - Autism				
AE 190	TOTAL REVENUE		-	-	-
AE 290	TOTAL EXPENDITURE		-	-	-
AE 295	NET AUTISM BENEFIT SERVICES SURPLUS (DEFICIT)		-	-	-
AE 390	Total Redirected Funds		-	-	-
AE 400	BALANCE AUTISM BENEFIT SERVICES		-	-	-

AG	HEALTH HOME SERVICES - Summary From FSR - Health Home Services Worksheet				
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		-	-	-

AI	HEALTHY MICHIGAN SERVICES - Summary From FSR - Healthy Michigan Worksheet				
AI 190	TOTAL REVENUE		-	-	-
AI 290	TOTAL EXPENDITURE		-	-	-
AI 295	NET HEALTHY MICHIGAN SERVICES SURPLUS (DEFICIT)		-	-	-
AI 390	Total Redirected Funds		-	-	-
AI 400	BALANCE HEALTHY MICHIGAN SERVICES		-	-	-

AK	MI HEALTH LINK SERVICES - Summary From FSR - MI Health Link Worksheet				
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		-	-	-

RES	RESTRICTED FUND BALANCE ACTIVITY				
RES 190	TOTAL REVENUE		-		
RES 390	TOTAL Redirected Funds		-		
RES 400	BALANCE RESTRICTED FUND		-	-	-

MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)

EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID

FOR THE YEAR ENDED SEPTEMBER 30, 2017

CMHSP: **Northeast CMHSP**

B		GENERAL FUND			
B	100	REVENUE			
B	101	CMH Operations		809,887	809,887
B	102	Categorical			-
B	120	Subtotal - Current Period General Fund Revenue		809,887	809,887
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		31,469	31,469
B	140	Subtotal - Other General Fund Revenue		31,469	31,469
B	190	TOTAL REVENUE		841,356	841,356
B	200	EXPENDITURE			
B	201	100% MDHHS Matchable Services / Costs		357,352	357,352
B	202	100% MDHHS Matchable Services Based on CMHSP Local Match Cap		-	-
B	203	90% MDHHS Matchable Services / Costs - REPORTED	426,326		
		90% MDHHS Matchable Services / Costs - EXAMINATION ADJUSTMENTS			
		90% MDHHS Matchable Services / Costs - EXAMINED TOTAL	\$ 426,326	383,693	383,693
B	204	Intentionally left blank			
B	205	Intentionally left blank			
B	290	TOTAL EXPENDITURE		741,045	741,045
B	295	NET GENERAL FUND SURPLUS (DEFICIT)		100,311	100,311
B	300	Redirected Funds (To) From			
B	301	(TO) Medicaid - Redirected for Unfunded Medicaid Costs - A331 (PIHP use only)		-	-
B	301.1	(TO) Healthy Michigan - Redirected for Unfunded Healthy Michigan Costs - AI331 (PIHP use only)		-	-
B	301.2	(TO) SUD Non-Medicaid - Redirected for Unfunded SUD Non-Medicaid Services AC331 (PIHP use only)		-	-
B	301.3	(TO) MI Health Link - Redirected for Unfunded MI Health Link Costs - AK331 (PIHP use only)		-	-
B	301.4	(TO) Health Home Services - Redirected for Unfunded Health Home Services AG331 (PIHP use only)		-	-
B	304	(TO) Targeted Case Management - D301		-	-
B	305	(TO) GF Cost of SED - E301		-	-
B	306	(TO) GF Cost of SED - Not SED Waiver eligible - E303		-	-
B	308	(TO) GF Cost of Children's Waiver - F301		(2,505)	(2,505)
B	309	(TO) Allowable GF Cost of Injectable Medications - G301		-	-
B	310	(TO) PIHP to Affiliate Medicaid Services Contracts - I304		-	-
B	310.1	(TO) PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - IA304		-	-
B	310.3	(TO) PIHP to Affiliate Health Home Services Contracts - IC304		-	-
B	310.4	(TO) PIHP to Affiliate MI Health Link Services Contracts - ID304		-	-
B	312	(TO) CMHSP to CMHSP Earned Contracts - J305 (explain - section Q)		(26,752)	(26,752)
B	313	FROM CMHSP to CMHSP Earned Contracts - J302			-
B	314	FROM Non-MDHHS Earned Contracts - K302			-
B	330	Subtotal Redirected Funds rows 301 - 314		(29,257)	(29,257)
B	331	FROM Local Funds - M302			-
B	332	FROM Risk Corridor - N303			-
B	390	Total Redirected Funds		(29,257)	(29,257)
B	400	BALANCE GENERAL FUND (cannot be < 0)		71,054	71,054

MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)

EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID

FOR THE YEAR ENDED SEPTEMBER 30, 2017

CMHSP:	Northeast CMHSP			
OTHER GF CONTRACTUAL OBLIGATIONS				

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

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

F	CHILDREN'S WAIVER			
F 190	Revenue	25,649		25,649
F 290	Expenditure	28,154		28,154
F 295	NET CHILDREN'S WAIVER (cannot be > 0)	(2,505)	-	(2,505)
F 300	Redirected Funds (To) From			
F 301	FROM General Fund - B308	2,505		2,505
F 302	FROM Local Funds - M308			-
F 303	FROM Activity not otherwise reported - O301			-
F 390	Total Redirected Funds	2,505	-	2,505
F 400	BALANCE CHILDREN'S WAIVER (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, 2017

CMHSP: **Northeast CMHSP**

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

OTHER FUNDING

MDHHS EARNED CONTRACTS			
H	100	REVENUE	
H	101	PASARR	97,979
H	102	DHHS Block Grants for CMH services	-
H	103	DD Council Grants	-
H	104	PATH/Homeless	26,417
H	105	Prevention	-
H	106	Aging	-
H	107	HUD Shelter Plus Care	-
H	108	Multicultural Integration	-
H	150	Other MDHHS Earned Contracts (describe):	-
H	151	Other MDHHS Earned Contracts (describe):	-
H	190	TOTAL REVENUE	124,396
H	200	EXPENDITURE	
H	201	PASARR	97,979
H	202	DHHS Block Grants for CMH services	-
H	203	DD Council Grants	-
H	204	PATH/Homeless	26,417
H	205	Prevention	-
H	206	Aging	-
H	207	HUD Shelter Plus Care	-
H	208	Multicultural Integration	-
H	250	Other MDHHS Earned Contracts (describe):	-
H	251	Other MDHHS Earned Contracts (describe):	-
H	290	TOTAL EXPENDITURE	124,396
H	400	BALANCE MDHHS EARNED CONTRACTS (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, 2017

CMHSP: **Northeast CMHSP**

PIHP to AFFILIATE MEDICAID SERVICES CONTRACTS - CMHSP USE ONLY			
I		REVENUE	
I	100	Revenue - from PIHP Medicaid	22,654,145
I	104	Revenue - from PIHP Healthy Michigan Plan	1,271,677
I	122	1st & 3rd Party Collections - Medicare/Medicaid Consumers - Affiliate	529,900
I	123	1st & 3rd Party Collections - Healthy Michigan Plan Consumers - Affiliate	-
I	190	TOTAL REVENUE	24,455,722
I	201	Expenditure - Medicaid	23,184,045
I	202	Expenditure - Healthy Michigan Plan	1,271,677
I	203	Expenditure - MI Health Link (Medicaid) Services	-
I	290	TOTAL EXPENDITURE	24,455,722
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	390	Total Redirected Funds	-
I	400	BALANCE PIHP to AFFILIATE MEDICAID SERVICES CONTRACTS (must = 0)	-

