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## 1.0 General Report Overview

The Financial Status Report (FSR) –ABW is a report of all activity for the Prepaid Inpatient Health Plan (PIHP) for the ABW program. The FSR - ABW summarizes the revenues and expenditures of the PIHP for the ABW program.


The ABW provides mental health and substance abuse benefits for Michigan’s childless adult residents (age 18 through 64) with an annual income at or below 35 percent of the Federal Poverty Level. ABW mental health and substance abuse services are limited both in scope and amount to those that are medically necessary and conform to professionally accepted standards of care consistent with the MHC. Please refer to the Medicaid Provider Manual for further details on mental health and substance abuse services and benefit restrictions. The PIHP receives ABW funding via a capitation payment based on per enrolled adult per month methodology.

A comparison will be made between revenue and expense to determine whether there is an overall surplus or deficit in funding. When a surplus in funding exists the unspent ABW funds become local funds in the following FY as defined in the April 30, 2010 Adult Benefits Waiver implementation guidance. When an overall deficit exists, the PIHP must report what funding will be used to cover the costs above the capitation received.

The FSR –Adult Benefit Waiver will be utilized by the Michigan Department of Community Health (MDCH) as a tool to monitor the fiscal operations of the PIHP. In addition, this report will provide the basis for the annual contract reconciliation of the MDCH/PIHP Michigan ABW NON-Pregnant Childless Adults Waiver (Adult Benefits Waiver) Section 1115 Demonstration program Contract (ABW Contract).

The PIHP/CMHSP shall comply with Generally Accepted Accounting Principles, along with any other federal and state regulations as defined in the PIHP Contract. All revenue and expenditures are required to be reported on an accrual basis of accounting. As such, the revenue and expenditure amounts reported must include all earned reimbursements and/or obligations regardless of whether they have been billed or collected. Additionally, any adjustments for uncollectible amounts or write-offs should be included. The FSR – Adult Benefit Wavier (ABW) – Mental Health and Substance Abuse must reconcile to the PIHP’s general ledger.

The PIHPs with affiliate CMHSPs and/or contracts with CAs for the provision of the Adult Benefit Waiver benefit will report summary level revenue and expenditure information in separate columns for each contract. The amounts reported by the PIHP should reconcile to the FSR – All Non-Medicaid – Section IA – PIHP to Affiliate ABW Services Contracts for each affiliate CMHSP. The MDCH may request, for select PIHPs, the reporting of prime sub-contractors in the separate columns.

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## 2.0 Report - Due Dates

<u>Report Period</u>	<u>Report Type</u>	<u>Due Date</u>
October 1 – March 31	Mid Year Status Report	May 31 <sup>st</sup>
October 1 – June 30	Nine Month (3 <sup>rd</sup> quarter)	August 15 <sup>th</sup>
October 1 – September 30	Projection	August 15 <sup>th</sup>
October 1 – September 30	Interim	November 10 <sup>th</sup>
October 1 – September 30	Final	February 28 <sup>th</sup>

## 3.0 Report Submission

### 3.1 Report Submitted via US Mail

This is no longer applicable. Electronic report submission required.

### 3.2 Report Submission – Electronic

The report should be submitted electronically to the department by the due date identified in 2.0 above at [MDCH-MHSA-Contracts-MGMT@michigan.gov](mailto:MDCH-MHSA-Contracts-MGMT@michigan.gov).

The report's file name must identify the reporting fiscal year, period covered (submission type), agency name, report title and date of submission. Example: For the FY 11 Mid-Year Status Report submitted from network180 for the Adult Benefit Wavier (ABW), the file name should read **FY11 Mid-Year Status Report network180 ABW FSR 05-31-2011**.

Refer to the Electronic Report Submission Guidelines for report submission specifications.


## 4.0 Report Specific Navigation or Terminology

Within this document the terms used in these instructions shall be construed and interpreted as defined below:

Medicaid Contract: The Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program Contract

GF Contract: MDCH/CMHSP Managed Mental Health Supports and Services Contract

ABW Contract: Michigan ABW NON-Pregnant Childless Adults Waiver (Adult Benefits Waiver) Section 1115 Demonstration program Contract

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PIHP: CMHSP that holds the Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program Contract and the Michigan ABW Non-Pregnant Childless Adults Waiver Contract with MDCH and acts as the Prepaid Inpatient Health Plan either for an affiliation of CMHSPs or as a stand alone PIHP

CMHSP: Community Mental Health Services Program that holds the GF Contract with MDCH

FFP: Federal Financial Participation; which is sometimes referred to as FMAP or Federal Medical Assistance Percentage. Both refer to the rate at which the Federal Government will match State dollars. For instance, a 75% FFP would indicate that for every \$100 spent, the Federal Government would fund \$75 and the State would need to provide \$25 in match.

