



Detroit Wayne Integrated Health Network

707 W. Milwaukee St.
Detroit, MI 48202-2943
Phone: (313) 833-2500
www.dwihn.org
FAX: (313) 833-2156
TTY: 711

**Finance Committee Meeting
DWIHN Administration Building
1st Floor Boardroom
8726 Woodward Avenue
Detroit, MI 48202
Wednesday, October 2, 2024
1:00 p.m.
**AGENDA
(Revised)****

- I. Call to Order**
- II. Roll Call**
- III. Committee Member Remarks**
- IV. Approval of Agenda**
- V. Follow-Up Items**
- VI. Approval of Minutes – September 4, 2024**
- VII. Presentation of the Monthly Finance Report**
- VIII. Unfinished Business:**
Staff Recommendations: **none**
- IX. New Business:**
Staff Recommendations:
 - a. Board Action 25-36 – Workers’ Compensation Insurance
 - b. Board Action 25-37 – PA 152 Waiver
- X. Good and Welfare/Public Comment**
Members of the public are welcome to address the Board during this time for no more than two minutes. (The Board Liaison will notify the Chair when the time limit has been met.) Individuals are encouraged to identify themselves and fill out a comment card to leave with the Board liaison; however, those individuals that do not want to identify themselves may still address the Board. Issues raised during Good and Welfare/Public Comment that are of concern to the general public and may initiate an inquiry and follow-up will be responded to and may be posted to the website. Feedback will be posted within a reasonable timeframe (information that is HIPAA related or of a confidential nature will not be posted but rather responded to on an individual basis).
- XI. Adjournment**

Board of Directors

Dr. Cynthia Taueg, Chairperson
Karima Bentounsi
Jonathan C. Kinloch

Kevin McNamara, Vice Chairperson
Angela Bullock
Bernard Parker

Dora Brown, Treasurer
Lynne F. Carter, MD
William Phillips

Eva Garza Dewaelsche, Secretary
Angelo Glenn
Kenya Ruth

Manny Singla, Interim President and CEO



FINANCE COMMITTEE

MINUTES

SEPTEMBER 4, 2024

1:00 P.M.

8726 WOODWARD AVE.
DETROIT, MI 48202
(HYBRID/ZOOM)

| | |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MEETING CALLED BY | Ms. Dora Brown, Chair called the meeting to order at 1:08 p.m. |
| TYPE OF MEETING | Finance Committee Meeting |
| FACILITATOR | Ms. Dora Brown, Chair |
| NOTE TAKER | Ms. Nicole Smith, Finance Management Assistant |
| ATTENDEES | <p>Finance Committee Members Present: Ms. Dora Brown, Chair Mr. Kevin McNamara, Vice Chair Ms. Eva Garza Dewaelsche Ms. Kenya Ruth Ms. Karima Bentounsi</p> <p>Committee Members Excused: Mr. Angelo Glenn</p> <p>Board Members Present: Mr. Bernard Parker Dr. Cynthia Taueg</p> <p>Board Members Attending Virtually: None</p> <p>SUD Oversight Policy Board Members Attending Virtually: Mr. Thomas Adams, Chair</p> <p>Board Members Excused:</p> <p>Staff: Mr. Manny Singla, Interim President and CEO; Ms. Stacie Durant, VP of Finance; Ms. Brooke Blackwell, VP of Governmental Affairs and Chief of Staff; Dr. Shama Faheem, Chief Medical Officer; Ms. Monifa Gray, Associate VP of Legal Affairs; Ms. Sheree Jackson, VP of Corporate Compliance; Mr. Keith Frambro, VP of IT Services; Mr. Jody Connally, VP of Human Resources; Mr. Mike Maskey, VP of Facilities; Ms. Tiffany Devon, Director of Communications; Ms. Toni Jones, Supervisor of Auditing; Ms. Melissa Moody, VP of Clinical Operations; Ms. Andrea Smith, Director, Innovation and Community Engagement; and Ms. Melinda Haner, Budget Administrator</p> <p>Staff Attending Virtually: Ms. Dhannetta Brown, Associate VP of Finance; Mr. Jeff White, Associate Vice President of Operations; Ms. Yolanda Turner, VP of Legal Affairs and Ms. Jean Mira, Procurement Administrator</p> <p>Guests: None</p> |

AGENDA TOPICS

- I. **Roll Call** Ms. Lillian Blackshire, Board Liaison

II. Roll Call

Roll Call was taken by Ms. Blackshire, Board Liaison and a quorum was present.

