



SHIAWASSEE
Health & Wellness

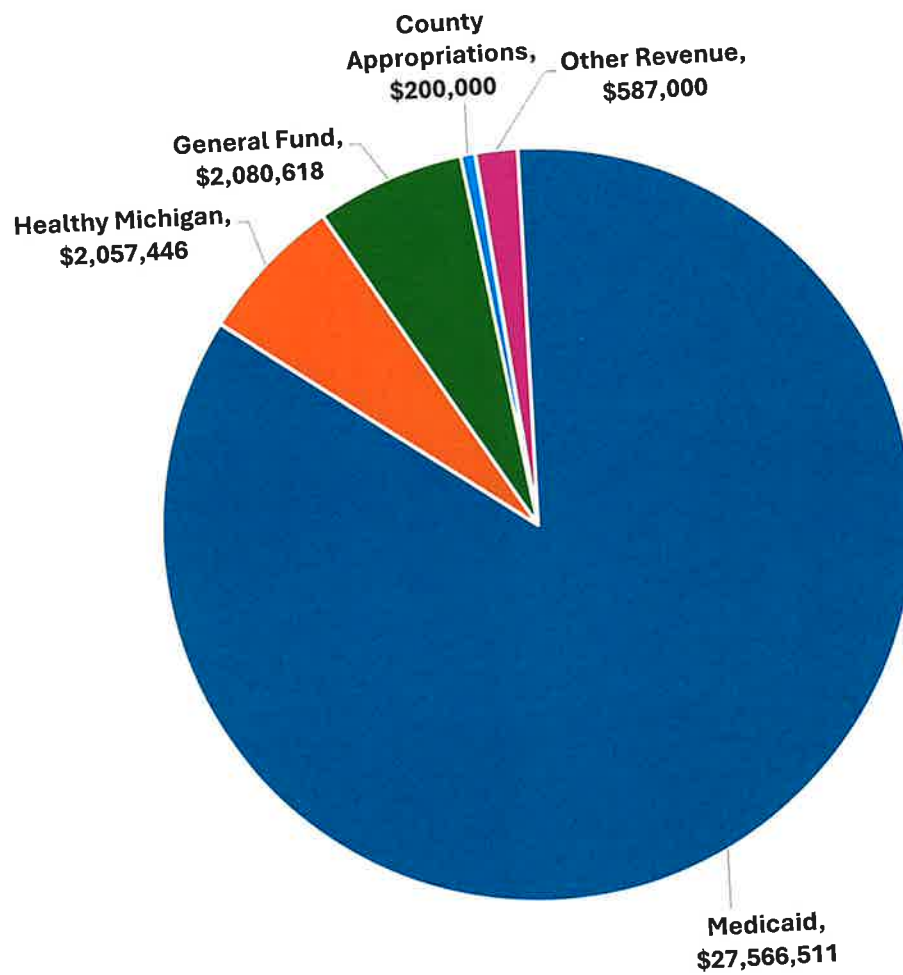
Annual Plan & Budget for Fiscal Year 2027

Approved by the SHW Board of Directors on September 28, 2026.

