

**Northeast Michigan
Community Mental Health Authority**

CMH COMPLIANCE EXAMINATION

September 30, 2009

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

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 Community Health (“MDCH”), that are applicable to its Medicaid and GF Programs for the year ended September 30, 2009. 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 MDCH 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 Authority complied, in all material respects, with the specified requirements referred to above that are applicable to its Medicaid and GF Programs for the year ended September 30, 2009.

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 contracts applicable to its Medicaid and GF 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 and GF Programs in order to determine our examination procedures for the purpose of expressing our opinion on compliance, 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 *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of the Medicaid or GF Programs on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer the Medicaid or GF Programs such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of the Medicaid or GF Programs that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of the Medicaid or GF Programs will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the Authority's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, 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.

This report is intended solely for the information and use of the Authority's Board, management and the Michigan Department of Community Health, and is not intended to be and should not be used by anyone other than these specified parties.

Dennis, Gartland & Niergarth

February 2, 2010

NORTHEAST MICHIGAN COMMUNITY MENTAL HEALTH AUTHORITY
EXAMINED FSR SCHEDULE
FYE 9/30/2009

REVENUES	REPORTED	EXAMINATION ADJUSTMENTS	ADJUSTED TOTALS
A. REVENUES NOT OTHERWISE REPORTED	\$77,336	\$0	\$77,336
C. EARNED CONTRACTS (Non DCH) TOTAL	\$19,016,283	\$0	\$19,016,283
1 CMH to CMH	4,847		4,847
2 Other	69,449		69,449
3 Medicaid Managed Care - CMHSP Affiliate	18,941,987		18,941,987
D. MI CHILD - MENTAL HEALTH	\$18,754	\$0	\$18,754
D.1 ADULT BENEFITS WAIVER	\$303,585	\$0	\$303,585
E. LOCAL FUNDING TOTAL	\$355,159	\$0	\$355,159
1 Special Fund Account (226(a))	42,930		42,930
2 Title XX Replacement	7,872		7,872
3 All Other	304,357		304,357
4 Affiliate Local Contribution to State Medicaid Match Provided from CMHSP	0		0
F. RESERVE BALANCES - PLANNED FOR USE	\$493,286	\$0	\$493,286
1 GF Carryforward-Sec. 226(2)(b)(c)	0		0
2 Medicaid Savings	0		0
3 Internal Service Fund - Abatement	120,550		120,550
4 Internal Service Fund - Risk Corridor	117,003		117,003
5 Other (205(4)(h)) - Reserves - Vested Employee Benefit / Depreciation	255,733		255,733
6 Stop/Loss Ins.	0		0
G. DCH EARNED CONTRACTS TOTAL	\$264,981	\$0	\$264,981
1 PASARR	144,957		144,957
2 Block Grant for CMH Services	11,459		11,459
3 DD Council Grants	3,400		3,400
4 PATH/Homeless	47,212		47,212
5 Prevention	0		0
6 Aging	55,201		55,201
7 HUD Shelter Plus Care	0		0
8 Other DCH Earned Contracts	2,752		2,752
H. GROSS MEDICAID TOTAL	\$36,428	\$0	\$36,428
1 Medicaid Specialty Managed Care	0		0
2 Medicaid - Children's Waiver Total	36,428		36,428
3 Medicaid - SED Waiver - Federal Dollars	0		0
I. REIMBURSEMENTS TOTAL	\$863,811	\$0	\$863,811
1 1st and 3rd Party	139,694		139,694
2 SSI	724,117		724,117
J. STATE GENERAL FUNDS TOTAL	\$1,844,812	\$0	\$1,844,812
1 CMH Operations	1,643,948		1,643,948
2 Categorical Funding	5,611		5,611
3 State Services Base	195,253		195,253
K. GRAND TOTAL REVENUES	\$23,274,435	\$0	\$23,274,435
L. Estimated MDCH Obligation including Federal Medicaid	\$2,203,579	\$0	\$2,203,579
(D + D1 + H + J)			