PIHP to AFFILIATE SUBSTANCE USE DISORDER (NON-MEDICAID) CONTRACTS - CMHSP USE ONLY			
IA		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-MEDICAD) SERVICES CONTRACTS (must = 0)	-

PIHP to AFFILIATE AUTISM BENEFIT SERVICES CONTRACTS - CMHSP USE ONLY			
IB		REVENUE	
IB	101	Revenue - from PIHP	774,135
IB	122	1st & 3rd Party Collections - Autism Benefit Consumers - Affiliate	-
IB	190	TOTAL REVENUE	774,135
IB	200	EXPENDITURE	
IB	201	Expenditure	774,135
IB	290	TOTAL EXPENDITURE	774,135
IB	400	BALANCE PIHP to AFFILIATE AUTISM BENEFIT SERVICES CONTRACTS (must = 0)	-

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 (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, 2017

CMHSP:	Northeast CMHSP		
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 - M309.3		-
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	105,642	105,642
J 290	Expenditure	132,394	132,394
J 295	NET CMHSP to CMHSP EARNED CONTRACTS SURPLUS (DEFICIT)	(26,752)	(26,752)
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	26,752	26,752
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	26,752	26,752
J 400	BALANCE CMHSP to CMHSP EARNED CONTRACTS (must = 0)	-	-

K	NON-MDHHS EARNED CONTRACTS		
K 190	Revenue	58,777	58,777
K 290	Expenditure	56,665	56,665
K 295	NET NON-MDHHS EARNED CONTRACTS SURPLUS (DEFICIT)	2,112	2,112
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	(2,112)	(2,112)
K 305	FROM Local Funds - M311		-
K 390	Total Redirected Funds	(2,112)	(2,112)
K 400	BALANCE NON-MDHHS EARNED CONTRACTS (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, 2017

CMHSP:	Northeast CMHSP			
L	Intentionally left Blank			

M		LOCAL FUNDS			
M	100	REVENUE			
M	101	County Appropriation for Mental Health	266,638		266,638
M	102	County Appropriation for Substance Abuse - Non Public Act 2 Funds			-
M	103	Section 226 (a) Funds	167,344	-	167,344
M	104	Affiliate Local Contribution to State Medicaid Match Provided from CMHSP (PIHP only)			-
M	105	Medicaid Fee for Service Adjuster Payments			-
M	106	Local Grants			-
M	107	Interest	10,409		10,409
M	109	SED Partner			-
M	110	All Other Local Funding	55,274		55,274
M	190	TOTAL REVENUE	499,665	-	499,665
M	200	EXPENDITURE			
M	201	GF 10% Local Match	42,633	-	42,633
M	202	Reported Local match cap amount			
		Examination Adjustment Local match cap amount			
		Local match cap amount	\$ -		
M	203	GF Local Match Capped per MHC 330.1308	-	-	-
M	204	Local Cost for State Provided Services	63,227		63,227
M	205	Local Contribution to State Medicaid Match (CMHSP Contribution Only)	250,088		250,088
M	206	Local Contribution to State Medicaid Match on Behalf of Affiliate (PIHP Only)			-
M	207	Local Match to Grants and MDHHS Earned Contracts			-
M	209	Local Only Expenditures	32,251		32,251
M	290	TOTAL EXPENDITURE	388,199	-	388,199
M	295	NET LOCAL FUNDS SURPLUS (DEFICIT)	111,466	-	111,466
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) MI Health Link - AK332 (PIHP use only)	-	-	-
M	301.4	(TO) Health Home Services - AG332 (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	309.2	(TO) PIHP to Affiliate SUD (Non-Medicaid) Services Contracts - IA306	-	-	-
M	309.3	(TO) PIHP to Affiliate MI Health Link Services Contracts - ID306	-	-	-
M	309.4	(TO) PIHP to Affiliate Health Home Services Contracts - IC306	-	-	-
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	2,112		2,112
M	390	Total Redirected Funds	2,112	-	2,112
M	400	BALANCE LOCAL FUNDS	113,578	-	113,578

MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED FINANCIAL STATUS REPORT - ALL NON MEDICAID
FOR THE YEAR ENDED SEPTEMBER 30, 2017

CMHSP: **Northeast CMHSP**

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			-
N	190	TOTAL REVENUE	-	-	-
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	302	(TO) Medicaid Services - MDHHS Share - A334 (PIHP use only)	-	-	-
N	302.1	(TO) Healthy Michigan - MDHHS Share - AI334 (PIHP use only)	-	-	-
N	303	(TO) General Fund - B332	-	-	-
N	390	Total Redirected Funds	-	-	-
N	400	BALANCE RISK CORRIDOR (must = 0)	-	-	-

O		ACTIVITY NOT OTHERWISE REPORTED			
O	100	REVENUE			
O	101	Other Revenue (describe):	59,598		59,598
O	102	Other Revenue (describe):			-
O	103	Other Revenue (describe):			-
O	190	TOTAL REVENUE	59,598	-	59,598
O	200	EXPENDITURE			
O	201	Other Expenditure (describe):	59,598		59,598
O	202	Other Expenditure (describe):			-
O	203	Other Expenditure (describe):			-
O	290	TOTAL EXPENDITURE	59,598	-	59,598
O	295	NET ACTIVITY NOT OTHERWISE REPORTED SURPLUS (DEFICIT)	-	-	-
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	-	-	-

P		GRAND TOTALS			
P	190	GRAND TOTAL REVENUE	26,944,940	-	26,944,940
P	290	GRAND TOTAL EXPENDITURE	26,760,308	-	26,760,308
P	390	GRAND TOTAL REDIRECTED FUNDS (must = 0)	-	-	-
P	400	NET INCREASE (DECREASE)	184,632	-	184,632

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		M101: Alcona County \$35,244, Alpena County \$150,215, Montmorency County \$31,435, Presque isle County \$49,764 = \$266,638. P400 represents M400 local funds preserved plus B400 General Fund allowable Carryforward to FY18 and lapse to MDHHS.
Q		
Q		
Q		
Q		
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Q		

**MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED GENERAL FUND CONTRACT RECONCILIATION AND CASH SETTLEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

CMHSP: Northeast CMHSP

1. General Fund Services - Available Resources		Funding Resources
a.	CMH Operations (FSR B 101)	809,887
b.	Categorical	-
c.	Intentionally left blank	
d.	Sub-Total General Fund Contract Authorization	\$ 809,887
e.	1st & 3rd Party Collections (FSR B 121 + B 122)	-
f.	Prior Year GF Carry-Forward (FSR B 123)	31,469
g.	Intentionally left blank	
h.	Redirected CMHSP to CMHSP Contracts (FSR B 313)	-
i.	Redirected Non-MDHHS Earned Contracts (FSR B 314)	-
j.	Sub-Total Other General Fund Resources	\$ 31,469
k.	Local 10% Associated to 90/10 Services (FSR M 201)	42,633
l.	Local 10% Match Cap Adjustment (FSR M 203)	-
m.	Sub-Total Local 10% Associated to 90/10 Services	\$ 42,633
n.	Total General Fund Services - Resources	\$ 883,989

3. Summary of Resources / Expenditures		Amount
a.	Total General Fund Services - Resources	883,989
b.	Total General Fund Services - Expenditures	812,935
c.	Sub-Total General Fund Services Surplus (Deficit)	\$ 71,054
d.	Less: Forced Lapse to MDHHS (GF work sheet 5 d column F)	(10,000)
e.	Net General Fund Services Surplus (Deficit)	\$ 61,054

