

**FORSYTH COUNTY
BOARD OF COMMISSIONERS**

**BRIEFING
DRAFT**

MEETING DATE: MARCH 15, 2018

AGENDA ITEM NUMBER: 5

SUBJECT: AMENDMENT TO THE FISCAL YEAR 2017-2018 BUDGET ORDINANCE TO APPROPRIATE ASSIGNED FUND BALANCE FOR THE REPAYMENT OF PUBLIC HEALTH MEDICAID COST SETTLEMENT (FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH)

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:

SUMMARY OF INFORMATION:

Each year, the Forsyth County Department of Public Health completes a Medicaid Cost Report for submission to the North Carolina Department of Health and Human Services (NCDHHS), Division of Medical Assistance to receive revenue for costs above what Medicaid has reimbursed during the year. For the Fiscal Year 2013 reporting period, Forsyth County received \$2,074,719.

During the FY18 Budget process, staff had difficulty determining how much cost settlement revenue to budget due to the timing of this revenue distribution by the State. Additionally, the County received notification that there could be a potential payback as a result of a change in reporting methodology which was the reason little or no cost settlement was received for a couple of years.

As a precaution, the County Finance Department assigned \$552,986 in Fund Balance in case the County received notification from the State of a payback. The County received notice on February 6, 2018 from the NCDHHS, Division of Medical Assistance that after further review, the County owes \$503,323 plus \$2,098.86 in interest for a total of \$505,421.86.

This Budget Ordinance Amendment is necessary to appropriate revenue from assigned funds to pay this money back to the State.

The Forsyth County Budget and Management and Finance Departments are working with the Forsyth County Department of Public Health to review cost settlement reports that are submitted to the State in the future to avoid payback situations.

ATTACHMENTS: YES NO

SIGNATURE: _____

COUNTY MANAGER

DATE: _____

**FORSYTH COUNTY, NORTH CAROLINA
AMENDMENT TO
FY 2017-2018 BUDGET ORDINANCE**

FROM: BUDGET & MANAGEMENT

MEETING DATE: March 15, 2018

EXPLANATION:

Each year, the Forsyth County Department of Public Health completes a Medicaid Cost Report for submission to the North Carolina Department of Health and Human Services (NCDHHS), Division of Medical Assistance to receive revenue for costs above what Medicaid has reimbursed during the year. For the Fiscal Year 2013 reporting period, Forsyth County received \$2,074,719.

During the FY18 Budget process, staff had difficulty determining how much cost settlement revenue to budget due to the timing of this revenue distribution by the State. Additionally, the County received notification that there could be a potential payback as a result of a change in reporting methodology which was the reason little or no cost settlement was received for a couple of years.

As a precaution, the County Finance Department assigned \$552,986 in Fund Balance in case the County received notification from the State of a payback. The County received notice on February 6, 2018 from the NCDHHS, Division of Medical Assistance that after further review, the County owes \$503,323 plus \$2,098.86 in interest for a total of \$505,421.86.

This Budget Ordinance Amendment is necessary to appropriate revenue from assigned funds to pay this money back to the State.

The Forsyth County Budget and Management and Finance Departments are working with the Forsyth County Department of Public Health to review cost settlement reports that are submitted to the State in the future to avoid payback situations.

**BE IT ORDAINED BY THE FORSYTH COUNTY BOARD OF COMMISSIONERS THAT THE
FY 2017-2018 BUDGET ORDINANCE IS HEREBY AMENDED AS FOLLOWS:**

INCREASE:	<u>SECTION 1. REVENUES</u> GENERAL FUND FUND BALANCE	<u>\$505,421.86</u>
INCREASE:	<u>SECTION 2. EXPENDITURES</u> GENERAL FUND PUBLIC HEALTH	<u>\$505,421.86</u>

NATURE OF TRANSACTION:

- Additional Revenue Available
- Transfer within Accounts of Same fund
- Other: Appropriate Reserved Fund Balance

APPROVED BY BOARD OF COUNTY COMMISSIONERS AND ENTERED ON MINUTES DATED _____
AGENDA ITEM NUMBER _____