NORTHEAST MICHIGAN COMMUNITY MENTAL HEALTH AUTHORITY
EXAMINED FSR SCHEDULE
FYE 9/30/2009

EXPENDITURES		REPORTED	EXAMINATION ADJUSTMENTS	ADJUSTED TOTALS
A.	GROSS TOTAL EXPENDITURES	\$23,378,935	\$0	\$23,378,935
B.	EXPENDITURES NOT OTHERWISE REPORTED	\$77,276	\$0	\$77,276
D.	EARNED CONTRACTS (NON DCH) TOTAL	\$19,016,283	\$0	\$19,016,283
1	CMH to CMH	4,847		4,847
2	Other Earned Contracts	69,449		69,449
3	Medicaid Managed Care - Affiliate	18,941,987		18,941,987
F.	LOCAL TOTAL	\$330,951	\$0	\$330,951
1	Local Cost for State Provided Services	69,633		69,633
2	Other Not Used As Local Match	11,228		11,228
3	Affiliate Local Contribution to State Medicaid Match Provided to PIHP	250,090		250,090
4	PIHP Contribution to State Medicaid Match Provided to DCH	0		0
5	Prior Year Carry-Forward	0		0
G.	EXPENDITURES FROM RESERVE BALANCES	\$376,283	\$0	\$376,283
1	GF Carryforward - Sec. 226(2)(b)(c)	0		0
2	Medicaid Savings	0		0
3	Internal Service Fund - Abatement	120,550		120,550
4	Other (205(4)(h)) - Reserves - Vested Employee Benefits / Depreciation	255,733		255,733
5	Stop/Loss Ins.	0		0
H.	MDCH EARNED CONTRACTS TOTAL	\$264,981	\$0	\$264,981
1	PASARR	144,957		144,957
2	Block Grant for CMH Services	11,459		11,459
3	DD Council Grants	3,400		3,400
4	PATH/Homeless	47,212		47,212
5	Prevention	0		0
6	Aging	55,201		55,201
7	HUD Shelter Plus Care	0		0
8	Other DCH Earned Contracts	2,752		2,752
I.	MATCHABLE SERVICES (A minus B through H)	\$3,313,161	\$0	\$3,313,161
J.	PAYMENTS TO MDCH FOR STATE SERVICES	\$312,256	\$0	\$312,256
K.	SPECIALTY MANAGED CARE SERVICES TOTAL	\$724,117	\$0	\$724,117
1	100% MDCH Matchable Services	724,117		724,117
2	All SSI and Other Reimbursements	724,117		724,117
3	Net MDCH Share for 100% Services (K.1 - K.2)	0		0
4	QAAP Expenditures	0		0
5	Total MDCH (K.3 + K.4)	0		0
L.	GF CATEGORICAL AND FORMULA SERVICES TOTAL	\$1,926,104	\$0	\$1,926,104
1	100% MDCH Matchable Services	263,067		263,067
2	All SSI and Other Reimbursements	0		0
3	Net GF and Formula for 100% Services (L1 - L2)	263,067		263,067
4	90/10 Matchable Services	1,663,037		1,663,037
5	Reimbursements	139,694		139,694

**NORTHEAST MICHIGAN COMMUNITY MENTAL HEALTH AUTHORITY
EXAMINED FSR SCHEDULE
FYE 9/30/2009**

EXPENDITURES		REPORTED	EXAMINATION ADJUSTMENTS	ADJUSTED TOTALS
6	10% Local Match Funds	152,334		152,334
7	Net GF and Formula for 90/10 Services (L4 - L5 - L6)	1,371,009		1,371,009
8	Total MDCH GF and Formula (L3 + L7)	1,634,076		1,634,076
L.a	MIChild Mental Health	\$26,809	\$0	\$26,809
1	MIChild Mental Health - Capitation - Medicaid only	18,754		18,754
2	MIChild Mental Health - MDCH GF Operations Base	8,055		8,055
L.b	Adult Benefits Waiver	\$279,969	\$0	\$279,969
1	ABW - Capitation - Medicaid and State Match	279,969		279,969
2	ABW - MDCH GF Operations Base	\$0		0
L.c	SED Waiver	\$0	\$0	\$0
1	SED - Federal	0		0
2	SED - MDCH GF Operations Base	0		0
3	SED - Other	0		0
4	SED - Non-Federal Reimbursable - Other	0		0
M.	CHILDREN'S WAIVER - TOTAL	\$43,906	\$0	\$43,906
1	Medicaid	36,428		36,428
2	Other Reimbursements	0		0
3	MDCH GF Operations Base	7,478		7,478
O.	TOTAL LOCAL FUNDS (F + L6)	\$483,285	\$0	\$483,285
P.	TOTAL MDCH SHARE OF EXPENDITURES (J+K5+L8+La+Lb+Lc1+Lc2+M	\$2,297,017	\$0	\$2,297,017