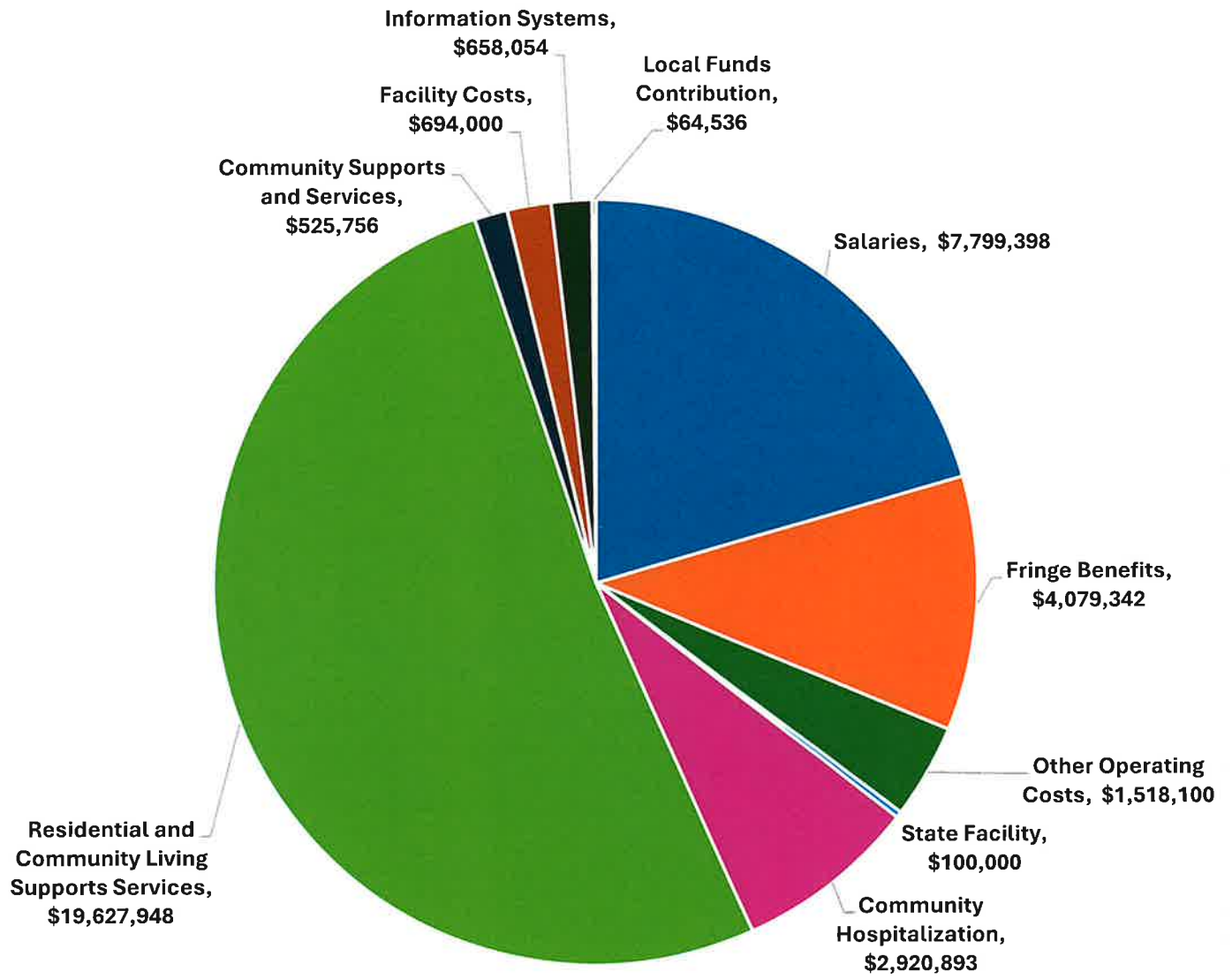
Shiawassee Health and Wellness
FY 2027 Budget

