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
8726 Woodward Avenue
Detroit, MI 48202
Wednesday, September 2, 2026
1:00 p.m.
AGENDA

I. Call to Order

II. Roll Call

III. Committee Member Remarks

IV. Approval of Agenda

V. Follow-Up Items

VI. Approval of Minutes – August 5, 2026

VII. Presentation of the Monthly Finance Report

VIII. Unfinished Business:
Staff Recommendation(s):

IX. New Business:
Staff Recommendation(s):
A. BA#27-01 FY2027 Detroit Wayne Integrated Health Network Operating Budget

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 who 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

FINANCE COMMITTEE

MINUTES **AUGUST 5, 2026** **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 1:14 p.m.
TYPE OF MEETING	Finance Committee Meeting
FACILITATOR	Ms. Dora Brown, Chair
NOTE TAKER	Ms. Lillian Blackshire, Board Liaison
ATTENDEES	**Finance Committee Members Present:** Ms. Dora Brown, Chair Mr. Kevin McNamara, Vice Chair Mr. Bernard Parker Ms. Kenya Ruth **Committee Members Excused:** Ms. Eva Garza Dewaelsche **Board Members Present:** Commissioner Jonathan C. Kinloch, Board Chair Dr. Cynthia Taueg, **SUD Oversight Policy Board Members Attending Virtually:** Mr. Thomas Adams **Board Members Excused:** None **Staff:** Mr. James E. White, President and CEO; Mr. Manny Singla, Deputy Chief Executive Officer; Ms. Stacie Durant, VP of Finance; Ms. Yolanda Turner, VP of Legal Affairs; Ms. Monifa Gray, Associate VP of Legal Affairs; Ms. Dawn Ison, Interim VP of Corporate Compliance; Mr. Erik Hutchison, VP of Clinical Services; Mr. Mike Maskey, Executive Director of Facilities; Dr. Shama Faheem, Chief Medical Officer; Ms. Grace Wolf, VP of Crisis Care; Mr. Keith Frambro, VP of Information Technology; Darrin Crawford, M.D. Chief of Staff; Ms. Ebbonye Graham, AVP of Human Resources; Stacie Sharp, AVP of Clinical Operations; Ron Slater, AVP of IT Services; Jacquelyn Davis, AVP of Access; Mr. Larry Lee, Procurement Administrator, Ms. Cassandra Phipps, Director of Children's Initiatives **Staff Attending Virtually:** Ms. D. Brown, Deputy CFO; Ms. Mindy Haner, Budget Administrator; **Guests:** None

AGENDA TOPICS

I. Roll Call Ms. Lillian Blackshire, Board Liaison

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

III. Committee Member Remarks
Ms. Brown, Chair, called for Committee Members' remarks. Ms. Ruth noted that the loss of Dr. Taylor, former DWIHN Board member was a huge loss to the education community; she was one of the pioneers here at DWIHN and she was her mentor. She noted that Dr. Taylor was very instrumental in the School Success Initiative and she leaned on her a lot. She gave condolences to the family. It was her hope that they would find someone at the school board that carries her spirit and brilliance.

Committee member Parker inquired as to whether we traditionally sent flowers for board members that had passed away; however, he thought it was something that we should do. He noted that she was very instrumental in DWIHN and in her life with all of the things that she has done.

Commissioner Kinloch, Board Chair requested the staff to draft a resolution to be presented to the family in recognition of her service, not just to DWIHN but to all the citizens across the City of Detroit and Wayne County and that the resolution be adopted at a later date by the Board of Directors. It was noted that her funeral will be held on Saturday. Commissioner Kinloch, Board Chair noted that he would have the resolution ratified at the next Full Board meeting to which Dr. Taueg also supported the action.

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 Mr. Parker approval of the agenda. There was no further discussion. **Motion carried.**

V. Follow-up Items
The Committee Chair, Ms. Brown, called for any follow-up items. Ms. Blackshire noted there was one follow-up item: The Committee requested that when the Program Audit is conducted it should include the Children's Success Initiative. Ms. Durant reported that the follow-up item has two prongs, the first prong is that during the May meeting and the auditor's presentation of the financial statements showed a reduction in children's services of $3.2 million when comparing FY25 to FY24. She reported that as it relates to the $3.2 million upon further investigation approximately $2.2 million or 70% of the reduction is attributable to a change in how we pay CCBHC. During FY24 we paid CCBHC's on the claims it reported at the actual fee-for-service amount; we later reconciled it, backed it out and remitted the net amount to the provider. In FY25 we did not pay the fee-for-service, we added a penny and only reconciled a penny for each claim versus backing out the total amount of the fee-for-service. As a result the financial statements reflect a decrease in Children's Services expenditures; however, this accounting and payment methodology changed did not reduce funding available to providers and had no impact on the level or availability of services provided to children. It appears that $2.2 of the $3.2 is related specifically to the change in how we paid CCBHC's it was a million-dollar reduction, opposed to $3.2 million.