**EXAMINED COST SETTLEMENT SCHEDULE
SECTION A: SETTLEMENT SUMMARY**

**NORTHEAST MICHIGAN COMMUNITY MENTAL HEALTH AUTHORITY
FISCAL YEAR: 2009**

1. Medicaid		Authorization	Matchable Expenditures	Medicaid Savings	Moe / Categorical Redistribution	Sub-Total Expenditures	Redirection of GF	Total Expenditures	Total Lapse	Total Risk Corridor
a.	Maintenance of Effort	0	0	0	0	0		0	0	
b.	Specialty Managed Care	0	0	0	0	0	0	0	0	0
c.	Total Medicaid	0	0	0	0	0	0	0	0	

2. General Fund		Authorization	Matchable Expenditures	GF Carry Forward	Moe / Categorical Redistribution	Sub-Total Expenditures	Redirection of GF	Total Expenditures	Total Lapse	Total Risk Corridor
a.	Maintenance of Effort	0	0	0	0	0		0	0	
b.	Categorical	5,611	5,611			5,611		5,611	0	
c.	General Fund	1,839,201	1,956,254	0	0	1,956,254	0	1,956,254	0	(117,053)
d.	Total General Fund	1,844,812	1,961,865	0	0	1,961,865	0	1,961,865	0	

3. CASH SETTLEMENT		MDCH COMMITMENT	SETTLEMENT CASH	EXAMINED BALANCE DUE (MDCH) / CMH	ORIGINAL STL BALANCE DUE (MDCH) / CMH	NET IMPACT BALANCE DUE (MDCH) / CMH
a.	Medicaid	0	0	0		0
b.	General Fund	1,844,812	1,847,155	(2,343)	(2,343)	0
c.	Total	1,844,812	1,847,155	(2,343)	(2,343)	0

MDCH Commitment is the lesser of Authorization less Forced Lapses or Total Expenditures

4. State Purchased Services		CMHSP Obligation	Payments Sent MDCH	Balance Due (MDCH) / CMH	Balance Due (MDCH) / CMH	Balance Due (MDCH) / CMH
a.	State Facility	307,240	312,256	5,016	5,016	0

Should be \$0 Should be \$0

5. Miscellaneous		Balance Due (MDCH) / CMH	Balance Due (MDCH) / CMH	Balance Due (MDCH) / CMH
a.	MI Child SCHIP Optimization 12/10/09 Irene Kazieczko letter	8,022	8,022	0
b.		0	0	0
c.	Sub-Total	8,022	8,022	0

6. Total Cash Settlement		10,695	10,695	0
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Should be \$5,679 Should be \$5,679

Medicaid Savings Earned	
Examined	0
Original Settlement	0
Increase (Decrease)	0
Comments	

GF Carry Forward Earned	
Examined	0
Original Settlement	0
Increase (decrease)	0
Comments	

**EXAMINED COST SETTLEMENT SCHEDULE
SECTION B: CARRY FORWARD & MEDICAID SAVINGS**

**CMHSP/PIHP:
FISCAL YEAR:**

**NEMCMHA
2009**

1. Carry Forward - State Mental Health General Funds (Formula Funding)						
		Specialty Managed Care	GF Categorical & Formula	Children's Waiver	Sub-Total	Total

a.	Prior Year Carry Forward Earned					\$	-
b.	Current Year Expenditures						
1.	100% MDCH Matchable Services	\$ -	\$ -	\$ -	\$ -		
2.	90/10% MDCH Matchable Services	\$ -	\$ -		\$ -		
3.	10% Local Match Funds	0	0		0		
4.	Net State Share for 90/10% Services	\$ -	\$ -		\$ -		
5.	Total MDCH Share	\$ -	\$ -	\$ -	\$ -	\$ -	
c.	Unspent Carry Forward					\$	-

2. Medicaid Savings					
		FY	FY	FY	Total

a.	Prior Year Medicaid Savings Earned	\$ -	\$ -	\$ -	\$ -
b.	Current Year Expenditures	\$ -	\$ -	\$ -	\$ -
c.	Balance of Medicaid Savings:	\$ -	\$ -	\$ -	\$ -

d. Reinvestment Strategy - Medicaid Savings						
1.	Project Title	Approved Initiative	Actual Expenditures	Variance Amount	Percentage	Concise Description Of Outcome(s) Achieved
a.		\$ -	\$ -	\$ -	0%	
b.		\$ -	\$ -	\$ -	0%	
c.		\$ -	\$ -	\$ -	0%	
d.	Total Reinvestment	\$ -	\$ -	\$ -	0%	

Footnote: If space provided for Reinvestment Strategy - Medicaid Savings is not sufficient, please attach additional sheet(s).

