

Meeting Agenda  
**BOARD OF DIRECTORS**  
Lakeshore Regional Entity  
July 23, 2025 – 1:00 PM  
GVSU Muskegon Innovation Hub  
200 Viridian Dr, Muskegon, MI 49440

1. Welcome and Introductions – Ms. Gardner
2. Roll Call/Conflict of Interest Question – Ms. Gardner
3. Public Comment (Limited to agenda items only)
4. Consent Items:  
***Suggested Motion:*** To approve by consent the following items.
  - July 23, 2025, Board of Directors meeting agenda (*Attachment 1*)
  - June 25, 2025, Board of Directors meeting minutes (*Attachment 2*)
5. Reports –
  - a. CEO – Ms. Marlatt-Dumas (*Attachment 3*)
  - b. LRE Leadership – (*Attachment 4*)
6. Chairperson’s Report – Ms. Gardner (*Attachments 5*)
  - a. July 16, 2025, Executive Committee
7. Action Items –
  - a. Board Endorsement of LRE Staff Retention Package  
***Suggested Motion:*** The LRE Executive Board endorses a retention package for LRE staff for FY25 that is within the already approved FY25 budget.
  - b. PIHP Procurement Board Resolution (*Attachment 6*)  
***Suggested Motion:*** To approve the attached resolution opposing the competitive procurement of the PIHP system.
  - c. Board Governance Policy (*Attachment 7, 8, 9, 10*)  
***Suggested Motion:*** To approve the LRE Board Governance Policy/Procedure:
    - i. 10.2 Committees Structure Policy
    - ii. 10.17a Compensation and Benefits Procedure
    - iii. 10.22 Board of Directors Orientation Policy
    - iv. 10.22a Board of Directors Orientation Procedure
8. Financial Report and Funding Distribution – Ms. Chick (*Attachment 11*)
  - a. FY2025, June Funds Distribution (*Attachment 12*)  
***Suggested Motion:*** To approve the FY2025, June Funds Distribution as presented.
  - b. Statement of Activities as of 5/31/2025 with Variance Reports (*Attachment 13*)

c. Monthly FSR (*Attachment 14*)

9. Board Member Comments

10. Public Comment

11. Upcoming LRE Meetings

- August 20, 2025 – Executive Committee, 1:00PM
- August 27, 2025 – LRE Executive Board Work Session, 11:00 AM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- August 27, 2025 – LRE Executive Board Meeting, 1:00 PM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

Meeting Minutes  
**BOARD OF DIRECTORS**

Lakeshore Regional Entity

June 25, 2025 – 1:00 PM

GVSU Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

WELCOME AND INTRODUCTIONS – Mr. Bacon

Mr. Bacon called the June 25, 2025, LRE Board meeting to order at 1:02 PM.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Mr. Bacon

**In Attendance:** Ron Bacon, O’Nealya Gronstal, Sara Hogan, Richard Kanten, Alice Kelsey, Janet Thomas, Stan Stek, Craig Van Beek

**Online:** Jim Storey

**Absent:** Jon Campbell, Linda Dunmore, Patricia Gardner, Janice Hilleary, Dave Parnin, Andrew Sebolt

PUBLIC COMMENT

NA

CONSENT ITEMS:

**LRE 25-15 Motion:** To approve by consent the following items.

- June 25, 2025, Board of Directors meeting agenda
- May 28, 2025, Board of Directors meeting minutes

Moved: Janet Thomas                      Support: Sara Hogan

MOTION CARRIED

LEADERSHIP BOARD REPORTS

a. CEO Report – Ms. Marlatt-Dumas

The CEO report is included in the Board packet for information.

- Mr. Alan Bolter attended the Work Session to discuss advocacy efforts around the PIHP system rebid.
- The initial phase of an LRE initiative to develop and implement a residential assessment and authorization model that prioritizes the least restrictive environment and aligns with Home and Community-Based Services (HCBS) standards throughout the person-centered planning process is complete. LRE will share the information with the CMH CEOs and begin the second phase.
- The Oversight Policy Board (OPB) June meeting was cancelled due to a lack of quorum and will be rescheduled in July.

- N180 has addressed their cash flow issues and will not have the need for further cash advances.
- Network180 and LRE collaborated with CHRT to complete an analysis of the N180 system. A meeting has been scheduled to review the outcome of the analysis.
- CMHs are beginning to hear about providers becoming unstable due to cuts made because of a lack of funding.
- FY22 cost settlement – AG was supposed to file a response to our complaint by July 1 but have asked for a week extension that LRE will agree to.
- UPIC audit – LRE will have to be submitting additional information.

b. LRE Leadership Report – Stewart Mills  
PowerPoint is included in the Board packet for information.

#### CHAIRPERSON’S REPORT

June 18, 2025, Executive Committee meeting minutes are included in the packet for information.

- The Executive Committee recommends approval to the Board policy 10.23 and procedure 10.23a.

#### ACTION ITEMS

**LRE 25-16 Motion:** To approve the LRE Board Governance Policy/Procedure:

- 10.23 Board Conflict of Interest Policy
- 10.23a Board Conflict of Interest Procedure

Moved: Stan Stek                      Support: Janet Thomas  
MOTION CARRIED

#### FINANCIAL REPORT AND FUNDING DISTRIBUTION

CFO Report is included in the Board packet for information.

#### **FY2025 May Funds Distribution**

**LRE 25-17 Motion:** To approve the FY2025, May Funds Distribution as presented.

Moved: Stan Stek                      Support: Alice Kelsey  
MOTION CARRIED

**LRE 25-18 Motion:** To approve FY2025 Budget Amendment #2, pending approval from the Oversight Policy Board on the Substance Use PA2 Liquor Tax budget changes. If the Oversight Policy Board does not approve the Substance Use PA2 Liquor Tax budget changes as presented, then a revised amendment will be brought before the LRE Board of Directors for approval.

Moved: Janet Thomas                      Support: Alice Kelsey

MOTION CARRIED

**Statement of Activities as of 4/30/2025 with Variance Report-**

Included in the Board packet for information.

- There will be a difference next month after receiving the rate increase from MDHHS which will more closely align the amounts being reported.

**Monthly FSR-**

The FSR is included in the Board packet for information.

- The region will most likely not have a surplus at the end of the year as shows currently, but the deficit is less due to the increase in rates from MDHHS.

BOARD MEMBER COMMENTS

NA

PUBLIC COMMENT

Dr. Michael Brashears, CEO, Ottawa CMH – There is a video online discussing the rebid. Dr. Brashears updates that while Ottawa CMH is reporting a deficit there is continued effort to stabilize the budget in different areas.

UPCOMING LRE MEETINGS

- July 16, 2025 – Executive Committee, 1:00PM
- July 23, 2025 – LRE Executive Board Work Session, 11:00 AM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- July 23, 2025 – LRE Executive Board Meeting, 1:00 PM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

Mr. Bacon adjourned the June 25, 2025, LRE Board of Directors meeting at 2:00 PM.

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Ron Bacon, Board Secretary

Minutes respectfully submitted by:  
Marion Moran, Executive Assistant

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**CEO Report**  
**July 23rd, 2025**

Every day is a good day but today is a Great Day to be a part of the Lakeshore Regional Entity!

**1. PIHP UPDATE**

- FY 24 Annual Impact Report is complete and attached to the end of this report.
- MDHHS Procurement of PIHP System:
  - MDHHS has shared very little information regarding the procurement details. There are numerous conversations happening, but nothing can be completely moved on until the RFP is released. The Board will be updated as new information is shared.
  - The direction of the procurement seems to point to privatization of the system rather than addressing the current challenges in the public system. It is unclear why this would be a better option if it takes a minimum of \$20 million away from services for constituents.
  - The procurement process continues to jeopardize the stability of the LRE with all the unknowns. LRE leadership has developed a staff retention plan that allows the leadership team to alleviate some of the apprehension that staff are facing. This retention plan does not add any additional costs to the already approved LRE FY25 budget. The LRE CEO is looking for endorsement/support from the LRE BOD on this matter.
- Oversight Policy Board (OPB): The June 18, 2025, OPB meeting was cancelled due to lack of a quorum. Therefore, the meeting has been rescheduled for July 30<sup>th</sup>, 2025, at 4:00 PM.
- Insurance Provider Assessment (IPA) – The IPA taxes are paid on revenues received on the MA funds that LRE receives annually and are based on the previous year's enrollments. The Dept of Treasury sent the LRE (and all other PIHPs) the FY25 tax bill based on FY23 revenues. This has added an additional amount of approximately \$1 million dollars to the LRE's tax bill. LRE legal has drafted a complaint for the court of claims, however, it has not been filed in hopes of a resolution. The deadline for filing is September 13<sup>th</sup>.
- **Synar: See the attached infographic** – This project is part of a larger effort to determine the sales rates of tobacco, vaping and alternative nicotine products to

individuals under the age of 21 as part of Michigan's compliance with the Synar amendment and observance of the federal Tobacco 21 law. The LRE overall rate is factored into all 10 regions for one state compliance rate. The Synar amendment holds states to a Retailer Violation Rate of 20% or less. Failure for Michigan to complete this overall state rate successfully, may result in significant loss of federal dollars for substance abuse prevention and treatment in Michigan.

MDHHS is responsible for the random draw of retailers taken from the Tobacco Master Retailer List (a list of businesses that sell tobacco, vapor, or alternative nicotine products). Sample lists are supplied by MDHHS to ten regional behavioral health entities, the Prepaid Inpatient Health Plans (PIHP). Each PIHP is responsible for Synar survey implementation in its respect region. The survey involves visiting randomly selected outlets that sell tobacco products, vapor products, and/or alternative nicotine products, either over the counter or through vending machines. Every county has a Designated Youth Tobacco Use Representative (DYTUR) that organizes their county efforts with an underage inspector and serves as the adult chaperone. The LRE also oversees the No Cigs for our Kids Campaign which provides vendor education in efforts to aid retailer compliance and in turn, increase the regional Retailer Violation rate.

- Veteran Navigator quarterly report – Document is attached to the end of this report.

## 2. REGIONAL UPDATE

- FY22 Cost Settlement

The LRE with LRE's legal counsel have not filed the lawsuit at present time. LRE's counsel alongside the Attorney General's (AG) office continues to work towards a resolution, without filing a lawsuit. MDHHS did take \$4.8 million out of the region's HSW payment, however, have agreed to not recoup any more of the \$13.7 million without a 21-day notice. This will allow the LRE counsel time to file the lawsuit in the court of claims if necessary. LRE counsel has been communicating with the AG to determine if MDHHS is considering the information that the LRE presented to them or if both parties are at an impasse. **UPDATE:** AG filed a motion for summary disposition of the complaint on July 13<sup>th</sup> and confirmed that LRE will not consent to dismissal. LRE counsel will have until August 13 to respond. LRE will likely argue that the court should rule in our favor on many of the issues, but that on some of the issues (such as whether 7.5% is "actuarially sound") will require the parties to engage in discovery.

- Regional AI Committee

LRE will facilitate a regional AI Committee made up of LRE leadership and CMH IT and Clinical staff. This will give CMHs a discussion platform around the fast-paced and ever evolving area of Artificial Intelligence. This will enable the CMHs to discuss where their organizations are at in the use and development of AI and AI policy, as well as concerns or issues.

### 3. STATE OF MICHIGAN/STATEWIDE ACTIVITIES

- UPIC Audit

LRE was one of five PIHPS that have been selected for a special audit with a company designated by CMS, Covent Bridge. The other regions include Regions 1, 2, 6, 7. The audit is taking a significant amount of time from staff as they are trying to determine what information and data the auditors are requesting. LRE staff will then have to work with the CMHs to compile any data that is not retained in the LRE data warehouse. This is a 15-month process and is new, so there will be some challenges and some concerns regarding the company understanding the system.

**UPDATE:** LRE submitted further information by the due date of June 27<sup>th</sup>.

- Legislative Update:

Details can be found in the Legislative Update attached to this report.

### 4. OTHER:

**2025 Walk a Mile Rally - September 17, 2025**

**[Click this link for more information](#)**



Report by Mary Marlatt-Dumas, CEO, Lakeshore Regional Entity

The background image is a photograph of a white lighthouse with a black lantern room, situated on a wooden pier. In the foreground, the dark, metallic tracks of a roller coaster are visible, creating a sense of depth. Several people are walking on the pier towards the lighthouse. A small white boat is docked at the end of the pier on the left. The sky is a clear, pale blue.

# 2024 IMPACT REPORT



**LAKESHORE**  
REGIONAL ENTITY

# TABLE OF CONTENTS

<b>03</b>	INTRODUCTION
<b>06</b>	ACCOMPLISHMENTS
<b>08</b>	SERVICE STATISTICS
<b>13</b>	QUALITY REVIEW
<b>14</b>	PERFORMANCE REPORT CARD
<b>17</b>	SUBSTANCE USE DISORDER PREVENTION
<b>19</b>	CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINIC
<b>22</b>	CUSTOMER SERVICES
<b>25</b>	AUTISM SERVICES
<b>26</b>	HABILITATION SUPPORTS WAIVER
<b>27</b>	CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCE WAIVER
<b>28</b>	CHILDREN'S WAIVER PROGRAM
<b>29</b>	VETERAN NAVIGATOR
<b>30</b>	FINANCES
<b>31</b>	CREDENTIALING
<b>32</b>	INNOVATION/PRACTICES
<b>34</b>	INNOVATION/TECHNOLOGY

Lakeshore Regional Entity is a Prepaid Inpatient Health Plan for people with mental illness, developmental disabilities, and substance use disorder in Allegan, Kent, Lake, Mason, Muskegon, Oceana and Ottawa counties.

# INTRODUCTION

Dear Fellow Stakeholders:

I am pleased to report that 2024 was a year of significant achievements across Region 3. It was a year marked by higher quality of service delivery and excellent operating outcomes. The LRE devoted considerable efforts to improving and standardizing our utilization management practices. The LRE Autism team worked tirelessly with our CMHSP partners to improve service quality. Over 80 PowerBI Dashboards were developed and operationalized by the Information Technology team. CMHSP partners will use the dashboards to improve the quality of care.

The year also brought additional collaboration with our regional partners, initiating a growing excitement toward a more integrated culture and a deeper commitment to the communities we serve. The performance exhibited reinforces our values:



			
<b>LOCAL SOLUTIONS</b>	<b>FISCAL RESPONSIBILITY</b>	<b>COLLABORATIVE RELATIONSHIPS</b>	<b>INNOVATION</b>
<b>VALUE LOCAL DIFFERENCES</b>	<b>ACCOUNTABLE &amp; RESPONSIBLE WITH FUNDS</b>	<b>FOSTER EFFECTIVE PARTNERSHIPS</b>	<b>BOLDLY PURSUE EXCELLENCE</b>
We value locally unique service systems that are responsive to local needs, partnerships, and available resources.	Transparent and accountable use of public funds. Maximize available resources.	Nurture collaboration based on mutual trust & shared commitment to quality. Approach all interactions with respect, openness, and a commitment to proactively resolve conflict.	Pursue audacious goals by challenging the status quo and trying new things. Actively work to identify and support opportunities for innovation.

In 2025, LRE will continue the work of our strategic plan and work with our CMHSP partners to expand CCBHC (Certified Community Behavioral Health Clinic), SUDHH (Substance Use Disorder Health Home), and BHH (Behavioral Health Home) in our region. We will also work to integrate Artificial Intelligence (AI) responsibly into the region.

As we move forward, we will continue our advocacy efforts throughout the region to provide our consumers with the best possible quality of care.

In addition, LRE will continue to provide data that drives innovation and paves the way for improvements to methodologies that create cost-effective quality service delivery to the member community mental health organizations and regional network providers. We are committed to being a dynamic resource for empowering regional development. I am confident that as we continue to invest in the people and resources within our region, LRE will have a strong presence in the future.

On behalf of myself, our Board of Directors, and our dedicated staff, thank you for your ongoing support, and we look forward to the exciting year ahead.

Sincerely,

*Mary Marlatt Dumas*

**Mary Marlatt Dumas**  
Chief Executive Officer  
Lakeshore Regional Entity

## Executive Board Members

Lakeshore Regional Entity Executive Board of Directors is comprised of 15 community/business leaders serving throughout LRE's seven-county geographical footprint. The LRE values and appreciates the Board's commitment to upholding the LRE's mission and vision.



Pastor Craig Van Beek  
Allegan



Alice Kelsey  
Allegan



Jim Storey  
Allegan



Jon Campbell  
Kent



Patricia Gardner  
Kent



Stan Stek  
Kent



Ron Bacon  
Lake, Mason, Oceana



O'Nealya Gronstal  
Lake, Mason, Oceana



Andy Sebolt  
Lake, Mason, Oceana



Linda Dunmore  
Muskegon



Janice Hilleary  
Muskegon



Janet Thomas  
Muskegon



Sara Hogan  
Ottawa

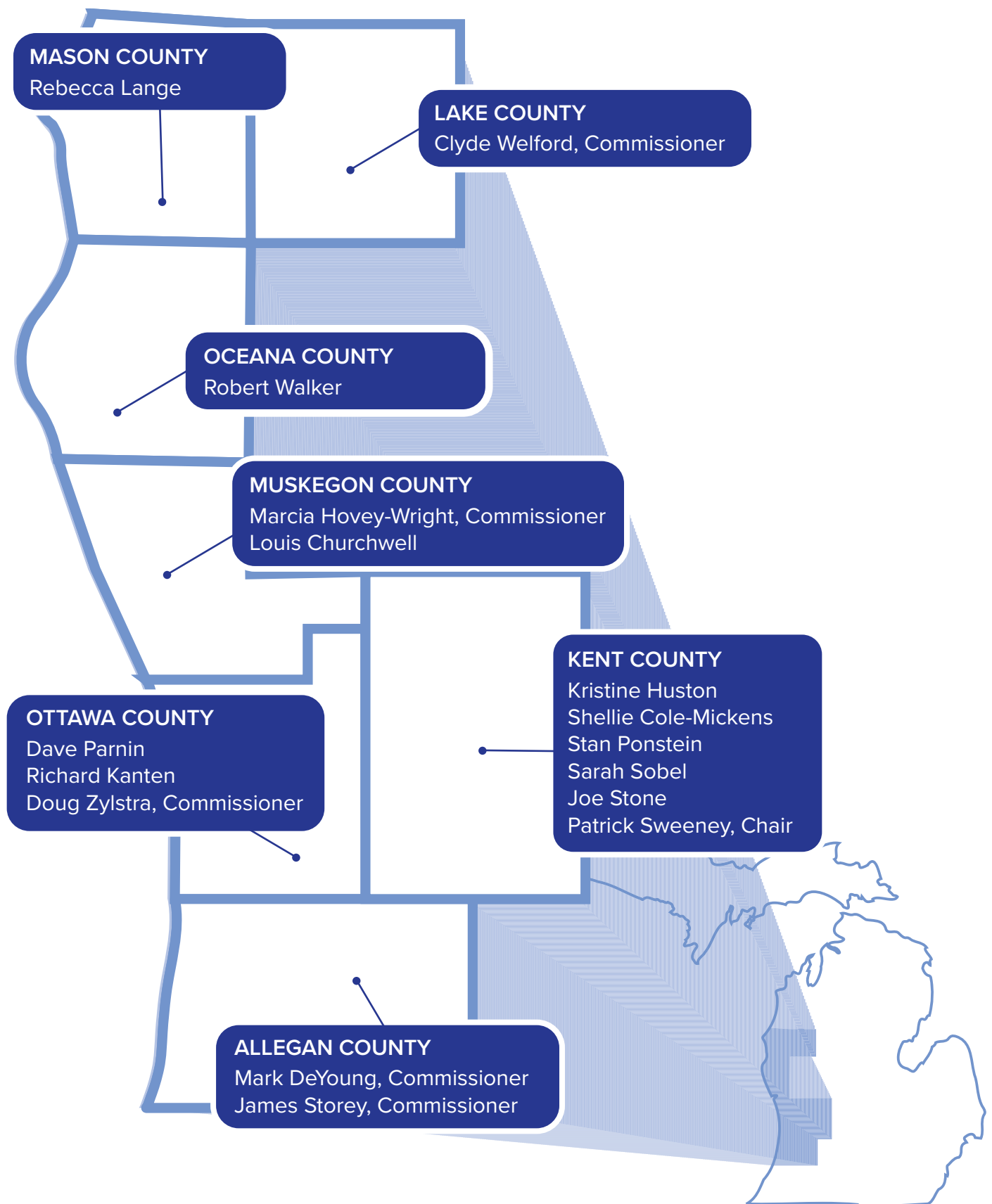


Richard Kanten  
Ottawa



Dave Parnin  
Ottawa

# Substance Use Disorder Oversight Policy Board



# ACCOMPLISHMENTS



Walk-A-Mile Rally

## Walk-A-Mile

- Region 3 had a strong show of support at the 20th anniversary Walk-A-Mile Rally at the State Capitol building in Lansing on September 17th, 2024. Each of LRE's Community Mental Health Service Programs (CMHSP) partners was represented by members of their individual Community Advisory Panels (CAPs), local recipients of services, and staff. LRE customer service staff attended to represent the PIHP and celebrate the achievements of several CAP board members, one of whom was a key speaker at the rally. One of four commemorative buttons at the rally featured a West Michigan Community Mental Health System (WCMCHS) member's artwork. Several members met with legislators and discussed current issues within the region, sharing their personal experiences and insight as recipients of services that are instrumental in eliciting positive changes across the state.



## Provider Network

- In FY24, LRE successfully concluded Medicaid contract negotiations with all Community Mental Health Service Programs (CMHSPs) in Region 3, emphasizing alignment with the Michigan Department of Health and Human Services (MDHHS) Prepaid Inpatient Health Plan (PIHP) Master Contract. A key improvement was the incorporation of enhanced compliance measures and standardized language to reflect the evolving requirements of the Master Contract.



## Grants

### State Opioid Response 3 (SOR3)

- Implemented evidence-based prevention programming in schools and juvenile justice settings in five counties.
- Made significant progress in implementing jail-based Medication Assisted Treatment (MAT) in Lake, Mason, Oceana, and Muskegon counties.
- A mobile care unit was outfitted, operationalized, and is now serving areas of need within Kent and Allegan counties.

### Gambling Disorders

- Supported three local provider projects to address prevention and treatment for gambling disorders in the LRE region for the allocation from MDHHS totaling \$172,000 in FY24.
- The regional Gambling Website Homepage, Stay Out of the Danger Zone, was promoted along with The Gift Responsibility campaign (in collaboration with the National Council on Problem Gambling) and March Program Gambling Awareness month.

### Smoking Cessation

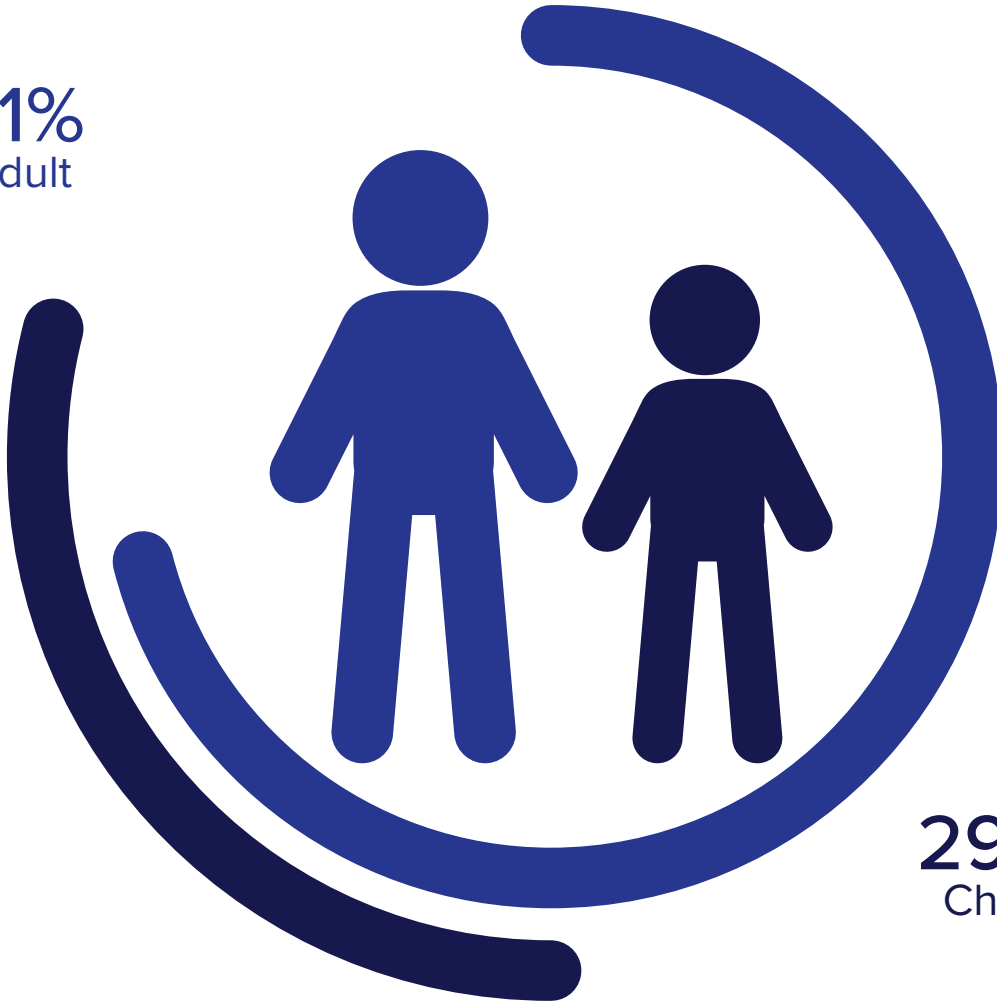
- Grant funds continue to be distributed to all Region 3 PIHP Member CMHSPs. The funds pay for staff time, indirect costs, supplies, and materials to develop and maintain trainers to provide training in the DIMENSIONS smoking cessation curriculum. Many peers and staff have been trained in the DIMENSIONS curriculum and provide cessation groups in their communities.