ARRA: American Recovery and Reinvestment Act of 2009, enacted February 17, 2009. The ARRA provides for federally financed economic stimulus funding.

The Financial Status Report – Adult Benefit Wavier (ABW) – Mental Health and Substance Abuse includes cell shading to assist the end user with completion of the form.

Report headers are shaded in light green.

Cells requiring data entry are shaded in yellow.

Cells that are formula driven and should not have data entered are shaded peach or light turquoise. The cells shaded in light turquoise represent sub-totals or totals.

Select cells have conditional formatting applied so that if an erroneous entry is made the cell will turn orange.


Worksheet protection has been enabled.

Precision as displayed functionality has been enabled. As such, Excel will utilize the displayed value instead of the stored value when it recalculates formulas.

The term “Submission Type” on the worksheet refers to the reporting period, i.e., Mid Year Status Report, Nine Month (3<sup>rd</sup> quarter), Projection, Interim, Final.

The following numbering / sequencing have been utilized in the FSR: Adult Benefit Wavier (ABW)

- 100 Title row for revenue
- 101-189 Detail rows for reporting revenue. May include sub-totals.
- 190 Total row for revenue
- 200 Title row for expenditures

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- 201-289 Detail rows for reporting expenditures. May include sub-totals.
- 290 Total row for expenditures
- 295 Sub-total row identifying net surplus (deficit) prior to any redirection
- 300 Title row for redirection of funds (TO) and FROM
- 301-389 Detail rows for reporting redirection. May include sub-totals.
- 390 Total row for redirection of funds (TO) and FROM
- 400 Total row identifying the remaining balance. The balance is calculated by taking into consideration available revenue less expenditures and adjusting for any redirections (TO) or FROM. As the row title indicates, the amount in this cell cannot be less than zero. Any deficit in ABW funding must be resolved. Any amounts greater than zero reflected in this cell will represent the unspent balance of ABW which will be converted to local funding as defined in the April 30, 2011 Adult Benefits Waiver implementation guidance.

Column A: Column A is to be used by the reporting PIHP for the revenues, expenditures incurred by the PIHP/CMHSP. Additionally, the PIHP will use Column A to report all redirection of funds.


Column B through H: Column B through H will be used by the PIHP to report summary level information of their contracts with affiliate CMHSPs and/or CAs for the provision of the Medicaid ABW benefit. The amounts reported by the PIHP should reconcile to the revenues, expenditures, redirection of funds, sub-totals and totals of the affiliate CMHSPs or CAs.

Row Layout: For the most part, all rows contain an alpha reference, a numeric reference, a description and then the amount associated to the listed elements. The alpha reference refers to the ABW Contract. The number reference refers to the character of the line (revenue, expenditures, etc). The description could be a label (revenue, expenditure, etc) or a more detailed description of the item. The redirection rows include at the end of the description a reference to the partner row.

For example – AC 304 (FROM) Local Funds M301.3 the “M” refers to Local Fund, the 301.3 indicates that this row represents a redirection to another row the “AC 304” indicates that the partner row (FROM row) is in Section AC row 304.

REDIRECTS – (TO) FROM – Each PIHP/CMHSP is expected to maintain a balanced budget. However, it is acknowledged that funding and expenditures, by category may not always be equal. The “Redirected Funds (To) From” sections will be the mechanism in which the PIHP/CMHSP will identify how any funding surplus or deficit was resolved by category. The “redirects” will identify how surplus funds are used by other programs or how deficits were covered by other funding sources. In either case, the funding source must be a legitimate source of funding for the program the funding is being redirected to cover.

Every “TO” redirection will have an off-setting “FROM” transaction. The converse is also true, for every “FROM” redirection there will be a “TO” transaction. The “TO” and “From” amounts will be equal; thus all redirections will sum to zero. Following is an example:

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AC 302 FROM General Fund – Redirected to Unfunded MH ABW costs – B 301.3 \$10

This line is within the General fund section and indicates that \$10 is being received “FROM” the GF section to fund ABW expenditures that exceed ABW funding.