III. Committee Member Remarks

Ms. Brown, Chair called for Committee member remarks. There were no Committee remarks.

IV. Approval of Agenda

The Chair, Ms. Brown called for a motion on the agenda. **Motion:** It was moved by Ms. Ruth and supported by Ms. Garza Dewaelsche approval of the agenda. There were no changes or modifications requested to the agenda. **Motion carried.**

V. Follow-up Items

The Chair called for any follow-up items. There were no follow-up items to report.

VI. Approval of the Meeting Minutes

The Chair, Ms. Brown called for approval of the minutes from the meeting on Wednesday, August 7, 2024. **Motion:** It was moved by Ms. Garza Dewaelsche and supported by Ms. Ruth approval of the Finance Committee minutes from the meeting on Wednesday, August 7, 2024. There were no corrections to the minutes. **Motion carried.** Minutes accepted as presented.

VII. Presentation of the Monthly Finance Report

S. Durant, VP of Finance presented the Monthly Finance report. A written report for the eight months ended July 31, 2024, was provided for the record. The DWIHN Finance accomplishments and noteworthy items to report were:

DWIHN received \$2,024,962 on July 31 in Opioid Settlement funds; this amount is slightly higher than budget at \$1.9 million. Discussion ensued regarding the opioid settlements.

DWIHN is requesting board approval to bill \$1.3 million in Milwaukee costs overruns related to MDHHS changes in configuration of Care Center to the \$60 million Integrated Care Center grant. CFO conferred with VP of Facilities, and we believe \$1.3 million is supported and available. DWIHN has received written confirmation from MDHHS that they are amenable to such charges. It should be noted that the legislative appropriation PA166 of 2022 section 1965(b) page 244 is as follows: \$45,000,000.00 to a CMHSP located in a county with a population of at least 1,750,000, according to the most recent federal decennial census for capital costs of an integrated care center facility that includes a walk-in behavioral health crisis services center.

The second Woodward appraisal came back at \$2 million higher thus reducing the required cash collateral to approximately \$2.5 million compared to the prior estimate of \$4.5 million.

In the event DWIHN is approved for CCBHC, it will be imperative that DWIHN ramp up its direct services to members in Wayne County. Failure to do so, could have a significant financial impact. Discussion ensued regarding the CCBHC model and the members that would be served.

Due from other governments – comprise various local, state and federal amounts due to DWIHN. Approximately \$2.7 million in SUD and MH block grant due from MDHHS. Approximately \$32.0 million for 3rd quarter 2024 pass- through HRA revenue.

Prepayments and deposits – on July 9, 2024, DWIHN advanced The Children’s Center \$2.5 million in future revenues that will be offset against payment due to the provider effective 2025.

IBNR Payable – represents incurred but not reported (IBNR) claims from the provider network; historical average claims incurred through July 31, 2024, was approximately \$728.6 million however actual payments were approximately \$670.4 million. The difference represents claims incurred but not reported and paid of \$58.2 million.

Restricted Opioid settlement - In July 2024, DWIHN received its 2023 and 2024 lawsuit settlement payments from various pharmaceutical companies. The funds are restricted for purposes specifically outlined in the lawsuit settlement agreement. Discussion ensued regarding the request of the \$1.3 million dollars. The Chair added the action item under New Business and noted that it would be taken with the other items on the agenda. There was no further discussion. The Chair, Ms. Brown, noted that the Finance Monthly Report was received and filed.