# SERVICE STATISTICS

## Behavioral Health Treatment: Numbers Served

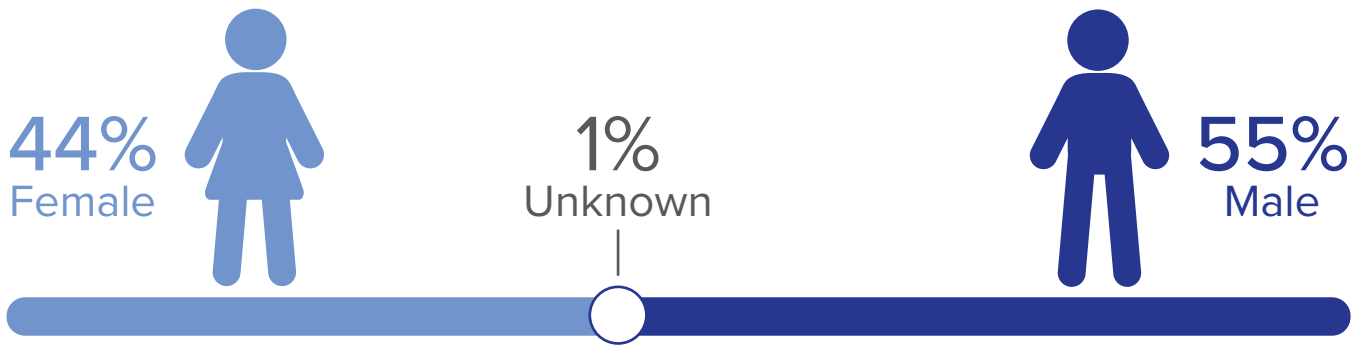
Unique Count Of Consumers Served by Age

71%  
Adult



29%  
Child

Unique Count Of Consumers Served by Gender

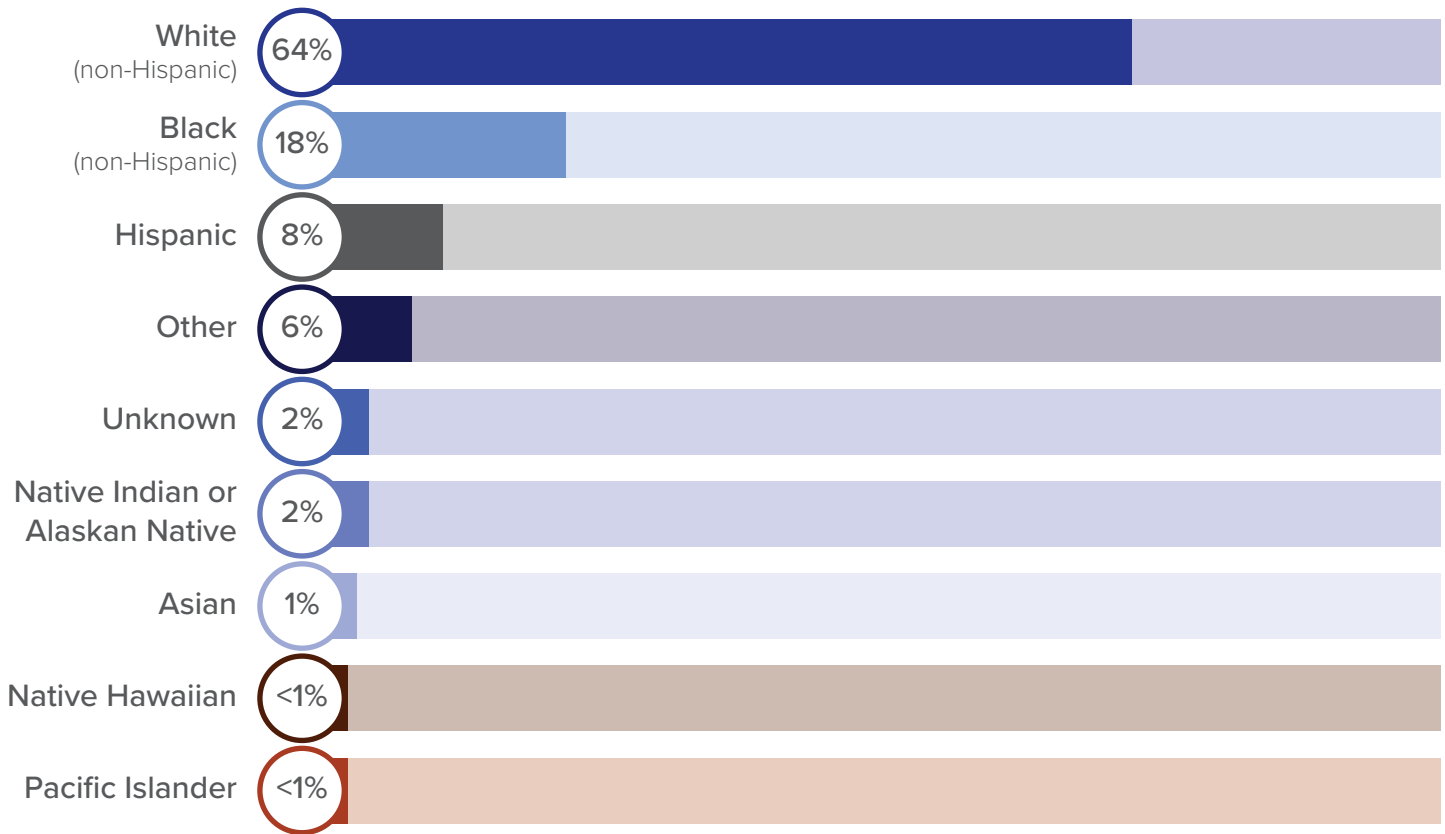


44%  
Female

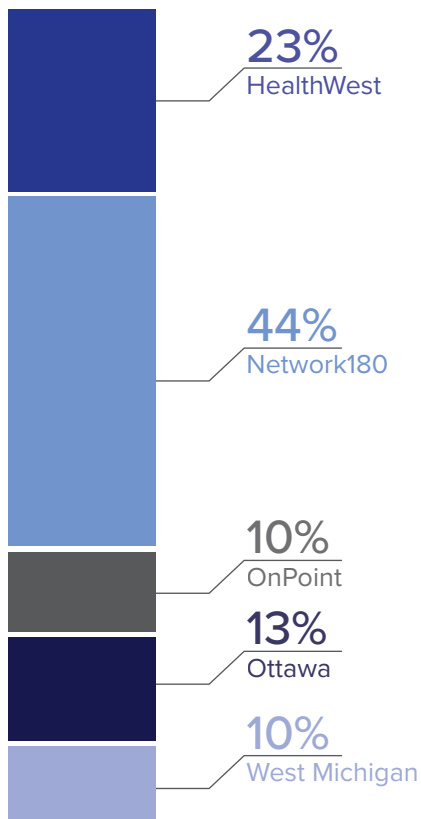
1%  
Unknown

55%  
Male

### Consumers Served By Race/Ethnicity



### Percent Served By CMHSP



### Count Of Unique Persons Served By Population

**3,991**  
DD/IDD<sup>1</sup> Adult

**2,185**  
DD/IDD<sup>1</sup> Child

**13,006**  
Mental Illness

**6,946**  
SED<sup>2</sup>

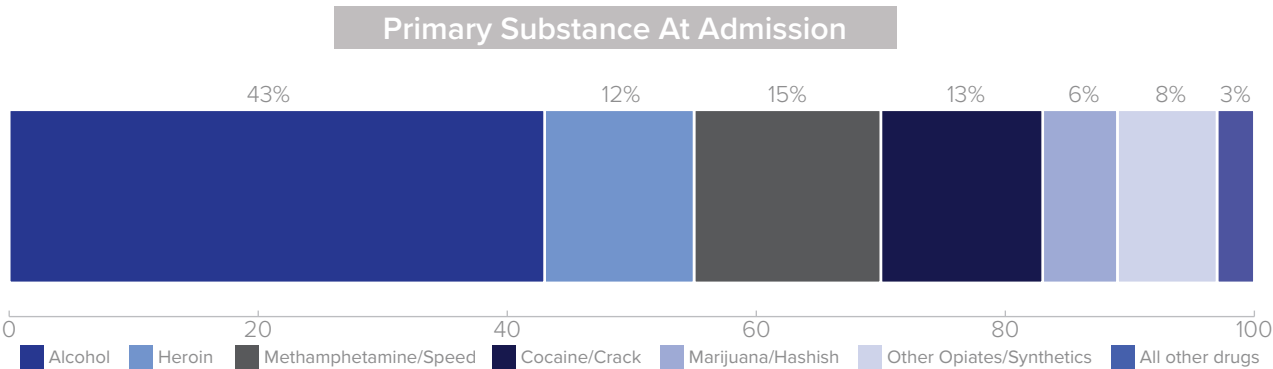
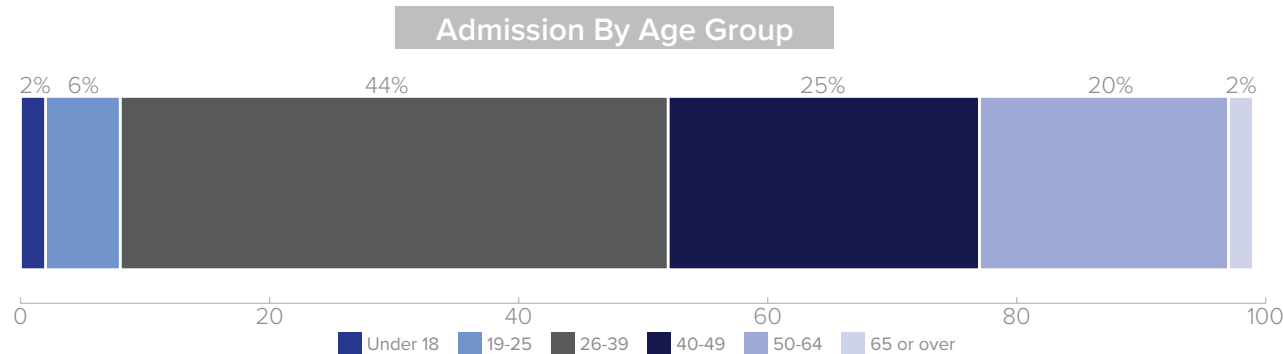
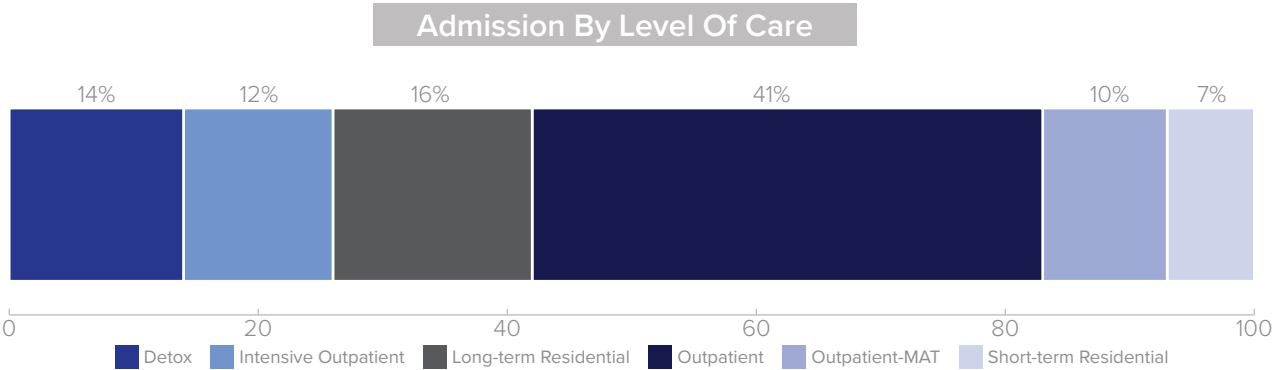
**5,084**  
SUD<sup>3</sup>

<sup>1</sup> Developmental Disabilities/Intellectual Developmental Disabilities

<sup>2</sup> Serious Emotional Disturbance

<sup>3</sup> Substance Use Disorder

# Substance Use Disorder Treatment (SUD): Admissions





## Substance Use Disorder Treatment: Access

### Refining Internal Infrastructure

This year, the SUD Division thoroughly evaluated and updated many internal documents, including the Provider Manual, the Authorization Matrix, and the Case Management Guidance Document.

### Workforce Support

LRE utilized Block Grant dollars earmarked to assist women with substance use disorder and provided continuing education opportunities to the Women's Specialty Treatment Teams by sending case managers and recovery coaches to a state-wide conference for continuing education and providing the therapists with training in EMDR to enhance their clinical practice.

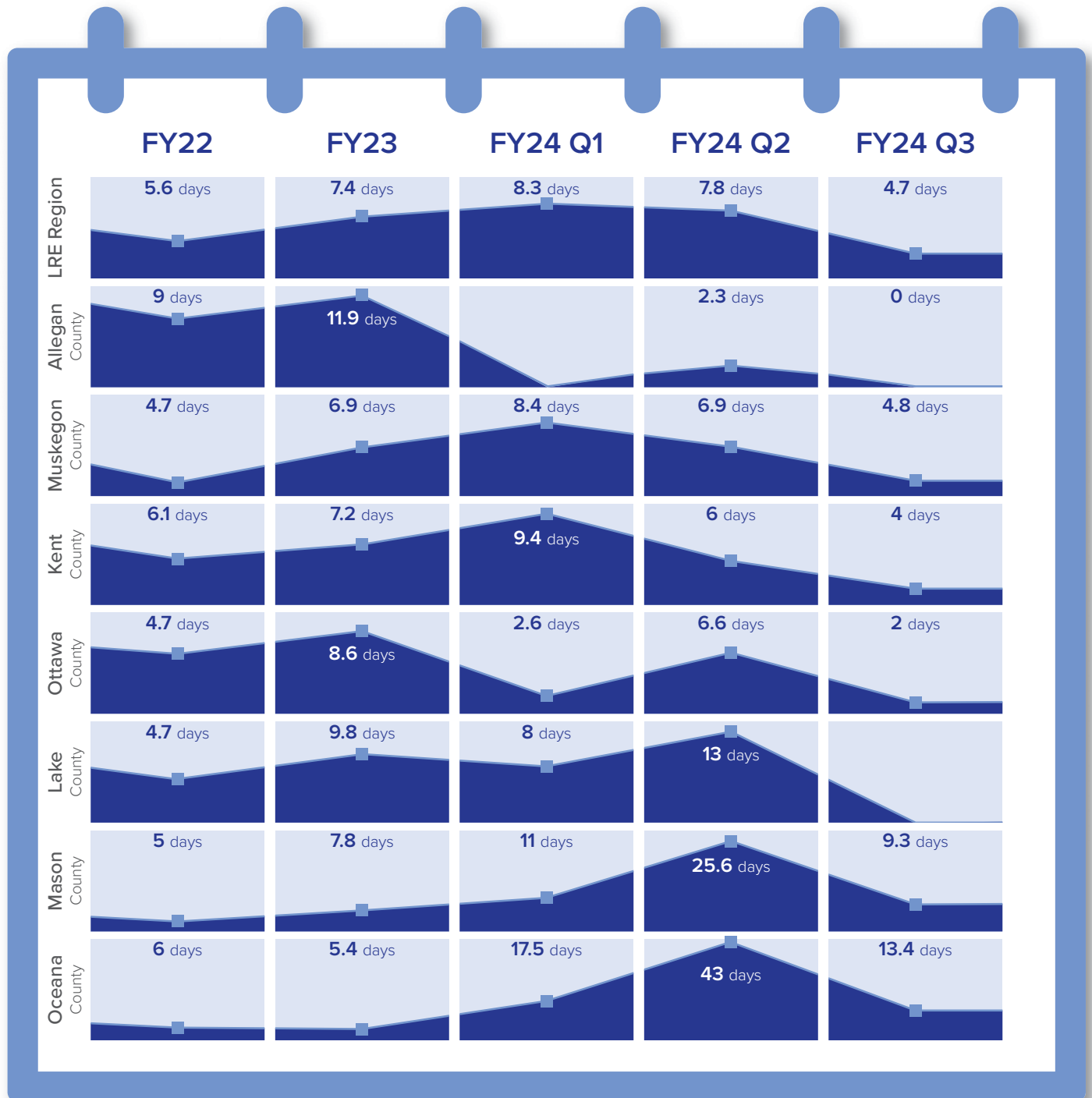
### Grant Program Expansion

Recovery coaches in new, community-based placements funded by the SOR3 grant made contact with over 350 individuals in FY24, working on making progress toward sobriety and connecting community resources. Several pilot programs that were implemented using SOR, COVID and ARPA grant funding continued, including a mobile health unit, an overdose response team, a community engagement center, and a sober living home for mothers with custody of their children.

## SUD Treatment Success

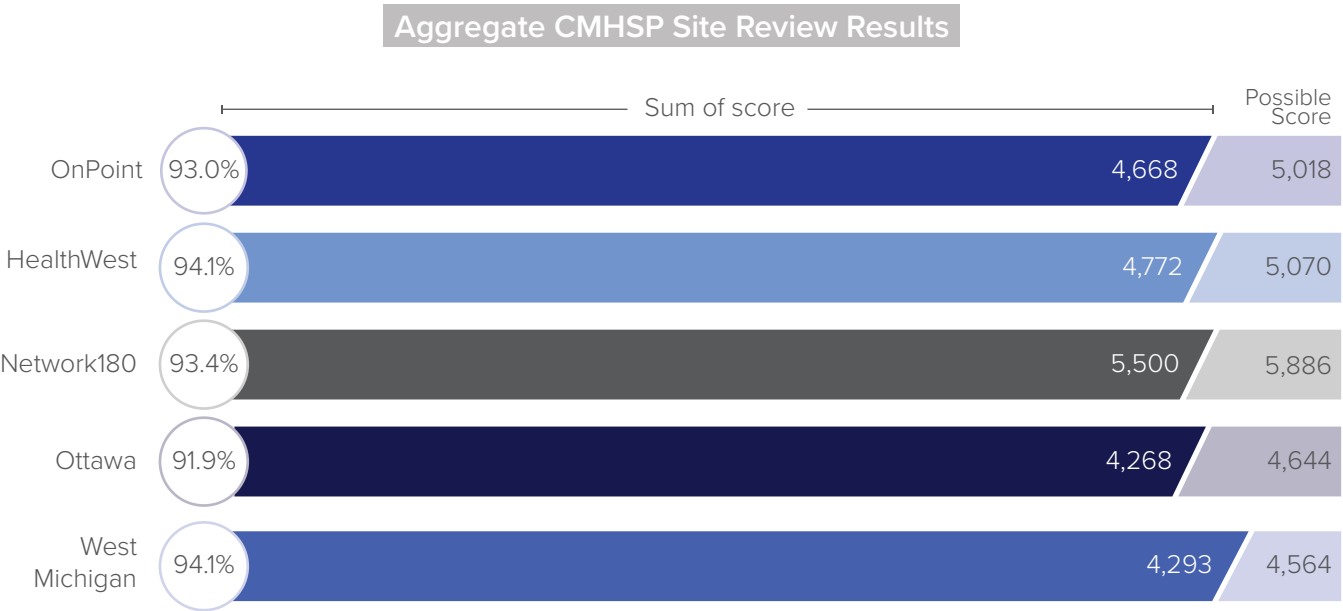
In FY24-Quarter 3, we achieved an average time to service for MAT for individuals with an opiate use disorder of 4.7 days, lower than it's been in two years!

Average Time to Service  
(LRE Region)

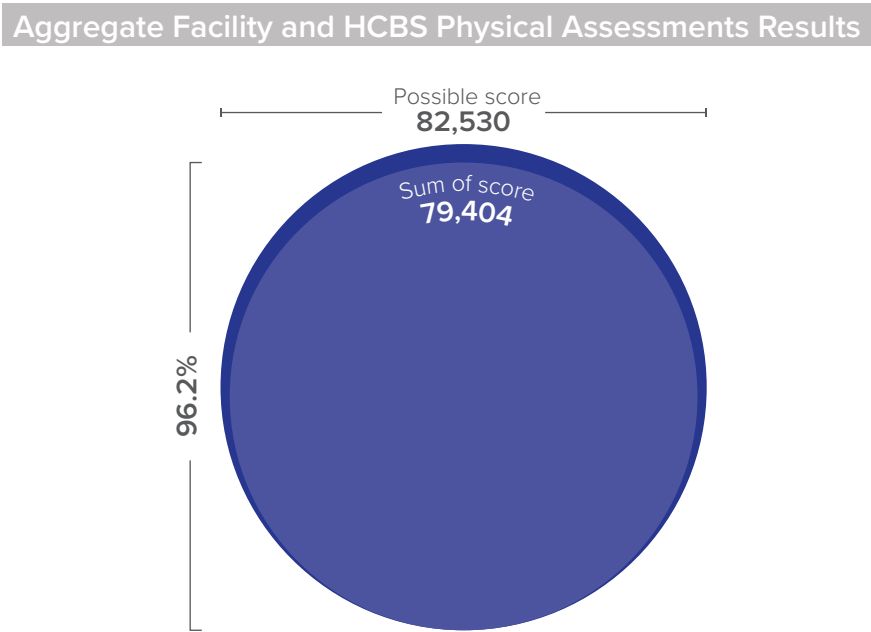


# QUALITY REVIEW

In FY24, LRE conducted comprehensive reviews of all five Community Mental Health Services Programs (CMHSPs). The audits examined CMHSP administrative and managed care functions, program-specific standards, health information services, clinical and credentialing records, waiver compliance, and critical incident verification.



In FY24, LRE completed 349 Facility and HCBS Physical Assessments. These assessments encompass a comprehensive review of the facility’s environment, emergency and medication procedures, policies, and HCBS compliance. Additionally, LRE evaluates the Individual Plan of Service (IPOS) and Behavior Treatment Plans (BTP) for residents to ensure full alignment with the HCBS Final Rule.



# PERFORMANCE REPORT CARD

## Compliance Monitoring

### State Fair Hearings

#### What is a State Fair Hearing (SFH)?

- It is a type of trial afforded to a Medicaid beneficiary that wishes to contest an appeal based off of a denial, reduction, or suspension of services.
- It is an impartial review by a state level Administrative Law Judge (ALJ) of a decision made by the local agency (CMHSP) or the PIHP.
- The beneficiary must exhaust the local appeal before requesting a fair hearing.
- It is governed by 42 CFR 431.200 et seq. 431.214.

### LRE Region

In FY24, LRE achieved a 77% non-reversal rate for all state fair hearings while managing an 86% increase in total hearings during the same period.

#### LRE SFH Decisions

77%

Affirmed/Withdrawn/Dismissed

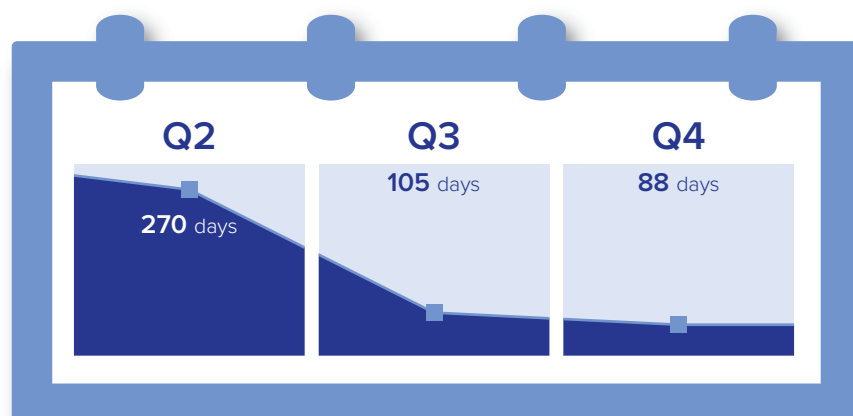
23%

Reversed

### Fraud, Waste, or Abuse (FWA)

- In FY24-Quarter 1, LRE identified an opportunity to reduce the cycle time to complete Fraud, Waste, or Abuse (FWA) investigations.
- LRE reorganized its Compliance Department, created a Special Investigations Unit (SIU) investigator position, streamlined workflows, standardized templates, and established an investigation timeliness target of 9-calendar days. With these initiatives, LRE reduced its investigation completion times by 67%, from 270 to 88 calendar days, achieving its FY24 goal of 90 calendar days by the end of Quarter 4.

#### Quarterly Average of Calendar Days to Complete FWA Investigations

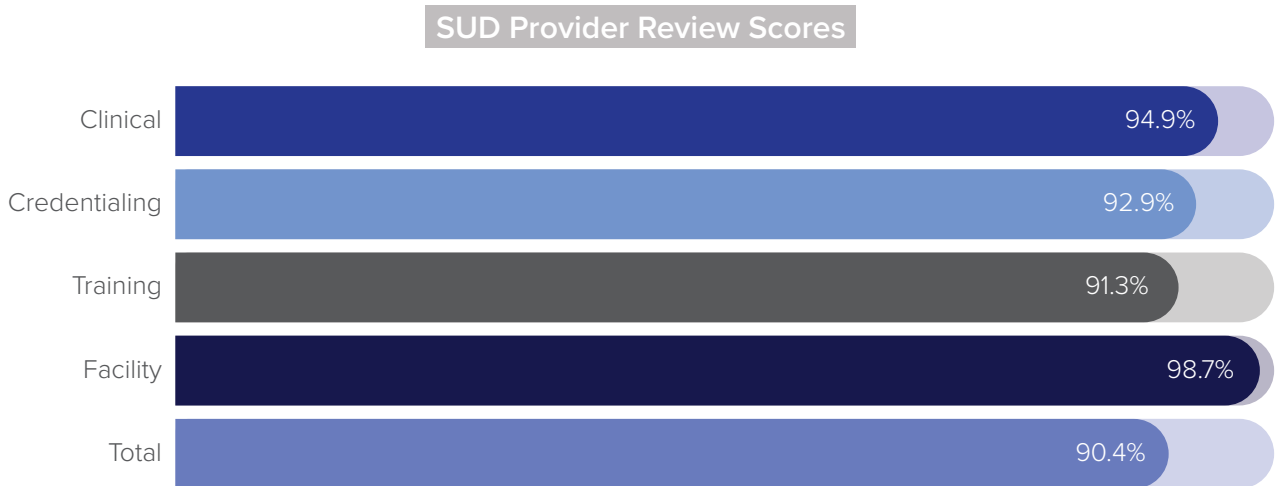


# Substance Use Disorder, Psychiatric Inpatient Hospitalization and Crisis Residential Reviews

SUD services in the LRE region include outpatient, intensive outpatient, residential treatment, sub-acute detox, medication-assisted treatment, case management, recovery supports, and women’s specialty services. LRE Quality Specialists reviewed SUD providers for employee credentialing and training, clinical services, and facility health and safety when applicable.

## Substance Use Disorder Provider Data

In FY24, LRE completed a separate, consultative SUD Recipient Rights audit with each SUD provider. Providers received corrective action plans, which were remediated and then validated.



## Psychiatric Inpatient Hospitalization Data

LRE Quality Specialists reviewed the clinical services at inpatient facilities in the LRE region. The inpatient facilities include St. Mary’s Healthcare PMU, Forest View Hospital, Pine Rest, Holland Hospital, and Trinity Health Behavioral Health Muskegon.



## Crisis Residential Data

LRE Quality Specialists reviewed available crisis residential facilities in the LRE region. Specialists reviewed clinical services, employee credentialing and training, and facility health and safety, when applicable. In FY24, specialists completed four consultative Recipient Rights audits for the Crisis Residential Facilities. Providers received corrective action plans, which were remediated and then validated.