4. Disposition:		Amount
a. Surplus		
b.	Transfer to Fund Balance - GF Carry-Forward Earned	(40,494)
c.	Transfer to Fund Balance - GHS - Crisis Counseling - GF Carry-Forward	-
d.	Lapse to MDHHS - Contract Settlement	(20,560)
e.	Total Disposition - Surplus	\$ (61,054)

f. Deficit		
g.	Redirected from Local (FSR B 331)	-
h.	Redirected from risk corridor (FSR B 332)	-
i.	Total Disposition - Deficit	\$ -

5. Cash Settlement: (Due MDHHS) / Due CMHSP		Amount
a.	Forced Lapse to MDHHS	(10,000)
b.	Lapse to MDHHS - Contract Settlement	(20,560)
c.	Return of Prior Year General Fund Carry-Forward	
d.	Intentionally left blank	
e.	Contract Authorization - Late Amendment	-
f.	Intentionally left blank	
g.	Misc: (please explain)	
h.	Total Cash Settlement: (Due MDHHS) / Due CMHSP	\$ (30,560)

2. General Fund Services - Expenditures		90/10 - Local Cap	Expenditures
a.	100% MDHHS Matchable Services (FSR B 201)		357,352
b.	100% MDHHS Matchable Services - CMHSP Local Match Cap (FSR B 202)		-
c.	90/10% MDHHS Matchable Services (FSR B 203 Column A)	426,326	
d.	Local 10% Match Cap Adjustment (FSR M 203)	-	426,326
e.	Intentionally left blank		
f.	Intentionally left blank		
g.	Sub-Total General Fund Services - Expenditures		\$ 783,678
h.	GF Supplement for Unfunded Medicaid - (PIHP use only) (FSR B 301)		-
i.	GF Supplement for Unfunded Healthy Michigan - (PIHP use only) (FSR B 301.1)		-
j.	GF Supplement for SUD (Non-Medicaid) Services (PIHP use only) (FSR B 301.2)		-
k.	GF Supplement for Unfunded MI Health Link - (PIHP use only) (FSR B 301.3)		-
l.	GF Supplement for Unfunded Health Home Services (PIHP use only) (FSR B 301.4)		-
m.	GF Supplement for Unfunded Targeted Case Management (FSR B 304)		-
n.	GF Supplement for SED (FSR B 305 + B 306)		-
o.	GF Supplement for Children's Waiver (FSR B 308)		2,505
p.	GF Supplement for Injectable Medications (FSR B 309)		-
q.	GF Supplement for PIHP to Affiliate Medicaid Services Contracts (FSR B 310)		-
r.	GF Supplement for PIHP to Affiliate SUD (Non-Medicaid) Services Contracts (FSR B 310.1)		-
s.	Intentionally left blank		
t.	GF Supplement for PIHP to Affiliate Health Home Services Contracts (FSR B 310.3)		-
u.	GF Supplement for PIHP to Affiliate MI Health Link Services Contracts (FSR B 310.4)		-
v.	GF Supplement for CMHSP to CMHSP Contracts (FSR B 312)		26,752
w.	Sub-Total General Fund Services Supplement - Expenditures		\$ 29,257
x.	Total General Fund Services - Expenditures		\$ 812,935

6. General Fund MDHHS Commitment		
a.	MDHHS / CMHSP Contract Funded Expenditures	738,833
b.	Earned General Fund Carry-Forward	40,494
c.	Categorical Crisis Counseling - (GHS Only) Carry-Forward	-
d.	Total MDHHS General Fund Commitment	\$ 779,327

Examined Cash Settlement and MDHHS Commitment			
		Cash Settlement	Carry Forward
Examined Original		\$ (30,560)	\$ 40,494
Increase (Decrease)		\$ (30,560)	\$ 40,494
Comments:			

**MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
EXAMINED GENERAL FUND CONTRACT SETTLEMENT WORKSHEET
FOR THE YEAR SEPTEMBER 30, 2017**