	FY 2026 Budget	FY 2027 Proposed Budget	Budget Variance	Budget Percent Change	Note Reference
Medicaid (Includes Autism,HSW,CWP and	26,253,820	27,566,511	1,312,691	5.00%	1
Healthy Michigan Plan	2,268,799	2,057,446	(211,353)	-9.32%	1
State and federal funding	1,747,021	2,080,618	333,597	19.10%	2
County Appropriation	200,000	200,000	-	0.00%	3
Other Income	1,229,424	587,000	(642,424)	-52.25%	4
Total Revenue	31,699,064	32,491,575	792,511	2.50%	
Salaries	7,882,529	7,799,398	(83,131)	-1.05%	5
Fringe Benefits	3,904,026	4,079,342	175,316	4.49%	5
Other Operating Costs	1,548,788	1,518,100	(30,688)	-1.98%	5
State Facility	100,000	100,000	-	0.00%	6
Community Hospitalization	2,443,873	2,920,893	477,020	19.52%	7
Residential and Community Living Supports Services	17,964,529	19,627,948	1,663,419	9.26%	8
Community Supports and Services	409,492	525,756	116,264	28.39%	9
Facility Costs	668,600	694,000	25,400	3.80%	10
Information Systems	635,032	658,054	23,022	3.63%	11
Local Funds Contribution	64,536	64,536	-	0.00%	12
Total Expenditures	35,621,405	37,988,027	2,366,622	6.64%	13
Surplus / (Deficit)	(3,922,341)	(5,496,452)			
Settlement with MSHN	3,922,341	5,496,452			
Total Surplus/(Deficit)	-	-			