# MMBPIS Performance Indicator Dashboard

 Meets or exceeds target for goal       Does not meet target for goal

MMBPIS Indicator #	PIHP Quarterly Measures	Target	Oct-Dec 23	Q1 State Avg	Q1 State Ranking	Jan-Mar24	Q1 State Avg	Q2 State Ranking	Apr-Jun24	Q3 State Avg	Q3 State Ranking	July-Sept24	Q4 State Avg	Q4 State Ranking
Indicator #1														
	% of Pre-Admission Screening Dispositions 3 hrs or less - Children	95%	98.7%	99.3%	8th	99.5%	99.1%	6th	99.4%	98.1%	4th	98.4%	98.5%	7th
	% of Pre-Admission Screening Dispositions 3 hrs or less - Adults	95%	98.4%	98.8%	7th	99.3%	98.7%	5th	99.2%	98.8%	7th	98.8%	98.6%	6th
Indicator #2														
	F/F Assessment within 14 days –MIC	62%	58.0%	50.2%	5th	57.3%	59.1%	5th	55.8%	60.2%	6 <sup>th</sup>	57.3%	62.5%	7th
	F/F Assessment within 14 days –MIA	62%	48.0%	54.4%	9th	51.9%	58.5%	7th	51.6%	59.5%	8 <sup>th</sup>	54.9%	63.0%	9th
	F/F Assessment within 14 days –DDC	62%	39.3%	43.4%	6th	46.2%	42.4%	6th	46.6%	47.7%	8 <sup>th</sup>	60.4%	57.5%	6th
	F/F Assessment within 14 days –DDA	62%	54.2%	53.8%	6th	61.6%	54.3%	4th	68.7%	55.9%	3 <sup>rd</sup>	36.8%	59.0%	9th
	F/F Assessment within 14 days LRE Total	62%	51.7%	52.7%	5th	54.3%	56.5%	5th	54.1%	59.6%	8 <sup>th</sup>	55.0%	62.2%	8th
Indicator #3														
	Start of Service Within 14 Days –MIC	72.9%	59.8%	67.6%	8th	59.6%	70.5%	9th	53.6%	71.2%	10th	56.9%	70.6%	10th
	Start of Service Within 14 Days –MIA	72.9%	60.8%	70.4%	6th	57.9%	75.8%	10th	53.5%	74.5%	10th	58.1%	74.4%	10th
	Start of Service Within 14 Days –DDC	72.9%	47.8%	68.5%	9th	57.6%	73.6%	8th	58.5%	79.9%	9th	66.7%	84.1%	9th
	Start of Service Within 14 Days –DDA	72.9%	51.9%	78.2%	10th	62.8%	76.1%	8th	62.0%	80.7%	10th	65.0%	77.5%	8th
	Start of Service Within 14 Days LRE Total	72.9%	58.7%	58.7%	9th	58.9%	73.9%	10th	54.7%	74.3%	10th	59.4%	74.6%	10th
Indicator #4a														
	% Seen Within 7 Days of Inpatient Discharge - Children	95%	96.8%	90.6%	3rd	96.2%	94.7%	6th	97.7%	97.9%	5th	96.5%	97.5%	9th
	% Seen Within 7 Days of Inpatient Discharge - Adults	95%	94.8%	90.4%	5th	97.3%	94.5%	3rd	96.6%	96.3%	6th	96.2%	95.8%	5th
Indicator #4b														
	% Seen Within 7 Days of SA Detox Unit Discharge -SUD	95%	100%	97.5%	1st - 3rd	96.7%	96.9%	5th	97.9%	96.6%	5th	100%	97.4%	1st
Indicator #10														
	Inpatient Recidivism Rate - Children	15% or less	18.5%	9.8%	10th	12.3%	9.7%	9th	10.6%	11.5%	4th	16.1%	10.9%	10th
	Inpatient Recidivism Rate - Adults	15% or less	12.8%	12.1%	5th	9.2%	13.5%	2nd	13.8%	14.7%	6th	9.0%	14.0%	1st
MDHHS collects and reports the following indicators														
Indicator #2e														
	F/F Service for Treatment Support within 14 days –SUD	68.20%	67.9%	66.8%	5th	66.3%	68.3%	6th	64%	63.9%	7th	68.0%	69.4%	8th
Indicator #5														
	% of Area Medicaid Having Received PIHP Managed Services	MDHHS INFO	5.4%	6.6%	9th	5.7%	6.83%	8th	6%	7.2%	9th	6.4%	7.5%	9th
Indicator #6														
	% of HSW Enrollees in Quarter who Received at Least 1 HSW Service each Month other than Support Coordination	MDHHS INFO	95.0%	95.8%	8th	94.0%	96.0%	9th	95%	94.7%	6th	94.7%	94.7%	4th

# SUBSTANCE USE DISORDER PREVENTION



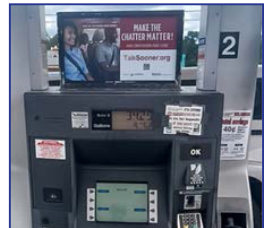
## Prevention Services

### TalkSooner

The regional TalkSooner campaign, developed in 2007, encourages parents of youth ages 10-18 to begin talking to their children about alcohol and other drugs at an earlier age. Marketing materials direct parents to visit the locally managed [TalkSooner.org](http://TalkSooner.org) website.

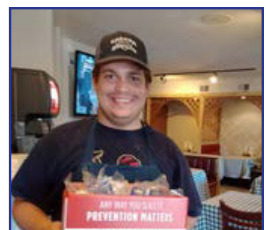
#### Partner Promotion

- TalkSooner released the featured article, “Smart Vapes”, to MLive to alert parents and caregivers of emerging new vapes equipped with games or connectivity to other gaming options.
- The University of Michigan Health-West displayed digital screensavers of TalkSooner “Make the Chatter Matter” on thousands of computers and monitors throughout their hospital and 30 other locations.

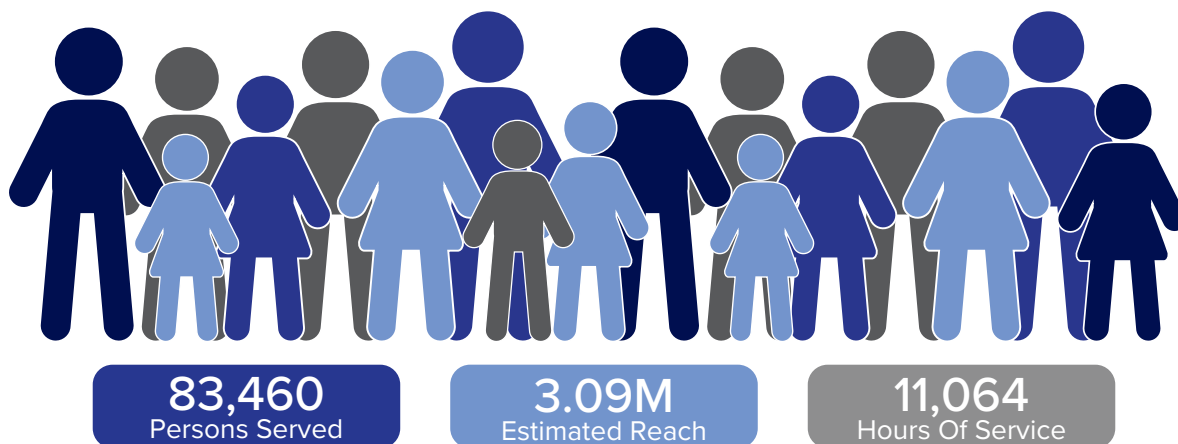


#### Family Meals Month

- TalkSooner promoted Family Meals Month. This annual nationwide event in September is designed to underscore the benefits of family meals and help families share one more meal at home per week.
- TalkSooner.org highlighted the campaign “Any Way you Slice it, Prevention Matters.” Our team partnered with six locally owned pizza shop owners to share prevention messaging. WOOD-TV Channel 8 and Fox 17-WXMI Morning Mix promoted the campaign with live interviews of TalkSooner Prevention Specialists and pizza shop owners. Pizza shops distributed over 5,000 fliers and pizza cutters with TalkSooner messaging.



## LRE Funded SUD Prevention Numbers Served



### Estimated Reach

Estimated reach is collected for activities where an official count of persons is not possible. Providers estimate that they have achieved more than 3 million impressions through campaigns such as TalkSooner, Above the Influence, and others.

### Hours of Service

More than 11,000 hours of direct service were provided in the following strategies:



### Youth Tobacco Access

The Federal Synar Amendment requires states to enact and enforce laws prohibiting the sale of tobacco products to individuals under the age of 18. In December 2019, federal law was enacted to restrict tobacco sales to anyone under the age of 21. Each state must conduct annual unannounced inspections for a random sample of tobacco retailers and achieve a success rate of at least 80%. If they do not, the state risks loss of up to 40% of the Substance Abuse Prevention and Treatment (SAPT) Block Grant funds. Checks conducted as part of this sample are called Synar compliance checks.





A CCBHC, or Certified Community Behavioral Health Clinic, is a type of mental health facility designed to provide comprehensive, community-based mental health and substance use disorder services. These clinics aim to enhance access to care, improve quality, and ensure coordination among various health services. CCBHCs are required to serve anyone who requests care for mental health or substance use disorders, regardless of their ability to pay, place of residence, or age.

CCBHCs must meet standards for the range of services they provide and are required to get people into care quickly. The CCBHC model requires:

- Crisis services to be available 24 hours a day, 7 days a week.
- Comprehensive behavioral health services to be available so people who need care don't have to piece together the behavioral health support they need across multiple providers.
- Care coordination to be provided to help people navigate behavioral health care, physical health care, social services, and the other systems they are involved in.

## Goals

Goal 1:	Increase access to behavioral health services.
Goal 2:	Broaden the availability of prevention and early intervention.
Goal 3:	Promote integrated health.
Goal 4:	Improve quality of care and standardization of service delivery.

## Demonstration Year 3 (DY3) Evaluation

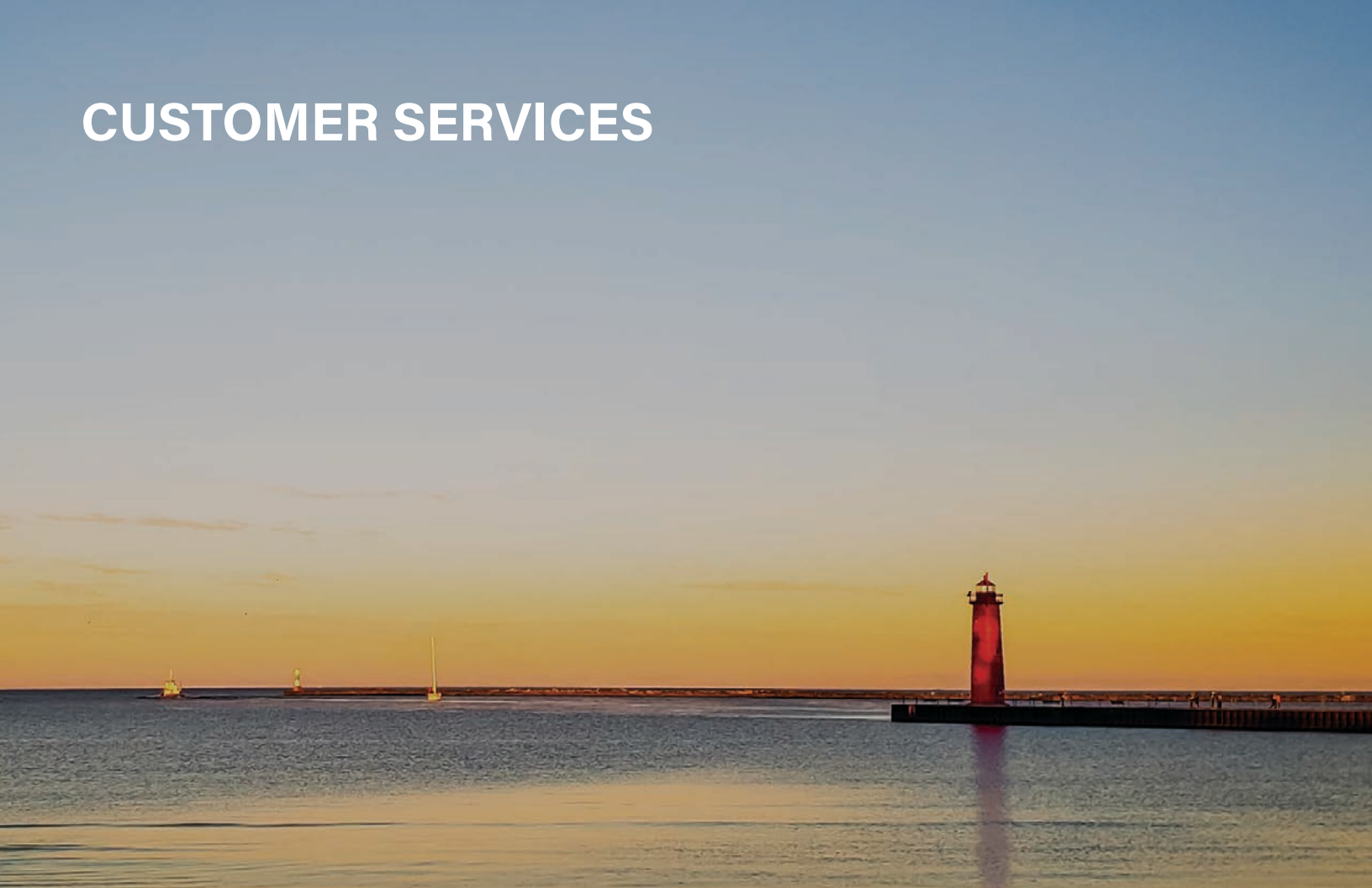
To assess the effectiveness in supporting CCBHC demonstration, LRE completed the following evaluation based on the responsibilities and requirements defined in the MDHHS CCBHC Handbook.

### Status of PIHP Requirements

Contract or develop a Memorandum of Understanding (MOU) with all CCBHCs in their region and ensure access to CCBHC services for their enrollees.	
PIHPs must understand the CCBHC certification process and certification requirements.	
Establishing an infrastructure to support CCBHC's in care coordination and providing required services.	
Collecting and sharing member-level information regarding health care utilization and medications with CCBHCs.	
Providing implementation and outcome protocols to assess CCBHC effectiveness.	
Developing training and technical assistance activities that will support CCBHC in effective delivery fo CCBHC services.	
PIHPs must distribute data requests from MDHHS to CCBHCs for data collections.	
PIHPs must validate by reviewing for completion, evaluate for reasonability and accuracy of data request prior to sending to MDHHS.	
PIHPs provide training and technical assistance on certification requirements.	
PIHPs must utilize Michigan claims and encounter data for CCBHC population.	
PIHPs must use CareConnect 360 to analyze health data spanning different settings of care.	
PIHPs must provide support to CCBHCs related to Health Information Technology, include WSA, CareConnect360, EHR, and HIEs.	

CCBHC Enrollment	PIHP will use the WSA for CCBHC assignment activities and information exchange.	
	Verify diagnostic criteria for CCBHC recipients who are not automatically identified & enrolled and non-Medicaid recipients are entered into the WSA.	
	Monitor CCBHCs to ensure there are policies and procedures in place for the collection of consent forms.	
CCBHC Payments	The PIHP is responsible for reimbursing CCBHCs for each valid CCBHC encounter in a timely manner.	
	PIHP will submit encounters to MDHHS in accordance with Section 5.C.1 of the CCBHC handbook.	
	Review, audit and submit CCBHC cost and quality metric reports to MDHHS.	
Cost & Quality Metric Reporting	CCBHC & PIHP must complete and submit reconciliation templates quarterly.	
	PIHP must monitor, collect, and report grievance, appeal, and fair hearing information, with details, by CCBHC to MDHHS.	
	PIHP must submit other MDHHS-required reports such as FSRs pursuant to MDHHS defined instructions and timelines.	
Oversight	Monitor CCBHC performance and lead quality improvement efforts.	
	Establish a continuous quality improvement program and collect and report on data that permits an evaluation of metrics at the population level.	
	Audit for Cost, Quality, Performance and Compliance.	
	Compliance with other State and/or Federal requirements.	

# CUSTOMER SERVICES



## Training

- 286 people attended Notice of Adverse Benefit Determination training in 2024
- 308 people attended Person-Centered Writing in January, March, June and September

## LRE Community Advisory Panel Newsletter

The LRE Community Advisory Panel (CAP) implemented a quarterly Community Newsletter intended for recipients or potential recipients of services and the community at large. The purpose is to:

- Share the positive things occurring in the region with the community mental health service providers and LRE.
- Provide detailed information on supports, services, and processes such as grievances, appeals, recipient rights, health homes, etc.
- Welcome and engage the community in the world of mental health support.
- Uplift and publicly support members' successes, encouraging others with their testimonies.

This newsletter has allowed LRE Customer Services to meet the goal of directly and publicly responding to comments, questions, and requests for information received from members through the CAP, member surveys, or customer service inquiries.

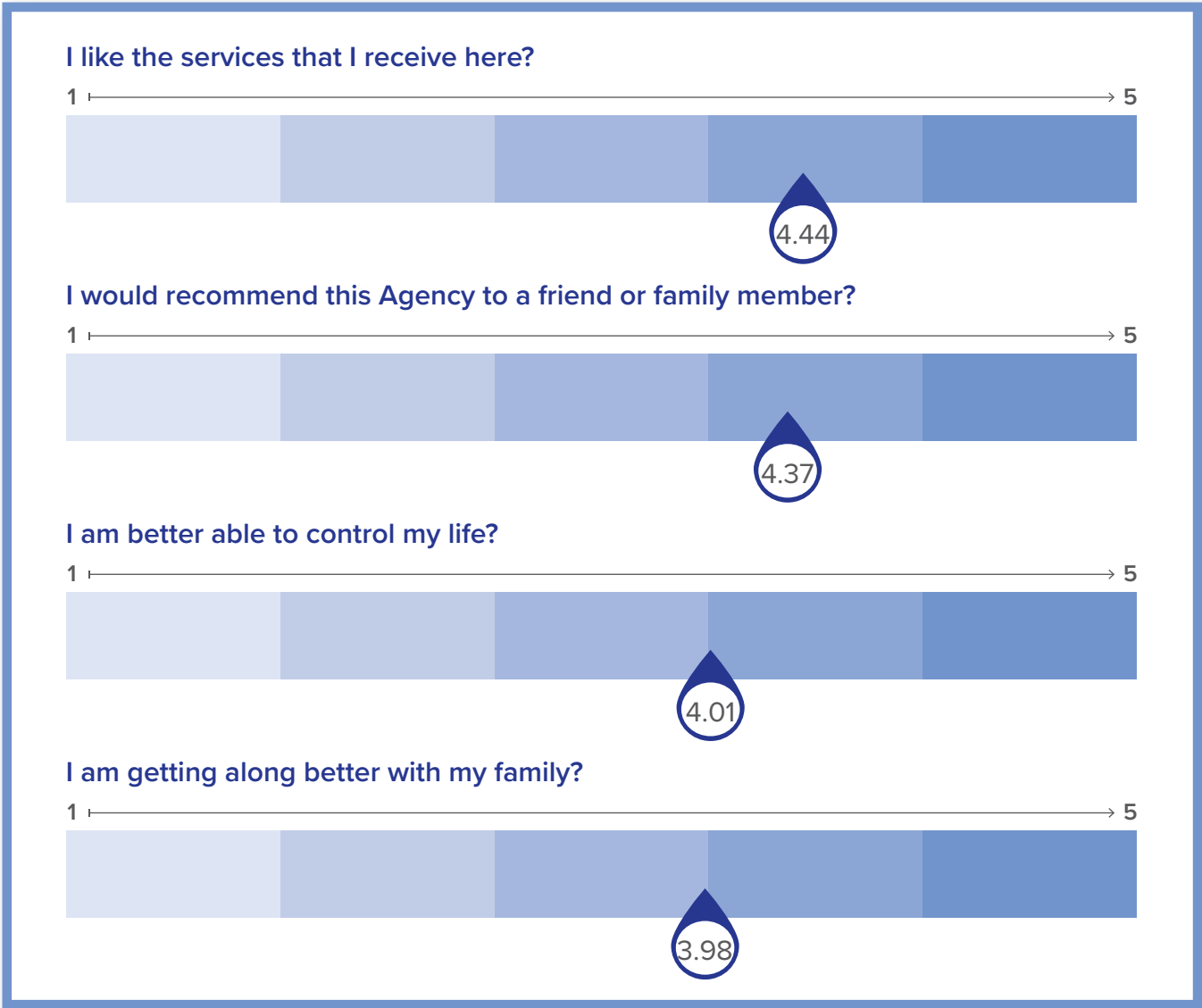
### Customer Satisfaction Survey

The overall goal of the customer satisfaction survey is to administer a survey annually to adults/families receiving Medicaid-funded mental health services in outpatient or residential settings. Feedback concerning their experience of care is an important part of the efforts to improve quality and health outcomes in populations experiencing mental health difficulties. Due to the satisfaction survey requirements of CCBHC, the Mental Health Statistics Improvement Program (MHSIP) and Youth Services Survey (YSS) became the new 2024 customer satisfaction survey tool.

The outcomes of the MHSIP and YSS function as a “report card” on how satisfied consumers are with community mental health services and provide insight for what is needed to enhance quality and continuity of care. The perspective of the consumer is valuable in that it provides a unique opportunity for the region to determine what changes may be needed for delivery, to foster collaboration with provider agencies, and to enhance service delivery and implementation strategies.

### Customer Service Scorecard

LRE collected 795 customer satisfaction surveys related to CCBHC consumers during 2024. Scores are on a scale of 1-5, with 5 being the best score.



## Due Process

**Grievance**—An expression of dissatisfaction about any matter related to services, other than a service determination (action).

Possible subjects for grievances include, but are not limited to:

- Quality of care or services provided
- Aspects of interpersonal relationships between a service provider and the consumer
- Questions or concerns regarding how Advance Directives are handled
- Questions or concerns regarding consumer's identified discriminatory treatment

### Grievances

Q1	Q2	Q3	Q4	Total
86	70	48	45	249

**Appeal**—The requested review of a Service Determination taken by the Authorizing agency (CMHSP/PIHP) to somehow limit a service request. Filed when a customer/guardian is unhappy about a decision made to limit services they are seeking: denial of service(s); limited service authorization; reduction in service(s); termination of service(s).

- Customers have access to appeals that are both:
- Local - filed with/against the agency (CMHSP/PIHP) making the determination. Also referred to as Local Dispute Resolution
- State - filed to the either the Michigan Office of Hearings and Rules (Medicaid beneficiaries) or the Alternative Dispute Resolution Process (for individuals without Medicaid)

### Appeals by CMHSP

OnPoint	HeathWest	Network180	Ottawa	Total
3	34	92	1	130

# AUTISM SERVICES

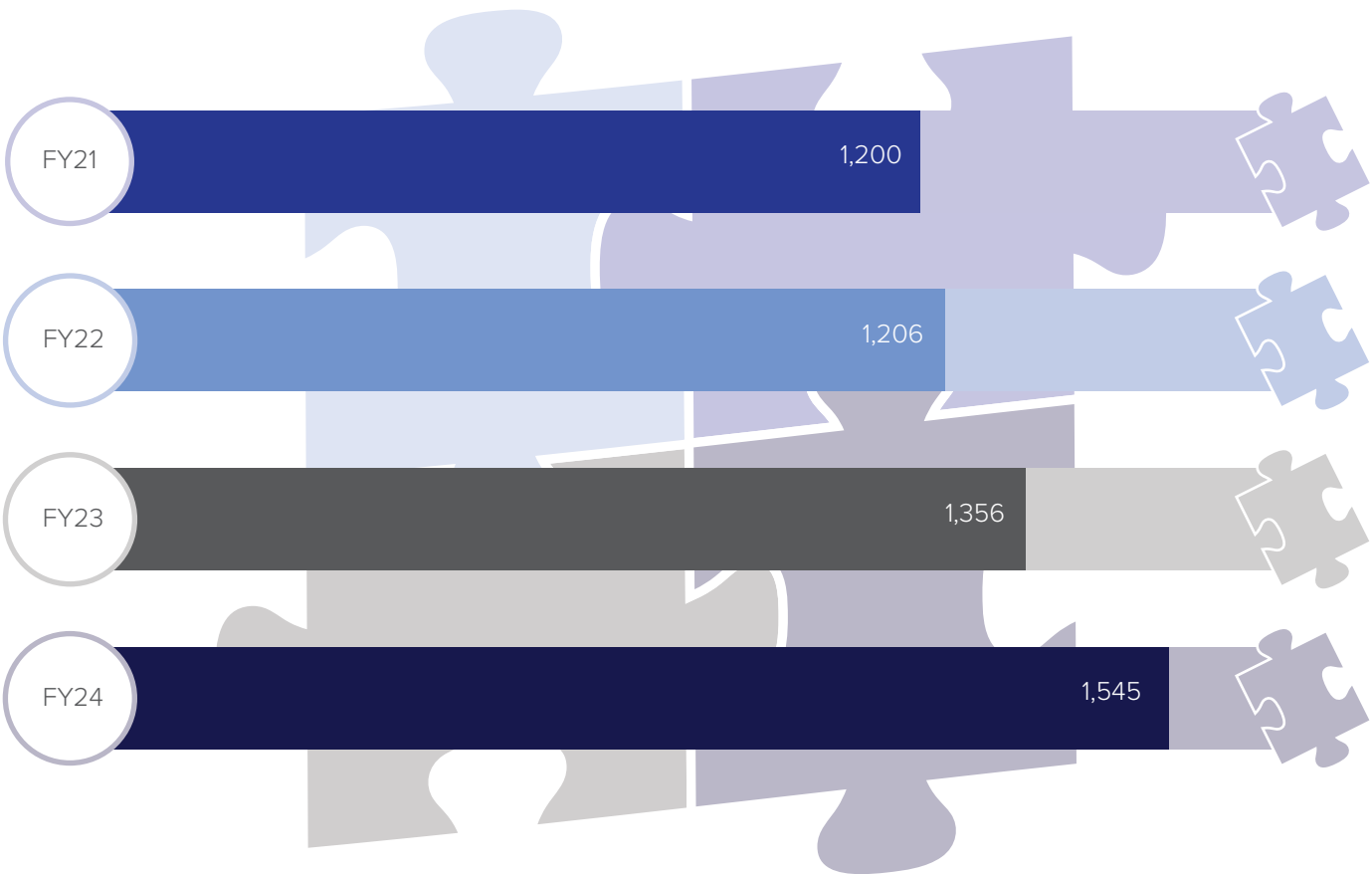
LRE is responsible for administering medically necessary Behavioral Health Treatment (BHT) for individuals with an Autism Spectrum Disorder (ASD) ages 0-21. Behavioral Health Treatment is a comprehensive treatment including, Screening, Diagnosis, Applied Behavior Analysis (ABA), Parent Training, and Social Skills group.

