

INTEGRATED
SERVICES OF
KALAMAZOO



FY 2023 Budget

**Integrated Services of Kalamazoo
Fiscal Year 2023 Budget
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Integrated Services of Kalamazoo

Fiscal Year 2023 Budget

Executive Summary

The past few years have presented many changes to Integrated Service of Kalamazoo and the Statewide public mental health system. We are still significantly impacted by the COVID-19 pandemic. While some services have returned to previous levels, some are nowhere near their pre-pandemic levels. It is becoming more clear that some of these service shifts are a result of changing community needs and we must revisit the way services are provided. Currently we are still able to provide a robust array of services via telehealth, through both video or audio. After the pandemic, we believe we will be able to provide a much more limited array of services via telehealth and only provided through video platforms.

The economic changes in the last year have also impacted ISK. Inflation and employee shortages are impacting ISK and all service providers. Our system is continually advocating for solutions to a growing crisis: an inability to attract, hire, and retain qualified individuals to provide critical and necessary services. This is particularly true for Direct Care Workers and Masters level Social Workers. In late FY 2022, ISK approved increases to all staff wages to become more competitive in the labor market. We have also included in the FY 2023 budget, provider rate increases of 5% for most providers and 15% for Designated Collaborative Organizations (DCOs) that partner with ISK in the CCBHC demonstration. The State's DCW supplement of \$2.35 is also continued into FY 2023, along with ISK's initiative to ensure that all staff in the system are paid at least \$15 per hour.

Despite these system challenges, MDHHS and ISK have continued to move forward with the implementation of Certified Community Behavioral Health Clinics (CCBHC). In 2016, MDHHS applied to the Centers for Medicare & Medicaid Services (CMS) to become a CCBHC Demonstration state under Section 223 of the federal Protecting Access to Medicare Act of 2014 (PAMA). That request was approved on August 5, 2020, when the federal CARES Act of 2020 authorized two additional states—Michigan and Kentucky—to join the demonstration. As a result, MDHHS was approved for a two-year demonstration with an anticipated implementation start date of October 1, 2021. The CMS CCBHC Demonstration requires states and their certified sites to provide a robust set of coordinated, integrated, and comprehensive services to all persons with any mental illness or substance use disorder diagnosis. Moreover, the demonstration requires and emphasizes 24/7/365 crisis response services (e.g., mobile crisis services). Other critical elements include but are not limited to strong accountability in terms of financial and quality metric reporting; formal coordination with primary and other care settings to provide intensive care management and transitions; linkage to social services, criminal justice/law enforcement, and educational systems; and an emphasis on providing services to veterans and active-duty service members.

To account for these requirements, the state created a PPS reimbursement structure that finances CCBHC services at an enhanced payment rate to properly cover costs and offer greater financial predictability and viability. The PPS is integral to sustaining expanded services, investments in the technological and social determinants of care, and serving all eligible Michiganders regardless of insurance or ability to pay. CCBHC implementation required extensive re-engineering of our system and conceptual changes in the role of Providers (called Designated Collaborating Organizations under CCBHC rules). In FY 2022, ISK began evaluating the changes necessary to operationalized CCBHC. This involved establishing data analytics to track and monitor data in a new way. Changes to financial reporting and reconciliation predict and report under a new

funding model. We are also working toward implementing a new electronic health record October 1, 2022 that will allow us to report and bill services under CCBHC.

Budget Overview

The fiscal year budget that runs from October 1, 2022 through September 30, 2023 (FY '23 Budget) uses pre-COVID-19 trends in services and costs adjusted for increases and decreases to services that have increased and/or not rebounded from COVID 19 reductions. The recommended budget for FY '23 uses the same format (PIHP and ISK Risk) as FY '22 to reflect our current operational and financial dynamics. COVID 19 strategies, particularly the reliance on telehealth services, have been incorporated into this budget to the extent possible. In a few service areas that are still significantly impacted, we are no longer able to carry the overhead cost of the services at the pre-COVID level costs with the significantly reduced units. In those cases, we have been working with those providers to develop a funding strategy for FY 2021 and beyond.

The most significant changes can be summarized as follows:

- This is an annual budget, with estimated revenues numbers. Southwest Michigan Behavioral Health (SWMBH) has provided the estimated revenues for Medicaid, Healthy Michigan, and Autism. MDHHS still has a moratorium which mandates that Medicaid enrollees cannot lose their Medicaid benefits during the pandemic. We believe MDHHS/SWMBH used the higher Medicaid enrollee number for the estimation of revenues. Additionally, MDHHS/SWMBH revenue projections include a \$2.35/hour direct care wage increase.
- Included in the budget is the 11% increase for ISK staff approved in late FY 2022.
- Most providers will receive a 5% rate increase for non-CCBHC services.
- DCO's will receive an additional increase of 10% to cover administrative requirements of CCBHC.
- ABA services rates are still being set by the State and ISK will pay providers at the determined rates.
- In 2022, ISK provided local providers of CLS and Specialized Residential services the opportunity increase DCW wages to a minimum base level of \$15.00/hour and increased rates accordingly for those that took advantage of that opportunity. This has continued in FY 2023.