Redirection amounts are entered in the FROM redirects and automatically linked to the TO redirects as the opposite or converse amount.

## 5.0 Instructions for Completion of the Report

Enter the name of the PIHP on the line labeled PIHP  
 Select the appropriate fiscal year (FY) from the drop down menu  
 Select the period covered from the submission type drop down menu.  
 Enter the PIHP’s date of submission.

### ROW INSTRUCTIONS

#### Row AC – Adult Benefit Wavier Services – PIHP Use Only

This row is a title row for informational purposes only. The rows immediately following will represent the revenues, expenditures and redirection of funding related to the Adult Benefit Wavier.

#### Row AC 100 – REVENUE

This is a title row for informational purposes only. The form will not allow any numbers in this row.

#### Row AC 101 – Revenue Mental Health

This row is also a title row for informational purposes only. The rows immediately following will represent the funding related to the Adult Benefit Wavier for Mental Health services.

#### Row AC 102 – Revenue ABW – Mental Health (MH)


The PIHP receives ABW funding for the provision of mental health services via a capitation payment based on per enrolled adult per month methodology. Enter the amount of capitation received for the ABW for the provision of mental health services.

#### Row AC 103 – Revenue ABW – Affiliate Contracts – MH - COLUMN A

This cell is formula driven and will offset the revenue distributed to each of the affiliates recognized in columns B through H. The formula is *less the amounts reported in Columns B through H*.

#### Row AC 103 – Revenue ABW – Affiliate Contracts – MH – COLUMNS B THROUGH H

Enter the amount of ABW funding distributed to each of the affiliate CMHSPs of the PIHP.

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**Row AC 120 – Subtotal Revenue – MH**

These cells represent the total of ABW capitated payments and/or distribution of revenue to the affiliate CMHSPs for the provision of mental health services. The cells are formula driven. The formula is *the sum of ABW - Mental Health (AC 102) and ABW– Affiliate Contracts (AC 103)*.

**Row AC 130 – Revenue – Substance Abuse**

This row is also a title row for informational purposes only. The rows immediately following will represent the funding related to the Adult Benefit Wavier for substance abuse services.

**Row AC 131 – Revenue - ABW Substance Abuse (SA)**

The PIHP receives ABW funding for the provision of substance abuse services via a capitation payment based on per enrolled adult per month methodology. Enter the amount of capitation received for the ABW for the provision of substance abuse services.

**Row AC 132 – Revenue - ABW Affiliate Contracts – SA – Column A**

This cell is formula driven and will offset the revenue distributed to each of the affiliates recognized in columns B through H. The formula is *less the amounts reported in Columns B through H*.

**Row AC 132 – Revenue ABW – Affiliate Contracts - SA – Columns B through H**

Enter the amount of funding distributed to each of the CAs of the PIHP.

**Row AC 140 – Subtotal Revenue – SA**

These cells represent the total of ABW capitated payments and/or distribution of revenue to the affiliate CAs for the provision of substance abuse services. The cells are formula driven. The formula is *the sum of AC 131 ABW – SA and AC 132 ABW Affiliate Contracts - SA*.

**Row AC-190 – Total Revenue**

These cells represent the total ABW services revenue available to fund current year expenditures. These cells are formula driven. The formula is the *sum of Sub-total – Revenue Mental Health (AC 120)) and Subtotal – Revenue Substance Abuse (AC 140)*.


**Row AC 200 – Expenditure**

This row is a title row for informational purposes only. The rows immediately following will represent the expenditures for services provided and authorized in the ABW Contract.

**Row AC 201 – Expenditure – Mental Health**

This row is a title row for informational purposes only. The rows immediately following will represent the expenditures for mental health services provided and authorized in the ABW Contract.



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**Row AC 202 – PIHP Use Tax Liability – MH**

Enter the amount of expenditures associated to ABW – Medicaid Use Tax.

**Row AC 203 - ABW Services – MH**

Enter the amount of expenditures related to providing mental health services, as defined in the Medicaid Provider Manual, to the ABW population.

**Row AC 220 – Subtotal Expenditure – Mental Health**

This row represents the total of ABW expenditures for mental health services to ABW beneficiaries. The cells in this row are formula driven. The formula is the sum of rows AC 202 PIHP Use Tax Liability – MH and AC 203 ABW Services - MH.