The goal of delivering ABA is to help the identified consumer and their family achieve goals that will make meaningful change in their lives, by following the seven dimensions of behavior analysis identified by Baer, Wolf, and Risley (1968) in their seminal article Some Current Dimensions of Applied Behavior Analysis.

## LRE Autism Team

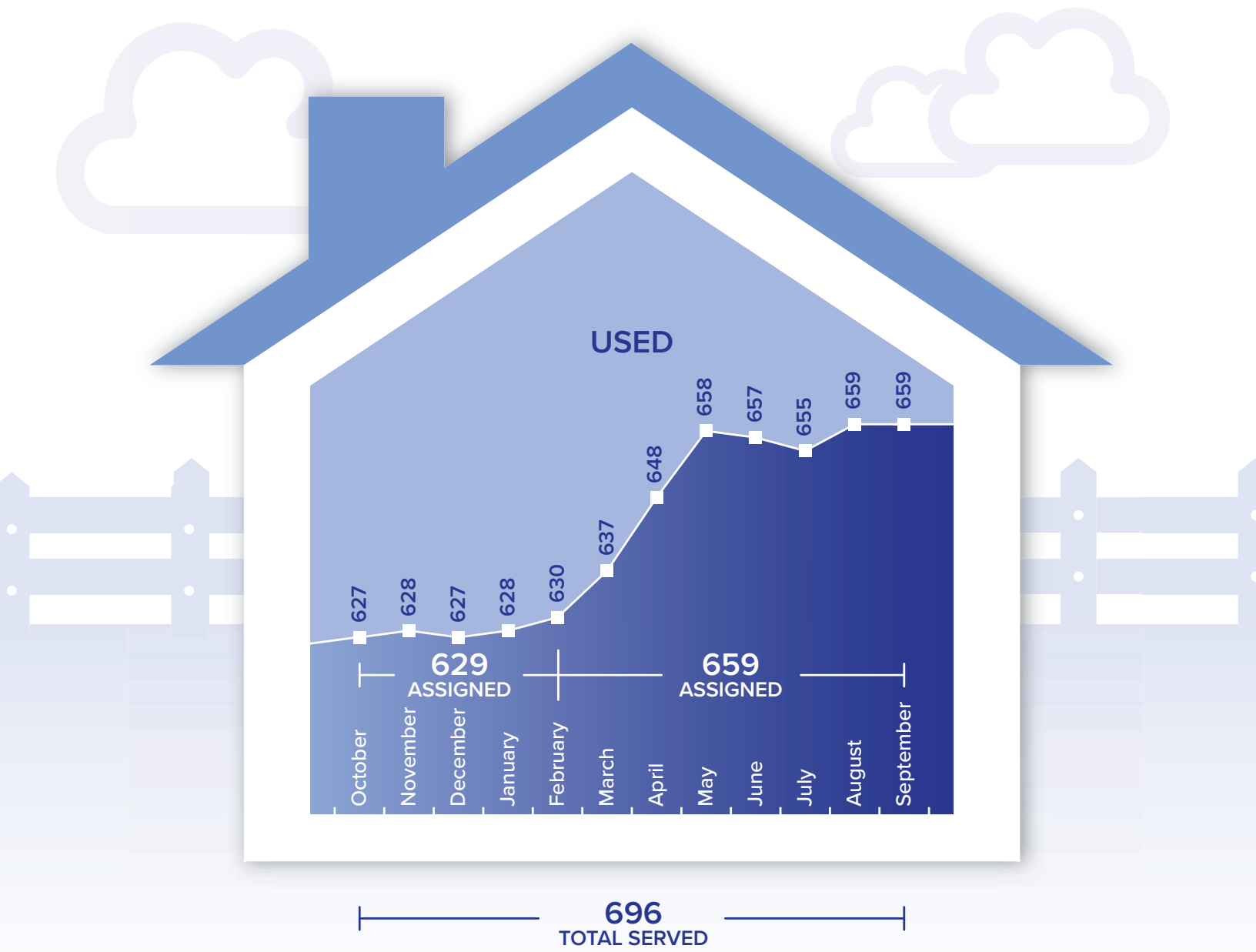
- Created and planned Person-Centered Goal Writing training to launch in January 2025. This training helps break down what makes a goal person-centered and how to use AHA and person-centered planning together.
- Revamped Autism Regional Operations Advisory Team (ROAT) to be a collaborative environment. This approach built better rapport with CMHSP’s Autism Leads and opened up discussions to make improvements in the region.
- Collaborated with the IT Team to track the intensity of autism services across the region.
- Created a utilization/authorization form for CMHSPs to utilize throughout the region.
- Teamed with Autism ROAT members to create a form to thoroughly explain CPT codes, expectations of using the codes, and define the clinical necessity for using a code.

Number of Individuals Receiving ABA Services



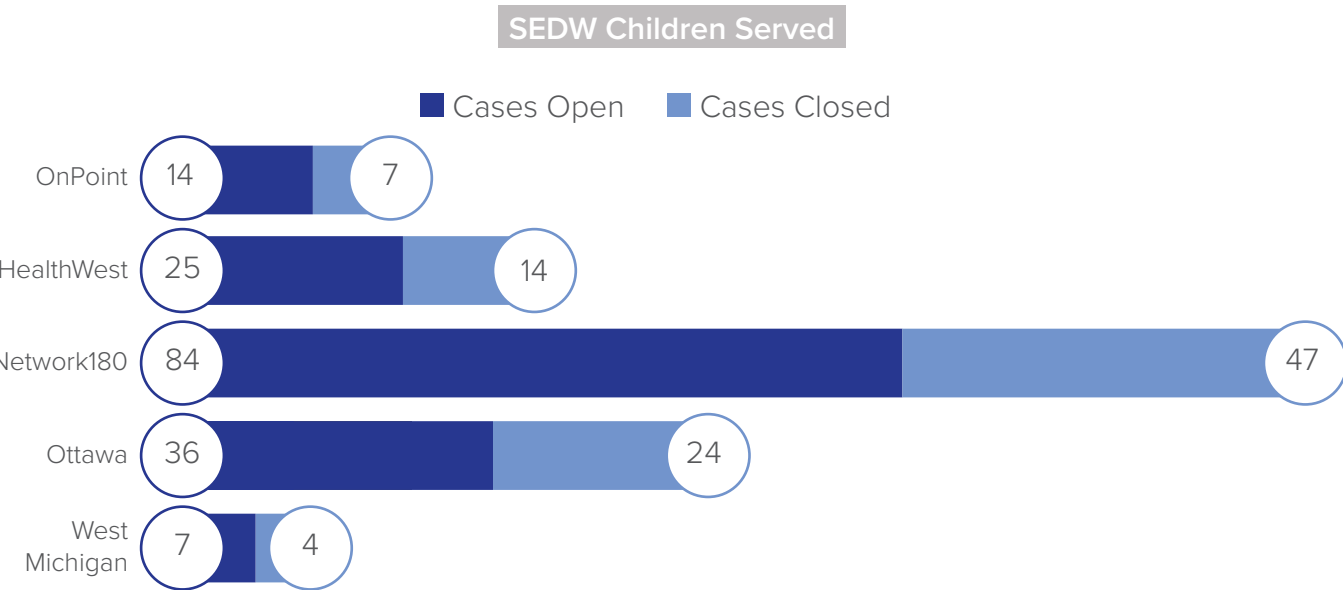
# HABILITATION SUPPORTS WAIVER

Throughout FY24, LRE staff spent considerable time advocating with MDHHS to increase the number of HSW slots allocated to Region 3. LRE’s efforts to obtain more slots paid off in February 2024 when MDHHS provided Region 3 with 30 additional HSW slots. LRE staff continued to advocate for additional slots and received 15 slots to start FY25. With these reallocations of HSW slots, LRE has 676 HSW slots, up from 629 in FY23.



# CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCE WAIVER

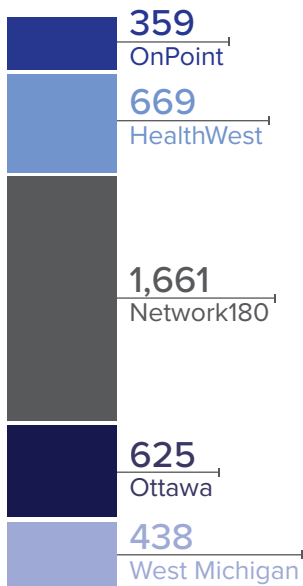
SEDW Service Utilization was a focus of the program this year. LRE worked with CMHSPs and Wraparound Providers to improve understanding of SEDW services, requirements for utilization, and requirements for eligibility, leading to better overall compliance rates across the region.



## 1915(i)SPA

(i)SPA enrollment processes at the CMHSPs significantly improved. The CMHSPs worked very hard to develop methods to streamline their internal process, review for any errors, and improve communications necessary between their departments and the PIHP.

Total Served by CMHSP

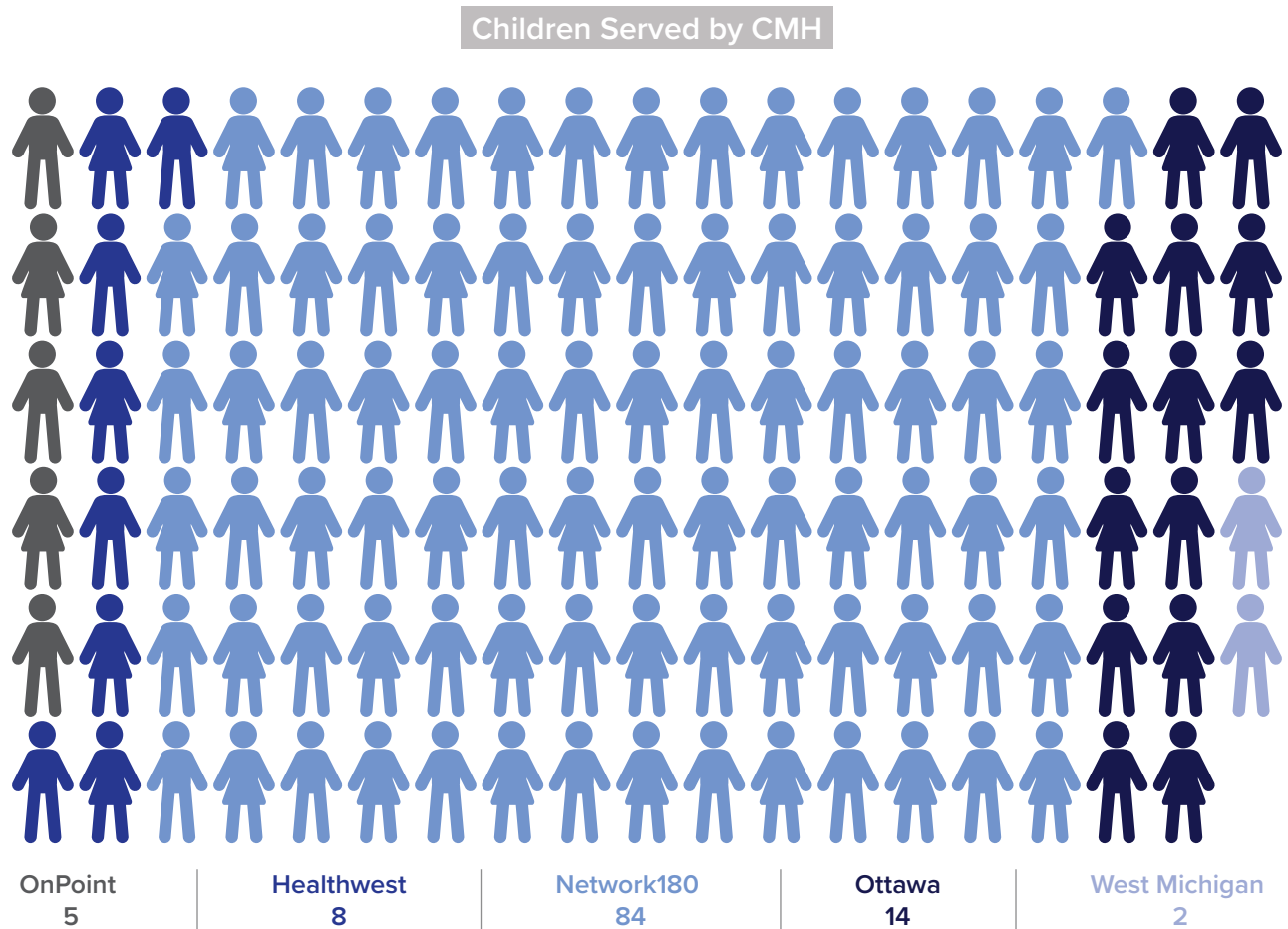


Number of Consumers Utilizing Services



# CHILDREN'S WAIVER PROGRAM

FY24 enrollment in the Children's Waiver Program (CWP) saw an increase in the number of children served through the waiver. The number of children enrolled on the CWP for FY24 is up approximately 7% compared to FY23. FY24 marks the most children we have ever had enrolled in the Children's Waiver, and the trend is expected to continue into FY25, as MDHHS will be adding 100 CWP waiver slots with the waiver renewal.



## Services Provided to CWP Enrollees in FY24

- Targeted Case Management
- Community Living Supports
- Respite
- Music Therapy
- Art Therapy
- Recreational Therapy
- Environmental Accessibility Adaptations
- Family Training
- Fencing
- Non-Family Training
- Specialized Medical Equipment and Supplies
- Applied Behavior Analysis
- Occupational Therapy

FY24 saw LRE approve 10 projects for CWP-enrolled children through the Prior Review Authorization Request committee. These items included environmental accessibility adaptations such as ramps and bathroom remodels, specialized medical equipment and supplies, vehicle lifts, a shower chair, and fencing.

# VETERAN NAVIGATOR

The Veteran Navigator (VN) program aims to coordinate support resources for veterans within Region 3. The primary role of the VN is to provide individualized support to veterans and military families. The VN works with individual veterans and military families to assess their needs, assist them in connecting to services, and help them address challenges that negatively affect their health and well-being.

## Support Highlights

During FY24, the VN provided services to 95 veterans, providing services to residents from every county in the region. Below are some specific categories needing support and navigation to applicable resources.

COUNTY	# SERVED	MALE	FEMALE	MENTAL HEALTH CHALLENGES	SUD CHALLENGES	UNEMPLOYED	HOMELESS	SUICIDE IDEATION
Allegan	11	10	1	10	1	1	1	1
Kent	49	37	12	49	9	13	3	15
Muskegon	12	7	5	12	2	1	1	5
Ottawa	19	14	5	19	5	4	5	6
Lake	3	2	1	3	0	0	0	1
Mason	1	1	0	1	0	0	0	0
Oceana	0	0	0	0	0	0	0	0
Total:	95	71	24	94	17	19	10	28

## Referral Network

During FY24, 74% of individuals served were self-referred to the VN Program. Top referrals made by the VN during FY24 included:



# FINANCES

## Expenditures

	Medicaid MH and SUD	% of Total	Healthy Michigan MH and SUD	% of Total
OnPoint	\$ 25,395,162	8%	\$ 2,631,279	5%
HealthWest	\$ 55,986,393	17%	\$ 8,460,208	16%
Network180	\$ 167,155,324	50%	\$ 21,874,202	43%
Ottawa	\$ 48,187,131	14%	\$ 5,639,272	11%
West Michigan	\$ 18,672,540	6%	\$ 1,878,089	4%
Taxes and HRA	\$ 13,116,482	4%	\$ 9,758,929	19%
LRE	\$ 5,248,858	1%	\$ 946,934	2%
<b>TOTAL</b>	<b>\$ 333,761,890</b>	<b>—</b>	<b>\$ 51,188,913</b>	<b>—</b>

## Revenue

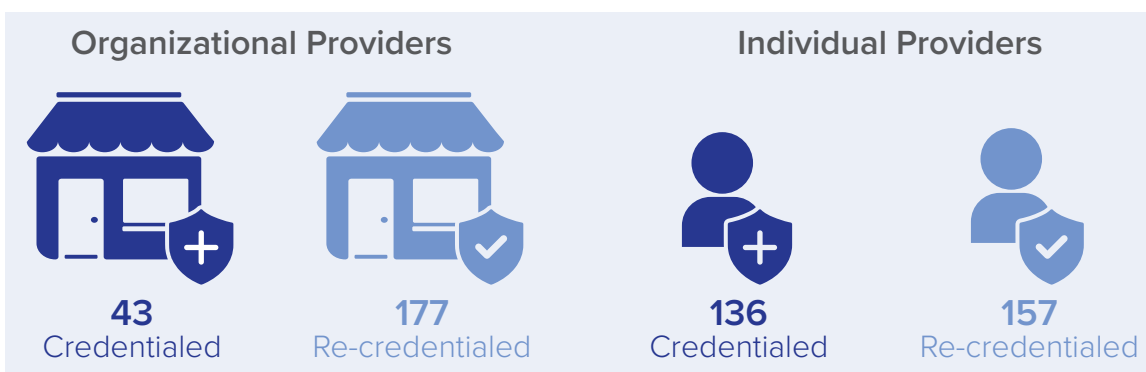
	Medicaid MH and SUD	% of Total	Healthy Michigan MH and SUD	% of Total
OnPoint	\$ 25,395,162	7%	\$ 2,631,279	4%
HealthWest	\$ 55,986,393	17%	\$ 8,460,208	15%
Network180	\$ 167,155,324	50%	\$ 21,874,202	38%
Ottawa	\$ 48,187,131	14%	\$ 5,639,272	10%
West Michigan	\$ 18,672,540	5%	\$ 1,878,089	3%
Taxes and HRA	\$ 13,116,482	4%	\$ 9,758,929	17%
LRE	\$ 8,613,170	3%	\$ 7,565,395	13%
<b>TOTAL</b>	<b>\$ 337,126,202</b>	<b>—</b>	<b>\$ 57,807,374</b>	<b>—</b>

# CREDENTIALING



Credentialing for LRE focuses on ensuring highly qualified providers and practitioners are serving our consumers and families to support them in achieving their wellness goals. The primary activity for LRE is ensuring all provider organizations in the service delivery network are appropriately credentialed to perform their contracted services. In addition, LRE provides oversight and coordination for individual practitioner credentialing completed by our CMHSP partners. Twice per fiscal year, LRE submits a summary of regional credentialing activities to MDHHS.

## Credentialing Stats



# INNOVATION/PRACTICES

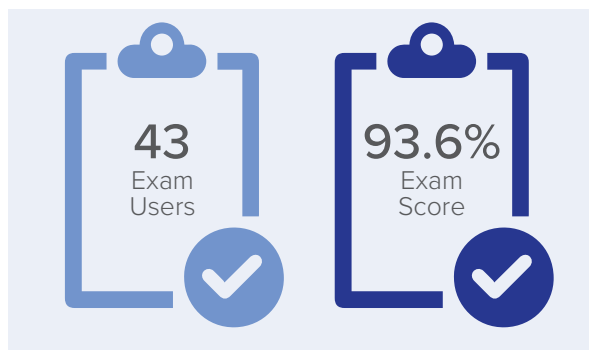


## Utilization Management

### Inter-Rater Reliability (IRR) Exam

IRR serves to ensure the accuracy and consistency of LRE's Utilization Management (UM) program, including access to care and coverage determinations. IRR also serves as a way to incorporate parity within our state/region, break down the inconsistencies of consumer experience across CMHSPs, train and monitor use of medical necessity criteria and monitor its use for dispositions of higher level of care, and improve quality of care for the members we serve.

#### IRR Exam Results



## **Pre-Admission/Continued Stay Review Audits:**

These audits are completed quarterly with a random selection for each CMHSP pulled from the Follow Up to Hospitalization (FUH) Report. The audits are completed to identify our region's capability to understand Milliman Care Guidelines (MCG) medical necessity criteria (MNC) as well as apply these guidelines to properly assess the individuals we serve for higher level of care placement, length of stay and proper discharge.

Beginning in FY24 Q1, these audits were built into Lakeshore Integrated Data System (LIDS) with the help of our Information Technology (IT) staff. This allowed for audits to be completed and tracked in a way that shows beneficial data that helps identify and support our region for improvement. In addition, a dashboard is now available for use.

## **Clinical Management**

### **MichiCANS**

All Member CMHSPs have prepared for the launch of MichiCANS at the start of FY25. This was a collaborative undertaking. Supervisors and administration needed to gain an understanding of this new system, staff needed to be trained, and, in some cases, positions developed, EMRs adapted, and procedures updated for this large shift in assessment and level of care for children and young adults.

### **Evidence-Based Practices (EBPs)**

Continued focus on honing clinical skills in evidence-based techniques should lead LRE towards an effective, consistent, client-centered, cost-effective means of improving mental health outcomes. CCBHCs have helped increase the focus and ability to implement more EBPs.

### **Standard V**

A score of 100% compliance was given by HSAG for Standard V during audits this year, which focuses on Coordination and Continuity of Care. There are actionable items involving collaboration with MDHHS to move toward continued improvement.

## **Provider Network**

### **Enhancement to Grant Contracting to Ensure Compliance**

In FY24, we streamlined grant contracting processes by condensing contracts to reduce administrative burden. Improvements were also made to ensure compliance with federal funding pass through requirements.

### **Inpatient Psychiatric Contracts and Rates**

LRE led negotiations for regional FY25 inpatient psychiatric contracts, achieving equitable rate adjustments for providers while aligning with CMHSP budgetary constraints. This process included stakeholder engagement to balance funding limitations with rising operational costs for inpatient facilities. These contracts support access to critical inpatient psychiatric care across the region, ensuring service continuity for vulnerable populations.

### **FY24 HSAG Audit**

Our team achieved 100% compliance with the Network Adequacy standards during the FY24 (HSAG) audit. This milestone demonstrates our dedication to ensuring robust provider networks that meet the needs of the population.

## Data Submission Timeliness

In FY24, 97.9% of required Encounters, Behavioral Health Treatment Episode Data Set (BHTEDS), Michigan Mission Based Performance Indicator System (MMBPIS) and Critical Incident data file submissions were transmitted on schedule to MDHHS.

## Behavioral Health Treatment Episode Data Set (Client Demographic) Data Quality Advancements

Expanded efforts in dashboard monitoring of factors influencing rate setting to help CMHSPs improve data quality and increase Medicaid funding rates for the region.

- Highlighting missing/aged BHTEDS records, or those with missing-or-invalid Medicaid ID number.
- Display of Level of Care of Utilization System (LOCUS) score discrepancies between BHTEDS LOCUS scores vs the CMHSP LOCUS detail files uploaded to LRE. This helps CMHSPs see where BHTEDS LOCUS scores are missing or perhaps not the most applicable assessment date/score.

## Leveraged technology to gain administrative efficiencies

Impactful gains made in several areas including site review analysis, corrective action plans, utilization management audits, and contracting processes.

- Reduced average time for CMHSPs to enter Corrective Action Plan (CAP) responses from 40 hours to zero hours by leveraging technology and pivoting to PowerBI Dashboards.
- Created Encounters PowerBI Dashboard allowing LRE to pull clinical and credentialing random samples for CMHSP, SUD, and IP Site Reviews. This is 80% faster than the former sampling software.
- Implemented Audits PowerBI Dashboard to allow interactive data analysis at both detailed and aggregate levels. This enables LRE to identify both systemic issues across the network and to pinpoint isolated issues at the CMHSP/provider level related to clinical and credentialing processes, and also enables LRE to easily draft actionable reports for remediation efforts. Where it previously took 15 days to distribute a CAP to the CMHSP/provider, it now takes only 1 day because we have leveraged technology for efficiency.
- Developed automations to improve LRE's Contracting Function resulting in dramatic administrative time savings in document editing and document management. On the receiving end, PROVIDERS are also experiencing a much better contracting process (one-stop-shopping, greater accuracy, as well as greater efficiency).

## Improved system security

LRE strengthened internal security protocols including addition of Multi-Factor Authentication (MFA) and use of biometric security keys for high profile accounts (biometric security keys are a CISA best practice recommendation).



**Customer Services**

For assistance please call 1-800-897-3301 (TTY-711)

**Business Office**

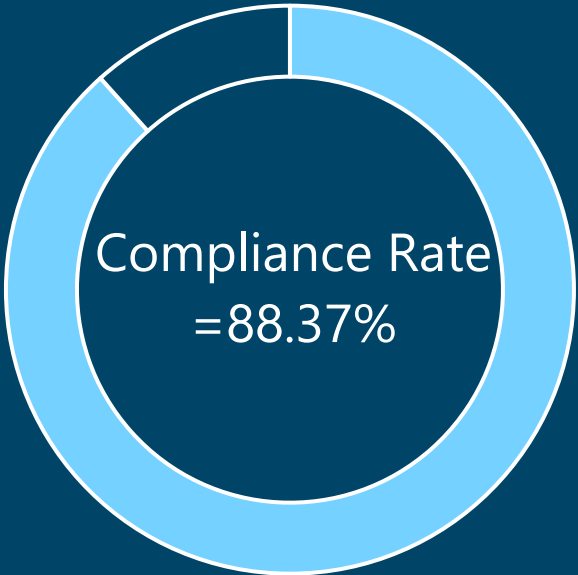
5000 Hakes Drive, Ste. 250  
Norton Shores, MI 49441

[www.lsre.org](http://www.lsre.org)

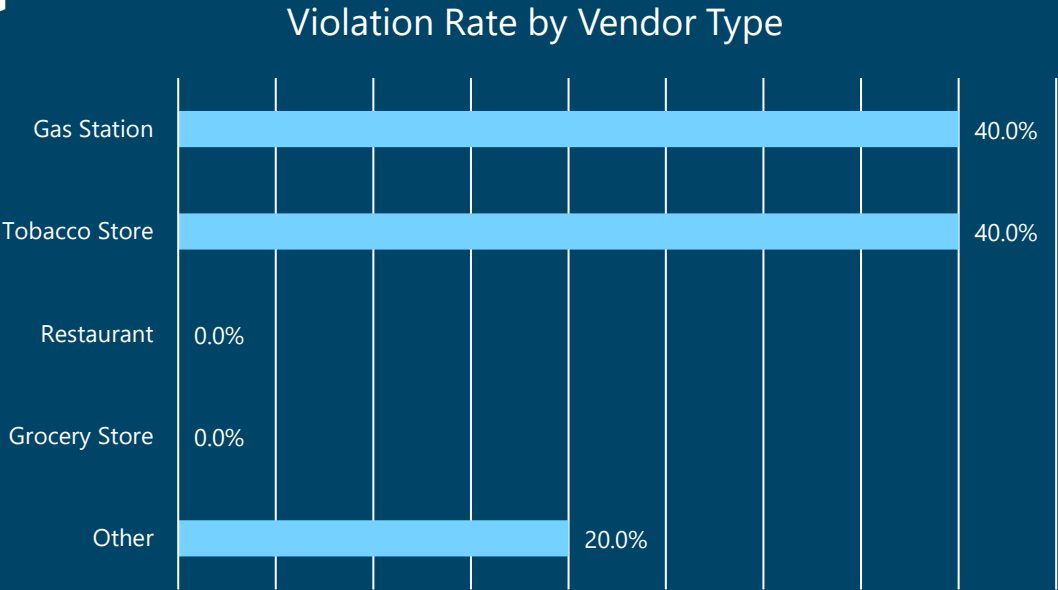




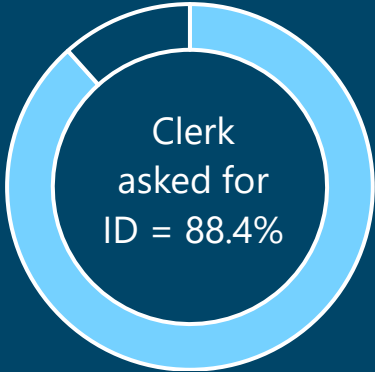
# 2025 Tobacco Sales Compliance Check Results



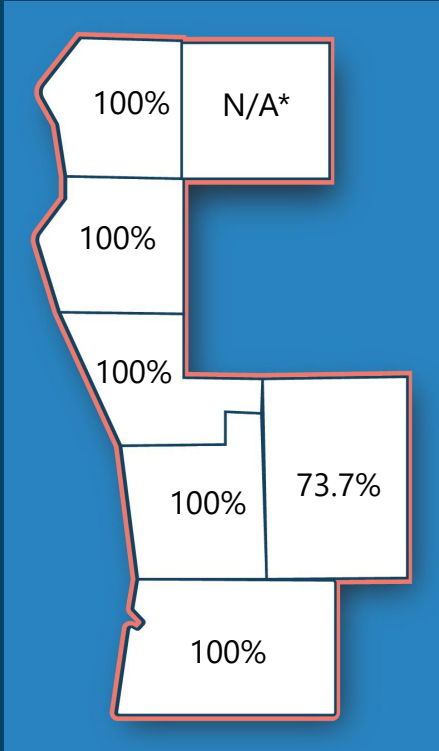
Compliance rate = the percentage of retailers that did not sell a tobacco product to a decoy under the age of 21.