EXAMINED COST SETTLEMENT SCHEDULE
SECTION C: MAINTENANCE OF EFFORT (MOE) & CATEGORICAL WORKSHEET

CMHSP/PIHP: NEMCMHA
FISCAL YEAR: 2009

1. MOE - Totals Categories	Contract Authorization	Medicaid		General Fund		Total MOE Expenditures	Revised Authorizations		
		MOE Expenditures	Percent of Total Exp.	MOE Expenditures	Percent of Total Exp.		Medicaid	General Fund	Total
a. Ethnic Population	0	0	0.00%	0	0.00%	0	0	0	0
b. OBRA Active Treatment	0	0	0.00%	0	0.00%	0	0	0	0
c. OBRA Residential	0	0	0.00%	0	0.00%	0	0	0	0
d.	0	0	0.00%	0	0.00%	0	0	0	0
e. Residential Direct Care Wage #2	0	0	0.00%	0	0.00%	0	0	0	0
f. Total	0	0		0		0	0	0	0

2. MOE - Medicaid Categories	Revised Authorization	MOE Requirement	MOE Expectation	Maximum Savings	MOE Expenditures	MOE Balance	Forced Lapse	Savings	Total MOE Exp. & C/F
a. Ethnic Population	0	95.00%	0	0	0	0	0	0	0
b. OBRA Active Treatment	0	95.00%	0	0	0	0	0	0	0
c. OBRA Residential	0	95.00%	0	0	0	0	0	0	0
d.	0	100.00%	0	0	0	0	0	0	0
e. Residential Direct Care Wage #2	0	100.00%	0	0	0	0	0	0	0
f. Total	0		0	0	0	0	0	0	0

3. MOE - General Fund Categories	Revised Authorization	MOE Requirement	MOE Expectation	Maximum C/F	MOE Expenditures	MOE Balance	Forced Lapse	Carry Forward	Total MOE Exp. & C/F
a. Ethnic Population	0	95.00%	0	0	0	0	0	0	0
b. OBRA Active Treatment	0	95.00%	0	0	0	0	0	0	0
c. OBRA Residential	0	95.00%	0	0	0	0	0	0	0
d.	0	100.00%	0	0	0	0	0	0	0
e. Residential Direct Care Wage #2	0	100.00%	0	0	0	0	0	0	0
f. Total	0		0	0	0	0	0	0	0

4. Recap-MOE	Total MOE Expenditures	Total MOE Savings - C/F	Total MOE LAPSE	Total MOE
a. Medicaid	0	0	0	0
b. General Fund	0	0	0	0
c. Total	0	0	0	0

Sections C.1 through C.4 are not required for FY 2008

5. Categorical - Categories	Authorizations	Expenditures	Lapse
a. Grant Pickup	0	0	0
b. Respite - Tobacco Tax	5,611	5,611	0
c. Multicultural Services	0	0	0
d. Other Funding	0	0	0
e. "space holder"	0	0	0
f. Total	5,611	5,611	0

**EXAMINED COST SETTLEMENT SCHEDULE
SECTION D: STATE FACILITY WORKSHEET**

**CMHSP/PIHP:
FISCAL YEAR:**

**NEMCMHA
2009**

	Caro Center	Kalamazoo	W. Reuther	Hawthorn	Mt. Pleasant	Mt. Pleasant	Total
1. Days Of Care	\$385	\$353	\$306	\$152	\$142	\$0	

a.	State Report 16007-01							
1.	Days Of Care (10/19/05)	553	125	0	51	299	0	1,028
2.	Billed Costs	212,905	44,125	0	7,752	42,458	0	307,240

b.	CMHSP Reported							
1.	Days Of Care	553	125	0	84	299	0	1,061
2.	Billed Costs	212,905	44,125	0	12,768	42,458	0	312,256

