SECTION 452 REPORT

DECEMBER 2, 2002

In September 2002 the department issued an amendment to the Specialty Supports and Services contract with community mental health services programs to implement the 2002 supplemental appropriation, P.A. 530, Section 452. This section enabled the use of CMHSP local match to draw down additional federal Medicaid funds. Amendment language required CMHSP's to provide, from internal resources, funds that could be used as a bona fide source for the state match required under the Medicaid program. The funds were to be identifiable as local funds as reported in the June 2002 financial status report as the annual budget for Medicaid match. The funds did not include either state funds received by a community mental health services program for services provided to non Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a community mental health services program.

A committee made up of MDCH representatives and representative CMHSPs developed the distribution formula based upon an analysis of recipient characteristics, comparative needs, actuarial trends, equitable adjustments between funding sources, and other relevant considerations. 44 of the 48 CMHSPs agreed to participate in this opportunity by providing the required local funds. Upon full execution of the contract amendment and receipt of local funds, the department will issue an intensity factor adjustment to the CMHSPs as noted in the attached listing.

Michigan Department of Community Health
Proprosed Distribution Formula - Local Match - CMHSPS Medicaid
October 10, 2002

CMHSP	Local	Federal 56.36%	Intensity Factor Rounding	Total	Distribute Across CMHSP's	Trade FF for Medicaid	Increase Medicaid Based on Need	Medicaid Adjustments	Intensity Factor Rounding	Proposed Enhanced Total	Gross Med Increase
Allegan	$ 250,906.00	$ 324,039.00	$ 9.92	$ 574,954.92	$ 142,669.00	$ -	$ 200,000.00	$ 9,807.00	$ 9.92	$ 352,485.92	$ 603,391.92
Antrim-Kalkaska	128,483.00	165,933.00	(16.10)	294,399.90	73,058.00	150,000.00	110,000.00	21,602.00	(16.10)	354,643.90	483,126.90
Ausable Valley	150,070.00	193,812.00	10.53	343,892.53	85,332.00	-	200,000.00	8,584.00	10.53	293,926.53	443,996.53
Barry	-	-	-	-	-	-	-	-	-	-	-
Bay Arenac	545,158.00	704,058.00	14.46	1,249,230.46	309,986.00	-	100,000.00	(11,794.00)	14.46	398,206.46	943,364.46
Berrien	-	-	-	-	-	-	-	-	-	-	-
Central Michigan	845,805.00	1,092,337.00	108.98	1,938,250.98	480,939.00	-	300,000.00	13,030.00	108.98	794,077.98	1,639,882.98
Clinton-Eaton-Ingham	868,372.00	1,121,481.00	152.15	1,990,005.15	493,770.00	-	400,000.00	(14,073.00)	152.15	879,849.15	1,748,221.15
Copper Country	191,989.00	247,949.00	4.84	439,942.84	109,168.00	-	-	1,537.00	4.84	110,709.84	302,698.84
Detroit-Wayne	5,050,189.00	6,522,196.00	(1,735.76)	11,570,649.24	2,871,618.00	-	3,700,000.00	134,357.00	(1,735.76)	6,704,239.24	11,754,428.24
Genesee	1,293,923.00	1,671,070.00	82.50	2,965,075.50	735,746.00	-	800,000.00	89,159.00	82.50	1,624,987.50	2,918,910.50
Gogebic	98,595.00	127,333.00	9.87	225,937.87	56,063.00	-	-	2,120.00	9.87	58,192.87	156,787.87
Gratiot	128,000.00	165,309.00	6.67	293,315.67	72,783.00	-	-	19,268.00	6.67	92,057.67	220,057.67
Great Lakes	291,649.00	376,658.00	(18.74)	668,288.26	165,837.00	210,000.00	210,000.00	(1,031.00)	(18.74)	584,787.26	876,436.26
Hiawatha	243,128.00	313,994.00	12.61	557,134.61	138,247.00	-	-	23,581.00	12.61	161,840.61	404,968.61
Huron	168,799.00	218,000.00	1.50	386,800.50	95,982.00	-	-	7,420.00	1.50	103,403.50	272,202.50