VIII. Behavioral Health Specialist in WC Police Departments Grant:

Ms. Andrea Smith, Director of Innovation and Community Engagement presented the FY25 Co-Response Expansion Proposal focused on expanding the Mental Health Co-Response program across Wayne County, which aims to divert individuals with serious mental illness or developmental disabilities from jail into appropriate mental health care. This program pairs Crisis Intervention Team (CIT)-trained law enforcement officers with behavioral health specialists to respond to mental health-related incidents. The plan includes a cost-sharing requirement, where eligible agencies would contribute a portion of the program’s costs, with financial monitoring and evaluation built into the expansion strategy. The program would place a Behavioral Health Specialist at each Police Department. A board action will be going to the Program Compliance Committee. It was noted that DWIHN’s cost would be an additional \$2 million dollars per year over a two-year period for an amount of \$4 million dollars beyond what we are currently doing. Discussion ensued regarding the program; cost; and mapping.

IX. FY 24 3rd Quarter Purchasing Report for non-competitive under \$50,000 and all Cooperative contracts:

The 3rd Quarter Procurement Report was presented by Ms. J. Mira, Procurement Administrator. The written report was provided to the Finance Committee and was included in the agenda packet for informational purposes. Noteworthy information includes purchasing percentages: Contract Percentage for Wayne County is 4.75% and Out of County is 95.25%; Funding Percentage w/o IT for Wayne County is 10.36% and Out of County is 89.64%. Amounts include Total under 50K or Cooperative purchasing total is \$99,819.35 Wayne County is \$47,538.01 IT total is \$540,786.48 Discussion ensued regarding the Out of County percentages as they were relatively high; and the items that were considered to be cooperative purchases. There was no further discussion. The FY24 3rd Quarter Procurement Report was received and filed.

X. Unfinished Business – Staff Recommendations:

a. Board Action #23-18(Revision 2) – Global Solutions Group Inc. Presented by Mr. K. Frambro, VP of IT Services Department. DWIHN is requesting approval to exercise the second of three one-year renewal options with Global Solutions Group, Inc. to retain a Virtual Chief Information Security Officer, to develop a complete set of information technology and security policies adequate to meet audit requirements, along with delivering a comprehensive risk assessment to identify gaps in physical, technical and administrative controls and provide recommendations for remediation, actions or plans to eliminate or prevent further occurrences. This renewal will extend the contract an additional year through September 30, 2025, with a FY 2025 cost not to exceed \$124,888 and a total contract cost not to exceed \$374,664. The

Chair called for a motion. **Motion:** It was moved by Ms. Ruth and supported by Ms. Garza Dewaelsche approval of BA #23-18 (Revision 2) to Full Board. There was no further discussion. **Motion carried.**

b. Board Action #23-25(Revision 2) – Social Media Management (Wastcomm). Ms. T. Devon, Director of Communications Department reporting. DWIHN is requesting approval for contract renewal between DWIHN and Westcomm Inc. to provide Social Media Management services for one year period beginning October 1, 2024 through September 30, 2025. In July 2022, an RFP 2022-007 process began in which Westcomm was chosen over four other qualified companies with a score of 298 points out of a possible 300. It was recommended the company be awarded a one-year contract with three one-year renewal options for a total amount not to exceed \$98,700 annually. This is the second year of the three-year renewal. The partnership includes social media management services such as creating engaging and relevant content at least 3-5 times per week on various and appropriate channels including Facebook, Instagram, Twitter, Linked In, Snap Chat and Tik Tok. Westcomm Inc. also manages and creates paid search and display ads to reach target audiences including a younger demographic. Request to extend the agreement at a cost of not to exceed \$98,700, for a period of one year through September 30, 2025. The Chair called for a motion. **Motion:** It was moved by Ms. Garza Dewaelsche and supported by Ms. Bentounsi approval of BA #23-25 (Revision 2) to Full Board. Discussion ensued regarding the results of the DWIHN Facebook and Instagram accounts. **Motion carried.**