For our reporting purposes, we continue to separate our financial reporting to segregate Medicaid and unrestricted net position. Segregating the Medicaid funded services accurately reflects that SWMBH bears this financial risk for this area of our budget. The unrestricted net position segregation more accurately reflects that the State General Fund, CCBHC, and all other funding sources are our financial risk that ultimately impacts our unrestricted net position. With the implementation of CCBHC, this amount represents 42% of the FY '23 budget. 68% of the ISK financial risk revenue comes from CCBHC. We are projecting that CCBHC revenue will decrease compared to FY 2022 as the state re-sets the PPS-1 rate paid to ISK. Regardless, we are projecting a surplus of revenue over expenses that will increase our net position. 8% of the ISK financial risk revenue comes from State General Fund to support individuals who do not qualify for the Medicaid specialty services or who are under-insured. A small percentage of State General Fund dollars can be carried forward into the next fiscal year if they are unspent in the current fiscal year. We have budgeted up to the maximum amount of General Fund dollars as carry forward into the FY24 year as we are not projecting that we will spend those dollars in FY23.

The portion of ISK Financial Risk comes from a variety of sources, including State and Federal Grants and County Allocation which provides some Federal matching dollars. We are projecting a small deficit (\$263,718) in Other Funding sources in the budget. We can use other projected increases in net position from CCBHC to off-set this deficit. The total projected increase in net position for FY 2023 is \$2,153,922.

Finally, it's important to note that this recommendation for budget adoption is only the start of an on-going financial process that will extend throughout the fiscal year. We will continue to provide monthly financial reports to track actual experience throughout FY 2023.

INTEGRATED SERVICES OF KALAMAZOO

FY 2023 Proposed Budget

As Presented for Public Hearing and Board Adoption

	Amended 2022 BUDGET	Proposed 2023 BUDGET	Remaining Difference
Operating revenue			
Medicaid:			
Traditional Capitation	\$ 63,309,236	\$ 62,588,107	\$ 721,129
Healthy Michigan Capitation	10,040,766	10,155,033	(114,267)
Autism Capitation	6,474,379	5,722,701	751,678
Settlement	(71,052)	(11,458,363)	11,387,311
State General Fund:			
Formula Fundings	3,826,552	3,900,517	(73,965)
PY General Fund Carryforward	173,931	-	173,931
CCBHC Demonstration	-	33,381,000	(33,381,000)
County Allocation	1,550,400	1,550,400	-
Client Fees	435,500	426,000	9,500
SUD Block Grant	111,957	-	111,957
Other grant revenue	21,306,287	7,354,156	13,952,131
Other earned contracts	1,162,454	909,829	252,625
COFR	28,150	(6,250)	34,400
Interest	69,250	1,000	68,250
Local revenue	10,000	10,000	-
Total operating revenue	\$ 108,427,810	\$ 114,534,130	\$ (6,106,320)
Operating expenses			
Salaries and wages	\$ 20,765,385	\$ 24,113,672	\$ (3,348,287)
Employee benefits	7,448,927	8,670,498	(1,221,571)
Staff development	215,589	223,625	(8,036)
Payments to providers	60,615,677	68,968,243	(8,352,566)
Administrative contracts	16,629,895	7,789,466	8,840,429
IT software and equipment	296,117	765,010	(468,893)
Client transportation	25,410	29,260	(3,850)
Staff travel	376,891	316,812	60,079
Office expenses	440,777	415,023	25,754
Insurance expense	94,481	97,505	(3,024)
Depreciation expense	404,507	560,142	(155,635)
Utilities	838,400	306,573	531,827
Facilities	175,879	124,379	51,500
Total operating expenses	\$ 108,327,935	\$ 112,380,208	\$ (4,052,273)
Change in net position	99,875	2,153,922	\$ (2,054,047)

INTEGRATED SERVICES OF KALAMAZOO

FY 2023 Proposed Budget - SWMBH Risk
FY 2023 Budget

	Specialty Services	Healthy Michigan	Autism	SUD Block Grant	Totals
Operating revenue					
Medicaid:					
Traditional Capitation	\$ 62,588,107	\$ -	\$ -	\$ -	\$ 62,588,107
Healthy Michigan Capitation	-	10,155,033	-	-	10,155,033
Autism Capitation	-	-	5,722,701	-	5,722,701
Settlement Estimate	(6,508,133)	(5,444,043)	493,813	-	(11,458,363)
Client Fees	426,000	-	-	-	426,000
Total operating revenue	\$ 56,505,974	\$ 4,710,990	\$ 6,216,514	\$ -	\$ 67,433,478
Operating expenses					
Youth Programs	\$ 3,462,670	\$ -	\$ 5,887,140	\$ -	\$ 9,349,810
MIA Programs	15,690,794	4,046,536	-	-	19,737,330
IDDA Programs	33,462,197	294,136	-	-	33,756,333
Integrated Health Clinic	896,416	120,713	-	-	1,017,129
Delegated Managed Care Administration	2,993,897	249,606	329,374	-	3,572,876
Total operating expenses	\$ 56,505,974	\$ 4,710,990	\$ 6,216,514	\$ -	\$ 67,433,478
Change in net position	(0)	(0)	(0)	-	\$ (0)