**Row AC 230 – Expenditure – Substance Abuse**

This row is a title row for informational purposes only. The rows immediately following will represent the expenditures for substance abuse services provided and authorized in the ABW Contract.

**Row AC 231 – PIHP Use Tax Liability – SA**

Enter the amount of expenditures associated to ABW – Medicaid Use Tax.

**Row AC 232 – ABW Services – SA**

Enter the amount of expenditures related to providing substance abuse services, as defined in the Medicaid Provider Manual, to the ABW population.

**Row AC 240 – Subtotal Expenditure – Substance Abuse**

This row represents the total of ABW expenditures for substance abuse services to ABW beneficiaries. The cells in this row are formula driven. The formula is the sum of rows AC 231 PIHP Use Tax Liability – SA and AC 232 ABW Services - SA.

**ROW AC 290 - TOTAL EXPENDITURE**


This row represents the total ABW expenditures prior to any redirects. The cells in this row are formula driven. The formula is the sum of AC 220 Subtotal of Expenditures for Mental Health and AC 240 Subtotal of Expenditures for Substance Abuse.

**Row AC 291 – Subtotal Net ABW Services Surplus (Deficit) – MH**

These cells represent the ABW surplus or deficit (for mental health services) before any redirection of funds. The cells in this row are formula driven. The formula is AC 120 Subtotal Revenue MH less AC 220 Subtotal Expenditure MH.

**Row AC 292 – Subtotal Net ABW Services Surplus (Deficit) – SA**

These cells represent the ABW surplus or deficit (for substance abuse services) before any redirection of funds. The cells in this row are formula driven. The formula is AC 140 Subtotal Revenue SA less AC 240 Subtotal Expenditure SA.

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**Row AC 295 - Subtotal Net ABW Services Surplus (Deficit)**

This cell represents the net ABW surplus or deficit prior to any redirection of funds. The cell is formula driven. The formula is AC 190 Total Revenue less AC 290 Total Expenditure.

**Row AC-300 Redirected Funds (To) From**

This row is the label Redirected Funds (To) From. Although this row indicates both “TO” and “FROM” for consistency within the FSR, the ABW section does not allow for any redirection to any other program. The rows immediately following the label “Redirected Funds (To) From” will identify how the PIHP addressed any deficit in ABW funding.

**Row AC 301 – Affiliate Total Redirected Funds – IA 390**

Enter the amount of redirected funding used by the affiliate being utilized to fund all or a portion of the deficit in ABW

**Row AC-302 - From General Fund - Redirected to Unfunded MH ABW Costs - B301.3**

Enter the amount of GF being utilized to fund all or a portion of the deficit in ABW MH.

**Row AC-303 - From Substance Abuse MDCH Contract - L300.3**

Enter the amount of SA funding being utilized to fund all or a portion of the deficit in ABW SA.

**Row AC 304 – From Local Funds – M301.3**

Enter the amount of local funds being utilized to fund all or a portion of the deficit in ABW


**Row AC-390 - Total Redirected Funds Column A**

This cell represents the total of redirected funds associated to the ABW program. The cell is formula driven. The formula is the *sum of Affiliate Total redirected Funds (AC301), FROM General Fund (AC 302), FROM Substance Abuse MDCH Cotntract (AC303), and FROM Local Funds (C 304).*

**Row AC-390 - Total Redirected Funds Column B thru H**

These cells represents the total of redirected funds associated to the ABW program by affiliate CMHSP. The cells are formula driven. The formula is the *sum of Affiliate total redirected funds (AC 301) and FROM Local Funds (C 303).*



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**Row AC-400 – Balance Adult Benefit Waiver Services**

These cells represent the net Medicaid surplus or deficit after redirection of funds. Any deficit in ABW funding must be resolved. Any amounts greater than zero reflected in this cell will represent the unspent balance of ABW which will be converted to local funding as defined in the April 30, 2010 Adult Benefits Waiver implementation guidance. This cell is formula driven. The formula is AC 295 Subtotal *Net Adult Benefit Waiver Surplus (Deficit) plus AC 390 Total Redirected Funds*.

**REMARKS SECTION**

Please enter remarks in this section in regards to any entry or activity on the report for which additional information may be useful.

Also, please provide a brief narrative describing the risk management arrangement between the PIHP and affiliates. For example, if your PIHP passes on some risk to the affiliates or if the PIHP was at full risk, it should be explained in this section.