CMHSP: Northeast CMHSP

1. General Fund (Formula and Categorical Funding)	Contract Authorization	Cash Received			Amount Due CMHSP / (MDHHS) Cash Settlement
		Through 9/30	After 9/30 Prior to Settlement	Total	
a. CMH Operations	809,887	809,887		809,887	-
b. Categorical	-			-	-
c. Total Current FY GF Authorization / Cash Received / Cash Settlement	\$ 809,887	\$ 809,887	\$ -	\$ 809,887	\$ -

2. Current Year - General Fund Carry-Forward - Maximum	Contract Authorization	Maximum C/F
a. CMH Operations	809,887	
b. Total Current Year Maximum Carry-Forward	\$ 809,887	\$ 40,494

3. Prior Year - General Fund Carry-Forward	FY	If balance of Prior Year GF Carry-Forward is not zero, balance must be explained
a. Prior Year GF Carry-Forward Earned	31,469	
b. Prior Year GF Carry-Forward (FSR B 123)	31,469	
c. Balance of Prior Year General Fund Carry-Forward	\$ -	

4. Categorical - Crisis Counseling - (GHS Only)	Amount
a. Authorization / Carry Forward	-
b. Expenditures	
c. Balance of Categorical - (GHS use only) Carry-Forward	\$ -

5. Categorical - Categories	Authorization	Expenditures	Lapse	Cost Above Authorizations
a. Assisted Outpatient Treatment (AOT)	10,000		(10,000)	-
b. Other Funding - Please explain			-	-
c. Other Funding - Please explain			-	-
d. Totals	\$ 10,000	\$ -	\$ (10,000)	\$ -

6. Narrative: Both CRCS and Contract Settlement Worksheet

5.1 Assisted Outpatient Treatment (AOT) - Local courts refused involvement in the AOT program. Thus, these funds identified as Operation Base Changes on authorizations received are being returned.

Explanation of Accrual and Examination Adjustments

EXAMINED SPECIAL FUND ACCOUNT
For Recipient Fees and Third-Party Reimbursement

As Added to Mental Health Code per PA 423, 1980
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

CMHSP: Northeast CMHSP

Part A: Mental Health Code (MHC) 330.1311 - County Funding Level

	REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTAL
1. County Funding - 1979/1980	\$ 83,304		\$ 83,304
2. County Funding - Current Fiscal Year	\$ 266,638		\$ 266,638

Part B: Mental Health Code (MHC) 330.1226a - Cash Collections
Year to Date by Service Category and Source

Service Category	(1) Individuals Relatives	(2) Insurers Including Medicare	(3) Medicaid Health Plan Organizations	Reported	EXAMINATION ADJUSTMENTS	EXAMINED TOTAL
1. Inpatient Services	\$ -	\$ -		\$ -		\$ -
2. Residential Services	\$ -	\$ -		\$ -		\$ -
3. Community Living Services	\$ 9	\$ 36,607		\$ 36,616		\$ 36,616
4. Outpatient Services	\$ 2,507	\$ 128,221	\$ -	\$ 130,728		\$ 130,728
5. Total	\$ 2,516	\$ 164,828	\$ -	\$ 167,344	\$ -	\$ 167,344

Part C: Mental Health Code (MHC) 330.1226a - Cash Collections
Quarterly Summary

	REPORTED	EXAMINATION ADJUSTMENTS	EXAMINED TOTALS
1. First Quarter	\$ 49,825		\$ 49,825
2. Second Quarter	\$ 60,210		\$ 60,210
3. Third Quarter	\$ 42,002		\$ 42,002
4. Fourth Quarter	\$ 15,307		\$ 15,307
5. Total	\$ 167,344	\$ -	\$ 167,344

Explanation of Accrual and Examination Adjustments

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT 1915(b)/(c) WAIVER
PROGRAM CONTRACT
AND
MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
FINANCIAL STATUS REPORT BUNDLE**