c.	Narrative of any variances between State Report 16007-01 and the CMHSP Reported data. Data to include Client Name, Case Number, and Dates of Services:																		
<p>Correction requested on "Statement of Disputed Charges for Hospitals and Centers" submitted with September 2009 "Statement of Billing":</p> <table style="margin-left: 40px;"> <tr> <td>#32766</td> <td>Admit Date 8/29/09</td> <td>Hawthorn Center</td> </tr> <tr> <td></td> <td>August 3 days @ \$152.00/day=</td> <td>456.00</td> </tr> <tr> <td></td> <td>September 30 days @ \$152.00/day=</td> <td>4,560.00</td> </tr> <tr> <td></td> <td>Total</td> <td><u><u>5,016.00</u></u></td> </tr> </table> <p>Charges billed to Ogemaw CMH, should be Alcona County (Northeast MI CMHA). NeMCHMA accepts full responsibility for this consumer.</p>								#32766	Admit Date 8/29/09	Hawthorn Center		August 3 days @ \$152.00/day=	456.00		September 30 days @ \$152.00/day=	4,560.00		Total	<u><u>5,016.00</u></u>
#32766	Admit Date 8/29/09	Hawthorn Center																	
	August 3 days @ \$152.00/day=	456.00																	
	September 30 days @ \$152.00/day=	4,560.00																	
	Total	<u><u>5,016.00</u></u>																	

2. State Facility Cash Settlement	State Facility Cost	Payments Sent MDCH through 9/30	Payments Sent MDCH after 9/30	Total Payments Sent to MDCH	Balance Due (MDCH)/CMH
a. State Facility Total	307,240	246,390	65,866	312,256	5,016

Should Be Balance due \$0

3. Reconciliation to FSR	Expenditures	Narrative of Variance
a. FSR Expenditures (Line J)	\$ 312,256.00	
b. State Facility Cost	307,240.00	Balance should be \$312,256.00
c. Variance	\$ 5,016.00	Variance should be \$0

EXAMINED COST SETTLEMENT SCHEDULE
SECTION E: SPECIALTY MANAGED CARE SERVICES WORKSHEET

CMHSP/PIHP: NEMCMHA
 FISCAL YEAR: 2009

1. Specialty Managed Care Savings Forward Calculation

a.	Specialty Managed Care Authorization (PEPM & Accrual):	-	d.	Medicaid Non-MOE Maximum Savings	-
b.	Less: MOE Authorization	-	e.	MOE Savings (From MOE Worksheet)	-
c.	Balance Used for Calculation of Savings	-	f.	Maximum Savings	-

Total Program Expenditures	Total Program Funding					Control Total
	State Responsibility		Redirect GF	CMHSP Responsibility		
	Federal 58.10%	State 41.90%		Local	Other	

2. Specialty Managed Care Expenditures

	Total Program Expenditures	Federal 58.10%	State 41.90%	Redirect GF	Local	Other	Control Total
a. 100% Matchable Services							
1.	Total Program Expenditures (inc. QAAP)	0	0			0	0
2.	All SSI and Other Reimbursement	0					
3.	Net State Share 100% Services	0					
b. 90% Matchable Services							
1.	Total Program Expenditures	0	0		0	0	0
2.	Other Reimbursement	0					
3.	Sub-Total - Medicaid Base	0					
4.	Medicaid Federal Share	0					
5.	Sub-Total - Match Base	0					
6.	10% Local Match Funds	0					
7.	Net State Share 90/10 Services	0					
8.	Total Specialty Managed Care	0	0		0	0	0

3. Specialty Managed Care Authorization to Expenditures

a.	State Authorization	0	0	0			0
b.	Local Funding / Other Reimbursements	0		0	0	0	0
c.	Total Specialty Managed Care Authorization	0	0	0	0	0	0
d.	Total Specialty Managed Care Expenditures	0	0	0		0	0
e.	Redirection of GF - From GF	0		0			0
f.	Redirection of Freed-Up GF - To GF	0		0			0
g.	Adjusted Expenditures	0	0	0	0	0	0
h.	Funding Surplus / (Deficit)	0					
i.	Less: Forced Lapse (MOE)	0					
j.	Sub-Total	0					
k.	Balance Available for Savings	-					
l.	State Obligation for Savings	0					
m.	Non-MOE Lapse	0					
n.	Risk Corridor	0					

4. Recap

	Total Prog. Exp.	State Obligation	CMHSP / Other
a.	Recap: Total Authorization	0	0
b.	Recap: Total Matchable Expenditures	0	0
c.	Recap: Total Redirection	0	
d.	Recap: Total Savings	0	
e.	Recap: Forced Lapse MOE	0	
f.	Recap: Forced Lapse Non-MOE	0	
g.	Recap: Total Risk Corridor	0	