LRE sample selected by MDHHS = 46,  
Inspected = 43 (3 ineligible for inspection)



Compliance Rates by County



\* No compliance checks assigned



# Lakeshore Regional Entity’s Legislative Update – 7/16/2025

This document contains a summary and status of bills in the House and Senate, and other political and noteworthy happenings that pertain to both mental and behavioral health, and substance use disorder in Michigan and the United States.



Prepared by Melanie Misiuk, SEDW & 1915(i)SPA Specialist & Stephanie VanDerKooi, Chief Operating Officer

**Highlight** = new updates  
**Highlight** = old bill, no longer active  
**Highlight** = Suggestions for Action & **Supported**/**Opposed** by CMHAM (Community Mental Health Association of Michigan)

## STATE LEGISLATION

### BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH

Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
	HB 4032	Removes interstate medical licensure compact sunset (LARA Lead)	Rylee Lynting	1/28/25: Introduced, Referred to Committee on Health Policy 2/26/25: Referred to a second reading 3/5/25: Placed on a third reading, read a third time, passed 3/12/25: Passed by House with Immediate Effect, Referred to Committee on Health Policy
	HB 4037 & 4038	Establishes certain requirements to operate a health data utility (DHHS Lead)	Julie Rogers Curtie VanderWall	1/29/25: Introduced, Read, referred to the Committee on Health Policy 5/21/25: Referred to a second reading
	HB 4095	Requires insurance providers to panel mental health provider within a certain time period of application process (DIFS Lead)	Noah Arbit	2/20/25: Introduced, Read a first time, referred to Committee on Insurance
	SB 3-5	Creates prescription drug cost and affordability review act, and requires compliance (DIFS/DHHS/LEGAL)	Darrin Camilleri	1/8/25: Introduced, Referred to Committee on Finance, Insurance, and Consumer Protection 4/24/2025 – Referred to Committee of the Whole with substitute, placed on order of third reading, placed on immediate passage, amendments adopted, passed roll call, received in House, read a first time, referred to Committee on Government Operations

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
	SB 18	Provides conditions on the use of certain federal benefits, including disability benefits, for a child in foster care. (DHHS/LEGAL)	Jeff Irwin	1/22/25: Introduced, Referred to the Committee on Housing and Human Services 3/20/25: Reported favorably without amendment, Referred to Committee of the Whole 4/16/2025: Reported by Committee of the Whole favorably without amendment, placed on order of third reading. 4/17/2025: Passed roll call, received in House, read a first time, referred to Committee on Families and Veterans
	SB 111	The bills would enhance protections against financial exploitation, abuse, and neglect of vulnerable adults. Specifically, they would create a process for certain elder and vulnerable adults to petition a circuit court to enter an elder and vulnerable adult personal protection order (PPO). They also would allow a county or region to create a vulnerable adult multidisciplinary team (team) that would work within that area to protect against and bring awareness to vulnerable adult abuse, neglect, and financial exploitation.	Jeff Irwin	2/27/25: Introduced, Referred to the Committee on Civil Rights, Judiciary, and Public Safety 3/18/25: Reported Favorably Without Amendment, Referred to the Committee of the Whole, Rules suspended for immediate consideration, reported by Committee of the Whole favorably without amendment, placed on order of Third Reading 4/16/2025: Passed roll call, received in House, read a first time, referred to Committee on Judiciary
	HB 4218 SB 142	These bills would make changes to the state recipient rights advisory committee to explicitly include a representative from Disability Rights Michigan, the Mental Health Association in Michigan, and the Arc Michigan.	Rep - Jamie Thompson Sen – Michael Webber	3/12/25: Introduced, read a first time, referred to the Committee on Health Policy (4218) 3/12/25: Introduced, Referred to the Committee on Housing and Human Services (142) 6/4/25: Referred to a second reading
	HB 4219 SB 143	These bills would require that patient’s rights during mental health treatment, including the objection to treatment, must be communicated orally and in writing to the patient.	Rep - Jamie Thompson Sen – Rick Outman	3/12/25: Introduced, read a first time, referred to the Committee on Health Policy (4219) 3/12/25: Introduced, Referred to the Committee on Housing and Human Services (143) 6/4/25: Referred to a second reading

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
	SB 129	This bill would amend the Open Meetings Act to allow an appointed member of a public body who has a disability to fully participate in a meeting remotely upon request. The bill would not apply to a member of a public body who was elected by electors to serve.	Sean McCann	3/6/25: Introduced, Rederred to the Committee on Civil Rights, Judiciary, and Public Safety 3/18/25: Reported favorably without amendment, referred to the Committee of the Whole 4/16/2025: Reported by the Committee of the Whole favorable without Amendment, placed on order of third reading 4/17/2025: Passed Roll Call, received in the House, read a first time, referred to Committee on Government Operations
	HB 4530	A bill to modify the deadline for mental health professionals to release mental health records or information pertinent to child abuse or neglect investigation to the department.	Laurie Pothusky	6/3/2025: Introduced, read a first time, referred to Committee on Families and Veterans
	HB 4535	Modifies eligibility for mental health court.	Kara Hope	6/3/2025: Introduced, read a first time, referred to Committee on Judiciary
	SB 221	A bill to provide for outpatient treatment for misdemeanor offenders with mental health issues	Sylvia Santana	4/17/2025: Introduced, referred to committee on Health Policy 5/8/2025: Reported favorably without amendment, referred to Committee of the Whole 5/20/2025: Referred to Committee of the Whole favorably without amendment, placed on order of a third reading 5/21/2025: passed roll call, received in House, read a first time, referred to Committee on Health Policy
	SB 334	Police Training; Requires mental health and law enforcement response training for law enforcement officers.	Jeff Irwin	5/29/2025: Introduced, Referred to the Committee on Civil Rights, Judiciary, and Public Safety

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	SB 68	A bill to amend 1998 PA 58 to prohibit displaying co-branded alcoholic beverages adjacent to certain products.	Dayna Polehanki	2/5/25: Introduced, Referred to the Committee on Regulatory Affairs 2/26/25: Reported favorable without amendment,

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
				Referred to Committee of the Whole 3/6/25: Reported by Committee of the Whole favorable with amendments, placed on order of third reading 3/12/25: Passed Roll Call, Received in House, Read a first time, referred to Committee on Regulatory Reform
	HB 4166 & 4167	Prohibits illicit use of xylazine and provides penalties; Provides sentencing guidelines for illicit use of xylazine.	Kelly Breen Mike Mueller	3/5/2025 – Introduced, referred to the Committee on the Judiciary
	HB 4255 & 4256	Modifies penalties for crime of manufacturing, delivering, or possession of with intent to deliver certain controlled substances; Amends sentencing guidelines for delivering, manufacturing, or possessing with intent to deliver certain controlled substances. <b>*PLEASE SEE THE MISCELLANEOUS UPDATES SECTION BELOW FOR MORE INFORMATION*</b>	Sarah Lightner Ann Bollin	3/18/2025 – Introduced, referred to the Committee on the Judiciary 4/16/2025 – Reported with recommendation, referred to a second reading 4/23/2025 – Read a third time, passed, transmitted 4/29/2025 – Passed House with immediate effect, referred to Committee on Civil Rights, Judiciary, and Public Safety
	HB 4390 & 4391	Expands methods of testing intoxication or impairment in the Michigan vehicle code to include other bodily fluid.	Brian BeGole Julie Rogers	4/24/2025 – Introduced, read a first time, referred to Committee on Government Operations 5/22/25: Referred to a second reading 6/26/25: Read a second time, placed on a third reading 7/1/25: Read a third time, Passed, given immediate effect, transmitted
	SB 219-222	Expands petition for access to assisted outpatient treatment to additional health providers	Paul Wojno	4/17/2025 – Introduced, Referred to Committee on Health Policy 5/8/2025 – Referred to Committee of the Whole 5/20/2025 – Placed on order of third reading with substitute 5/21/25 – passed roll call, received in the House, read a first time, referred to the Committee on

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
				Health Policy
	HB 4686	Controlled Substances; Allows creating, manufacturing, possessing, or using psilocybin or psilocin under certain circumstances.	Mike McFall	6/25/2025 – Introduced, Read a first time, Referred to the Committee on Families and Veterans
	SB 400	Prohibits prior authorization for certain opioid use disorder and alcohol use disorder medications.	Kevin Hertel	6/11/2025 – Introduced, Referred to the Committee on Health Policy, Reported favorably without amendment, Referred to the Committee of the Whole, Rules suspended for immediate consideration. 7/1/2025 – Reported favorably without amendment, placed on order of third reading, placed on immediate passage, passed roll call, Received in House, Read a first time, referred to Committee on Insurance
	SB 430 SB 431 SB 432	Modifies crime of manufacturing, delivering, or possession of with intent to deliver heroin or fentanyl to reflect changes in sentencing guidelines; Amends sentencing guidelines for delivering, manufacturing, or possessing with intent to deliver heroin or fentanyl; Allows probation for certain major controlled substances offenses.	Stephanie Chang Sarah Anthony Roger Victory	6/17/2025 – Introduced, Referred to the Committee on Civil Rights, Judiciary, and Public Safety
	SB 462, 464-465	Legislation to require retailers to obtain a state-issued license to sell tobacco products, including e-cigarettes and nicotine pouches.	Sam Singh Joe Bellino	6/26/2025 – Introduced, referred to the Committee on Regulatory Affairs
	SB 463 SB 466	Legislation that will repeal ineffective penalties on young people -- holding retailers accountable not, children.	Paul Wojno Mary Cavanaugh	6/26/2025 – Introduced, referred to the Committee on Regulatory Affairs

FEDERAL LEGISLATION

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH



Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE

BILLS & REGULATIONS PERTAINING TO SUD


Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	H.R.27 S. 331	<b>HALT Fentanyl Act:</b> This bill permanently places fentanyl-related substances as a class into schedule I of the Controlled Substances Act. Under the bill, offenses involving fentanyl-related substances are triggered by the same quantity thresholds and subject to the same penalties as offenses involving fentanyl analogues (e.g., offenses involving 100 grams or more trigger a 10-year mandatory minimum prison term). Additionally, the bill establishes a new, alternative registration process for certain schedule I research.	Rep - H. Morgan Griffith Sen – Bill Cassidy	1/3/25: Introduced, Referred to the Committee on Energy and Commerce, Committee on the Judiciary See – H. Res. 93 2/10/25: Received in the Senate and Read twice and referred to the Committee on the Judiciary 3/3/25: Committee on the Judiciary. Reported by Senator Grassley with an amendment in the nature of a substitute. Without written report. 3/14/25: Passed/agreed to in Senate: Passed Senate with an amendment by Yea-Nay Vote. 84 – 16 3/18/25: Received in House 6/11/2025: Debate in House, Postponed Proceedings 6/12/2025: Considered Unfinished Business, On passage Passed by the Yeas and Nays: 321-104. Motion to reconsider laid on the table Agreed to without objection. 7/8/25: Presented to President
	H. Res. 93	Providing for consideration of the bill (H.R. 27) to amend the Controlled Substances Act with respect to the scheduling of fentanyl-related substances, and for other purposes.	H. Morgan Griffith	2/4/25: Submitted in the House, reported in the House 2/5/25: Debate – proceeded with one hour of debate, postponed proceedings, considered as unfinished business, motion to reconsider laid on the table without objection

	HR 2383	<b>Protecting Kids from Fentanyl Act of 2025:</b> To amend the Public Health Service Act to authorize the use of Preventive Health and Health Services Block Grants to purchase life-saving opioid antagonists for schools and to provide related training and education to students and teachers	Joe Neguse	03/26/2025 - Referred to the House Committee on Energy and Commerce
	S 1132	<b>Families Care Act:</b> To amend the Older Americans Act of 1965 to include peer supports as a supportive service within the National Family Caregiver Support Program, to require States to consider the unique needs of caregivers whose families have been impacted by substance use disorder, including opioid use disorder, in providing services under such program	Ted Budd	03/26/2025 - Read twice and referred to the Committee on Health, Education, Labor, and Pensions
	HR 2935	<b>PREPARE Act of 2025:</b> To establish a Commission on the Federal Regulation of Cannabis to study a prompt and plausible pathway to the Federal regulation of cannabis.	David Joyce	04/17/2025 - Referred to the Committee on Energy and Commerce, and in addition to the Committees on the Judiciary, Ways and Means, Agriculture, and Financial Services
	HR 2483	<b>SUPPORT for Patients and Communities Reauthorization Act of 2025 (SUPPORT Act):</b> This bill reauthorizes and revises Department of Health and Human Services (HHS) programs that address substance use disorders, overdoses, and mental health.	Brett Guthrie	3/31/2025 – Introduced in the House, Referred to the Committees on Energy, and Commerce, Education and Workforce, Judiciary, and Financial Services. 5/29/2025 – Placed on the Union Calendar 6/4/2025 – General Debate. Passed in the House 6/5/2025 – Received in the Senate, read twice, referred to the Committee on Health, Education, Labor, and Pensions
	HR 1	<b>One Big Beautiful Bill Act:</b> This bill reduces taxes, reduces or increases spending for various federal programs, increases the statutory debt limit, and otherwise addresses agencies and programs throughout the federal government. It is known as a reconciliation bill and includes legislation submitted by several congressional committees pursuant to provisions in the FY2025 congressional budget resolution ( <a href="#">H Con. Res. 14</a> ) that directed the committees to submit legislation to the House or Senate Budget Committee that will increase or decrease the deficit and increase the statutory debt limit by specified amounts. (Reconciliation bills are considered by Congress using expedited legislative procedures that prevent a filibuster and restrict amendments in the Senate.)  *The LRE is actively monitoring the repercussions of this new law, and the effects it will have on our system.	Jodey Arrington	5/20/2025 - The House Committee on the Budget reported an original measure 5/22/2025 - On passage Passed by the Yeas and Nays: 215 – 214 in the House 6/27/2025 – Received in the Senate 7/1/2025 - Passed Senate with an amendment by Yea-Nay Vote. 51 – 50 7/3/2025 - On motion that the House agree to the Senate amendment Agreed to by recorded vote: 218 – 214. Presented to President. 7/4/2025 - Signed by President. Became Public Law No: 119-21.

## LEGISLATIVE CONCERNS

LOCAL THREATS AND CHALLENGES				
	ISSUE	SUMMARY	COUNTY	ADDITIONAL INFORMATION/LINKS
	<b>FY 26 Appropriations Issues</b>	See Attached Document		 FY26 CMHA key budget issues.docx
	<b>REQUEST FOR ACTION:</b>	ACTION ALERT: Tell MDHHS to Maintain Public Management of Michigan's Mental Health Services. We are asking you to reach out to Governor Whitmer and Lt. Governor Gilchrist and express your concerns with the department's competitive procurement process for the state's PIHP contracts.		<a href="#">Advocacy – CMHAM – Community Mental Health Association of Michigan</a>
	<b>COVID Relief Funding Rescinded – ARPA Funds</b>	As of March 24, HHS halted distribution of unspent COVID relief grant funds, this includes additional Community Mental Health Services Block Grant (MHBG) funding and Substance Use Prevention, Treatment and Recovery Services (SUPTRS) Block Grant funding. This additional funding was originally authorized in statute by a pair of COVID-19 relief bills passed by Congress in 2020 and 2021, the Coronavirus Preparedness and Response Supplemental Appropriations Act and American Rescue Act, which gave states until Sept. 30, 2025, to use the funds.		National perspective: <a href="#">Mental health and addiction funding on the federal chopping block : NPR</a>  State perspective: <a href="#">Nessel sues as Trump health cuts hit Michigan disease, addiction programs</a>
	<b>MAC Letter to Governor</b>	The Michigan Association of Counties has written a letter to Governor Whitmer in opposition to MDHHS' proposal to bid out PIHP contracts.		<a href="#">PIHP-Letter-to-Governor-May-2025.pdf</a>
	<b>ACTION ALERT: Tell Legislators Public Mental Health System Facing Funding Crisis</b>	<b>REQUEST FOR ACTION:</b> We are asking you to reach out to your legislators and Governor Whitmer to tell MDHHS to adjust the behavioral health Medicaid rates for FY25 in order to close the nearly \$100 million FY25 deficit. As currently projected, the Medicaid mental health line items will be underspent by over \$200 million for FY25, IF NO ADJUSTMENTS are made. The time to act is now, there will be public entities running out of money before the end of the fiscal year.		 2025 Budget Shortfall Infographic.

**MISCELLANEOUS UPDATES**

	ISSUE	SUMMARY	COUNTY	ADDITIONAL INFORMATION/LINKS
	<b>Presidential Drug Policy Priorities</b>	The White House Office of National Drug Control Policy (ONDCP) has announced six key priority areas that it plans to focus on this year: Reduce the Number of Overdose Fatalities, with a Focus on Fentanyl; Secure the Global Supply Chain Against Drug Trafficking; Stop the Flow of Drugs Across our Borders and into Our Communities; Prevent Drug Use Before It Starts; Provide Treatment That Leads to Long-Term Recovery; Innovate in Research and Data to Support Drug Control Strategies		<a href="#">ONDCP Releases Trump Administration’s Statement of Drug Policy Priorities – The White House</a>  <a href="#">2025-Trump-Administration-Drug-Policy-Priorities.pdf</a>
	<b>New CMS Administrator</b>	Dr. Mehmet Oz was confirmed as the new administrator for the Centers for Medicare & Medicaid on 4/3/25 by the Senate.		<a href="#">Dr. Mehmet Oz Shares Vision for CMS   CMS</a>
	<b>Regional Opposition to HB 4255 &amp; 4256</b>	The LRE and MSHN both have sent letters to State Senators in opposition of HB 4255 and 4256. Please see the attached letter. This letter was emailed to Senators at the instruction of the Regional SUD Directors.		 2025-5-2-HB4255-42 56 Opposition Letter.1

## Elected Officials

FEDERAL			
NAME		NATIONAL OFFICE CONTACT INFORMATION	LOCAL OFFICE CONTACT INFORMATION
US Senate	Elissa Slotkin	825B Hart Senate Office Building Washington, D.C. 20510-2204 Phone: (202) 224-4822	315 W. Allegan St. Suite 207 Lansing, MI 48933
US Senate	Gary Peters	Hart Senate Office Building Suite 724 Washington, D.C. 20510 Phone: (202) 224-6221	110 Michigan Street NW Suite 720 Grand Rapids, MI 49503 Phone: (616) 233-9150
US Representative	Bill Huizenga	2232 Rayburn HOB Washington, D.C. 20515 Phone: (202) 225-4401	170 College Ave. Suite 160 Holland, MI 49423 Phone: (616) 251-6741
US Representative	Hillary Scholten	1317 Longworth House Office Building Washington, DC 20515 Phone: (202) 225-3831	110 Michigan Street NW Grand Rapids, MI 49503 Phone: (616) 451-8383
US Representative	John Moolenaar	246 Cannon House Office Building Washington, DC 20515 Phone: (202) 225-3561	8980 North Rodgers Court Suite H Caledonia, MI 49316 Phone: (616) 528-7100

STATE	
Find Your State Senator	<a href="https://senate.michigan.gov/FindYourSenator/">Home Page Find Your Senator - Michigan Senate</a> ( <a href="https://senate.michigan.gov/FindYourSenator/">https://senate.michigan.gov/FindYourSenator/</a> )
Find Your State Representative	<a href="https://www.house.mi.gov/">Michigan House - Home Page</a> ( <a href="https://www.house.mi.gov/">https://www.house.mi.gov/</a> )



**LRE BHTEDS Completeness and Data Quality Update**

**July 2025**

Ione Myers - Chief Information Officer

July 18, 2025

# BHTEDS Completeness

## FY25 BHTEDS Completeness - Last 4 MDHHS measurements

3/17/2025:

### Mental Health Completeness by CMH

Mental Health (non-Crisis) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	1,940	1,908	98.35%
HealthWest	3,383	3,380	99.91%
Network180	7,076	6,781	95.83%
Ottawa	2,062	1,966	95.34%
West Michigan	1,589	1,587	99.87%
	16,050	15,622	97.33%

Mental Health (Crisis Only) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	159	159	100.00%
HealthWest	475	473	99.58%
Network180	1,856	1,764	95.04%
Ottawa	392	344	87.76%
West Michigan	209	209	100.00%
	3,091	2,949	95.41%

SUD BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	118	118	100.00%
HealthWest	870	857	98.51%
Network180	1,630	1,576	96.69%
Ottawa	546	518	94.87%
West Michigan	360	360	100.00%
	3,524	3,429	97.30%

4/21/2025:

### Mental Health Completeness by CMH

Mental Health (non-Crisis) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	2,048	2,017	98.49%
HealthWest	3,575	3,574	99.97%
Network180	7,454	7,147	95.88%
Ottawa	2,163	2,046	94.59%
West Michigan	1,384	1,380	99.71%
	16,624	16,164	97.23%

Mental Health (Crisis Only) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	198	197	99.49%
HealthWest	557	556	99.82%
Network180	2,223	2,124	95.55%
Ottawa	472	385	81.57%
West Michigan	251	251	100.00%
	3,701	3,513	94.92%

SUD BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	112	111	99.11%
HealthWest	772	766	99.22%
Network180	1,526	1,464	95.94%
Ottawa	545	498	91.38%
West Michigan	348	348	100.00%
	3,303	3,187	96.49%

5/23/2025:

### Mental Health Completeness by CMH

Mental Health (non-Crisis) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	2142	2,114	98.69%
HealthWest	3791	3,788	99.92%
Network180	7960	7,569	95.09%
Ottawa	2274	2,208	97.10%
West Michigan	1753	1,750	99.83%
	17,920	17,429	97.26%

Mental Health (Crisis Only) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	240	240	100.00%
HealthWest	682	681	99.85%
Network180	2627	2,587	98.48%
Ottawa	547	506	92.50%
West Michigan	298	298	100.00%
	4,394	4,312	98.13%

SUD BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	126	125	99.21%
HealthWest	893	891	99.78%
Network180	1,419	1,368	96.41%
Ottawa	607	594	97.86%
West Michigan	365	364	99.73%
	3,410	3,342	98.01%

6/23/2025:

### Mental Health Completeness by CMH

Mental Health (non-Crisis) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	2,255	2,218	98.36%
HealthWest	3,927	3,923	99.90%
Network180	8,377	7,938	94.76%
Ottawa	2,352	2,283	97.07%
West Michigan	1,842	1,837	99.73%
	18,753	18,199	97.05%

Mental Health (Crisis Only) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	277	277	100.00%
HealthWest	772	771	99.87%
Network180	2,990	2,951	98.70%
Ottawa	623	566	90.85%
West Michigan	349	349	100.00%
	5,011	4,914	98.06%

SUD BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	133	132	99.25%
HealthWest	998	998	100.00%
Network180	1,823	1,773	97.26%
Ottawa	663	658	99.25%
West Michigan	387	386	99.74%
	4,004	3,947	98.58%

# BHTEDS Completeness

## LRE Completeness Trend – LRE BHTEDS Dashboard:

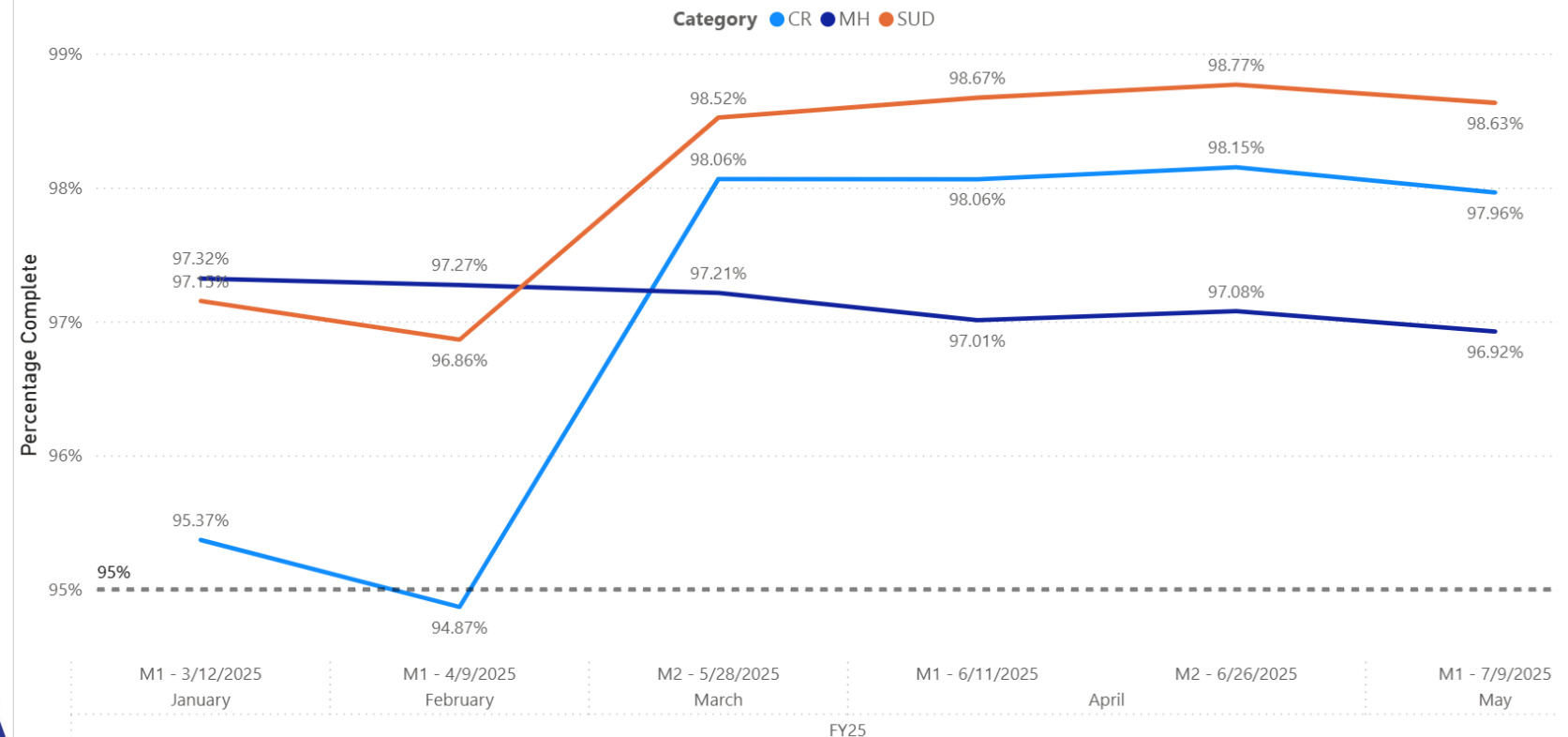
Missing BHTEDS Summary Dashboard | Data updated 7/11/25

File Export Share Edit



### PIHP Trend

M# is the measurement number that is associated with the data push date for that reporting month.