INTEGRATED SERVICES OF KALAMAZOO

FY 2023 Proposed Budget - CMH Risk

FY 2023 Budget

	State General Fund	CCBHC	Other Funding Sources	Totals
Operating revenue				
General Fund	\$ 3,900,517	\$ -	\$ -	\$ 3,900,517
CCBHC Demonstration	-	33,381,000	-	33,381,000
Other Federal and State Grants	-	-	7,354,156	7,354,156
Earned Revenue	-	-	909,829	909,829
COFR Revenue	-	-	(6,250)	(6,250)
Interest	-	-	1,000	1,000
County Allocation	-	-	1,550,400	1,550,400
Local Revenue	-	-	10,000	10,000
Transfer from GF	-	-	2,261,779	2,261,779
Total operating revenue	<u>\$ 3,900,517</u>	<u>\$ 33,381,000</u>	<u>\$ 12,080,914</u>	<u>\$ 49,362,431</u>
Operating expenses				
Youth Programs	\$ 165,919	\$ 3,439,404	\$ -	\$ 3,605,323
MIA Programs	820,009	13,117,909	330,750	14,268,668
IDDA Programs	316,272	2,413,890	178,386	2,908,549
Integrated Health Clinic	75,101	3,926,510	-	4,001,612
DCO Contracts	-	6,609,784	-	6,609,784
Other Federal and State Grants	-	-	8,309,877	8,309,877
HUD Grants	-	-	1,634,174	1,634,174
Managed Care Administration	66,411	1,650,887	39,131	1,756,430
Homeless Shelter	-	-	436,749	436,749
Transfer from GF	2,261,779	-	-	2,261,779
Local match expense	-	-	1,274,975	1,274,975
Non-DCH Activity Expenditures	-	-	140,589	140,589
Total operating expenses	<u>\$ 3,705,492</u>	<u>\$ 31,158,385</u>	<u>\$ 12,344,632</u>	<u>\$ 47,208,509</u>
Change in net position	195,025	2,222,615	(263,718)	\$ 2,153,922