EXAMINED COST SETTLEMENT SCHEDULE
SECTION EE: MEDICAID SAVINGS / MEDICAID LAPSE WORKSHEET

CMHSP/PIHP: NEMCMHA
FISCAL YEAR: 2009

1. Specialty Managed Care

a.	Operating Budget		0	
1.	Band # 1 (100 - 105%)	5%	-	PIHP shall retain
2.	Band # 2 (105 - 110%)	5%	-	Shared PIHP / MDCH

b.	Balance Available for Savings		0
(from Specialty Managed Care Worksheet)			
1.	Band # 1 Liability		0
2.	Sub-Total - Band # 1		0
3.	Band # 2 Liability		0
4.	Sub-Total - Band # 2		0
5.	Band # 3 Liability		0
6.	Totals		0

Medicaid Lapse	Medicaid Savings	Total Savings Corridor
	0	0
0	0	0
0		0
0	0	0

EXAMINED COST SETTLEMENT SCHEDULE
SECTION F: GENERAL FUND WORKSHEET

CMHSP/PIHP: NEMCMHA
FISCAL YEAR: 2009

1. GF Authorization / Carry-Forward Calculation

a.	CMH Operations Funding	1,643,948		g.	Less: MOE Authorization	0
b.	Categorical Funding	5,611		h.	Less: Categorical Authorization	5,611
c.	DCH Risk Authorization	0		i.	Balance Used for Calculation of Carry-Forward	1,839,201
d.	State Facility Funding	195,253		j.	GF Carry-Forward (Non-MOE / Categorical)	91,960
e.	DD Center Adjustment	0		k.	MOE GF Carry-Forward (From MOE Worksheet)	0
f.	Total GF Authorization	1,844,812		l.	Maximum Carry-Forward	91,960

2. General Fund Expenditures	Total Program Expenditures	State	Redirect GF	CMHSP Responsibility		Control Total
				Local	Other	
a. 100% Matchable Services						
1. Total Program Expenditures (inc MICHild, ABW, SED, CW - GF)	278,600	278,600			0	278,600
2. All SSI and Other Reimbursements	0					
3. Net State Share 100% Services	278,600					
b. 90% Matchable Services						
1. Total Program Expenditures	1,663,037	1,371,009		152,334	139,694	1,663,037
2. Other Reimbursements	139,694					
3. Sub-Total	1,523,343					
4. 10% Local Match Funds	152,334					
5. Net State Share 90/10 Services	1,371,009					
c. Liability for State Services	312,256	312,256				
d. Total GF & Local - Expenditures	2,253,893	1,961,865		152,334	139,694	2,253,893

3. General Fund Authorization to Expenditures

a.	State Authorization	1,844,812	1,844,812			1,844,812
b.	Local Funding / Other Reimbursements	292,028		152,334	139,694	292,028
c.	Total GF & Local Authorization	2,136,840	1,844,812	0	152,334	2,136,840
d.	Total GF & Local Expenditures	2,253,893	1,961,865		152,334	2,253,893
e.	Redirection of GF to Medicaid	0		0		0
f.	Redirection of Freed Up GF - From Medicaid	0		0		0
g.	Adjusted Expenditures	2,253,893	1,961,865	0	152,334	2,253,893
h.	Funding Surplus / (Deficit)	(117,053)				
i.	Less: Forced Lapse (MOE & Categorical)	0				
j.	Sub-Total	(117,053)				
k.	Balance Available for Carry-Forward	0				
l.	State Obligation for Carry-Forward	0				
m.	Non-MOE Lapse	0				
n.	Risk Corridor	(117,053)				

\$117,003 from Risk ISF, \$50 from Fund Balance

4. Recap	Total Prog. Exp.	State Obligation	CMHSP / Other
a. Recap: Total Authorization	2,136,840	1,844,812	292,028
b. Recap: Total Matchable Expenditures	2,253,893	1,961,865	292,028
c. Recap: Total Redirection	0		
d. Recap: Total Carry Forward	0		
e. Recap: Forced Lapse MOE & Categorical	0		
f. Recap: Forced Lapse Non-MOE & Categorical	0		
g. Recap: Total Risk Corridor	(117,053)		