c. Board Action #23-30 (Revised) – Public Affairs Associates (PAA) The Chair called for a motion. **Motion:** It was moved by Mr. McNamara and supported by Ms. Garza Dewaelsche approval of Board Action #23-30 (Revised) Public Affairs Associates (PAA). Ms. B. Blackwell, VP of Governmental Affairs and Chief of Staff reporting. DWIHN Administration is requesting to modify BA#23-30 with Public Affairs Associates (PAA). PAA continues to work in conjunction with DWIHN staff and board members for government and legislative services. As we are in the midst of key projects that still need major lobbying efforts, such as our multiple crisis facilities, behavioral healthcare campus, CCBHC and direct outpatient services, having any change in our lobbying efforts would cause devastating effects to these projects. PAA has been a critical piece to DWIHN’s legislative plan in working with the MDHHS and Lansing leadership that has garnered us unprecedented success with the award of \$66 million in grant funding to build an integrated behavioral health campus and expand our crisis care services. We are requesting a two year extension at \$100,000 annually, for a total of \$200,000 for the two-year period, through September 30, 2026. The total contract is not to exceed \$400,000 with the two-year extension through 9/30/2026. There was no further discussion. **Motion carried.**

XI. New Business – Staff Recommendations:

a. Board Action #25-25 – FY 2025 DWIHN Operating Budget. Presented by S, Durant, VP of Finance Department. Detroit Wayne Integrated Health Network (DWIHN) is requesting Board approval for the FY 2025 Operating Budget in the amount of \$1,186,099,754. The FY 2025 Operating Budget consists of the following revenue:

\$892,363,713 - Medicaid, DHS Incentive, Medicaid-Autism, Children's/ SED Waiver, HAB, CCBHC Supplemental.

\$143,684,858 - Healthy MI Plan.

\$12,552,243 - MI Health Link.

\$21,460,905 - State General Funds.

\$23,533,633 - Wayne County Local Match Funds.

\$4,723,521 - County PA2 Funds.

\$32,489,449 - State Grants (MDHHS/ MDHHS SUD, OBRA);

\$24,222,760 - Federal Grants (MDHHS/ MDHHS SUD, SAMHSA);

\$953,543 - Local Grants.

\$6,760,000 - Interest Income.
 \$40,000 - Miscellaneous Revenue.
 \$23,315,129 - Medicaid/ Local Reserves.
 The Chair called for a motion. **Motion:** It was moved by Ms. Ruth and supported by Mr. McNamara approval of BA #25-25 to Full Board. Discussion ensued regarding some of the changes in the budget. **Motion carried.**

b. Action item from Monthly Finance Report - Finance request to bill \$1.3 million dollars in Milwaukee costs overruns related to MDHHS changes in configuration of care center to the \$60 million-dollar Integrated Care Center grant. The Chair called for a motion. **Motion:** It was moved by Mr. McNamara and supported by Ms. Garza Dewaelsche to approve and bill \$1.3 million dollars in Milwaukee costs overruns related to MDHHS changes in configuration of care center to the \$60 million Integrated Care Center grant. Staff believes \$1.3 million is supported and available. DWIHN has received written confirmation from MDHHS that they are amenable to such charges. There was no further discussion. **Motion carried.**

XII. Good and Welfare/Public Comment – The Chair read the Good and Welfare/Public Comment statement. There were no members of the public requesting to address the committee.

XIII. Adjournment – There being no further business; The Chair, Ms. Brown called for a motion to adjourn. **Motion:** It was moved by Ms. Ruth and supported by Ms. Garza Dewaelsche to adjourn the meeting. **Motion carried.** The meeting was adjourned at 2:10 p.m.

| | |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| FOLLOW-UP ITEMS | 1. Provide at the upcoming Board Study Session a forecast on the number of members that are mild to moderate and can be served in the geographical area. |
| | |

**DWIHN Division of Management and Budget
Monthly Finance Report
For the Eleven months ended August 31, 2024**

DWIHN Finance accomplishments and noteworthy items:

1. DWIHN received notification that healthcare costs increased less than 1%. DWIHN employees with bear 100% of the increase and therefore request a continuation of 88/12 percent split between employer and employee (prior year 90/10 split).