## CMH Completeness Trend – Mental Health BHTEDS:

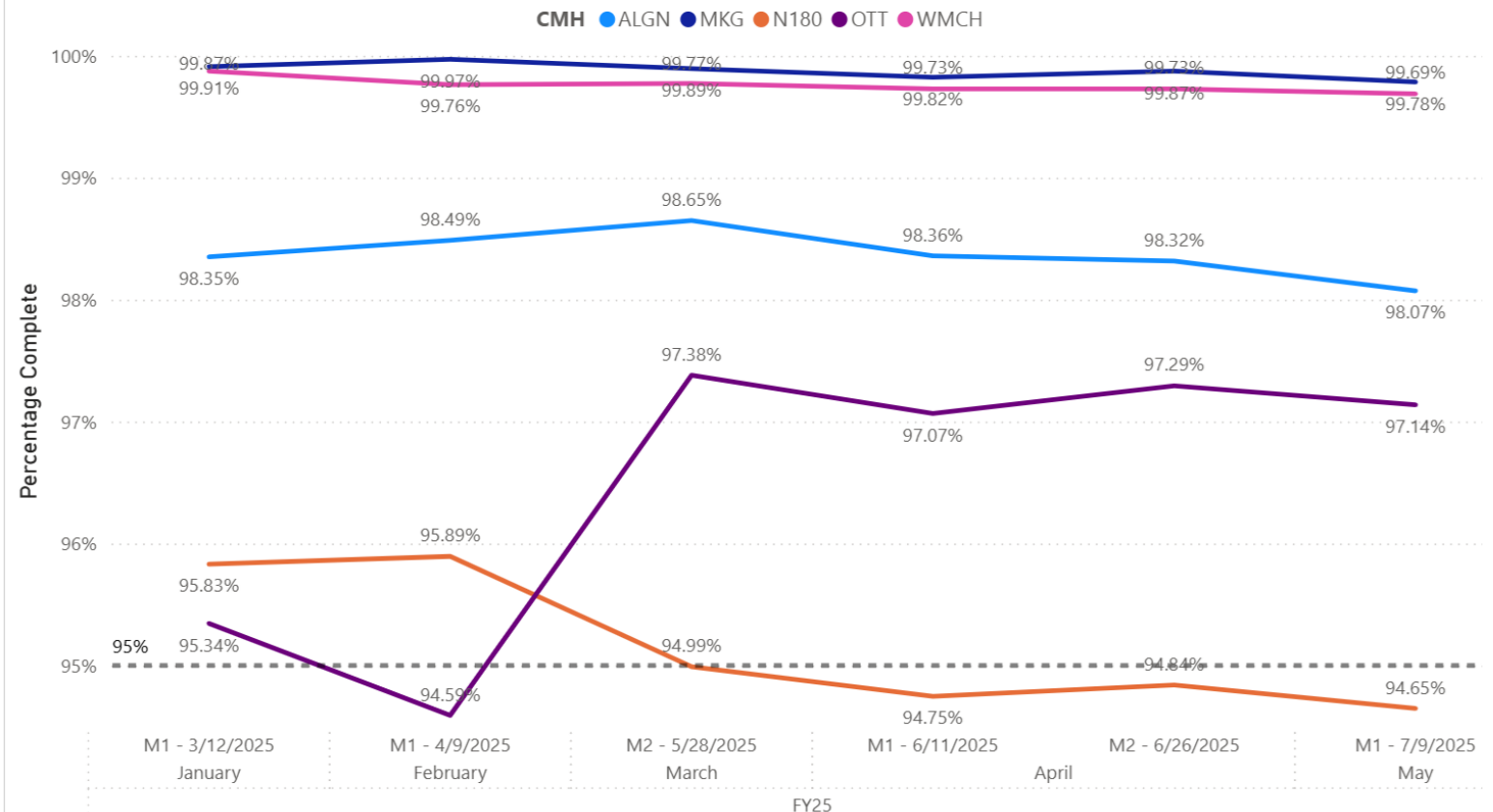
Missing BHTEDS Summary Dashboard | Data updated 7/11/25

File Export Share

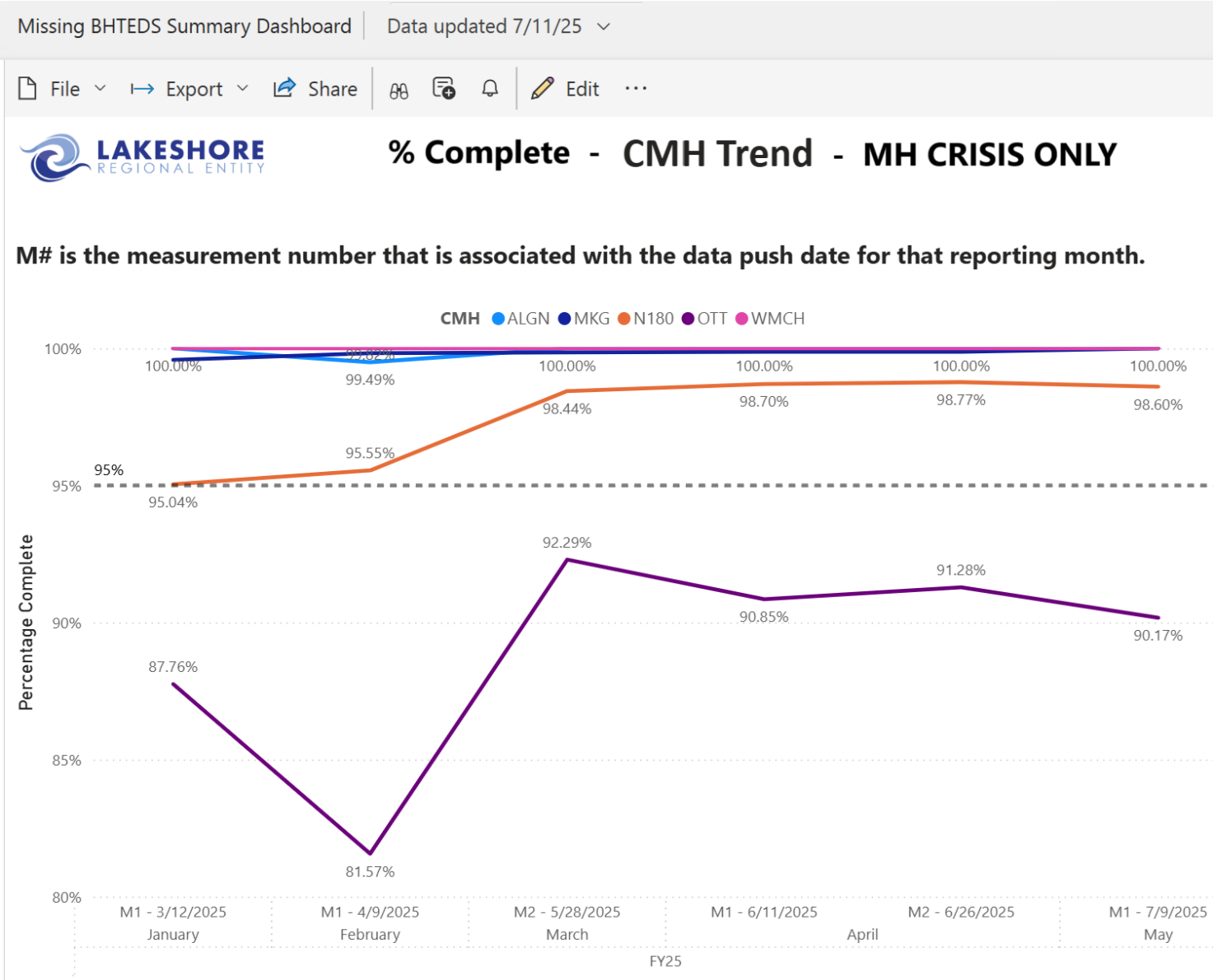


### % Complete - CMH Trend - Mental Health

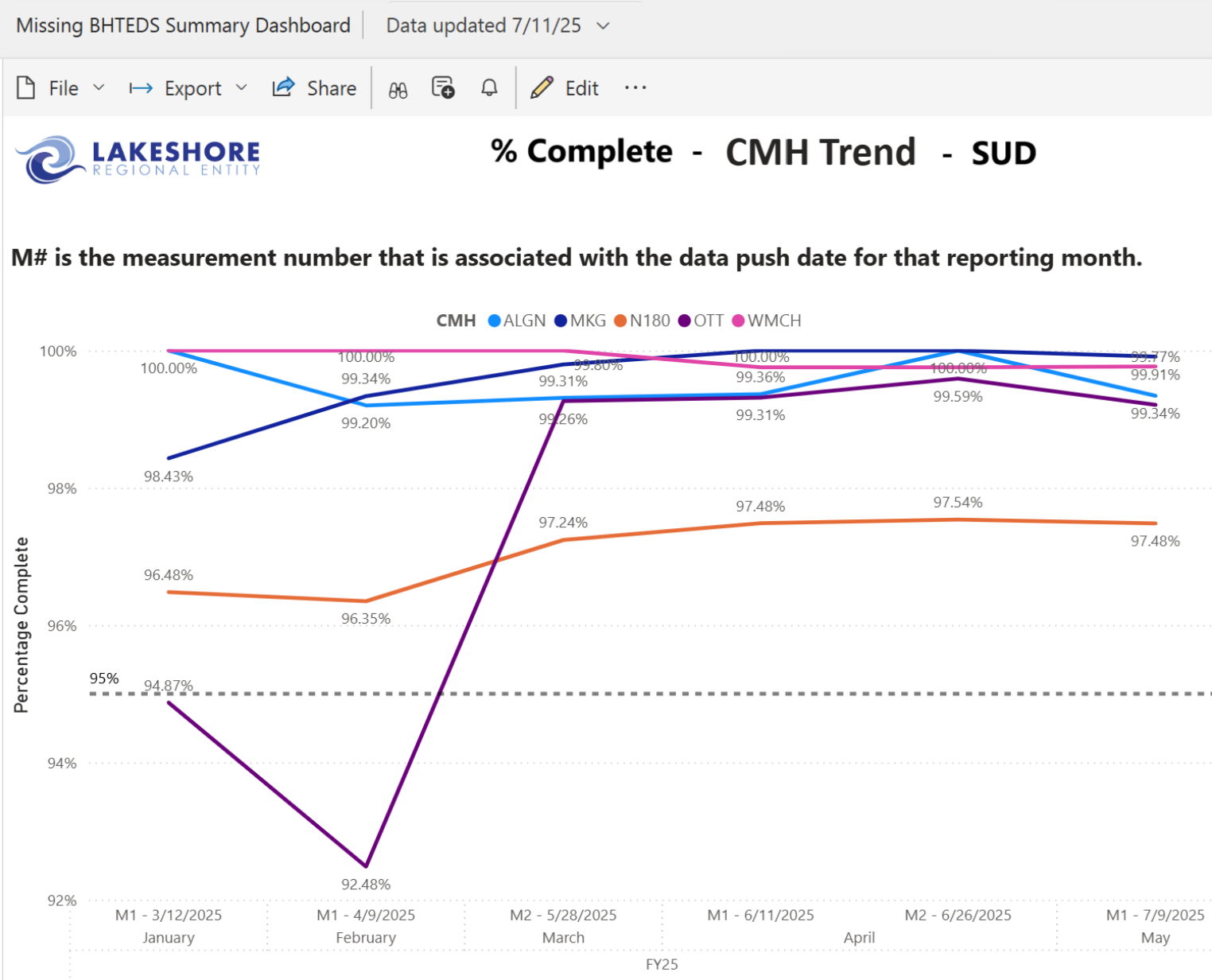
M# is the measurement number that is associated with the data push date for that reporting month.



CMH Completeness Trend – Mental Health Crisis Only:



CMH Completeness Trend – SUD:



## MDHHS Dangling Admissions – 6/30/2025: *LRE has made real gains recently.*

PIHP	1/31/2025	2/28/2025	3/31/2025	4/30/2025	5/31/2025	6/30/2025	Net Change from 1/31/2025:	Pct Change from 1/31/2025:
CMHP SEM MH	391	485	461	412	387	385	-6	-1.53%
CMHP SEM SU	58	52	60	54	68	82	24	41.38%
CMHP SEM TOTAL	449	537	521	466	455	467	18	4.01%
DWHIN MH	5,950	6,562	6,494	5,958	6,247	6,733	783	13.16%
DWHIN SU	140	132	86	87	140	79	-61	-43.57%
DWHIN TOTAL	6,090	6,694	6,580	6,045	6,387	6,812	722	11.86%
LRE MH	1,174	1,490	1,533	1,514	1,278	598	-576	-49.06%
LRE SU	927	909	872	881	937	994	67	7.23%
LRE TOTAL	2,101	2,399	2,405	2,395	2,215	1,592	-509	-24.23%
Macomb MH	828	792	386	268	362	408	-420	-50.72%
Macomb SU	103	108	124	106	113	53	-50	-48.54%
Macomb Total	931	900	510	374	475	461	-470	-50.48%
MSHN MH	2,180	2,409	2,403	2,073	2,106	2,163	-17	-0.78%
MSHN SU	405	432	439	260	200	361	-44	-10.86%
MSHN Total	2,585	2,841	2,842	2,333	2,306	2,524	-61	-2.36%
NMRE MH	708	785	716	865	946	1,005	297	41.95%
NMRE SU	605	648	562	577	592	635	30	4.96%
NMRE Total	1,313	1,433	1,278	1,442	1,538	1,640	327	24.90%
NorthCare MH	121	79	70	69	55	22	-99	-81.82%
NorthCare SU	108	104	77	77	39	34	-74	-68.52%
Northcare Total	229	183	147	146	94	56	-173	-75.55%
OCHN MH	622	849	626	704	728	869	247	39.71%
OCHN SU	89	92	94	87	85	58	-31	-34.83%
OCHN Total	711	941	720	791	813	927	216	30.38%
Region 10 MH	345	408	445	336	39	34	-311	-90.14%
Region 10 SU	150	133	96	86	38	38	-112	-74.67%
Region 10 Total	495	541	541	422	77	72	-423	-85.45%
SWMBH MH	892	1,171	1,310	1,228	1,094	1,021	129	14.46%
SWMBH SU	758	797	844	842	879	913	155	20.45%
SWMBH Total	1,650	1,968	2,154	2,070	1,973	1,934	284	17.21%
SAHL	164	164	164	145	108	0	-164	-100.00%
	25-Jan	25-Feb	25-Mar	25-Apr	25-May	25-Jun		
STATEWIDE MH	13,211	15,030	14,444	13,427	13,242	13,238	27	0.20%
STATEWIDE SU	3,507	3,571	3,418	3,202	3,199	3,247	-260	-7.41%
STATEWIDE TOTAL	16,718	18,601	17,862	16,629	16,441	16,485	-233	-1.39%

A tall, black and white striped lighthouse stands on a grassy dune. To its left is a small white building with a red roof. In the background, the ocean meets a sky with soft orange and blue hues from a setting or rising sun.

# Rate Setting Factors Monitoring (Missing BHTEDs)

**Early in 2024, LRE created the Rate Setting Factors Monitoring dashboard,** to show a correlation to the potential financial impact of missing BHTEDs, demonstrated as cost from Encounters which are not able to be connected, for rate setting purposes, to a BHTEDS record due to:

- BHTEDS record is too old (more than 15 months prior to the start of the fiscal year)
- BHTEDS record is 'too new' – past the end of the fiscal year they were served in
- BHTEDS record is missing the Medicaid ID number (or has an invalid Medicaid ID)
- BHTEDS record is missing entirely

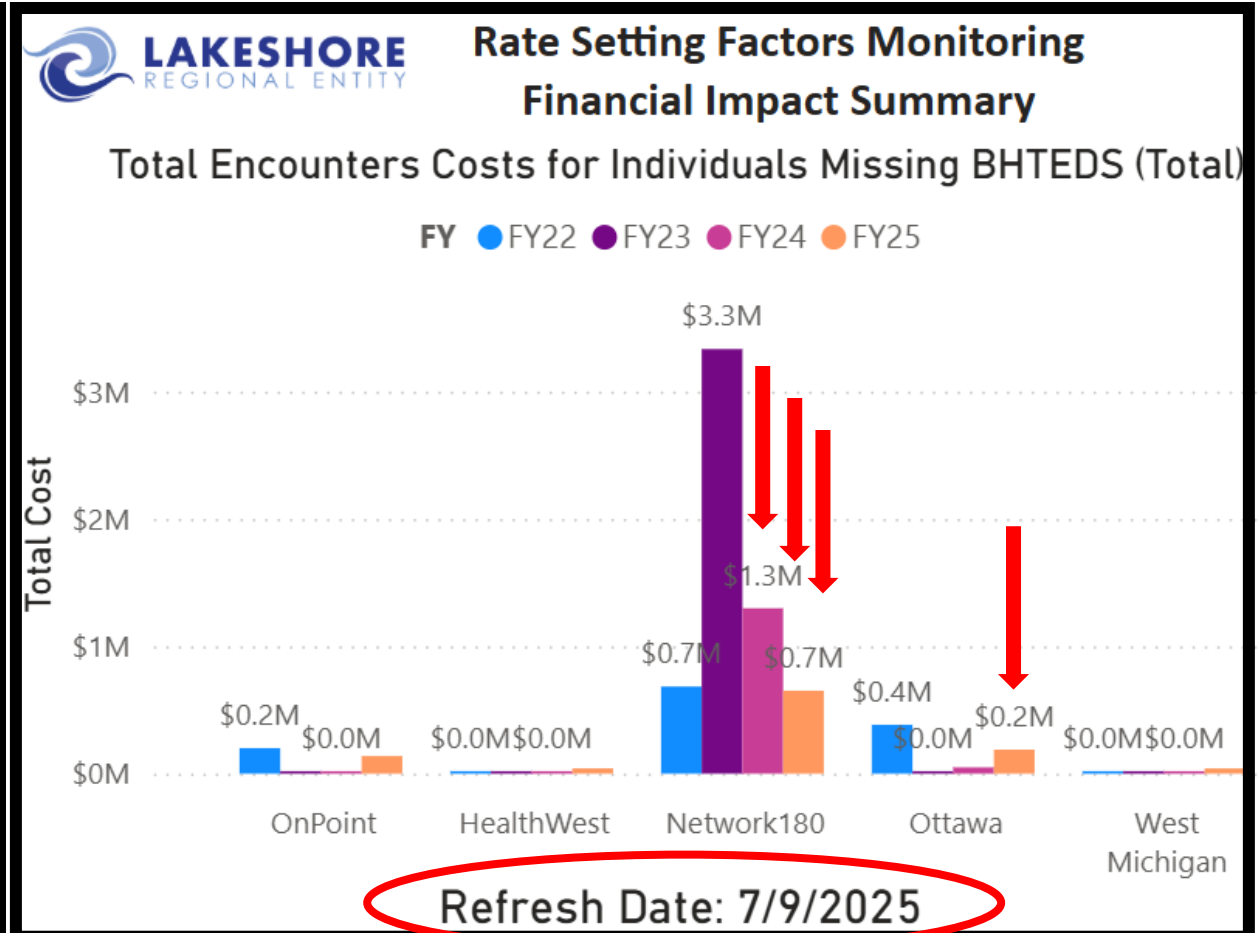
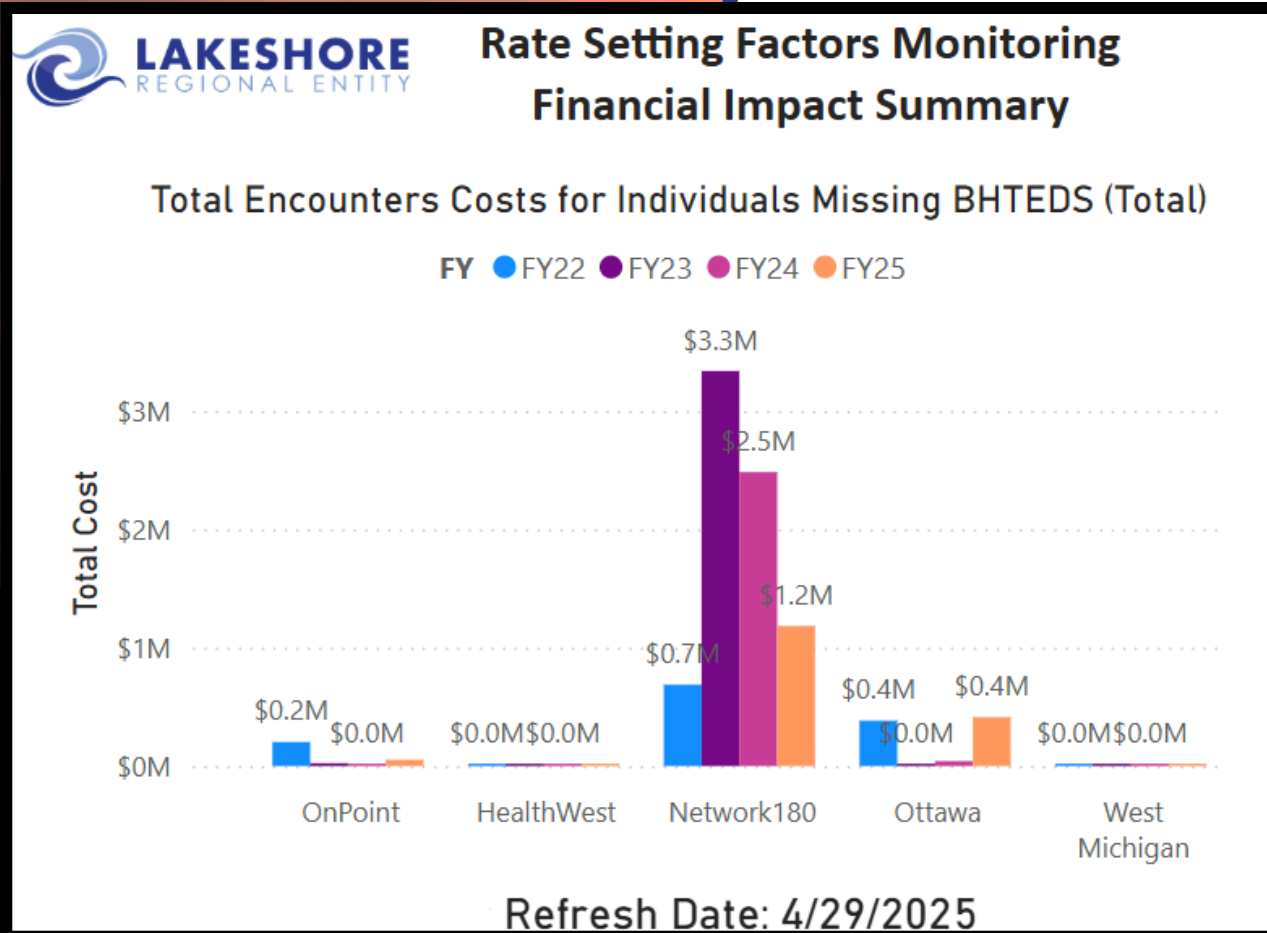
CMHs have been encouraged to work through the lists, targeting high-costs cases first (delivering greatest impact for the administrative effort expended).

HealthWest, West Michigan CMH and OnPoint have worked through nearly all cases on their list, bringing their total outstanding dollars down to bare minimum. Others still have significant dollars outstanding.

# Rate Setting Factors Monitoring (Missing BHTEDs)

## Estimated Service Costs (impacting LRE's actuarial risk factors):

Notable improvement in Network180 and Ottawa dollars at risk (FY24/FY25):



# Q&A

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**EXECUTIVE COMMITTEE SUMMARY**

Wednesday, July 16, 2025, 1:00 PM

Present: Patricia Gardner, Janet Thomas, Richard Kanten, Craig Van Beek, Ron Bacon  
LRE: Mary Marlatt-Dumas, Stephanie VanDerKooi, Stacia Chick

**WELCOME and INTRODUCTIONS**

- i. Review of July 16, 2025, Meeting Agenda
- ii. Review of June 18, 2025, Meeting Minutes

July 16, 2025, agenda, June 18, 2025, meeting minutes are accepted as presented.