Ionia	203,106.00	262,306.00	10.01	465,422.01	115,489.00	-	-	4,844.00	10.01	120,343.01	323,449.01
Kalamazoo	774,124.00	999,762.00	44.01	1,773,930.01	440,179.00	150,000.00	530,000.00	11,108.00	44.01	1,131,331.01	1,905,455.01
Kent	1,018,797.00	1,315,752.00	141.23	2,334,690.23	579,305.00	-	600,000.00	(15,664.00)	141.23	1,163,782.23	2,182,579.23
Lapeer	213,481.00	275,706.00	24.34	489,211.34	121,389.00	-	150,000.00	3,240.00	24.34	274,653.34	488,134.34
Lenawee	152,631.00	197,119.00	11.97	349,761.97	86,788.00	-	-	5,870.00	11.97	92,669.97	245,300.97
Lifeways	426,192.00	550,417.00	8.72	976,617.72	242,340.00	-	-	(3,108.00)	8.72	239,240.72	665,432.72
Livingston	251,232.00	324,460.00	1.59	575,693.59	142,855.00	210,000.00	180,000.00	(3,806.00)	1.59	529,050.59	780,282.59
Macomb	1,790,281.00	2,312,104.00	79.51	4,102,464.51	1,017,982.00	380,000.00	1,040,000.00	(278,300.00)	79.51	2,159,761.51	3,950,042.51
Manistee-Benzie	253,201.00	327,003.00	27.17	580,231.17	143,974.00	-	-	(179.00)	27.17	143,822.17	397,023.17
Monroe	483,969.00	625,034.00	37.55	1,109,040.55	275,193.00	-	-	15,269.00	37.55	290,499.55	774,468.55
Montcalm	94,937.00	122,609.00	1.12	217,547.12	53,983.00	-	100,000.00	9,835.00	1.12	163,819.12	258,756.12
Muskegon	591,000.00	763,262.00	57.17	1,354,319.17	336,052.00	-	-	(29,039.00)	57.17	307,070.17	898,070.17
Newaygo	124,496.00	160,784.00	38.11	285,318.11	70,791.00	-	-	7,246.00	38.11	78,075.11	202,571.11
North Central	283,198.00	365,743.00	7.05	648,948.05	161,031.00	-	-	(30,710.00)	7.05	130,328.05	413,526.05
Northeast	250,089.00	322,984.00	46.48	573,119.48	142,205.00	-	-	941.00	46.48	143,192.48	393,281.48
Northern	302,552.00	390,739.00	79.05	693,370.05	172,036.00	-	100,000.00	(1,056.00)	79.05	271,059.05	573,611.05
Northpointe	192,326.00	248,384.00	5.43	440,715.43	109,360.00	-	-	9,459.00	5.43	118,824.43	311,150.43
Oakland	2,377,121.00	3,069,994.00	216.78	5,447,331.78	1,351,669.00	4,654,849.00	2,530,970.00	119,630.00	216.78	8,657,334.78	11,034,455.78
Ottawa	478,656.00	618,173.00	8.74	1,096,837.74	272,172.00	-	-	(31,869.00)	8.74	240,311.74	718,967.74
Pathways	577,953.00	746,412.00	45.54	1,324,410.54	328,633.00	-	-	12,778.00	45.54	341,456.54	919,409.54
Pines Behavioral	-	-	-	-	-	-	-	-	-	-	-
Saginaw	509,649.00	658,199.00	43.08	1,167,891.08	289,795.00	-	200,000.00	(10,208.00)	43.08	479,630.08	989,279.08
Sanilac	223,146.00	288,188.00	13.10	511,347.10	126,885.00	-	-	22,019.00	13.10	148,917.10	372,063.10
Shiawassee	163,739.00	211,465.00	37.26	375,241.26	93,105.00	-	-	(16,497.00)	37.26	76,645.26	240,384.26
St. Clair	659,281.00	851,445.00	90.17	1,510,816.17	374,878.00	-	-	(33,220.00)	90.17	341,748.17	1,001,029.17
St. Joseph	-	-	-	-	-	-	-	-	-	-	-
Summit Pointe	335,290.00	433,019.00	72.83	768,381.83	190,651.00	-	-	(23,957.00)	72.83	166,766.83	502,056.83
Tuscola	282,805.00	365,236.00	26.93	648,067.93	160,808.00	-	-	(50,301.00)	26.93	110,533.93	393,338.93
Van Buren	218,294.00	281,921.00	43.64	500,258.64	124,125.00	-	-	13,591.00	43.64	137,759.64	356,053.64
Washtenaw	689,949.00	891,052.00	88.31	1,581,089.31	392,316.00	-	200,000.00	(24,542.00)	88.31	567,862.31	1,257,811.31
West Michigan	217,013.00	280,267.00	23.76	497,303.76	123,397.00	150,000.00	160,000.00	10,597.00	23.76	444,017.76	661,030.76
Woodlands	114,400.00	147,745.00	29.77	262,174.77	65,050.00	-	-	2,462.00	29.77	67,541.77	181,941.77
Total	$ 24,507,974.00	$ 31,651,453.00	$ 3.85	$ 56,159,430.85	$ 13,935,634.00	$ 5,904,849.00	$ 11,810,970.00	$ -	$ 3.85	$ 31,651,456.85	$ 56,159,430.85