Financial analysis- (refer to Authority balance sheet and income statement)

- Cash flow is very stable and should continue to remain strong throughout the year as liquidity ratio = 2.40.

| | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JULY | AUG |
|-------|------|------|------|------|------|------|------|------|------|------|------|------|
| DWIHN | 2.53 | 2.44 | 2.44 | 2.35 | 2.66 | 2.72 | 2.48 | 2.29 | 2.93 | 2.70 | 2.48 | 2.40 |

- (A) Due from other governments – comprise various local, state and federal amounts due to DWIHN. Approximately \$2.7 million in SUD and MH block grant due from MDHHS. Approximately \$9.2 million for July and August 2024 pass- through HRA revenue.
- (B) Accounts Receivable – Approximately \$3.0 million relate to the August Wayne County match and PA2 due to DWIHN for 3rd quarter and estimated July and August 2024.
- (C) IBNR Payable – represents incurred but not reported (IBNR) claims from the provider network; historical average claims incurred through August 31, 2024, was approximately \$815.3 million however actual payments were approximately \$748.2 million. The difference represents claims incurred but not reported and paid of \$67.1 million.
- (D) Restricted Opioid settlement - In July 2024, DWIHN received its 2023 and 2024 lawsuit settlement payments from various pharmaceutical companies. The funds are restricted for purposes specifically outlined in the lawsuit settlement agreement.
- (E) State contracts and grants – Approximately \$7.8 million relates to shortfalls in Medicaid as compared to budget. The remaining difference relates to year end reclassifications (i.e. SUD treatment @ \$3.1 million) and pass through fundings (i.e. HRA, CCBHC supplemental @ \$11.2 million).
- (F) SUD, Autism, Adult, Children and IDD services – Approximately \$10.5 million in costs more than budget. Currently, the overages will be funded from the Medicaid savings.

DETROIT WAYNE INTEGRATED HEALTH NETWORK

Statement of Net Position

As of August 31, 2024

Assets

| | | |
|-------------------------------------------------|-------------------------------------|----------|
| Cash and investments | \$ 187,743,614 | |
| Investments in Internal Service Fund | 74,576,573 | |
| Receivables | | |
| Due from other governmental units | 13,676,698 | A |
| Accounts receivable | 5,300,168 | B |
| Less: allowance for uncollectible | (73,424) | |
| Prepayments and deposits | 3,908,898 | |
| Total current assets | <u>285,132,527</u> | |
| Capital assets, net of accumulated depreciation | <u>59,780,482</u> | |
| Total Assets | <u><u>\$ 344,913,009</u></u> | |

Liabilities and Net Position**Liabilities**

| | | |
|------------------------------|----------------------------------|----------|
| Accounts payable | \$ 33,364,241 | |
| IBNR Payable | 67,147,397 | C |
| Due to Wayne County | 939,268 | |
| Due to other governments | 2,594,359 | |
| Accrued wages and benefits | 2,592,963 | |
| Unearned revenue | 607,596 | |
| Accrued compensated balances | 2,119,980 | |
| Total current liabilities | <u>109,365,804</u> | |
| Notes Payable | <u>19,219,200</u> | |
| Total Liabilities | <u><u>128,585,004</u></u> | |

Net Position

| | | |
|-------------------------------------|-------------------------------------|----------|
| Net investment in capital assets | 39,740,648 | |
| Restricted - PA2 funds | 9,330,007 | |
| Restricted - Cash Collateral | 21,907,338 | |
| Restricted - Opioid Settlement | 1,943,962 | D |
| Internal Service Fund | 74,576,573 | |
| Unrestricted | 68,829,477 | |
| Total Net Position | <u><u>216,328,005</u></u> | |
| Liabilities and Net Position | <u><u>\$ 344,913,009</u></u> | |