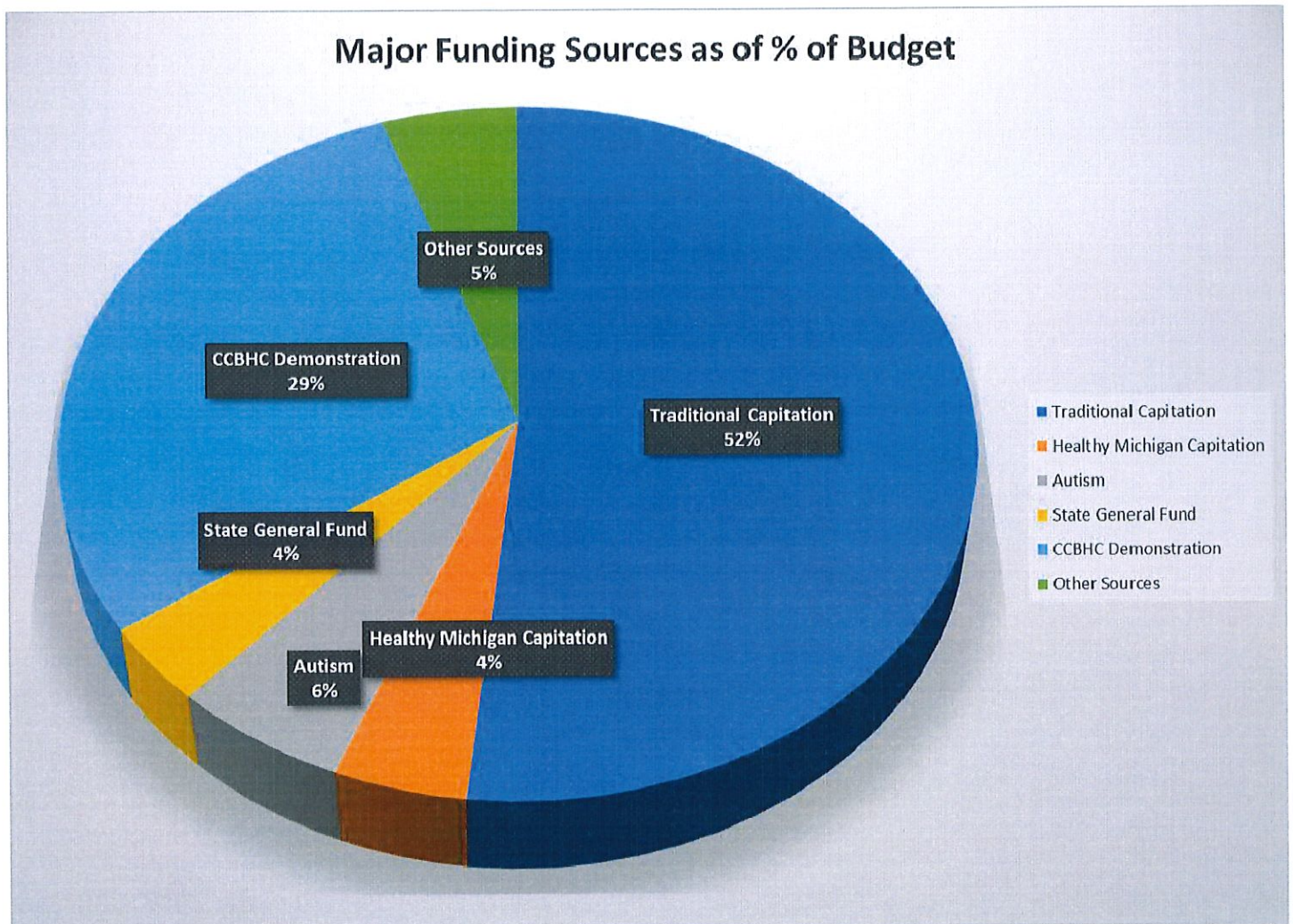
INTEGRATED SERVICES OF KALAMAZOO

FY 2023 Proposed Budget - CCBHC Calculation

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 7,123,104	\$ -	\$ -	\$ 7,123,104
Remaining CCBHC revenue due	20,634,696	5,623,200	-	26,257,896
Total CCBHC Revenue (PPS-1 of \$375 x encounters)	<u>\$ 27,757,800</u>	<u>\$ 5,623,200</u>	<u>\$ -</u>	<u>\$ 33,381,000</u>
Operating expenses				
Internal services	\$ 19,211,326	\$ 3,891,848	\$ 1,445,428	\$ 24,548,601
DCO Contracts	5,172,707	1,047,892	389,186	6,609,784
Total operating expenses	<u>\$ 24,384,033</u>	<u>\$ 4,939,739</u>	<u>\$ 1,834,613</u>	<u>\$ 31,158,385</u>
Operating change in net position	3,373,767	683,461	(1,834,613)	2,222,615
Reclassification to cover Non-Medicaid	(1,834,613)	-	1,834,613	-
Total change in net position	1,539,154	683,461	-	2,222,615

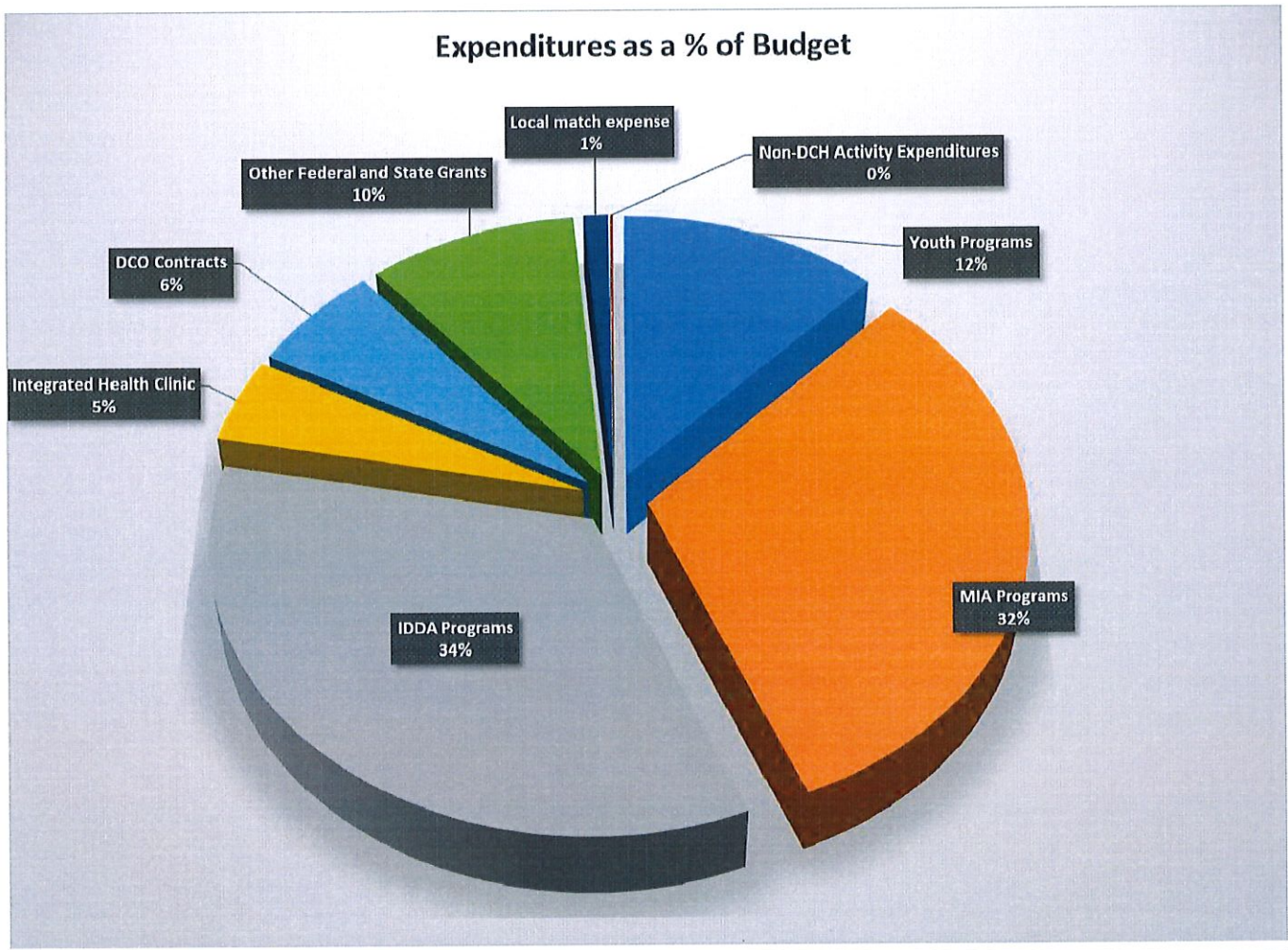
Integrated Services Fiscal Year '23 Budget