Michigan Department of Community Health
Proposed Distribution Formula - Funding Formula

CMHSP	Decrease Funding Formula - Trade for Medicaid	Increase Funding Formula - Based on Need	Increase Funding Formula - Distribute to CMHSP's - Low End of FF	Total Funding Formula Increase
Allegan	$ -	$ -	$ 150,000	$ 150,000
Antrim-Kalkaska	(150,000)	-	-	-
Ausable Valley	-	-	50,000	50,000
Barry	-	-	-	-
Bay Arenac	-	-	-	-
Berrien	-	-	-	-
Central Michigan	-	-	800,000	800,000
Clinton-Eaton-Ingham	-	-	-	-
Copper Country	-	-	50,000	50,000
Detroit-Wayne	-	-	-	-
Genesee	-	-	-	-
Gogebic	-	-	-	-
Gratiot	-	-	100,000	100,000
Great Lakes	(210,000)	-	-	-
Hiawatha	-	-	-	-
Huron	-	-	265,000	265,000
Ionia	-	204,957		
Kalamazoo	(150,000)	-	-	-
Kent	-	-	-	-
Lapeer	-	-	-	-
Lenawee	-	-	200,000	200,000
Lifeways	-	-	150,000	150,000
Livingston	(210,000)	-	-	-
Macomb	(380,000)	-	-	-
Manistee-Benzie	-	244,342	-	244,342
Monroe	-	-	-	-
Montcalm	-	-	-	-
Muskegon	-	-	-	-
Newaygo	-	-	125,000	125,000
North Central	-	218,498	200,000	418,498
Northeast	-	243,347	475,000	718,347
Northern	-	-	-	-
Northpointe	-	-	-	-
Oakland	(4,654,849)	-	-	-
Ottawa	-	405,264	650,000	1,055,264
Pathways	-	-		
Pines Behavioral	-	-	-	-
Saginaw	-	-	-	-
Sanilac	-	255,166	-	255,166
Shiawassee	-	-	75,000	
St. Clair	-	-	-	-
St. Joseph	-	-	-	-
Summit Pointe	-	-	-	-
Tuscola	-	182,933	-	182,933
Van Buren	-	235,342	225,000	460,342
Washtenaw	-	-	100,000	100,000
West Michigan	(150,000)	-	-	-
Woodlands	-	-	-	-
	$ (5,904,849)	$ 1,989,849	$ 3,915,000	$ 5,904,849