DETROIT WAYNE INTEGRATED HEALTH NETWORK
Statement of Revenues, Expenses and Changes to Net Position
For the Eleven Months Ending August 31, 2024

| | August 2024 | | | Year to Date | | | |
|------------------------------------------------|-------------------|---------------------|---------------------|----------------------|----------------------|--------------------|---|
| | Budget | Actual | Variance | Budget | Actual | Variance | |
| Operating Revenues | | | | | | | |
| Federal grants | 2,730,331 | 1,510,370 | (1,219,961) | 30,033,641 | 26,202,933 | (3,830,708) | |
| State grants and contracts | 88,749,932 | 68,487,835 | (20,262,097) | 976,249,252 | 949,217,325 | (27,031,927) | E |
| Medicaid prior year carryover | 386,292 | - | (386,292) | 4,249,212 | 32,492,867 | 28,243,655 | |
| MI Health Link | 1,024,161 | 846,051 | (178,110) | 11,265,771 | 9,876,174 | (1,389,597) | |
| Local grants and contracts | 2,576,934 | 1,969,829 | (607,105) | 28,346,274 | 22,686,164 | (5,660,110) | |
| Other charges for services | 3,333 | 9,569 | 6,236 | 36,663 | 61,314 | 24,651 | |
| Total Operating Revenues | 95,470,983 | 72,823,654 | (22,647,329) | 1,050,180,813 | 1,040,536,777 | (9,644,036) | |
| Operating Expenses | | | | | | | |
| Salaries | 2,479,117 | 2,062,426 | 416,691 | 27,270,287 | 24,795,616 | 2,474,671 | |
| Fringe benefits | 970,004 | 792,446 | 177,558 | 10,669,994 | 9,645,050 | 1,024,944 | |
| Substance abuse services | 5,723,047 | 5,980,515 | (257,468) | 62,953,517 | 56,572,652 | 6,380,865 | F |
| Autism Services | 7,650,637 | 10,125,469 | (2,474,832) | 84,157,007 | 87,835,996 | (3,678,989) | F |
| MI HealthLink | 1,007,069 | 1,078,836 | (71,767) | 11,077,759 | 10,210,483 | 867,276 | |
| Adult Services | 32,594,932 | 23,640,427 | 8,954,505 | 358,544,252 | 353,541,412 | 5,002,840 | F |
| Children Services | 5,328,790 | 7,671,943 | (2,343,153) | 58,616,690 | 59,218,704 | (602,014) | F |
| Care Center | 1,948,524 | 1,516,703 | 431,821 | 21,433,762 | 10,375,400 | 11,058,362 | |
| Direct Services | 620,013 | 437,772 | 182,241 | 6,820,143 | 3,782,499 | 3,037,644 | |
| Intellectual Developmental Disabled | 32,892,299 | 40,186,213 | (7,293,914) | 361,815,289 | 379,389,816 | (17,574,527) | F |
| Grant Programs | 996,072 | 801,735 | 194,337 | 10,956,806 | 6,319,923 | 4,636,883 | |
| State of Michigan | 1,723,533 | 1,106,021 | 617,512 | 18,958,863 | 15,622,168 | 3,336,695 | |
| Depreciation | 130,566 | | 130,566 | 1,436,226 | 1,266,684 | 169,542 | |
| Other operating | 1,318,044 | 2,307,576 | (989,532) | 14,498,484 | 13,464,154 | 1,034,330 | |
| Total Operating Expenses | 95,382,647 | 97,708,082 | (2,325,435) | 1,049,209,079 | 1,032,040,557 | 17,168,522 | |
| Operating Revenues over (under) Expenses | 88,336 | (24,884,428) | (20,321,894) | 971,734 | 8,496,220 | 7,524,486 | |
| Non-operating Revenues (Expenses) | | | | | | | |
| Investment Earnings | 416,667 | 1,108,389 | 691,722 | 4,583,337 | 9,544,025 | 4,960,688 | |
| Total Non-operating Revenues (Expenses) | 416,667 | 1,108,389 | 691,722 | 4,583,337 | 9,544,025 | 4,960,688 | |
| Change in Net Position | 505,003 | (23,776,039) | (19,630,172) | 5,555,071 | 18,040,245 | 12,485,174 | |
| Net Position - Beginning of year | | | | | 198,287,761 | 198,287,761 | |
| Net Position - End of Year | 505,003 | (23,776,039) | (19,630,172) | 5,555,071 | 216,328,006 | 210,772,935 | |