Ms. Cassandra Phipps, Director of Children's Initiatives distributed a written document and reported on the additional clarification for the reduction in home-based and wraparound services. It was reported that in addition to what was previously mentioned regarding the adjustment with the CCBHC providers, six of our children's providers are CCBHC providers and with that all of the members that they were servicing under our DWIHN contract for those that have serious emotional disturbances, those kids are no longer under our contract, they are under the state's contract. Those claims are not reported under DWIHN anymore, they are reported directly to the state so that contributes to the reduction in the billing of claims.

It was reported that regarding those services the state made a change with the requirement for members to qualify for those services, effective 2025 we rolled out the Michicans screener and assessment, home based specifically, before we were using the Campus assessment and PECVIS assessment to determine eligibility for the home based service, so effective FY25 we now have to use the Michicans, and in looking at the recommendations from Michicans even the number of members that are referred to home based services decreased from FY24 to FY25, and that is also tied into the billing of claims. Discussion ensued regarding the comparison of fiscal year 24 to fiscal year 25; and the reasons why there were fewer members served. There was also discussion regarding the change in qualifications and the document that was presented which indicated the unique number of kids and that there was not a reduction in the number of kids, but they were receiving less units. Discussion ensued regarding the home-based services and the number of referrals to the home-based program that were made in FY24 (726) compared to the FY25 (520) and if the referral numbers were fewer because of the changes made to the qualifications by the state; the roll out of the Michicans assessment; whether DWIHN provided feedback on the assessment. It was noted that DWIHN was one of the PIHP's that participated in the pilot and did provide feedback.

The committee requested the prior and current standards of the assessments that are being used as well as having an offline conversation with the permission of Mr. White on the Schools Success Initiative. *(Action)*

VI. Approval of the Meeting Minutes

The Chair, Ms. Brown, called for approval of the minutes from the meeting held on Wednesday, July 1, 2026. **Motion:** It was moved by Mr. McNamara and supported by Mr. Parker approval of the Finance Committee minutes from the meeting on Wednesday, July 1, 2026. There were no corrections to the minutes. **Motion carried**. Minutes accepted as presented.

VII. Presentation of the Monthly Finance Report

Stacie Durant, VP of Finance, presented the Monthly Finance report. A written report for the nine months ended June 30, 2026, was provided for the record. The DWIHN Finance accomplishments and noteworthy items to report were:

The Statement of Net Position has been changed to properly reflect actual cash in the ISF; previously the ISF was adjusted annually based on final audited financial statement. Due to the significant revenue shortfall, this approach does not accurately reflect the balances throughout the year. Ms. Durant, VP of Finance noted that the balance sheet is presented a little differently. The ISF has been separated and adjustments made to the ISF. The cash account as well as the reserve account based on actual data through a certain time and then an estimated amount through June 30th. We are not waiting until the end of the year to make adjustments to the ISF.

Discussion ensued regarding the balance sheet and the Internal Service Fund. Finance continues to closely monitor its cash flow to meet current payment obligations.

The Finance and clinical teams continue to operationalize cost efficiencies and identify other gaps in the system whereby when appropriate, PCE has assisted DWIHN with system edits to reduce financial exposure. Discussion ensued regard identification of any savings from the plan. It was noted that a number of the changes that were made were effective July 1, and we will be in a position to provide more updates as relates to that as time progresses. We have made a lot of improvements, with just system edits. Mr. White, CEO noted that we are auditing more this year than we have in prior years and it is not just for the money recruitment piece or the identifying of opportunities financially but for the best outcomes of our members which is always on the forefront of everything that we do; but we have identified significant gaps as it relates to our system audits, we have had some failure in our claims process, and not by the claims team, but the actual process where folks, without getting too specific, have been able to file claims outside of the category in which they should. That alone, we're going to realize some significant recovery. We are looking internally; we are looking at staffing and at our plans as it relates to the operations of the organization and who sits in those operations and precisely what they do. There has been a tremendous shift from just doing the service but looking at the outcomes and moving the dollars in the outcomes so that we can return people to their lives, and not just a constant environment of treatment to no end and that has shifted our dollars to some other areas. Over time we are going to start to see some significant reductions in things such as hospitalization, but not outside of medical necessity. We are looking at bringing in PAR services and other things as it pertains to the best solution for the members.