Various Revenue As % of Budget

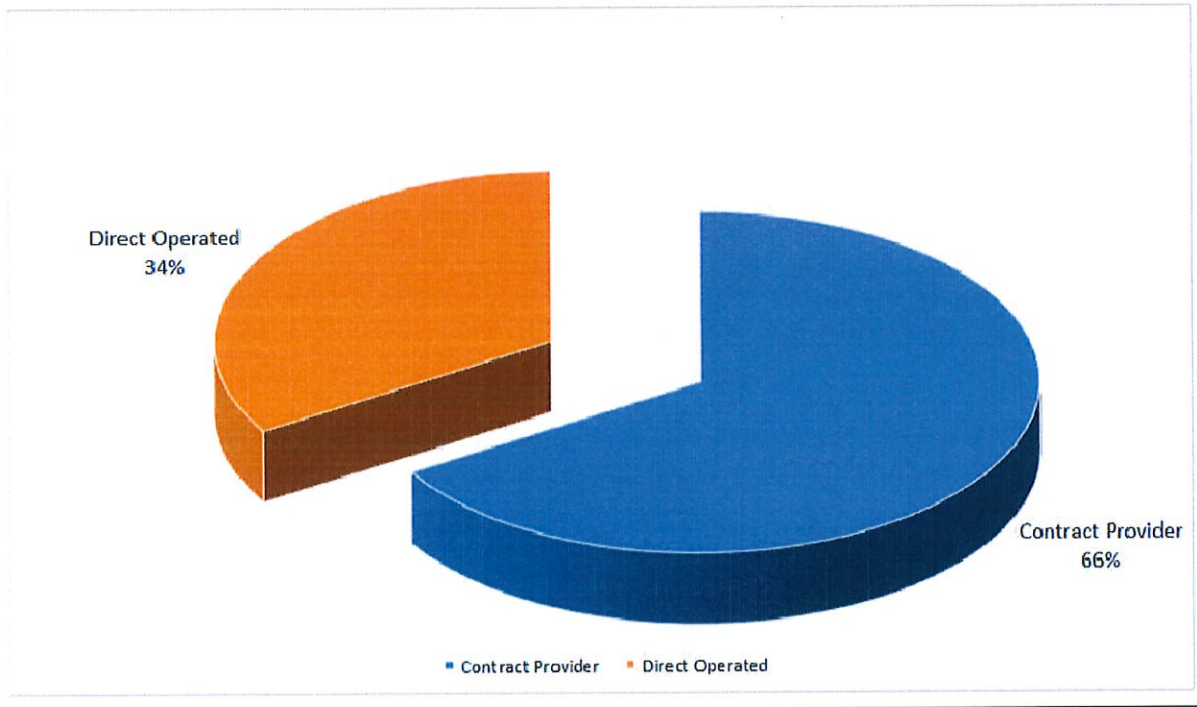


Integrated Services Fiscal Year '23 Budget

Various Expenditures As % of Budget



Integrated Services Fiscal Year '22 Budget Provider & Direct Operated As % of Budget