PIHP:	-	FISCAL YEAR:	FY 16 / 17
CMHSP:	Northeast CMHSP	SUBMISSION TYPE:	YE Final
		SUBMISSION DATE:	2/28/2018

- Instructions:
- 1) Saved the Report Certification, with authorized signature and contact information, as a PDF document.
 - 2) Open the Report Certification PDF in Adobe Reader
 - 3) In Adobe Reader, click on EDIT
 - 4) Still in Adobe Reader, click on Copy File to Clipboard
 - 5) Place curser in cell A19
 - 6) Click on Paste
 - 7) Size document (enlarge to approximately row 75 and just shy of column F)

UNABLE TO COPY CERTIFICATION HERE. ERROR MESSAGE STATED "MICROSOFT EXCEL CANNOT PASTE THE DATA"

SEE SEPARATE PDF FILE UNDER SEPARATE COVER.

UNABLE TO ENTER SUBMISSION DATE: PROTECTED CELL

**MDHHS/PIHP MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT 1915(b)/(c) WAIVER
PROGRAM CONTRACT
AND
MDHHS/CMHSP MANAGED MENTAL HEALTH SUPPORTS AND SERVICES CONTRACT (GF)
FINANCIAL STATUS REPORT BUNDLE**

PIHP:	-	FISCAL YEAR:	FY 16 / 17
CMHSP:	Northeast CMHSP	SUBMISSION TYPE:	YE Final
		SUBMISSION DATE:	2/28/2018

The "Additional Narrative" tab of the FSR Bundle should be utilized to provide additional narrative explanation regarding any entry or activity where additional information would be beneficial when the narrative section of the individual form was not sufficient.

Column Instructions:	
FORM (FSR Bundle Tab):	Select the appropriate Form (FSR Bundle Tab) from the drop down menu.
Row Reference:	Enter the row reference that the additional narrative refers to.
Narrative:	Enter narrative explanation regarding any entry or activity where additional information would be beneficial.

FORM (FSR Bundle Tab)	Row Reference	Narrative
SELECT	CERTIFICATION	PASTED CERTIFICATION PAGE - UNABLE TO ENTER SUBMISSION DATE INTO PROTECTED CELL. UNABLE TO COPY/PASTE CERTIFICATION DUE TO PROTECTED CELL. SEE CERTIFICATIONS SUBMITTED SEPARATELY.

FORM (FSR Bundle Tab)	Row Reference	Narrative
SELECT		

FORM (FSR Bundle Tab)	Row Reference	Narrative
SELECT		

FORM (FSR Bundle Tab)	Row Reference	Narrative
SELECT		

FORM (FSR Bundle Tab)	Row Reference	Narrative
SELECT		

Northeast Michigan Community Mental Health Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2017

SECTION I - SUMMARY OF ACCOUNTANT’S RESULTS

Medicaid Program

Type of accountant’s report issued on compliance: Unmodified

Internal control over Medicaid program:
Material weakness(es) identified? Yes X No

Significant deficiency(s) identified not considered
to be material weaknesses? Yes X None reported

Material noncompliance with the provisions of laws,
regulations, or programs noted? Yes X No

Known fraud identified? Yes X No

General Fund Program

Type of accountant’s report issued on compliance: Unmodified

Internal control over General Fund program:
Material weakness(es) identified? Yes X No

Significant deficiency(s) identified not considered
to be material weaknesses? Yes X None reported

Material noncompliance with the provisions of laws,
regulations, or programs noted? Yes X No

Known fraud identified? Yes X No

CMHS Block Grant Contract

Not applicable

Northeast Michigan Community Mental Health Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – (continued)

For the Year Ended September 30, 2017

SECTION II - CURRENT YEAR FINDINGS AND QUESTIONED COSTS

None reported.

SECTION III - EXAMINATION ADJUSTMENTS

None reported.

SECTION IV - PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None reported.

Northeast Michigan Community Mental Health Authority

COMMENTS AND RECOMMENDATIONS

For the Year Ended September 30, 2017

None reported.