Dr. Taueg requested that when the report is made to acknowledge whether it has resulted in a reduction in services. *(Action)* It was reported that we would not be moving positions away from service provisions for money reduction, but we do have some grants that we have to get somewhat creative to continue to fund those services that those grants have provided in the past. He would be sure to articulate those separately. There may be some service changes because those grants are no longer funding those services, but this financial optimization plan does not contemplate reduction in services. We are required to provide medically necessary services and we will continue to do that. It was noted by Ms. Brown that when grant funding runs out there is always an "ask" regarding sustainability and if you have to reduce services, because the grant is no longer available, she was comfortable with that, it just needed to be included when the report is prepared. Discussion ensued regarding ABA services and how the highly intensive services, depending on the person could be moved into a more traditional outpatient IDD service array because it would put them into a program where they are best served. Discussion also ensued regarding diet and exercise and the standard national guidelines that are followed and partnering with someone that manages or runs a program for diet and nutrition and when grants come in and are exhausted, we cannot always absorb it, so there is going to be reductions in staff and services that are supported by a grant that we no longer have, we cannot absorb everything especially in this fiscal environment.

To date, MDHHS has not issued the FY26 rate amendment or FY27 new rates which hinder Finance's ability to develop a realistic budget. It was reported there was a meeting with the state last week, and it was noted that we should hear back from them this week. Mr. White, CEO noted that it was a productive couple of meetings over our financial state, and we are going to continue the conversations. One of the things that came out of the conversation, which is important to share with the board, is the state is just not in a financial position to perform as they have historically in terms of the rate adjustment and things such as that, over the last 3-4

years they have been predictable as it relates to the rate adjustment; that did not occur. They do understand our strategic plan includes opening another crisis center. There were some questions around the thought process that went into that, but he did talk about his financial strategic plan and how it plays out; the Medicaid rates and how that aligns with hospitalizations and a few other things were discussed, but those are long-term projections. The immediacy of the moment that we are in requires that there is some additional financial support from the state, we left that conversation not with a definitive no but a commitment for future conversations.

Discussion ensued regarding there being a preliminary budget; it was reported that the state is not committing to nothing and they are not obligated so the worst-case scenario is that we stay where we are and work from there. Mr. White noted that operationally we have a deficit, he walked into a deficit and that deficit continues. We had a significant increase in utilization, and with the doors opening to the facilities that we have we anticipate an even more significant bump in utilization; operationally there is an ideal plan, a middle ground plan and a worst-case scenario plan that will sustain us. Key deliverables will remain in place and medical necessity will be addressed, but operationally we will have to shift to a different model which you will be hearing about soon. Discussion ensued regarding the rate adjustment from the state and creating the budget based on what we had this year and if we do not receive a rate adjustment from the state as it relates to FY27 we will have a problem. It was noted that we were to hear from the state with rates this week, so we have until Friday, and the rates were needed to construct a budget. We have asked for and they have agreed to having the rates tomorrow and she can build the budget for September. Commissioner Kinloch, Board Chair noted that if something is not received tomorrow, he is prepared to draft a letter to send to the governor to ask for some movement in regards to this because the governor should be made aware of it. The budget has to be approved by September 30th and we are still prepared to call a special meeting. Ms. Durant noted that the Medicaid services are based on medical necessity and a priority population, the board weighs in on the general fund priority list and that is the only one we really can have any changes in for the most part; it was noted that she was not anticipating any changes in that priority list from what we have had in the past, there may be some different ways for example of how we construct certain programs. The Summer Youth Employment Program will remain, and there has been local funding needed to sustain those programs because we have not gotten sufficient general fund, but there was no anticipated change in the GF prioritization list. Discussion ensued regarding the homeless population and what we need to be doing with our clients that are in that situation, and have that included in the budget. Ms. Durant noted that the budget is at a higher level and does not have specific contracts associated with the budget until the Program Compliance Committee meeting when they bring forth specific board actions for contracts. Discussion ensued regarding putting some intentionality behind trying to reach our clients that are homeless. It was noted that there are certain grants that have recently opened up and we are looking at exploring those dollars, we have applied for grants and we are going to use those dollars. There are two components that you are seeking, one is the outreach to make those folks familiar with the resources and second connecting them to services as part of stabilizing or ensuring that they receive the needed services, one aspect will be done through the community engagement team which has been given this specific initiative and to further improve the size of the team and ensure there are enough resources behind it which is where the grant dollars are coming into plan, we will use the providers that are already there who are involved, it was thought there were 3 or 4 providers who are involved in those shelters as well as homeless areas for providing services. We are trying to put a more sustainable program around that and once we hear back on these grants we will have a detailed presentation in terms of how those efforts are being operationalized to you. It was noted from a budget perspective, once the grants are receive it comes before this board as a budget adjustment, then the Program Compliance Committee sees the program.