EXECUTIVE SUMMARY
SERVICES FOR YOUTH AND FAMILY
FISCAL YEAR 22/23

STAKEHOLDER INPUT

The mission of Integrated Services of Kalamazoo (ISK) is to provide services that empower people to succeed. Positive outcomes valued by stakeholders include the areas of community inclusion, transition, home and school functioning, behavior towards others. Community feedback also included the importance of services such as Community Living Supports, Skill Building, and Respite. These outcome areas are reviewed at regular meetings with stakeholders including advocacy groups such as ASK Family Services, the Family Support Advisory Council (FSAC), self-advocates, community partners, and provider partners. Financial status for the Services Youth and Family Division are reviewed as well. Fewer formal meetings were held with community partners due to COVID-19.

BUDGET PLAN FY 22/23

The overall budget strategy is to support the local systems of care for youth and to assure that services for those most in need are available. The budget addresses the service needs for youth with Serious Emotional Disturbance, Intellectual and Developmental Disabilities, and young adults transitioning from youth services to adult services. A population of focus will include youth in foster care or involved in ongoing Protective Services and is supported through a SAMHSA grant. COVID-19 presented many challenges in delivering services and in the creation of a workforce shortage. Families, youth, and staff needed services provided in a safe manner and workforce shortages were prevalent. These impacts may continue into FY 22/23. Youth presented with severe needs and needed intensive services such as Autism Services, Wraparound, and Home Based and that trend is expected to continue. Data from the state demonstrated that Kalamazoo served youth with more severe conditions than any other county.

Incentive funding has been received to further support services for youth involved with MDDHS-foster care. SED-W Waiver funding opportunities have remained stable for youth involved with MDDHS. The SAMHSA budget also supports funding for at risk populations of youth on the school to prison pipeline and Youth placed in DHHS foster care.

The number of youth eligible to receive the Autism services benefit continue to have a slow, steady rise. Youth receiving that benefit are also eligible for Supports Coordination and other specialty mental health service which is reflected in the Budget Plan. The budget fully funds these service trends.

Adjustments were made in the budget to better match services to utilization, match funding to collaborative projects, and to better run the provider network. An additional adjustment was made for the pending Requests for Proposals for respite, skill building, and community living services where there is a shortage of providers. An additional adjustment included a grant from MDHHS to partner with Pineway to establish a local crisis residential setting for youth.

BUDGET HIGHLIGHTS

Providers

- An increase for most providers was added to accommodate the anticipated rate increase of 2.5% for hospitals and 5.0% for providers.
- Budget Strategies implemented in FY21/22 are carried forward into FY22/23 to ensure fiscal stability. The following changes were implemented/planned to meet budget parameters and meet the needs of youth and families:
 - Home Based Services -252,631
 - Budget decreased due to utilization.
 - State Inpatient +1,024
 - Budget increased due to utilization and length of stay.
 - Specialized Residential -91,338
 - Budget decreased due to consumer in Great Lakes ROI.
 - Community Living Support -32,156
 - Budget was decreased due to increase utilization in FDR.
 - Respite Care +54,769
 - Budget was increased due to agency discontinuing services and decrease in utilization in FDR.

Direct Operated**SERVED-SED**

FY17/18	Budget	1,500	Actual	1,366
FY18/19	Budget	1,500	Actual	1,285
FY19/20	Budget	1,500	Actual	1,029
FY20/21	Budget	1,500	Actual	797 through 5/31/21
FY21/22	Budget	1,500	Actual	1005 through current
FY22/23	Budget	1,500		

SERVED-DDC

FY17/18	Budget	160	Actual	224
FY18/19	Budget	160	Actual	257
FY19/20	Budget	200	Actual	261
FY20/21	Budget	200	Actual	279 through 5/31/21
FY21/22	Budget	280	Actual	338 through current
FY22/23	Budget	350		

EXECUTIVE SUMMARY--DRAFT

SERVICES FOR ADULTS WITH INTELLECTUAL/DEVELOPMENTAL DISABILITIES

Fiscal year 22/23

STAKEHOLDER INPUT

The mission of Integrated Services of Kalamazoo (ISK) is to provide services and supports that empower people to succeed, promoting community, independence and empowerment. Positive outcomes for individuals in the areas of relationships (friends and family), living arrangements, community inclusion, employment, health/wellness and improvement in functioning ability are goals of the services we provide. These outcome areas are reviewed at regular meetings with stakeholders including advocacy groups, self-advocates and provider partners. ISK staff solicit input from these stakeholders on how to improve outcomes. ISK also seeks to transform our community through the active engagement of individuals with Intellectual/Developmental Disabilities in all areas of community life, creating a more inclusive and a more understanding community for all residents.