**MDHHS UPDATES**

- i. FY22 Cost Settlement Update
  - MDHHS submitted a response to LRE's complaint on July 13. LRE's response is due back August 13. After which the judge will either schedule a hearing or make a judgement.
- ii. PIHP Rebid Update
  - There has been discussion throughout Michigan about different proposals such as:
    - Public/Private - Rehman has been meeting with CMHs regarding a public/private partnership that includes their expenses being paid in addition to 1% off the top that equals about \$20 million.
    - Region 1 and Region 2 are moving forward with the Urban Cooperation Act proposal that would develop a new entity that allows them to make a bid.
    - Numerous health plans have been having discussions and plans to submit bids.
  - There has been no specific timeline that has been given by MDHHS of when the RFP will be sent out.
- iii. Treasury Department Update
  - There was discussion regarding the IPA Tax situation.
- iv. 4 PIHPs Lawsuit
  - The PIHPs are waiting for a decision from the judge and should have a response by the end of July or beginning of August.

**LRE STAFF RETENTION PACKAGE**

The retention package is consistent with past precedents put in place during the Beacon shift in this region. The retention package will not add to the overall administrative budget but has been taken from existing line items that are under budget. The package will motivate staff to continue at LRE while uncertainty regarding the future of the PIHP system is creating apprehension and

an opening for other organizations to begin poaching LRE staff as there are many content experts.

For full transparency the Executive Committee would like to bring this to the full Board in July and recommends endorsement of the FY25 retention package. FY26 retention package will be brought to the September Board meeting for further discussion and will have to be approved within the FY26 budget.

Action:

- LRE will provide a breakdown of 10%, 12.5% and 15% for the FY26 budgeting process.

#### LRE BOARD RESOLUTION – PROCUREMENT

There have been resolutions by different PIHPs and CMHs throughout Michigan opposing the procurement. A resolution will be brought to the full Board for discussion and approval at the July meeting. Legislators have said that the resolutions do have an impact.

#### LRE BOARD POLICIES/PROCEDURES REVIEW

- i. 10.2 Committees Structure Policy
  - Executive Committee recommends approval by full Board.
- ii. 10.17a Compensation and Benefits Procedure
  - Executive Committee recommends approval by full Board.
- iii. 10.22 Board of Directors Orientation Policy
  - Executive Committee recommends approval by full Board.
- iv. 10.22a Board of Directors Orientation Procedure
  - Executive Committee recommends approval by full Board.

#### BOARD MEETING AGENDA ITEMS

- i. Action Items
  - a. Board Governance Policies
  - b. LRE Board Resolution
    - LRE will submit a resolution to the full Board for approval.

#### BOARD WORK SESSION AGENDA

No Work Session Scheduled.

#### UPCOMING MEETINGS

- July 23, 2025 – LRE Executive Board Meeting, 1:00 PM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- August 20, 2025 – Executive Committee, 1:00PM
- August 27, 2025 – LRE Executive Board Work Session, 11:00 AM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- August 27, 2025 – LRE Executive Board Meeting, 1:00 PM  
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

#### ADJOURN

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**RESOLUTION OF THE LAKE SHORE REGIONAL ENTITY (LRE) BOARD OF  
DIRECTORS AGAINST MICHIGAN DEPARTMENT OF HEALTH AND HUMAN  
SERVICES PLANS TO COMPETITIVELY PROCURE MICHIGAN'S PRE-PAID  
INPATIENT HEALTH PLANS**

**WHEREAS**, the State of Michigan currently operates a publicly managed and community-based system for the delivery of specialty behavioral health services through ten Pre-Paid Inpatient Health Plans (PIHPs), which are responsible for managing Medicaid and Healthy Michigan Plan funded mental health, developmental disability, and substance use disorder services in their catchment areas; and

**WHEREAS**, the current PIHP system has consistently demonstrated value, local accountability, and community engagement, while successfully managing costs and improving health outcomes for vulnerable populations in their regions; and

**WHEREAS**, public management of the Michigan behavioral health system has been a core and fundamental value upon which this system has been built and operated for decades; and

**WHEREAS**, as public entities, current PIHPs ensure beneficiary involvement in governance and operations of the system, local accountability, efficiency, and public transparency; and

**WHEREAS**, the Michigan Department of Health and Human Services (MDHHS) recently announced plans to initiate a competitive procurement process for PIHP functions, which as currently structured excludes current PIHPs from participating in the competitive procurement process and clearly promotes and favors private, non-profit health plans or Managed Care Organizations (MCOs) over public entities in assuming control over specialty behavioral health supports and services; and

**WHEREAS**, such privatization could disrupt longstanding relationships between local mental health agencies/authorities, providers, and the communities they serve, and jeopardize the person-centered, recovery-oriented approach that has been cultivated under the public system; and

**WHEREAS**, many stakeholders, including individuals receiving services, advocates, local officials, and providers have expressed significant concerns about the potential impact of a competitive procurement process and potential for privatization on care quality, access, beneficiary engagement at the governance level, local control, and transparency; and

**WHEREAS**, the Michigan public specialty behavioral health system is established as a partnership between the State and Counties, and counties across Michigan have historically played a vital role in the governance, funding, and oversight of the public behavioral health system, and any change to that structure without meaningful county involvement undermines the principle of local governance; and

**WHEREAS**, maintaining a publicly accountable and locally governed behavioral health system is essential to ensuring that individuals with mental health, substance use needs, and intellectual and developmental disabilities receive timely, appropriate, and high-quality care.

**NOW, THEREFORE, BE IT RESOLVED**, that the Lakeshore Regional Entity Board of Directors formally opposes the Michigan Department of Health and Human Services' (MDHHS') plan to implement a competitive procurement process for Pre-Paid Inpatient Health Plans (PIHPs);

**BE IT FURTHER RESOLVED**, that the fifteen members of the Lakeshore Regional Entity Board of Directors strongly urges Governor Whitmer, the Michigan Department of Health and Human Services (MDHHS), and its Director, Elizabeth Hertel, and the Michigan Legislature to halt any plans for privatization and instead work collaboratively with counties, PIHPs, Community Mental Health Services Programs (CMHSPs), service users, and other stakeholders to strengthen and improve the public behavioral health system, by only allowing public organizations with experience in managing Michigan's public mental health system to be part of any bid process should one occur; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be transmitted to Governor Gretchen Whitmer, MDHHS Director Elizabeth Hertel, County Commissions and County Executives in the seven-county region of Lakeshore Regional Entity, members of the Michigan Legislature representing Counties of Allegan, Kent, Lake, Mason, Muskegon, Ottawa and Oceana, and the Michigan Association of Counties (MAC).

## Policy 10.2

POLICY TITLE: COMMITTEES STRUCTURE		POLICY # 10.2			
Topic Area: Board of Directors  Applies to: Board of Directors  Review Cycle: Annually   Developed and Maintained by: CEO   Supersedes: N/A		Issued By and Approved By:   Board of Directors		REVIEW DATES	
				11/18/21	6/17/25
				6/26/24	7/2025
				Effective Date: 9/17/16	

### I. PURPOSE

To define the roles and functions of the Entity Board of Directors and Committees.

### II. POLICY

A Committee is established as a Lakeshore Regional Entity (the "Entity") Board of Directors Committee only if its existence and charge is directed by the Entity Board of Directors, regardless of whether the Entity Board of Director's members sit on the committee. Unless otherwise stated, a committee ceases to exist as soon as its work is complete.

#### Committee Structure

- A. The Entity Board of Directors will create Committees, as needed to address specific areas of concern.
- B. A written charge for each Committee will be developed. The charge will include a written statement of the scope, purpose, and obligation of the Committee as well as details regarding committee makeup, member terms, and defined time frames for completion of the Committee's charge.

#### Committee Principles

Committees shall:

1. Assist the Entity Board of Directors by preparing policy alternatives and implications for the Entity Board of Directors deliberation. In keeping with the broader focus, the Entity Board of Directors committees will normally not have direct dealings with current staff operations.
2. Not speak or act for the Entity Board of Directors except when formally given such authority for specific and time-limited purposes.
3. Not exercise authority over the Entity staff.
4. Be developed sparingly and ordinarily in an ad hoc capacity.
5. The Member CEOs will assign staff resources necessary for committee support

**III. APPLICABILITY AND RESPONSIBILITY**

This policy applies to any group that is formed by the Entity Board of Directors action, whether or not it is called a committee and regardless of whether the group includes the Entity Board of Directors members. It does not apply to committees formed under the authority of the Entity CEO.

**IV. MONITORING AND REVIEW**

This policy is reviewed by the CEO on an annual basis.

**V. DEFINITIONS**

N/A

**VI. RELATED POLICIES AND PROCEDURES**

- A. Board of Directors By-laws
- B. Operating Agreement

**VII. REFERENCE/LEGAL AUTHORITY**

N/A

**VIII. CHANGE LOG**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
11/21	Merged 10.2 and 10.3, formatted. Renamed policy	CEO
6/24	Reviewed, No Changes	CEO
6/25	Reviewed, No Changes	CEO
7/25	Reviewed, No Changes	CEO

## ORGANIZATIONAL PROCEDURE

<b>PROCEDURE # 10.17a</b>	<b>EFFECTIVE DATE</b>	<b>REVISED DATE</b>
<b>TITLE: COMPENSTAIION AND BENEFITS</b>	<b>5/18/2017</b>	
<b><u>ATTACHMENT TO</u></b>	<b>REVIEW DATES</b>	
<b>POLICY #: 10.17</b>		
<b>POLICY TITLE: Management Delegation and Executive Limitations</b>		
<b>CHAPTER: Board Governance</b>		

### I. PURPOSE

With respect to employment, compensation and benefits to employees, consultants, contract workers, interns, and volunteers, the Lakeshore Regional Entity (the "Entity") Chief Executive Officer (CEO) shall not cause or allow jeopardy to the Entity's financial integrity or to public image. The purpose of this procedure is to define the parameters for compensation and benefits for the Entity CEO.

### II. PROCEDURES

The Entity CEO shall not:

1. Change the Entity CEO's own compensation and benefits.
2. Promise permanent or guaranteed employment. Time-limited Executive Employment and Professional Services Agreements with termination clauses are permissible.
3. Establish current compensation and benefits which:
  - a. Deviate materially from the geographic and professional market for the skills employed.
  - b. Create obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue.
  - c. Fail to solicit or fail to consider staff preferences.
4. Establish or change retirement benefits which:
  - a. Cause unfunded liabilities to occur or in any way commit the Entity to benefits that incur unpredictable future costs; and/or
  - b. Provide less than some basic level of benefits to all full-time employees. Differential benefits which recognize and encourage longevity are not prohibited; and/or,
  - c. are instituted without due diligence and direction from the Entity Board of Directors.

### III. APPLICABILITY AND RESPONSIBILITY

This procedure applies to the Entity Board of Directors and LRE CEO.

**IV. MONITORING AND REVIEW**

This procedure will be reviewed by the Entity Board of Directors on an annual basis.

**V. DEFINITIONS**

N/A

**VI. RELATED POLICIES AND PROCEDURES**

A. 10.17 Delegation Management and Executive Limitations

B. Board of Directors By-Laws

**VII. REFERENCES/LEGAL AUTHORITY**

N/A

**VIII. CHANGE LOG**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
11/21	Previously policy. Now procedure	Board of Directors
7/25	Reviewed, No Changes	Board of Directors

## Policy #10.22

POLICY TITLE: LRE Board of Directors Orientation		POLICY # 10.22		REVIEW DATES	
<b>Topic Area:</b> LRE Board Policies  <b>Applies to:</b> LRE Board of Directors, LRE CEO  <b>Developed and Maintained by:</b> LRE CEO or Designee		<b>ISSUED BY:</b> LRE Board of Directors Chief Executive Officer  <b>APPROVED BY:</b> LRE Board of Directors Chief Executive Officer	7/25		
<b>Supersedes:</b> N/A		<b>Effective Date:</b> 1/24/2024	<b>Revised Date:</b>		

### I. PURPOSE

In order that newly appointed Board members may cast informed votes and function effectively as Lakeshore Regional Entity (LRE) Board members, the Board and Chief Executive Officer (CEO) will extend to them the fullest measures of courtesy and cooperation and will make every reasonable effort to orient newly appointed Board members to the organizations purpose, strategic direction and Board functions, policies, procedures and current issues.

### II. POLICY

The Board, through the CEO, will provide new members with copies of or access to appropriate publications, such as the LRE policy manual, the region's Operating Agreement, the Board Bylaws, its Strategic Plan and current fiscal year budget.

The Board Chairperson, CEO and executive assistant will schedule and arrange for an orientation session for new Board members as soon as practicable after appointment. A reasonable amount of time will be provided for discussion of the following possible topics:

1. The roles, responsibilities and conduct of the Board and individual members;
2. The Board fiduciary responsibility and integrity obligations;
3. Basic operational procedures of the Board;
4. Placement of items on the agenda;
5. The role of councils, committees, subcommittees and advisory committees;
6. Conflict of Interest;
7. Appropriate responses of an individual member when a request or complaint is made directly to him/her by a regional stakeholder, consumer, provider or community member;
8. How Board members, in fulfilling their duties, may request information concerning the organizations operations, finances and personnel;
9. Protocol for interacting with the media; and
9. Other relevant topics.

**III. APPLICABILITY AND RESPONSIBILITY**

This policy applies to the Entity Board of Directors.

**IV. MONITORING AND REVIEW**

This policy is reviewed by the LRE Board of Directors and the CEO or designee on an annual basis.

**V. DEFINITIONS**

CEO: Chief Executive Officer

LRE: Lakeshore Regional Entity

SUD: Substance Use Disorder

**VI. REFERENCES AND SUPPORTING DOCUMENTS**

PIHP-MDHHS Contract

Open Meetings Act

Operating Agreement

Bylaws

Strategic Plan

**VII. RELATED POLICIES AND PROCEDURES**

Board Governance

Board Member Conduct

Conflict of Interest

**VIII. CHANGE LOG**

Date of Change	Description of Change	Responsible Party
1/24	NEW	Chief Executive Officer
7/25	Reviewed, No Changes	Chief Executive Officer

## ORGANIZATIONAL PROCEDURE

<b>PROCEDURE # 10.22a</b>	<b>EFFECTIVE DATE</b>	<b>REVISED DATE</b>
<b>TITLE: LRE Board of Directors Orientation</b>	<b>1/24/2024</b>	
<b><u>ATTACHMENT TO</u></b>	<b>REVIEW DATES</b>	
<b>POLICY #: 10.22</b>		
<b>POLICY TITLE: LRE Board of Directors Orientation</b>		
<b>CHAPTER: 10 LRE Board Policies</b>		

### I. Purpose

The purpose of this procedure is to provide a means to orient new members of the Lakeshore Regional Entity (LRE) Board of Directors and Substance Use Disorder (SUD) Policy Oversight Board.

### II. Application

All new members of the LRE Board of Directors as appointed by the CMHSP Board of Directors or Substance Use Disorder Policy Oversight Board Members as appointed by his or her County's Board of Commissioners.

### III. PROCEDURES

#### LRE BOARD OF DIRECTORS

1. When appointed, the CMHSP Director will forward contact information to the LRE CEO and Executive Assistant.
2. The CEO will arrange a meeting with the newly appointed Board Member and one of the other representative Board members from that CMHSP, if possible.
3. During the meeting, the CEO will provide the following information:
  - a. LRE Board Meeting Schedule
  - b. List of LRE Board Members and Committee Members
  - c. LRE Bylaws
  - d. LRE Operating Agreement
  - e. LRE Strategic Plan
  - f. LRE Organizational Chart
  - g. Contact Information for LRE CEO and Executive Assistant
  - h. LRE Board Governance Policies
  - i. LRE Conflict of Interest Policy
  - j. LRE Corporate Compliance Plan
  - k. Acronym List
  - l. LRE Member Handbook
  - m. OMA Handbook
  - n. PIHP Map

4. The CEO will also explain the Board meeting schedule, per diem policy, and provide necessary paperwork relating to these payments.
5. At the New Member's first Board meeting:
  - a. The LRE Chairperson will introduce the New Board Member.
  - b. New Board Member will be given an opportunity to share background, interest, etc. with the Board.
  - c. Other Board Members will introduce themselves to the New Board Member.

#### SUD POLICY OVERSIGHT BOARD

1. When notified by a County that a new member has been appointed, the LRE CEO will contact the individual to schedule a meeting, prior to the next SUD Policy Oversight Board meeting, if possible.
2. The LRE CEO and the LRE COO will meet with the new Board Member. During the meeting, the following information will be provided:
  - a. PA 500 of 2012
  - b. LRE SUD Policy Oversight Board Bylaws
  - c. LRE Mission and Vision Statements
  - d. LRE Organizational Chart
  - e. List of LRE SUD Policy Oversight Board Members
  - f. Contact information for the LRE CEO and Executive Assistant
  - g. LRE SUD Conflict of Interest Policy and related forms
  - h. Acronym list
  - i. LRE Member Handbook
  - j. Current FY Budget for SUD Services
3. The CEO will also explain the SUD Policy Oversight Board meeting schedules, per diem policy, and provide necessary paperwork relating to these payments.
4. At the new Member's First SUD Policy Oversight Board Meeting:
  - a. The COO will introduce the new Board Member
  - b. The New Board Member will be given an opportunity to share background, interest, etc. with the SUD Policy Oversight Board
  - c. Other SUD Policy Oversight Board Members will introduce themselves to the new Board Member.

#### **IV. CHANGE LOG**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
1/24	NEW	Chief Executive Officer
6/24	Reviewed, No Changes	Chief Executive Officer
7/25	Reviewed, No Changes	Chief Executive Officer

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## Lakeshore Regional Entity Board Financial Officer Report for July 2025 7/23/2025

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- **Disbursements Report** – A motion is requested to approve the June 2025 disbursements. A summary of those disbursements is included as an attachment.
- **Statement of Activities** – Report through May is included as an attachment.
- **LRE Combined Monthly FSR** – The May LRE Combined Monthly FSR Report is included as an attachment for this month's meeting. Expense projections, as reported by each CMHSP, are noted. An actual **deficit** through May of \$9.5 million, a projected annual **surplus** of \$3.3 million, and a budgeted **surplus** of \$1.3 million regionally (Medicaid and HMP, excluding CCBHC) is shown in this month's report. All CMHSPs have an actual **surplus** except Network180 who has a **deficit** of \$13.2 million. HealthWest, OnPoint, CMH of Ottawa and West Michigan CMH have projected **surpluses**. Network180 and CMH of Ottawa have projected **deficits**. All CMHSPs have a budgeted **surplus or breakeven**, except OnPoint with a budgeted **deficit** of \$268 thousand and CMH of Ottawa with a budgeted **deficit** of \$63 thousand.

Projected revenues are based on rate certification amendment 3. Even though the May FSR is showing a projected **surplus**, based on historical expenses coming in higher than projected by the CMHSPs, LRE estimates there will be an approximate \$2.5 million **deficit** at year end.

CCBHC activity (excluding PIHP activity) is included in this month's report showing an actual **surplus** of \$5 million (excluding LRE activity), which is the responsibility of the CCBHCs and not the PIHP. A projected **deficit** of \$217 thousand and a budgeted **deficit** of \$1.3 million is shown.

- **Cash Flow Issues** – Network180 has \$2 million left outstanding in cash advances to be repaid to LRE before the end of FY25. No other cash flow issues have been reported by the Member CMHSPs.
- **FY2024 Internal Service Fund (ISF) and Medicaid/Healthy Michigan Plan (HMP) Savings** – For FY24, the ending ISF balance was \$29.4 million and the ending Medicaid/HMP Savings balance was \$12.8 million. Member CMHSP Medicaid/HMP (excluding CCBHC) expenditures for the year exceeded revenues by \$12.9 million. Prior year Medicaid/HMP Savings and Performance Bonus Incentive Pool (PBIP) funds in the amount of \$6.1 million and \$6.8 million in LRE PIHP Administration funds were used to cover the deficit. These amounts have not yet been cost settled with MDHHS and are subject to change.


- **FY2026 Rate Setting** – MDHHS held a rate setting meeting with the PIHPs on July 17, 2025. Draft rate adjustments for FY26 were discussed at a very high level. The area of most concern is the \$76 million that the State’s actuary is proposing to reduce base capitation for the CCBHC Program Removal for Region 3. This is more than twice the amount that LRE projects should be removed. Several other PIHPs expressed the same concern. LRE is collecting data from the other PIHPs on their estimates and will be providing that data to MDHHS. It appears that the State’s actuary may be including costs for mild-to-moderate individuals that are served under CCBHC but are currently funded 100% by CCBHC Supplemental funding and not base capitation. MDHHS indicated that the PIHP concerns were noted, and they would review their assumptions.

MDHHS has made a policy decision to transition from statewide rates to regional rates, which we believe is a major shift in the right direction. MDHHS indicated that there would be another rate setting meeting the week of August 4, 2025, but that it may get pushed back to the end of August. LRE does not anticipate receiving FY26 rates until late September based on this timeline.

Draft SFY 2026 regional base data adjustments waterfall (\$ in millions)						
PIHP	BASE PERIOD ENCOUNTERS	EQI UTILIZATION ADJUSTMENT	EQI UNIT COST ADJUSTMENT	IMD REMOVAL	CCBHC PROGRAM REMOVAL	DCW EXPERIENCE REMOVAL
Northcare Network	\$ 115	\$ 2	\$ 8	(\$ 0)	\$ 0	
Northern Michigan Regional Entity	208	6	12	(1)	0	
Lakeshore Regional Entity	383	0	16	(3)	(76)	
Southwest Michigan Behavioral Health	323	3	19	(1)	(77)	
Mid-State Health Network	729	5	46	(5)	(97)	
CMH Partnership of Southeast Michigan	251	(16)	(6)	(1)	(35)	This adjustment has not yet been finalized.
Detroit Wayne Mental Health Authority	833	33	4	(14)	(61)	
Oakland County CMH Authority	365	5	23	(3)	(42)	
Macomb County CMH Services	255	(2)	3	(4)	(40)	
Region 10 PIHP	288	2	24	(1)	(67)	
<b>Total</b>	<b>\$ 3,752</b>	<b>\$ 37</b>	<b>\$ 148</b>	<b>(\$ 34)</b>	<b>(\$ 496)</b>	

Notes:

1. Each column in the table above reflects a preliminary estimate of the SFY 2024 base data as well as several of the key retrospective capitation rate setting adjustments. Each column should be considered additive (as opposed to cumulative). Estimates will change as entities re-submit SFY 2024 P3 EQI templates and as the rate setting methodology is refined.
2. Base period encounters represents expenses reported in the SFY 2024 encounter data, received from Optum as of June 3, 2025.
3. The EQI utilization and unit cost adjustments represent the impact of the base data being repriced to the SFY 2024 P3 EQI. This reprice does not include non-benefit related expenses. Additionally, Northern Lakes CMH did not submit a SFY 2024 P3 EQI tool, therefore they were separately repriced using Region 2's unit cost.
4. There are known issues with SFY 2024 encounters for Region 6 (CMH Partnership of Southeast Michigan). MDHHS is working with Optum to ameliorate this issue. These exhibits will be updated upon resolution of said issue.
5. CCBHC Program Removal refers to CCBHC demonstration expenses for SFY 2024 that have been carved out of the base capitation rates. This includes proxy encounters for CCBHCs that joined the demonstration in SFY 2025, which represents encounters that would be expected to be a part of the CCBHC demonstration had the site joined the demonstration in SFY 2024.
6. The DCW Experience Removal represents the DCW expenses embedded within the SFY 2024 base data. This adjustment is still being finalized, and numbers are not shown.

 This presentation is intended to facilitate discussion related to behavioral health capitation rate development and is not complete without oral comment.

17

- FY2026 Initial Revenue Projections** – On July 14, 2025, Finance ROAT discussed assumptions to be used for the FY26 Initial Revenue Projections. Based on those assumptions, total revenue is projected at \$501.6 million, an increase of \$24.1 million from the June 2025 projections. Medicaid and Healthy Michigan revenue increased \$7.9 million and waivers increased \$4.9 million. The increased CCBHC daily visit projections added \$11.3 million in revenue; of which \$7.5 million is supplemental and \$3.8 million is base capitation. MDHHS is contracting directly with CCBHCs for FY26 so the CCBHC projected revenue is being shown for informational purposes only and will not be included in the LRE FY26 Budget. Revenue Projections will be adjusted as needed based on any subsequent rate information that is received from MDHHS.

FY 2026 REVENUE PROJECTION COMPARISON

	FY25 Budget Projection (June)	LRE TOTAL			
		FY26 Initial Projection (FY25 Enrollment & Rates)		Change	
MCD - MH	\$ 211,415,776	\$ 221,863,409	\$ 10,447,633	4.9%	
MCD - SUD	\$ 7,598,165	\$ 7,740,324	\$ 142,159	1.9%	
HMP - MH	\$ 21,623,313	\$ 19,320,790	\$ (2,302,523)	-10.6%	
HMP - SUD	\$ 11,431,146	\$ 11,287,878	\$ (143,268)	-1.3%	
Autism	\$ 63,197,162	\$ 62,981,309	\$ (215,853)	-0.3%	
Waiver	\$ 56,800,395	\$ 61,708,840	\$ 4,908,445	8.6%	
SUDHH	\$ 9,914	\$ 43,737	\$ 33,823	341.2%	
SUDHH - LRE Admin	\$ 2,479	\$ 10,935	\$ 8,456	341.2%	
CCBHC MCD Base Cap	\$ 26,915,408	\$ 30,043,082	\$ 3,127,674	11.6%	
CCBHC HMP Base Cap	\$ 6,702,096	\$ 7,409,961	\$ 707,865	10.6%	
CCBHC MCD Supplement	\$ 41,499,000	\$ 47,522,626	\$ 6,023,626	14.5%	
CCBHC HMP Supplement	\$ 12,533,134	\$ 13,997,398	\$ 1,464,264	11.7%	
LRE Admin	\$ 13,922,556	\$ 13,922,556	\$ -	0.0%	
ISF	\$ -	\$ -	\$ -		
IPA	\$ 3,831,171	\$ 3,776,414	\$ (54,756)	-1.4%	
<b>Total</b>	<b>\$ 477,481,714</b>	<b>\$ 501,629,259</b>	<b>\$ 24,147,544</b>	<b>5.1%</b>	
<i>Change from previous total</i>		<b>\$ 24,147,544</b>			

CMHSPs TOTAL

	FY25 Budget Projection (June)	FY26 Initial Projection (FY25 Enrollment & Rates)			
OnPoint	\$ 40,847,714	\$ 42,091,828	\$ 1,244,114	3.0%	
HealthWest	\$ 100,166,855	\$ 104,745,288	\$ 4,578,433	4.6%	
Network180	\$ 219,981,659	\$ 230,628,742	\$ 10,647,083	4.8%	
Ottawa	\$ 63,528,563	\$ 69,912,124	\$ 6,383,561	10.0%	
West Michigan	\$ 35,200,717	\$ 36,541,371	\$ 1,340,653	3.8%	
<b>Total</b>	<b>\$ 459,725,509</b>	<b>\$ 483,919,353</b>	<b>\$ 24,193,844</b>	<b>5.3%</b>	

Average PMPM - Net of CCBHC Supplemental & SUDHH Revenue

	FY25 Budget Projection (June)	FY26 Initial Projection (FY25 Enrollment & Rates)			
OnPoint	\$ 131.96	\$ 138.83	\$ 6.87	5.2%	
HealthWest	\$ 137.78	\$ 146.57	\$ 8.79	6.4%	
Network180	\$ 122.62	\$ 128.72	\$ 6.10	5.0%	
Ottawa	\$ 123.08	\$ 131.01	\$ 7.93	6.4%	
West Michigan	\$ 128.14	\$ 137.01	\$ 8.87	6.9%	
<b>Total</b>	<b>\$ 126.67</b>	<b>\$ 133.78</b>	<b>\$ 7.11</b>	<b>5.6%</b>	

- FY 2025 Revenue Projections** – The FY25 June revenue projection is \$477.48 million, an increase of \$2.77 million from May. An estimated \$4.49 million is attributable to enrollment and finalized Amendment 3 rates. This was offset by a \$1.72 million decrease in CCBHC supplemental revenue, primarily due to decrease in Ottawa’s estimated PPS-1 rate. This summer, MDHHS will revise Cohort 2 (OnPoint, Ottawa, Network180) CCBHC PPS-1 rates based on FY24 cost reports. The base capitation portion of the rates will remain the same and only the supplemental portion will be impacted. The estimated rates from Ottawa and OnPoint’s revised cost reports and daily visit projections provided by West Michigan have been incorporated into the projections below. In June, MDHHS amended base capitation rates, effective October 2024 which are included in the projections. We expect to receive prior month rate adjustment payments throughout July and August.