In accordance with the cash and investment policy, the 3rd quarter investment portfolio is presented for review. It was noted that the Cash and Investment Policy was revised and for best practices there is a quarterly review of investments and the document is attached. Discussion ensued regarding unrealized gains and losses and that the three investment mangers are buying the same thing, U.S. Security bonds and federal security bonds and yet they are coming in vastly differently. Ms. S. Durant, VP of Finance provided an overview of how each investment manager was given the same dollars and we were looking to determine who was going to do better and they remain pretty consistent. The committee requested that someone take a look at this. ***(Action)***

Cash flow is stable, however much of the cash is invested in long-term (i.e. 2-5 year) investments.

(A) Cash and investments – represent the amount of cash held with Comerica as custodial of the three (3) investment managers, First Independence Bank, Flagstar, and Huntington Bank.

(B) Due from other governments and Accounts Receivable – comprise various local, state, and federal amounts due to DWIHN. Approximately $8.6 million in SUD and Mental Health block grants due from MDHHS. Approximately $21.3 million for the 3rd quarter 2026 **pass-through** HRA revenue. The Accounts receivable consist of $2.9 million due from Wayne County for 3rd quarter estimated PA2; Wayne County April local match $1.5 million; and $1.75 Million to Trillium Health.

(C) IBNR Payable – represents incurred but not reported (IBNR) claims from the provider network; historical average claims incurred through June 30, 2026, were approximately $719.4 million. However, actual payments were approximately $646.9 million. The difference represents claims incurred but not reported and paid $72.5 million.

(D) Due to other governments, approximately $3.9 million is due to MDHHS for CCBHC FY25 cost settlement; $2.9 million for the estimated 3rd quarter tax payment; and $1.4 million for estimated outstanding state facility payments.

(E) State grants and contracts - The $12.5 million variance is due to timing related to the 7 Mile Care Center and Ecorse Care Center grants; $5.4 million variance in HRA pass-through actuals compared to budget and $5.6 million variance in Medicaid actuals compared to budget.

(F) Local contract and grants – The variance due to the timing of several SUD local grants, PA2 revenue, and PBIP incentive that is earned and recorded at year-end.

(G) Adult, Children, and IDD expenses - The $56.5 million variance is due to increased costs over budgeted amount. DWIHN's cost-efficiency plan will address a portion of the shortfall; however, the remaining balance reduced the ISF balance of $63.9 million at FY25 year end as compared to $5.4 million reported as of June 30, 2026.

The Chair, Ms. Brown, noted that the Finance Monthly Report was received and filed.

FY2026 3rd Quarter Purchasing Non-Competitive and Cooperative Report. Mr. L. Lee, Procurement Administrator reporting. A written report was provided for the record. It was reported that for the third quarter, there was a total spend of $567,192.48 with a Wayne County total spend of $164,340.66 representing 54% of our contract spend in Wayne County which does not include IT spend. Discussion ensued regarding SC Publishing and the Van Buren Magazine where they company sells advertising and they let you develop a free magazine. There was discussion regarding a DWIHN magazine that we would produce content for. There

was no further discussion. The FY2026 3rd Quarter Purchasing Non-Competitive and Cooperative Report was received and filed.