DETROIT WAYNE INTEGRATED HEALTH NETWORK

Statement of Cash Flows

For the Eleven Months Ending August 31, 2024

Cash flows from operating activities

| | |
|------------------------------------------------------|---------------------|
| Cash receipts from the state and federal governments | \$ 1,016,201,770 |
| Cash receipts from local sources and customers | 22,747,478 |
| Payments to suppliers | (1,016,976,897) |
| Payments to employees | (49,468,301) |
| | <u>(49,468,301)</u> |

Net cash provided by (used in) operating activities**(27,495,950)****Cash flows from capital and related financing activities**

| | |
|-------------------------------|------------------|
| Acquisition of capital assets | (12,653,068) |
| Proceeds from Note Payable | 6,919,347 |
| | <u>6,919,347</u> |

Net cash provided by (used in) capital and related financing activities**(5,733,722)****Cash flows from investing activities**

| | |
|----------------------------------|-----------|
| Interest received on investments | 9,544,025 |
| Proceeds from sale of assets | - |
| | <u>-</u> |

Net cash provided by investing activities**9,544,025****Net increase (decrease) in cash and cash equivalents****(23,685,647)****Cash and investments - beginning of period****286,005,834****Cash and investments - end of period****\$ 262,320,187****Reconciliation of operating income (loss) to net cash provided by (used in) operating activities**

| | |
|--------------------------------------------------------------------------------------------|---------------------|
| Operating income (loss) | \$ 8,496,219 |
| Adjustments to reconcile operating income (loss) to net cash used in operating activities: | |
| Depreciation | 1,328,401 |
| Decreases (increases) in current assets: | |
| Accounts receivable | 13,925,610 |
| Prepayments and deposits | (3,027,155) |
| Due from other governmental units | 20,025,958 |
| Due from Wayne County | |
| Other assets | |
| Increases (decreases) in current liabilities: | |
| Accounts and contracts payable | (93,997,804) |
| IBNR Payable | 67,147,397 |
| Accrued wages | 42,998 |
| Due to Wayne County | 939,268 |
| Due to other governmental units | (6,837,746) |
| Unearned revenue | (35,539,096) |
| | <u>(35,539,096)</u> |

Net cash provided by (used in) operating activities**\$ (27,495,950)**

**DETROIT WAYNE INTEGRATED HEALTH NETWORK
BOARD ACTION**

Board Action Number: 25-36 Revised: N Requisition Number:

Presented to Full Board at its Meeting on: 10/16/2024

Name of Provider: Accident Fund Insurance Co. of America

Contract Title: Workers' Compensation Insurance

Address where services are provided: None

Presented to Finance Committee at its meeting on: 10/2/2024

Proposed Contract Term: 10/1/2024 to 9/30/2025

Amount of Contract: \$ 54,551.00 Previous Fiscal Year: \$ 85,474.00

Program Type: Continuation

Projected Number Served- Year 1: Persons Served (previous fiscal year):

Date Contract First Initiated: 10/1/2023

Provider Impaneled (Y/N)?

Program Description Summary: Provide brief description of services provided and target population. If propose contract is a modification, state reason and impact of change (positive and/or negative).

The Detroit Wayne Integrated Health Network (DWIHN) is requesting approval to bind Workers' Compensation coverage through The Accident Fund for the period of October 1, 2024 through October 1, 2025. The estimated premium payment is \$54,551.00. The premium may be adjusted commensurate with the yearly Workers' Compensation Audit. The premium may be adjusted commensurate with the yearly Worker's Compensation Audit.

DWIHN is required by State law to maintain Workers' Compensation Coverage.