ISK staff meet regularly with a variety of stakeholder groups. These different stakeholder groups are solicited for continuing input and feedback. These include The Arc Community Advocates, I/DD Directors, Kalamazoo Regional Educational Services Agency, Michigan Rehabilitation Services, Disability Network and more. ISK I/DD department directly employs a Certified Peer Mentor who provides valuable feedback regarding services and priorities. Further regular input comes from the Inclusion Advisory Council, whose members are adults with Intellectual/Developmental Disabilities who also receive services from ISK.

BUDGET PLANNING for FY23

Financial Statements for the Services for Adults with Intellectual/Developmental Disabilities Division are reviewed with the I/DD Directors group each month. Provider partners provide feedback on budget priorities and needs. Budget information is also shared with Community Advocates, Kalamazoo Regional Educational Services Association and Michigan Rehabilitation Services when part of collaborative initiatives. Trends are reviewed, and when possible, incorporated into planning.

Due to COVID-19, some services are still suppressed due to concerns about the virus/health. Skill Building Assistance was impacted the most during the pandemic. Individuals, including their families, are slow to return to prior pandemic Skill Building enrollment and participation. The overarching budget concern is the lack of the Direct Support Professional (DSP) workforce due to changes in the entry-level workforce overall. Some service utilizations remains

artificially low due to lack of DSP's to provide the services. Many of the budget assumptions include lower utilization related to the pandemic and also due to the Direct Support Professional (DSP) staffing crisis

BUDGET HIGHLIGHTS

1. Prior to the COVID-19 pandemic, provider agencies were struggling with staff vacancies. Following the pandemic, the staff vacancies have increased even higher. Provider agencies continue to close admissions to some services and stop providing some services altogether. This has resulted in ISK not being able to provide all necessary services to individuals. This budget does not address the direct care wage/staffing crisis. The DSP crisis is the single largest issue facing this Division. Service availability is limited as a result, and more individuals are receiving services in Specialized Residential settings, rather than in homes of their own with Community Living Supports. All services and initiatives have been scaled back due to lack of staffing.
 - Most provider agencies are not accepting referrals for Community Living Services (intermittent supports in a family home or individual's home). This has caused a strain on families, some having family member move to Specialized Residential or Adult Foster Care).
 - The two largest Specialized Residential agencies in our community have discharged/are discharging residents from Specialized Residential homes due to lack of staffing to meet the complex needs of the individuals. Previously, additional supports could be provided to individuals in crisis so their living arrangement would not need to change due to a short-term issue. Both providers have closed Specialized Residential homes due to inability to procure staffing for the homes. This has reduced local bed capacity by 17 beds.
 - Supported Employment and Skill Building services remain lower in both individuals served and units of services provided when compared to pre-pandemic. This is due to space limitations (maintaining social distancing), transportation availability and individual's caution/concerns about returning to group situations. We are continuing to see slow growth during the year, however, most providers are not back to pre-pandemic levels of enrollment.
2. Review of service trends and requests for services reflects an increase in young adults with complex and challenging needs, resulting in need for high intensity (and costly) services.
 - We have traced many of the developmental disabilities, mental illnesses and complete lack of ability to bond or to cope back to trauma experienced as a child. In the three most extreme cases, the individuals now require the most intensive of services, at an average of \$258,500 per year, per individual.
 - These individuals have a co-occurring mental illness and aggressive or otherwise destructive behaviors. Involvement in the criminal justice system is common. The Transitions program is meeting short term needs and stabilizing the individuals, however additional, long term, local resources are required to safely and effectively meet the needs of this growing population.

3. As of this writing, the rates for Skill Building Assistance were reduced by approximately 40% in FY 22. Providers used Provider Network Stability funds to ensure the financial viability of these services during FY 22. Providers rates for Skill Building for FY23 are not yet finalized. ISK is continuing to work with these providers to ensure availability of Skill Building Assistance services.
4. The proposed FY23 budget for IDDA is \$4,570,392 higher than current fiscal year budget (FY22). Key increases include:
 - 11% salary increase (direct operated) \$144,778
 - 5% rate increase for provider partners. \$1,535,954
 - CLS rate increase FY22 \$2,778,896

INDIVIDUALS SERVED

FY17/18	Budget	760	Actual	770
FY18/19	Budget	760	Actual	785
FY19/20	Budget	770	Actual	756
FY 20/21	Budget	780	Actual	708 (through 5-31-21)
FY 21/22	Budget	760	Actual	711 (through current)
FY 22/23	Budget	760		

8-17-22

EXECUTIVE SUMMARY

SERVICES FOR ADULTS WITH MENTAL ILLNESS AND CO-OCcurring DISORDERS

FISCAL YEAR 22/23

STAKEHOLDER INPUT

Integrated Services of Kalamazoo (ISK) holds to the mission of providing services that support recovery to empower people to succeed. Striving to assist individuals in building relationships, gaining employment, living independently, and increasing their health and wellness are goals consistent with the services provided. These outcome areas are reviewed at regular stakeholder meetings including advocacy groups, self-advocates and provider partners. The different stakeholder groups are solicited for continuing input and feedback regarding service and financial areas. Stakeholder input comes from: Recovery Institute; consumer advisory council, monthly developmental disability/mental illness provider director meetings; and case management/supports coordination meetings.