VIII. Unfinished Business – Staff Recommendations: None

IX. New Business – Staff Recommendations:
A. Board action #22-50 (Revision 2) – Standard Cost Allocation Consulting Services Ms. S. Durant, VP of Finance reporting. This board action is requesting the approval for the Finance Department to extend the contract term to September 30, 2027. There are no additional funds requested. The board action was initially approved for $139,300 through September 30, 2026 to enter into a comparable source contract whit Rehman Robson Inc. for the accounting and consulting services related to assisting DWIHN with the implementation of the Standard Cost Allocation (SCA) Model required by the Michigan Department of Health and Human Services (MDHHS) which will be included in the upcoming years compliance examination. The accounting and consulting services relate to, but not limited to the internally provided and direct services at the newly constructed care center, the anticipated 7-Mile integrated care center and Downriver Care Center. A contract is budgeted and funded primarily with the care centers budget. To date, the contractor has incurred approximately $64,675 in costs, with a remaining balance of $74,625.00. **Motion:** It was moved by Commissioner Kinloch and supported by Mr. Parker approval of BA#22-50 (Revision 2) to Full Board. There was no further discussion. **Motion carried.**

X. Good and Welfare/Public Comment
The Chair read the Good and Welfare/Public Comment statement. There was no Good and Welfare/Public comment.

XI. Adjournment – There being no further business, the Chair, Ms. Brown, called for a motion to adjourn. **Motion: It was moved by Mr. Parker and supported by Commissioner Kinloch to adjourn.** There was no further discussion. **Motion carried**. The meeting was adjourned at 2:12 p.m.

FOLLOW-UP ITEMS	1. Schedule meeting to discuss School Success Initiative Program and provide prior and current standards of of the assessments that are being used. 2. Provide operationalize report that demonstrates savings and include any reduction in services. 3. Review the portfolios of the Investment Managers for similarities in purchases.

DWIHN Division of Management and Budget
Monthly Finance Report
For the ten months ended July 31, 2026

DWIHN Finance accomplishments and noteworthy items:

1. Finance continues to closely monitor its cash flow to meet current payment obligations and will liquidate cash and investments held at its financial institutions, as needed.

2. DWIHN received approval from MDHHS to redirect FY26 expenses for the Chance for Life "The Leg Up program" to the MDHHS Healing and Recovery grant. The providers were not incurring costs and DWIHN was in jeopardy of losing the grant. This redirection allows DWIHN to retain approximately $400,000 of FY26 DWIHN Opioid settlement funds previously incurred on the program.

3. To date, MDHHS has not issued the FY26 rate amendment or FY27 new rates however in the effort to develop a budget, Finance will make a significant assumption and submit a FY27 budget for board review and approval.

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

- Cash flow is stable, however much of the cash is invested in long-term (i.e., 2-5 year) investments.

	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY
DWIHN	2.65	1.97	2.05	2.64	2.40	2.17	1.99	1.64	1.98	2.06	1.70	1.49

(A) Cash and investments – represent amount of cash held with Comerica as custodial of the three (3) investment managers, First Independence Bank, Flagstar and Huntington Bank.

(B) Due from other governments and Accounts Receivable – comprise various local, state and federal amounts due to DWIHN. Approximately $2.1 million in SUD and Mental Health block grants due from MDHHS. Approximately $28.4 million for the 3rd quarter and July 2026 **pass- through** HRA revenue. The Accounts receivable consists of $2.4 million due from Wayne County for 3rd quarter and July 2026 estimated PA2; and $1.75 million to Trillium Health.

(C) IBNR Payable – represents incurred but not reported (IBNR) claims from the provider network; historical average claims incurred through July 31, 2026, were approximately $813.4 million. However, actual payments were approximately $729.9 million. The difference represents claims incurred but not reported and paid $83.5 million.

(D) State grants and contracts - The $16.5 million variance is due to the timing related to 7 Mile Care Center and Ecorse Care Center grants; $5.9 million variance in HRA pass-through actuals compared to budget and $5.7 million variance in Medicaid actuals compared to budget.

(E) Local contract and grants – The variance is due to timing of several SUD local grants, PA2 revenue and PBIP incentive that is earned and recorded at year end.

(F) Adult, Children and IDD expenses - The $63.8 million variance is due to increased costs over budgeted amount. DWIHN cost efficiency plan will address a small portion of the shortfall however the remaining balance exhausted the ISF balance of $65 million.