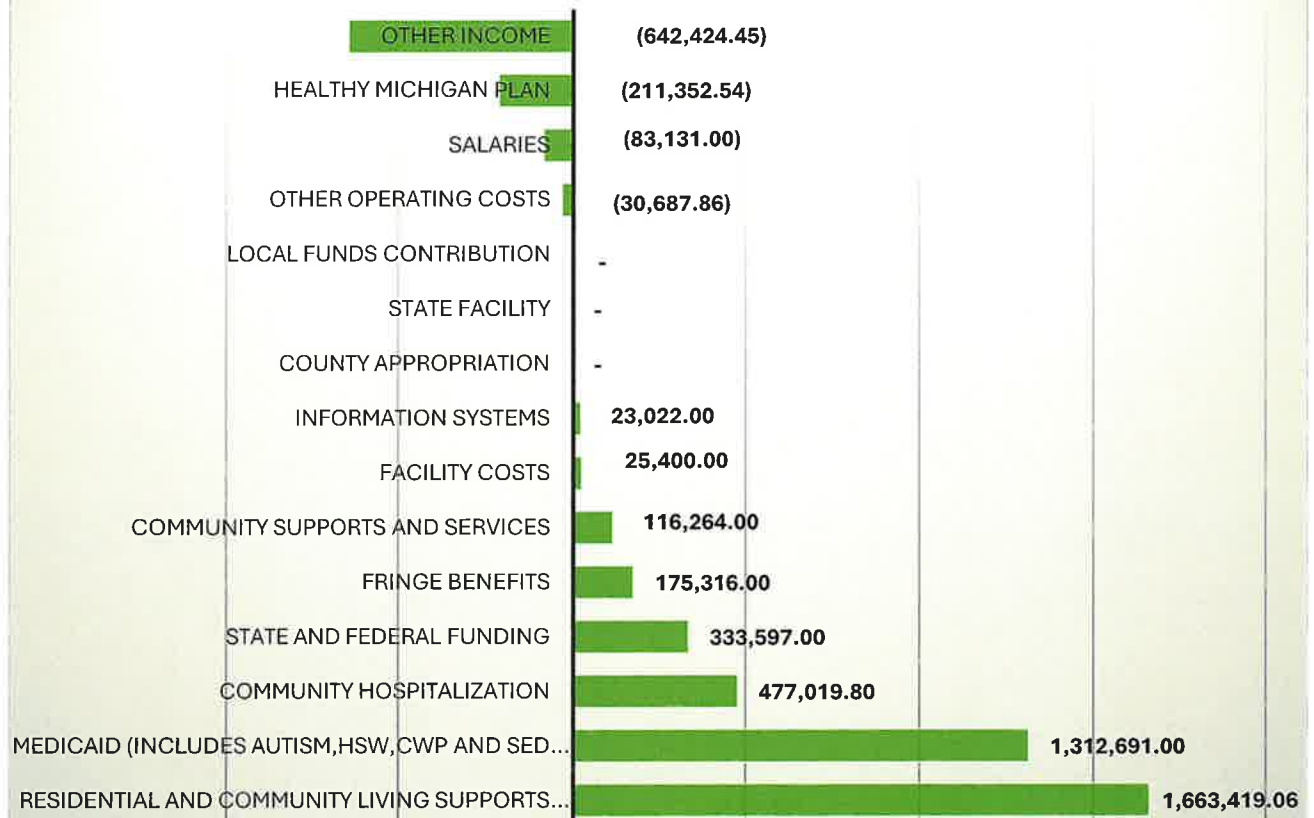
Budget Revenues For FY 2027



Budget Expenses for FY 2027



FY 2026 vs FY 2027 Budget Variance



Shiawassee Health and Wellness
FY 2027 Budget Notes and Assumptions

Note	Revenue	
1	Medicaid, Autism Medicaid, Healthy Michigan Plan	- Budget assumes Mid-State Health Network (MSHN) will fund full request using all sources of available funding, including ISF funds - MSHN did not distribute FY27 Revenue numbers yet and HMP FY27 projected revenue is based on FY26 annualized revenue with 10% reduction to account for H.R.1 changes. Medicaid was projected at 5% increase over FY 26 budget
2	State General Funds	GF revenue is based on MDHHS budgeted numbers for General Fund Distribution and grants are budgeted based on signed grant agreement totals
3	County Appropriation	No changes
4	Other Income	- Revenue includes Medicare, Blue Cross Blue Shield, and other commercial insurance; budget assumes service delivery at similar levels and reimbursement rates - Budget includes revenue received from other county community mental health agencies for services provided under contract - Revenue includes 6 months of warehouse rent - Revenue includes interest income - Revenue includes grant revenue - Revenue includes annual Performance Bonus Incentive Payment (PBIP) - Revenue does not include any recycling revenue due to closure of DJ Root
Note	Expenses	
5	Salaries, Fringe Benefits, Other Operating Costs	- Employee contracts wage increase is 1% on April 1st, 2027 - Salaries include 2% performance incentive bonuses, step increases, and filling open and new positions - Other line items are developed using annualized FY 2026 data with adjustments for anticipated changes - Health insurance cost includes anticipated 15% increase
6	State Facility	Includes local share of costs for consumers placed at state facilities
7	Community Hospitalization	Budget based on billing codes utilization analysis of FY26 activity with 2% adjustment to the rates
8	Residential and Community Living Supports Services	Budget based on billing codes utilization analysis of FY26 activity with adjustment to the rates for CLS (H2015) and Respite (T1005) going from to \$6.21/unit to 7.66/unit across the board to align with the lowest rates in the region
9	Community Supports and Services	Budget includes all other contracted services for consumers not covered above. Budget based on billing codes utilization analysis of FY26 activity
10	Facility Costs	Budget includes all facility related costs based on historical and planned usage
11	Information Systems	Budget includes costs of IT support services purchased from NetSource One
12	Local Funds Contribution	Budget uses MSHN data
13	Total Expenses	- FY27 budgeted expenses represent 5.98% increase over FY26 total spending trend - Preliminary FY27 regional budget presented to MSHN's board of directors, in total shows a regional surplus of about \$60M with an estimated FY 26 carryforward of \$40M.

Shiawassee Health and Wellness
FY 2027 Budgeted Capital Projects

Projects	Cost*	Useful Life	FY 2027 Depreciation	Notes
Printer/copier replacement and secure printing project	85,000	3	14,167	The fleet of Kyocera copiers/printers are reaching end of life
NE Roof drains to ditch	55,000	20	1,375	Critical repair
NE drive retaining wall	45,000	20	1,125	Critical repair
Phone system replacement	30,058	3	5,010	This will cut our phone bill by 40% and will pay for itself in a little over a year
Totals	\$ 215,058	--	21,676	

*These numbers are estimates only.

Requests for bids will be issued when appropriate to determine actual costs and presented for approval.

Project roll out will depend on the level of capitated funding for fiscal year.