

**FINANCE & PERSONNEL COMMITTEE**  
**CONTINGENT FUND REQUEST INFORMATION FORM**

DEPT.: DOA-Budget & Management Division CONTACT PERSON & PHONE NO.: Mark Nicolini x 5060

**A. REASON FOR REQUEST** (Refer to File 921360 for definitions)

CHECK ONE:  EMERGENCY CIRCUMSTANCES XX  
 OBLIGATORY CIRCUMSTANCES  
 FISCAL ADVANTAGE/COMPLIANCE WITH FISCAL MANAGEMENT PRINCIPALS

**B. SUPPORTING INFORMATION**

1. State the action requested, including the dollar amount and specific departmental accounts(s) to which the Contingent Fund appropriation would be made.

Appropriate \$190,000 from 2014 CC Contingent Fund to Health Department account # 0001-9990-C001-006300 to enable a loan to Milwaukee Health Services Incorporated (MHSI) for vendor payments and an upgrade for its Electronic Health Records (EHR) System.

2. State the purpose of the action requested which includes the program, service or activity to be supported by the funding, as well as the objective(s) to be accomplished.

Milwaukee Health Services Incorporated (MHSI) has provided quality health services to the medically underserved in Milwaukee for 25 years and is a federally qualified health center (FQHC) operating under Section 330 of the federal Public Health Service Act from two locations within the city. MHSI served approximately 26,000 patients during 2013, of whom approximately 72% are eligible for Medicaid assistance. About 19% of its clients are uninsured persons. MHSI is an integral component to the health care safety net for Milwaukee residents.

It will enable an improved financial condition and more sustainable operations for MHSI, because the EHR upgrade enables compliance with meaningful use provisions of federal law and thereby higher reimbursements from Medicaid for services provided. In the near term it is anticipated at least \$288,000 of additional reimbursements for MHSI will be possible. Long-term, the capacity to utilize the meaningful use provisions will increase substantially the reimbursements MHSI providers receive relative to Medicaid reimbursements alone.

3. Describe the circumstances which prompt the request.

MHSI has experienced substantial financial difficulties over the last 5 years and its pre-existing EHR functionality did not meet requirements for meaningful use. The American Recovery and Reinvestment Act (Recovery Act) of 2009 provides for incentive payments for Medicaid eligible professionals who adopt, implement, upgrade, or “meaningfully use” certified electronic health record (EHR) technology in their first year of participation in the program and successfully demonstrate meaningful use in subsequent years. Milwaukee Health Services, Inc.’s current version of GE does not meet the revised federal “meaningful use” standards and this prevents applying meaningful use reimbursement processes to several of its health care providers. This upgrade is also essential in order for MHSI to qualify for the

meaningful incentives for the remaining eligible providers. The key changes are related to enhancing clinical patient care coordination and achieving higher levels of quality care.

Approximately 72% of MHSI clients are Medicaid recipients.

4. What are the consequences of not providing the program, service, or activity which is funded by this request?

It will be very difficult for MHSI to implement the EHR upgrade in a timely fashion. This will diminish the potential for MHSI to implement its financial and operational recovery plans successfully. Ultimately, it's possible MHSI's continued ability to serve as a federally qualified health center may be jeopardized.

5. Explain why funds authorized in the Budget are insufficient to provide for the program, service, or activity in question.

Financial support for federally qualified health centers falls outside the service parameters for which the Health Department is budgeted to provide.

5a. Are there any unexpended funds in the departmental control account for which this appropriation is requested, that could be used to fund this request?

No

5b. What are the consequences of using budgeted operating funds for this request?

It's likely that existing O&M vacancies would be maintained vacant indefinitely which would lower capacity to provide public health services to the community.

6. State why funding was not included in the Budget.

These circumstances were not foreseen.

7. Will the conditions prompting the request be limited to the current year, or will they continue into the following year?

These specific conditions should be resolved via this loan agreement.

8. Has your department made a similar Contingent Fund request in previous years?  YES x  **NO**

\*If yes, what is the most recent year the request was made?

9. Will this funding be used to implement provisions of a collective bargaining agreement?  YES x  **NO**

10. Will the funding being requested provide a level of service authorized by the Budget?  YES x **NO**

\*If yes, why can't your department accomplish the authorized service level with the authorized funding level?

MHSI operates independently as an FQHC with a mission much more comprehensive than the City's Health Department.

11. Will the requested funding provide a level of service higher than that authorized by the Budget? x **YES**  NO

\*If yes, why is a higher service level necessary?

MHSI provides service to the medically needy, including approximately 26,000 people during 2013. Its continued viability is threatened if it cannot upgrade its EHR system.

\*What is the estimated amount of additional service units to be provided if the entire Contingent Fund request is approved?

The upgrade will provide MHSI with enhanced functionality in the following areas:

- Physician Orders and Medication management through Order sets;
- ePrescribing (electronic);
- Comprehensive demographics (population management and needs assessment);
- Clinical decision support tools;
- Visit summaries;
- Care plans and patient reminders.

12. What performance measures and sub-measures are affected by this request, and what are the anticipated changes if the entire Contingent Fund request is approved?

---

Not applicable. However, this does support the Department's mission to improve and protect the health of individuals, families, and the community.

13. What reductions to performance measures are expected if the request is not approved?

Not applicable

14. Is any grant funding associated with the program service, or activity pertaining to the request?  YES  **NO**

\*If yes, name the grant and current year amount. No CITY grant funding. MHSI receives other grants directly from federal and State government.

15. Will the program, service, or activity affect any electronic data processing system? Not the City's but it does upgrade MHSI's EHR system.  YES  NO

**The following questions only apply to Contingent Fund requests which transfer appropriations into capital purpose accounts:**

16. Does this request transfer an appropriation into a capital purpose subaccount?  YES  NO

\*If yes, are similar projects planned and funding available in a capital purpose (parent) account for the current year?

17. Why is the project for which Contingent Funds are requested more important than other similar projects?

18. Does this request fund a project outside the normal order of planned projects of a kind which are funded through a capital purpose (parent) account for the current year?  YES  NO

\*If yes, what is the consequence of deferring the lowest priority planned project until next year?

19. Was this project included in the Department's Budget request?  YES  NO

\*If not, why not?

**If you have any questions about the completion of this form, you may call the  
Director of the Legislative Reference Bureau (x2267)**

**C. THANK YOU FOR YOUR COOPERATION. PLEASE SEND A COPY OF YOUR RESPONSE  
TO:**

Staff Assistant, Finance & Personnel Committee, Room 205, City Hall  
Manager, Legislative Reference Bureau, Room 307, City Hall  
Budget & Management Director, DOA, Room 603, City Hall