**EXAMINED COST SETTLEMENT SCHEDULE
SECTION G: RISK RESPONSIBILITY WORKSHEET**

**CMHSP/PIHP: NEMCMHA
FISCAL YEAR: 2009**

1. Specialty Managed Care

a.	Operating Budget		0	
1.	Band # 1 (100 - 105%)	5%	-	Full CMHSP Responsibility
2.	Band # 2 (105 - 110%)	5%	-	Shared State / CMHSP Responsibility
b.	Risk (from Specialty Managed Care Summary worksheet)		0	
1.	Band # 1 Liability		0	
2.	Sub-Total - Band # 1		0	
3.	Band # 2 Liability		0	
4.	Sub-Total - Band # 2		0	
5.	Band # 3 Liability		0	
6.	Totals			

State Risk	Local Risk	Total Risk Corridor
	0	0
0	0	0
0		0
0	0	0

2. General Fund

Effective October 1, 2005, MDCH/CMHSP Managed Mental Health Supports and Services Contract - Non-Medicaid no longer has a shared risk arrangement.

EXAMINED COST SETTLEMENT SCHEDULE
SECTION H: CHILDREN'S WAIVER

CMHSP/PIHP:
FISCAL YEAR:

NEMCMHA
2009

For 2008 - Optional reporting only.

1. Prior Fiscal Year Reporting		Accounts Receivable At 9/30	Cash Received Current FY	Variance	Medicaid Claims Pending
a.	Services Provided October 1 - September 30			0	

Informational Purposes Only

The Children's Waiver program remains on a Fee-For-Service basis. The information reported will be used to justify the accounts payable on the State's books for the outstanding liability.

2. Current Fiscal Year Cost		Number of Approved Waivers	Gross Cost Of Children's Waiver	Fee-For-Service Expenditures	Variance
a.	Services Provided October 1 - September 30				0

Informational Purposes Only

Comparing Medicaid screen reimbursement to actual Children's Waiver expenditures.

3. Current Fiscal Year Reporting		Fee-For-Service Expenditures	Fee-For-Service Cash Received	Amounts Billed and Not Received	Amounts Not Billed	Total Amount Due For Fee-For-Service
a.	Services Provided October 1 - September 30	0				0

Informational Purposes Only

The Children's Waiver program remains on a Fee-For-Service basis. The information reported will be used to establish an accounts payable on the State's books for the outstanding liability.

EXAMINED COST SETTLEMENT SCHEDULE
SECTION I: CASH AND ACCRUED REVENUE WORKSHEET

CMHSP/PIHP:
FISCAL YEAR:

NEMCMHA
2009

1. Specialty Managed Care - Medicaid

a.	Current FY Capitation Payments Received through 9/30	0
b.	Current FY DD Center Adjustment	0
c.	* Current FY Accruals Established for Period Ending 9/30	0
d.	Sub-Total:	0
LESS		
e.	** Prior FY Accruals Established for period ending 9/30	0
f.	Total Current FY Settlement Accrued Revenue:	0

* Current FY Accrual Breakdown:	
FY 08 HSW Paid Thru	-
FY 08 HSW Open as of	-
Payment Sub-total:	-
FY 08 HSW Recoveries thru	-
FY 08 HSW Recoveries Open as of	-
Recovery Sub-total:	-
Total Accrual	-

** Prior Year Accruals:	
AY 07 HSW	-
AY 06 HSW	-
Total Prior Year Accrual	-

2. General Fund (Formula and Categorical Funding)

a.	Current FY CMH Operations Funding Received through 9/30	1,646,291
b.	Current FY Categorical Funding Received through 9/30	5,611
c.	Current FY State Facility Funding Received through 9/30	195,253
d.	Sub-Total:	1,847,155
e.	Estimated Accruals	0
f.	Total Current FY GF Settlement Accrued Revenue:	1,847,155

Northeast Michigan Community Mental Health Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2009

SECTION I - SUMMARY OF ACCOUNTANTS' RESULTS

Medicaid Program

Type of accountants' report issued on compliance: Unqualified

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 contracts noted? _____ yes X no

Known fraud identified? _____ yes X no

General Fund Program

Type of accountants' report issued on compliance: Unqualified

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 contracts noted? _____ Yes X no

Known fraud identified? _____ Yes X no

SECTION II - FINDINGS AND QUESTIONED COSTS

None.

SECTION III - EXAMINATION ADJUSTMENTS

None.