DETROIT WAYNE INTEGRATED HEALTH NETWORK
Statement of Net Position
As of July 31, 2026

Assets		Internal Service Fund	
Cash and investments	$ 187,325,828	-	A
Receivables			
Due from other governmental units	31,305,400		B
Accounts receivable	5,064,828		B
Less: allowance for uncollectible	(73,424)		
Prepayments and deposits	1,056,528		
Total current assets	224,679,160		
Capital assets, net of accumulated depreciation	88,878,059		
Total Assets	**$ 313,557,219**	$ -	

Liabilities and Net Position			
Liabilities			
Accounts payable	$ 34,907,308		
IBNR Payable	83,495,020		C
Due to Wayne County	195,014		
Due to other governments	1,948,109		
Accrued wages and benefits	2,156,768		
Unearned revenue	214,961		
Accrued compensated balances	2,966,524		
Total current liabilities	125,883,704		
Notes Payable	19,968,100		
Total Liabilities	**145,851,804**		
Net Position			
Net investment in capital assets	65,488,061		
Restricted Opioid Settlement	2,109,622		
Restricted - PA2 funds	8,170,832		
Restricted Cash Collateral	2,119,445		
Internal Service Fund		-	
Unrestricted	89,817,455		
Total Net Position	**167,705,415**		
Liabilities and Net Position	**$ 313,557,219**	$ -	

DETROIT WAYNE INTEGRATED HEALTH NETWORK
Statement of Revenues, Expenses and Changes to Net Position
For the Ten Months Ending July 31, 2026

	July 2026			Year to Date			
	Budget	Actual	Variance	Budget	Actual	Variance	
Operating Revenues							
Federal grants	$ 2,014,962	$ 1,626,870	$ (388,092)	$ 20,149,620	$ 17,911,199	$ (2,238,421)	
State grants and contracts	94,724,630	90,421,925	(4,302,705)	947,246,300	917,429,577	(29,816,723)	D
MI Health Link	653,172	355,842	(297,330)	6,531,720	8,719,428	2,187,708	
Local grants and contracts	2,645,970	2,811,616	165,646	26,459,700	19,602,352	(6,857,348)	E
Use of Revenues	1,410,589		(1,410,589)	14,105,890		(14,105,890)	
Other charges for services	3,333	465	(2,868)	33,330	141,859	108,529	
Total Operating Revenues	**101,452,656**	**95,216,718**	**(6,235,938)**	**1,014,526,560**	**963,804,415**	**(50,722,145)**	
Operating Expenses							
Salaries	2,858,900	2,498,733	360,167	28,589,000	26,371,645	2,217,355	
Fringe benefits	1,135,559	921,392	214,167	11,355,635	9,902,377	1,453,258	
Substance abuse services	5,490,785	5,262,353	228,432	54,907,850	52,013,976	2,893,874	
Autism Services	10,312,982	17,541,591	(7,228,609)	103,129,820	109,755,245	(6,625,425)	
MI HealthLink	564,609	1,003,715	(439,106)	5,646,090	5,513,029	133,061	
Adult Services	30,456,458	35,014,040	(4,557,582)	304,564,592	321,071,755	(16,507,163)	F
Children Services	3,325,470	5,626,698	(2,301,228)	33,254,700	41,762,398	(8,507,698)	F
Care Center	2,581,787	1,969,339	612,448	25,817,863	21,797,156	4,020,707	
Direct Services	1,497,968	761,017	736,951	14,979,680	7,672,592	7,307,088	
Intellectual Developmental Disabled	35,158,496	41,192,551	(6,034,055)	351,584,960	396,037,289	(44,452,329)	F
Grant Programs	948,688	823,746	124,942	9,486,880	6,540,839	2,946,041	
State of Michigan	1,458,136	1,393,389	64,747	14,581,360	15,703,594	(1,122,234)	
Depreciation	308,333		308,333	3,083,330	3,080,198	3,132	
Other operating	1,809,131	467,616	1,341,515	18,091,310	12,620,736	5,470,574	
Total Operating Expenses	**97,907,302**	**114,476,180**	**(16,568,878)**	**979,073,070**	**1,029,842,829**	**(50,769,759)**	
Operating Revenues over (under) Expenses	3,545,354	(19,259,462)	10,332,940	35,453,490	(66,038,414)	(101,491,904)	
Non-operating Revenues (Expenses)							
Investment Earnings	521,666	424,277	(97,389)	5,216,660	5,268,196	51,536	
Total Non-operating Revenues (Expenses)	**521,666**	**424,277**	**97,389**	**5,216,660**	**5,268,196**	**(51,536)**	
Change in Net Position	**4,067,020**	**(18,835,185)**	**10,235,551**	**40,670,150**	**(60,770,218)**	**(101,440,368)**	
Net Position - Beginning of year					228,475,633	228,475,633	
Net Position - End of Year	**$ 4,067,020**	**$ (18,835,185)**	**$ 10,235,551**	**$ 40,670,150**	**$ 167,705,415**	**$ 127,035,265**	