Outstanding Quality Issues (Y/N)? If yes, please describe:

Source of Funds: Multiple

Fee for Service (Y/N):

| Revenue | FY 24/25 | Annualized |
|----------|--------------|--------------|
| MULTIPLE | \$ 54,551.00 | \$ 54,551.00 |
| | \$ | \$ |

| | | | | |
|----------------------|--|----|--|----|
| Total Revenue | | \$ | | \$ |
|----------------------|--|----|--|----|

Recommendation for contract (Continue/Modify/Discontinue): Continue

Type of contract (Business/Clinical): Business

ACCOUNT NUMBER: 00000.231160.00000

In Budget (Y/N)? Y

Approved for Submittal to Board:

Manny Singla, Interim Chief Executive Officer

Stacie Durant, Vice President of Finance

Signature/Date:

Signature/Date:

Manmohan Singla

Stacie Durant

Signed: Thursday, September 26, 2024

Signed: Thursday, September 26, 2024

**DETROIT WAYNE INTEGRATED HEALTH NETWORK
BOARD ACTION**

Board Action Number: 25-37 Revised: N Requisition Number:

Presented to Full Board at its Meeting on: 10/16/2024

Name of Provider: Detroit Wayne Integrated Health Network

Contract Title: PA 152 Waiver

Address where services are provided: None

Presented to Finance Committee at its meeting on: 10/2/2024

Proposed Contract Term: 1/1/2025 to 12/31/2025

Amount of Contract: \$ 1,397,989.00 Previous Fiscal Year: \$ 1,409,239.00

Program Type: New

Projected Number Served- Year 1: Persons Served (previous fiscal year):

Date Contract First Initiated: 1/1/2025

Provider Impaneled (Y/N)?

Program Description Summary: Provide brief description of services provided and target population. If propose contract is a modification, state reason and impact of change (positive and/or negative).

DWIHN presents this board action to request an exemption from PA 152 of 2011 (the “Act”) to permit DWIHN to subsidize the healthcare coverage for the upcoming 2025 plan year for an estimated amount of \$1,397,989 based on 477 employees, which represents an estimated 88% DWIHN employer and 12% employee contribution. The aforementioned contemplates the employees bearing 100% of the 2025 plans .3% increase. The amount of the waiver will vary depending on the number of staff and benefit selected however the percentages will remain consistent. The waiver allows DWIHN to remain competitive with the provider network in hiring for positions in a limited market.

DWIHN’s administration has worked closely with Lockton, our benefits broker, to secure quality and low-cost health care for staff. The broker requested quotes from other two health plans however they refused to submit an offer due to lack of a competitive rate compared to the current carrier. Therefore, despite our best efforts, the cost of medical healthcare coverage for the staff under Blue Cross Blue Shield/BCN represents the most competitive rates available.

Due to restrictions under the Act, 100% of amount in excess of the hardcap must be borne by employees. Approval of the board action would allow a waiver of the hard cap provision and permit DWIHN to fund the aforementioned amount above hard cap. This Board Action must come before the Board each year prior to the open enrollment period and is not automatically extended beyond the date indicated (12/31/25). With two-thirds approval by the governing body each year, Section 8 of the Act allows the employer to exempt itself from the imposition of the hard cap.

Outstanding Quality Issues (Y/N)? _ If yes, please describe:

Source of Funds: Multiple

Fee for Service (Y/N):

| Revenue | FY 24/25 | Annualized |
|----------------------|-----------------|-----------------|
| MULTIPLE | \$ 1,397,989.00 | \$ 1,397,989.00 |
| | \$ | \$ |
| Total Revenue | \$ | \$ |

Recommendation for contract (Continue/Modify/Discontinue): Continue

Type of contract (Business/Clinical): Business

ACCOUNT NUMBER: Various

In Budget (Y/N)? Y

Approved for Submittal to Board:

Manny Singla, Interim Chief Executive Officer

Stacie Durant, Vice President of Finance

Signature/Date:

Signature/Date:

Manmohan Singla

Stacie Durant

Signed: Friday, September 27, 2024

Signed: Friday, September 27, 2024