BUDGET PLAN FY22/23

Implementation of the Certified Community Behavioral Health Clinic (CCBHC) has allowed ISK access to expand and better support any individual with a mental health and/or substance abuse disorder. This is seen with the growth in number of individuals served within all our programs, especially psychiatric and outpatient services.

Peer delivered services continue to be a priority for the department. Case management services, Assertive Community Treatment, Navigate, SAMM and DBT employ peers within their service delivery system. Peer Services are utilized within our integrated health team – Whole Health Initiative, to assist with engagement and group wellness sessions. Recovery Institute continues to partner with ISK to provide peers within our outpatient clinic to promote engagement and connections to recovery activities offered at their location. Finally, Recovery Coaches are an integral part within our Opioid Recovery Outreach program – they provide 24 hours 7 days a week on call to anyone entering our hospital emergency departments with a substance use disorder.

Wellness and recovery continue to be focuses. Working with our community partners, we continue to focus on increasing the skill and knowledge of those interacting directly with individuals we serve and linking them with primary care (i.e. disease management protocols, on-line health integrations courses....). ISK has also expanded in the collection of health indicators to assist in better population management (indicators include: BMI, Blood Pressure, Tobacco Use, Depression, Suicide Risk Factors).

ISK continues to expand our outpatient services to meet the anticipated needs of our Certified Community Behavioral Health Clinic. This allows ISK to expand the services offered to

individuals with a substance use disorder along with further expanding upon our integrated health clinic. To increase our work on improving health indicators ISK has also added care coordinators to work with our designated collaborating organizations and community health workers to identify social determinants of health that are barriers for individuals to engage within needed services/supports.

ISK continues to monitor closely the utilization of our State General Fund dollars for FY22. Our contract program providers continue to evaluate for duplication or other community services available.

BUDGET HIGHLIGHTS

- Beds per day for Borgess Hospitals raised to 9 per day. Borgess is budgeted at \$3,347,764. The Borgess inpatient rate increased from \$887.54 to \$909.17 (budget increased \$1,088,515 and 2.5 beds per day for FY23)
- Beds per day for Other Hospitals raised to 7 per day. Other Hospitals are budgeted at \$2,617,239. Other Hospital rates increased from \$974 to \$999 (budget increased \$390,809 and 1.5 beds per day for FY23)
- KPH and Forensic budgeted dollars for FY 23 total \$615,213 supporting 16.0 beds per day to fulfill the local match requirement for the state facility.
- Personal Care increase of \$146,222 & Community Living Supports increase of \$736,630.
- Provider Case Management increase of \$149,857 due to utilization changes and projected rate increase.
- Provider Service Budget increase totals \$3,170,263. This is based on budgeting inpatient to match historic census trends, utilization and projected rate increases and service delivery changes in FY23.

INDIVIDUALS SERVED

FY17/18	Budget 3,800	Actual 4,422
FY18/19	Budget 4,000	Actual 4,498
FY19/20	Budget 4,300	Actual 4,386
FY20/21	Budget 4,500	Actual 3,694 (as of May 31, 2021)
FY21/22	Budget 4,500	Actual 3,651 (through current)
FY22/23	Budget 4,500	



IV.

Community • Independence • Empowerment

Integrated Services of Kalamazoo

MOTION

Subject:	ISK FY2022/2023 Budget	
Presented by:	ISK Finance and Compliance Committee	
Meeting Date:	September 26, 2022	Approval Date:
Prepared by:	Amy Rottman	<u>September 26, 2022</u>

Recommended Motion:

"I move approval of the Integrated Services of Kalamazoo FY2022/2023 budget which begins October 1, 2022, in the amount of \$112,380,208."

Summary of Request:

Attached is the budget document which includes the following budget adoption materials:

Page 2 Budget Overview
Page 6 Revenues Projected
Page 8 Expenditures Projected

You will also find an executive summary, revenue and expense graphs, and budget narrative that provides background information on the recommended Fiscal Year 22/23 Budget.

ROLL CALL VOTE:

ISK Board Member	Yes	No
Chair Karen Longanecker		
Vice Chair Michael Seals		
Member Nkenge Bergan		
Member Sarah Carmany		
Member Patrick Dolly		
Member Pat Guenther		
Member Erik Krogh		
Member Veronica McKissack		
Member Michael Raphelson		
Member Sharon Spears		
Member Michael Weekley		
Member Melissa Woolsey		
MOTION PASSED		

Need 7 yes votes (2/3 of currently appointed board) no matter how many members are in attendance.

Budget: FY2022/2023
Staff: A.Rottman

Date of Board
Consideration: September 26, 2022