DETROIT WAYNE INTEGRATED HEALTH NETWORK
Statement of Cash Flows
For the Ten Months Ending July 31, 2026

Cash flows from operating activities		
Cash receipts from the state and federal governments	$	959,913,368
Cash receipts from local sources and customers		19,658,069
Payments to suppliers		(976,742,563)
Payments to employees		(66,967,248)
Net cash provided by (used in) operating activities		**(64,138,374)**
Cash flows from capital and related financing activities		
Acquisition of capital assets		(26,791,410)
Principle and interest paid on capital debt		(478,450)
Net cash provided by (used in) capital and related financing activities		**(27,269,860)**
Cash flows from investing activities		
Interest received on investments		5,268,196
Proceeds from sale of assets		-
Net cash provided by investing activities		**5,268,196**
Net increase (decrease) in cash and cash equivalents		**(86,140,038)**
Cash and investments - beginning of period		**273,465,867**
Cash and investments - end of period	**$**	**187,325,828**
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	$	(66,038,415)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:		
Depreciation		3,223,979
Decreases (increases) in current assets:		
Accounts receivable		6,584,877
Prepayments and deposits		2,840,012
Due from other governmental units		11,671,206
Due from Wayne County		
Other assets		
Increases (decreases) in current liabilities:		
Accounts and contracts payable		(96,803,478)
IBNR Payable		83,495,020
Accrued wages		(2,048,705)
Due to Wayne County		195,014
Due to other governmental units		(4,898,867)
Unearned revenue		(2,359,016)
Net cash provided by (used in) operating activities	**$**	**(64,138,374)**

DETROIT WAYNE INTEGRATED HEALTH NETWORK
BOARD ACTION

Board Action Number: 27-01 Revised: N Requisition Number:

Presented to Full Board at its Meeting on: 9/16/2026

Name of Provider: Detroit Wayne Integrated Health Network

Contract Title: FY 2027 Operating Budget

Address where services are provided: None

Presented to Finance Committee at its meeting on: 9/2/2026

Proposed Contract Term: 10/1/2026 to 9/30/2027

Amount of Contract: $ 1,274,124,047.00 Previous Fiscal Year: $ 1,302,211,571.00

Program Type: Continuation

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

Date Contract First Initiated: 10/1/2026

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 Board approval of the FY 2027 Operating Budget for an estimated amount of $1,274,124,047. The amount includes significant budget assumptions for a FY26 rate amendment and FY27 actuarial rates. The amount does not include the additional Medicaid in anticipation of the January 1, 2027 minimum wage increase of $1.28/hr., historial member growth, and the impact of the new reporting requirements for HMP.

The FY 2027 Operating Budget consists of the following revenue:

- $996,087,772 - Medicaid, HAB, DHS Incentive, Medicaid-Autism, Children's/ SED Waiver, HRA and IPA tax;
- $178,759,981 - Healthy MI Plan, HRA and IPA tax;
- $12,338,061 - MI Coordinated Health (MICH) formerly MI HealthLink;
- $21,460,901 - State General Funds;
- $21,686,447 - Wayne County Local Match Funds and PBIP;
- $5,274,976 - County PA2 Funds;
- $862,375 - Local grants;
- $9,944,107 - State Grants (MDHHS/ MDHHS SUD, OBRA);
- $23,798,427 - Federal Grants (MDHHS/ MDHHS SUD, SAMHSA);
- $3,760,000 - Interest Income; and
- $151,000 - Miscellaneous Revenue.

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

Source of Funds: Multiple

Fee for Service (Y/N):

Revenue	FY 26/27	Annualized
MULTIPLE	$ 1,274,124,047.00	$ 1,274,124,047.00
	$ 0.00	$ 0.00
Total Revenue	$ 1,274,124,047.00	$ 1,274,124,047.00

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

Type of contract (Business/Clinical): Business

ACCOUNT NUMBER: MULTIPLE

In Budget (Y/N)? Y

Approved for Submittal to Board:

James White, Chief Executive Officer

Signature/Date:

James White

Stacie Durant, Vice President of Finance

Signature/Date:

Stacie Durant