FY 2025 Revenue Projection								
Total LRE					CMHSPs Breakdown (Net of CCBHC)			
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change			FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change
MCD - MH	\$ 208,240,822	\$ 211,415,776	\$ 3,174,955	1.52%	MCD - MH			
MCD - SUD	\$ 8,162,709	\$ 7,598,165	\$ (564,544)	-6.92%	OnPoint	\$ 16,864,811	\$ 16,761,114	\$ (103,696)
HMP - MH	\$ 17,311,272	\$ 21,623,313	\$ 4,312,040	24.91%	Healthwest	\$ 40,261,507	\$ 41,679,596	\$ 1,418,089
HMP - SUD	\$ 11,157,718	\$ 11,431,146	\$ 273,428	2.45%	Network180	\$ 109,602,547	\$ 109,637,474	\$ 34,927
Autism	\$ 47,599,001	\$ 63,197,162	\$ 15,598,161	32.77%	Ottawa	\$ 28,657,374	\$ 30,011,726	\$ 1,354,353
Waiver	\$ 56,582,505	\$ 56,800,395	\$ 217,889	0.39%	West Michigan	\$ 12,854,583	\$ 13,325,866	\$ 471,283
SUDHH	\$ -	\$ 9,914	\$ 9,914		<b>Total MCD - MH</b>	<b>\$ 208,240,822</b>	<b>\$ 211,415,776</b>	<b>\$ 3,174,955</b>
SUDHH - LRE Admin	\$ -	\$ 2,479	\$ 2,479		MCD - SUD			
CCBHC MCD Base Cap	\$ 23,389,790	\$ 26,915,408	\$ 3,525,618	15.07%	OnPoint	\$ 653,507	\$ 595,564	\$ (57,943)
CCBHC HMP Base Cap	\$ 6,046,769	\$ 6,702,096	\$ 655,328	10.84%	Healthwest	\$ 1,657,313	\$ 1,546,402	\$ (110,911)
CCBHC MCD Supplemental	\$ 34,550,918	\$ 41,499,000	\$ 6,948,082	20.11%	Network180	\$ 4,253,796	\$ 3,939,046	\$ (314,749)
CCBHC HMP Supplemental	\$ 9,822,186	\$ 12,533,134	\$ 2,710,948	27.60%	Ottawa	\$ 1,057,081	\$ 1,001,044	\$ (56,036)
LRE Admin	\$ 13,922,556	\$ 13,922,556	\$ -	0.00%	West Michigan	\$ 541,012	\$ 516,108	\$ (24,904)
ISF	\$ -	\$ -	\$ -		<b>Total MCD - SUD</b>	<b>\$ 8,162,709</b>	<b>\$ 7,598,165</b>	<b>\$ (564,544)</b>
IPA	\$ 3,585,824	\$ 3,831,171	\$ 245,346	6.84%	HMP - MH			
<b>Total Region</b>	<b>\$ 440,372,070</b>	<b>\$ 477,481,714</b>	<b>\$ 37,109,645</b>	<b>8.43%</b>	OnPoint	\$ 1,226,108	\$ 1,551,890	\$ 325,782
Total CMHSPs					Healthwest	\$ 2,989,777	\$ 3,828,011	\$ 838,234
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		Network180	\$ 9,632,693	\$ 11,631,364	\$ 1,998,671
OnPoint	\$ 39,310,267	\$ 40,847,714	\$ 1,537,448	3.91%	Ottawa	\$ 2,793,323	\$ 3,521,090	\$ 727,767
Healthwest	\$ 90,762,761	\$ 100,166,855	\$ 9,404,094	10.36%	West Michigan	\$ 669,371	\$ 1,090,957	\$ 421,586
Network180	\$ 200,607,414	\$ 219,981,659	\$ 19,374,245	9.66%	<b>Total HMP - MH</b>	<b>\$ 17,311,272</b>	<b>\$ 21,623,313</b>	<b>\$ 4,312,040</b>
Ottawa	\$ 59,198,098	\$ 63,528,563	\$ 4,330,465	7.32%	HMP - SUD			
West Michigan	\$ 32,985,149	\$ 35,200,717	\$ 2,215,568	6.72%	OnPoint	\$ 805,992	\$ 845,514	\$ 39,522
<b>Total CMHSPs</b>	<b>\$ 422,863,689</b>	<b>\$ 459,725,509</b>	<b>\$ 36,861,820</b>	<b>8.72%</b>	Healthwest	\$ 1,996,379	\$ 2,117,158	\$ 120,778
Average PMPM - Net of CCBHC Supplemental & SUDHH Revenue					Network180	\$ 6,176,263	\$ 6,083,832	\$ (92,432)
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		Ottawa	\$ 1,722,885	\$ 1,772,443	\$ 49,558
OnPoint	\$ 131.90	\$ 131.96	\$ 0.06	0.05%	West Michigan	\$ 456,198	\$ 612,199	\$ 156,001
Healthwest	\$ 136.33	\$ 137.78	\$ 1.44	1.06%	<b>Total HMP - SUD</b>	<b>\$ 11,157,718</b>	<b>\$ 11,431,146</b>	<b>\$ 273,428</b>
Network180	\$ 122.55	\$ 122.62	\$ 0.08	0.06%	Autism			
Ottawa	\$ 121.59	\$ 123.08	\$ 1.49	1.22%	OnPoint	\$ 4,198,155	\$ 5,280,443	\$ 1,082,287
West Michigan	\$ 129.50	\$ 128.14	\$ (1.36)	-1.05%	Healthwest	\$ 9,643,002	\$ 12,759,501	\$ 3,116,499
<b>Total CMHSPs</b>	<b>\$ 126.27</b>	<b>\$ 126.67</b>	<b>\$ 0.40</b>	<b>0.32%</b>	Network180	\$ 23,969,281	\$ 32,361,646	\$ 8,392,365
Member Month Projection					Ottawa	\$ 6,980,987	\$ 9,076,050	\$ 2,095,063
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		West Michigan	\$ 2,807,575	\$ 3,719,522	\$ 911,948
OnPoint	246,600	262,749	16,149		<b>Total Autism</b>	<b>\$ 47,599,001</b>	<b>\$ 63,197,162</b>	<b>\$ 15,598,161</b>
Healthwest	568,250	600,505	32,255		Waiver			
Network180	1,532,219	1,653,868	121,650		OnPoint	\$ 6,363,966	\$ 6,260,570	\$ (103,396)
Ottawa	444,895	469,626	24,731		Healthwest	\$ 12,978,790	\$ 13,112,000	\$ 133,209
West Michigan	205,608	215,943	10,335		Network180	\$ 23,778,918	\$ 24,403,427	\$ 624,509
<b>Total Member Months</b>	<b>2,997,571</b>	<b>3,202,691</b>	<b>205,120</b>		Ottawa	\$ 9,457,872	\$ 9,355,306	\$ (102,566)
					West Michigan	\$ 4,002,959	\$ 3,669,091	\$ (333,868)
					<b>Total Waiver</b>	<b>\$ 56,582,505</b>	<b>\$ 56,800,395</b>	<b>\$ 217,889</b>

CMHSPs Breakdown - CCBHC				
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change	
MCD - CCBHC Base Capitation				
OnPoint	\$ 1,881,018	\$ 2,747,074	\$	866,056
Healthwest	\$ 6,336,673	\$ 6,135,958	\$	(200,715)
Network180	\$ 8,529,158	\$ 12,033,749	\$	3,504,591
Ottawa	\$ 2,763,358	\$ 2,395,123	\$	(368,235)
West Michigan	\$ 3,879,583	\$ 3,603,504	\$	(276,079)
Total	\$ 23,389,790	\$ 26,915,408	\$	3,525,618
HMP - CCBHC Base Capitation				
OnPoint	\$ 532,594	\$ 630,915	\$	98,321
Healthwest	\$ 1,608,943	\$ 1,557,980	\$	(50,963)
Network180	\$ 1,826,960	\$ 2,711,351	\$	884,391
Ottawa	\$ 662,433	\$ 667,757	\$	5,324
West Michigan	\$ 1,415,840	\$ 1,134,095	\$	(281,745)
Total	\$ 6,046,769	\$ 6,702,096	\$	655,328
MCD - CCBHC Supplemental Revenue				
OnPoint	\$ 5,071,207	\$ 4,525,203	\$	(546,004)
Healthwest	\$ 10,199,499	\$ 13,427,898	\$	3,228,399
Network180	\$ 10,691,851	\$ 13,708,391	\$	3,016,540
Ottawa	\$ 3,930,417	\$ 4,273,060	\$	342,643
West Michigan	\$ 4,657,943	\$ 5,564,448	\$	906,504
Total	\$ 34,550,918	\$ 41,499,000	\$	6,948,082
HMP - CCBHC Supplemental Revenue				
OnPoint	\$ 1,712,909	\$ 1,649,426	\$	(63,483)
Healthwest	\$ 3,090,877	\$ 4,002,352	\$	911,475
Network180	\$ 2,145,946	\$ 3,471,379	\$	1,325,433
Ottawa	\$ 1,172,369	\$ 1,445,049	\$	272,680
West Michigan	\$ 1,700,084	\$ 1,964,927	\$	264,843
Total	\$ 9,822,186	\$ 12,533,134	\$	2,710,948

- Financial Data/Charts** – The charts below show regional eligibility trends by population. The number of Medicaid eligible individuals in our region determines the amount of revenue the LRE receives each month. Data is shown for July 2023 – June 2025. The LRE also receives payments for other individuals who are not listed on these charts but are eligible for behavioral health services (i.e. individuals enrolled and eligible for the Habilitation Supports Waiver (HSW) program. Due to the end of the PHE, Medicaid eligibility redeterminations resumed in July 2024.

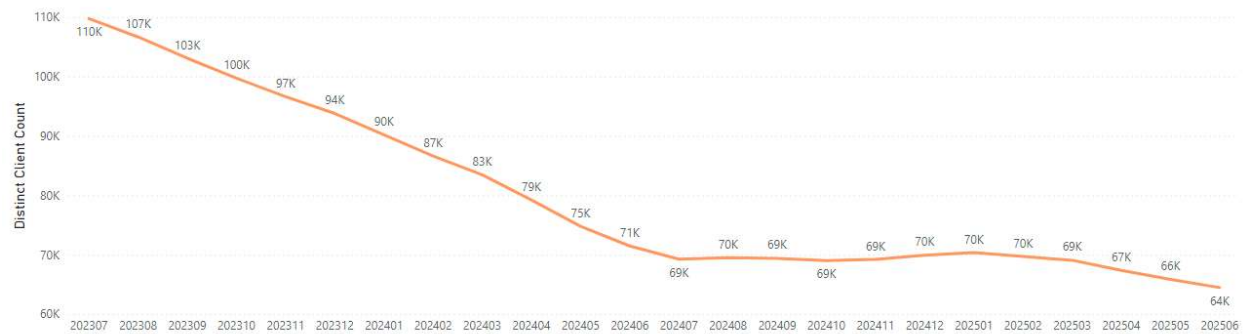
## DAB

Eligibility - Number of Consumers by Month



## HMP

Eligibility - Number of Consumers by Month



## TANF

Eligibility - Number of Consumers by Month



- **Legal Expenses** – Below, this chart contains legal expenses of the LRE that have been billed to the LRE to date for FY2022 through FY2025.

LAKESHORE REGIONAL ENTITY LEGAL EXPENSES REPORT June 30, 2025		
12/31/2024	FY 2022 ISF LAPSE LITIGATION	4,717.50
1/31/2025	FY 2022 ISF LAPSE LITIGATION	714.00
2/28/2025	FY 2022 ISF LAPSE LITIGATION	21,499.45
3/31/2025	FY 2022 ISF LAPSE LITIGATION	6,489.50
4/30/2025	FY 2022 ISF LAPSE LITIGATION	2,691.00
5/31/2025	FY 2022 ISF LAPSE LITIGATION	15,675.75
	<b>ISF LAPSE LITIGATION TOTAL</b>	<b>51,287.20</b>
4/30/2022	BYLAWS/OPERATING AGREEMENT	5,700.00
7/28/2022	BYLAWS/OPERATING AGREEMENT	6,500.00
	<b>BYLAWS/OPERATING AGREEMENT TOTAL</b>	<b>12,200.00</b>
3/31/2025	STATE FAIR HEARINGS	10,710.00
4/30/2025	STATE FAIR HEARINGS	7,735.00
5/31/2025	STATE FAIR HEARINGS	357.00
	<b>STATE FAIR HEARINGS SUPPORT TOTAL</b>	<b>18,802.00</b>
11/30/2021	COBHC SUPPORT	812.50
	<b>COBHC SUPPORT TOTAL</b>	<b>812.50</b>
2/11/2022	GENERAL/OTHER	325.00
1/16/2023	GENERAL/OTHER	10,000.00
2/3/2023	GENERAL/OTHER	250.00
12/20/2023	GENERAL/OTHER	5,000.00
1/31/2024	GENERAL/OTHER	5,000.00
2/29/2024	GENERAL/OTHER	5,000.00
3/31/2024	GENERAL/OTHER	5,000.00
4/8/2024	GENERAL/OTHER	5,000.00
5/22/2024	GENERAL/OTHER	5,000.00
6/28/2024	GENERAL/OTHER	5,000.00
7/30/2024	GENERAL/OTHER	5,000.00
7/31/2024	GENERAL/OTHER	5,000.00
8/31/2024	GENERAL/OTHER	5,000.00
10/31/2024	GENERAL/OTHER	5,000.00
11/30/2024	GENERAL/OTHER	5,000.00
12/31/2024	GENERAL/OTHER	5,000.00
1/31/2025	GENERAL/OTHER	5,000.00
2/28/2025	GENERAL/OTHER	5,000.00
4/30/2025	GENERAL/OTHER	5,250.00
5/30/2025	GENERAL/OTHER	5,250.00
5/31/2025	GENERAL/OTHER	5,250.00
	<b>GENERAL/OTHER TOTAL</b>	<b>101,325.00</b>
10/31/2021	HEALTHWEST LITIGATION	5,368.74
3/31/2022	HEALTHWEST LITIGATION	2,016.00
4/30/2022	HEALTHWEST LITIGATION	9,388.80
6/24/2022	HEALTHWEST LITIGATION	13,782.40
3/31/2023	HEALTHWEST LITIGATION	6,992.00
4/30/2023	HEALTHWEST LITIGATION	3,728.00
11/30/2023	HEALTHWEST LITIGATION	281.60
1/31/2024	HEALTHWEST LITIGATION	105.60
	<b>HEALTHWEST LITIGATION TOTAL</b>	<b>41,663.14</b>
10/31/2021	MANAGED CARE/MDHHS CONTRACT	17,058.00
11/30/2021	MANAGED CARE/MDHHS CONTRACT	9,950.00
12/31/2021	MANAGED CARE/MDHHS CONTRACT	5,202.00
1/25/2022	MANAGED CARE/MDHHS CONTRACT	23,501.31
2/17/2022	MANAGED CARE/MDHHS CONTRACT	9,380.00
2/17/2022	MANAGED CARE/MDHHS CONTRACT	17,125.00
2/28/2022	MANAGED CARE/MDHHS CONTRACT	20,051.20
2/28/2022	MANAGED CARE/MDHHS CONTRACT	6,312.50
3/31/2022	MANAGED CARE/MDHHS CONTRACT	4,032.00
4/11/2022	MANAGED CARE/MDHHS CONTRACT	421.50
6/24/2022	MANAGED CARE/MDHHS CONTRACT	2,863.57
7/25/2022	MANAGED CARE/MDHHS CONTRACT	6,788.23
8/22/2022	MANAGED CARE/MDHHS CONTRACT	4,437.50
8/25/2022	MANAGED CARE/MDHHS CONTRACT	16,806.40
9/29/2022	MANAGED CARE/MDHHS CONTRACT	20,832.00
9/30/2022	MANAGED CARE/MDHHS CONTRACT	23,104.65
10/31/2022	MANAGED CARE/MDHHS CONTRACT	9,307.00
11/30/2022	MANAGED CARE/MDHHS CONTRACT	33,792.00
11/30/2022	EARLY PAYMENT DISCOUNT	(5,068.80)
12/31/2022	MANAGED CARE/MDHHS CONTRACT	31,494.10
1/31/2023	MANAGED CARE/MDHHS CONTRACT	25,883.40
2/28/2023	MANAGED CARE/MDHHS CONTRACT	7,472.60
3/31/2023	MANAGED CARE/MDHHS CONTRACT	3,371.20
4/30/2023	MANAGED CARE/MDHHS CONTRACT	16,563.20
5/31/2023	MANAGED CARE/MDHHS CONTRACT	5,928.00
6/30/2023	MANAGED CARE/MDHHS CONTRACT	12,537.60
7/31/2023	MANAGED CARE/MDHHS CONTRACT	7,768.80
7/31/2023	EARLY PAYMENT DISCOUNT	(3,321.04)
8/31/2023	MANAGED CARE/MDHHS CONTRACT	1,302.40
9/30/2023	MANAGED CARE/MDHHS CONTRACT	2,810.40
10/31/2023	MANAGED CARE/MDHHS CONTRACT	3,547.20
11/30/2023	MANAGED CARE/MDHHS CONTRACT	563.20
12/31/2023	MANAGED CARE/MDHHS CONTRACT	5,000.00
2/29/2024	MANAGED CARE/MDHHS CONTRACT	76.00
10/1/2024	MANAGED CARE/MDHHS CONTRACT - PHIP ISF	5,497.06
10/31/2024	MANAGED CARE/MDHHS CONTRACT - PHIP ISF	9,515.42
11/30/2024	MANAGED CARE/MDHHS CONTRACT - PHIP ISF	7,057.78
12/5/2024	MANAGED CARE/MDHHS CONTRACT - PHIP ISF	1,948.57
	<b>MANAGED CARE/MDHHS CONTRACT TOTAL</b>	<b>370,653.95</b>
2/28/2023	NETWORK 180 LITIGATION	2,674.00
3/31/2023	NETWORK 180 LITIGATION	29,167.33
4/30/2023	NETWORK 180 LITIGATION	105.60
5/31/2023	NETWORK 180 LITIGATION	2,283.20
6/30/2023	NETWORK 180 LITIGATION	13,840.80
7/31/2023	NETWORK 180 LITIGATION	3,665.60
8/31/2023	NETWORK 180 LITIGATION	1,137.60
3/31/2024	NETWORK 180 LITIGATION	1,154.40
	<b>NETWORK 180 LITIGATION TOTAL</b>	<b>54,028.53</b>
	<b>GRAND TOTAL</b>	<b>\$ 651,272.32</b>




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**BOARD ACTION REQUEST**
**Subject: June 2025 Disbursements**

Meeting Date: July 23, 2025

**RECOMMENDED MOTION:**

To approve the June 2025 disbursements of \$50,844,036.79 as presented.

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**SUMMARY OF REQUEST/INFORMATION:**

<b><u>Disbursements:</u></b>	
Allegan County CMH	\$3,501,530.51
Healthwest	\$8,478,186.65
Network 180	\$18,541,244.97
Ottawa County CMH	\$3,776,893.66
West Michigan CMH	\$3,023,107.41
SUD Prevention Expenses	\$88,153.94
Hospital Reimbursement Adjuster (HRA)	\$11,265,614.00
SUD Public Act 2 (PA2)	\$1,662,872.84
Administrative Expenses	\$11,772,046.81
<b>Total:</b>	<b>\$50,844,036.79</b>

73.58% of Disbursements were paid to Members and SUD Prevention Services.

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*I affirm that all payments identified in the monthly summary above are for previously appropriated amounts.*

**STAFF:** Stacia Chick

**DATE:** 7/11/2025
 

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**Statement of Activities - Actual vs. Budget**  
**Fiscal Year 2024/2025**

As of Date: 5/31/25

	Year Ending 9/30/2025	5/31/2025		
	FY25 Budget <u>Amendment 2</u>	Budget to Date	Actual	Actual to Budget Variance
<b>Operating Revenues</b>				
Medicaid, HSW, SED, & Children's Waiver	291,312,088	194,208,059	183,599,877	(10,608,181)
DHS Incentive	471,247	314,165	118,606	(195,559)
Autism Revenue	62,113,113	41,408,742	38,611,860	(2,796,882)
Healthy Michigan	31,554,748	21,036,499	21,877,279	840,780
Performance Bonus Incentive	2,648,663	1,765,775	(60,794)	(1,826,570)
CCBHC Quality Bonus Incentive	1,745,775	1,163,850	-	(1,163,850)
Hospital Rate Adjuster (HRA)	22,574,944	15,049,963	11,287,472	(3,762,491)
Member Local Contribution to State Medicaid	1,007,548	671,699	671,699	(0)
Medicaid CCBHC Base Capitation	27,117,418	18,078,279	18,106,474	28,195
Healthy Michigan CCBHC Base Capitation	6,854,550	4,569,700	4,586,025	16,325
Medicaid CCBHC Supplemental Revenue	42,874,191	28,582,794	22,495,039	(6,087,755)
Healthy MI CCBHC Supplemental Revenue	12,877,961	8,585,307	10,881,023	2,295,715
Health Homes (BHH/SUDHH)	12,392	8,261	3,645	(4,617)
MDHHS Grants	11,639,110	7,759,407	5,260,271	(2,499,136)
PA 2 Liquor Tax	6,857,246	4,571,497	2,098,086	(2,473,411)
Non-MDHHS Grants: DFC	126,951	84,634	90,378	5,744
Interest Earnings	1,495,016	996,677	863,008	(133,669)
Miscellaneous Revenue	5,500	3,667	-	(3,667)
<b>Total Operating Revenues</b>	<b>523,288,461</b>	<b>348,858,974</b>	<b>320,489,946</b>	<b>(28,369,028)</b>
<b>Expenditures</b>				
Salaries and Fringes	5,204,362	3,469,575	3,061,867	(407,707)
Office and Supplies Expense	265,081	176,721	138,003	(38,718)
Contractual and Consulting Expenses	822,411	548,274	363,465	(184,809)
Managed Care Information System (PCE) *	365,200	243,467	184,383	(59,083)
Legal Expense *	210,000	140,000	128,969	(11,031)
Utilities/Conferences/Mileage/Misc Exps	7,055,502	4,703,668	(32,052)	(4,735,720)
Grants - MDHHS & Non-MDHHS	897,061	598,041	477,064	(120,977)
Hospital Rate Adjuster / Taxes	26,387,430	17,591,620	13,721,698	(3,869,922)
Prevention Expenses - Grant & PA2	3,308,070	2,205,380	2,010,683	(194,697)
SUD Treatment Expenses - Grants	597,180	398,120	206,839	(191,281)
CCBHC Quality Bonus Incentive	1,745,775	1,163,850	-	(1,163,850)
Member Payments - Medicaid/HMP	371,877,762	247,918,508	235,248,276	(12,670,232)
Member Payments - CCBHC Capitation	33,971,968	22,647,979	22,692,498	44,519
Member Payments - CCBHC Supplemental	55,752,152	37,168,101	35,648,098	(1,520,003)
Member Payments - PA2 Treatment	5,322,635	3,548,423	2,505,764	(1,042,660)
Member Payments - Grants	8,498,324	5,665,549	4,643,522	(1,022,027)
Local Contribution to State Medicaid	1,007,548	671,699	671,699	(0)
<b>Total Expenditures</b>	<b>523,288,461</b>	<b>348,858,974</b>	<b>321,670,776</b>	<b>(27,188,198)</b>
<b>Total Change in Net Assets</b>	<b>(0)</b>	<b>(0)</b>	<b>(1,180,831)</b>	<b>(1,180,830)</b>

\* The categories of Managed Care Information Systems (PCE) and Legal are Net of amounts applied to Grants

For internal use only. This report has not been audited, and no assurance is provided.



**Statement of Activities**  
**Budget to Actual Variance Report**  
**For the Period ending May 31, 2025**

**As of Date: 5/31/25**

**Operating Revenues**

Medicaid/HSW/SED/CWP	Amendment 2 reflects an increase based on the latest rate certification. MDHHS will make adjustments in July and August.
DHS Incentive	This revenue is received quarterly beginning in April.
Autism Revenue	Amendment 2 reflects an increase based on the latest rate certification. MDHHS will make adjustments in July and August.
Healthy Michigan	Amendment 2 reflects an increase based on the latest rate certification. MDHHS will make adjustments in July and August.
Performance Bonus Incentive	Unearned FY24 PBIP. FY25 Revenue will be received after the end of the fiscal year if health plan performance metrics are met.
CCBHC Quality Bonus	Revenue is received after the end of the fiscal year if CCBHC performance metrics are met.
Hospital Rate Adjuster	FY25 payments were delayed. Quarter 3 is expected in August and Quarter 4 in December.
Member Local Match Revenue	N/A - Closely aligned with the current budget projections.
Medicaid CCBHC Base Capitation	N/A - Closely aligned with the current budget projections.
Healthy MI CCBHC Base Capitation	N/A - Closely aligned with the current budget projections.
Medicaid CCBHC Supplemental Revenue	Current projections reflect a decrease. Adjustments will be made during the next amendment.
Healthy MI CCBHC Supplemental Revenue	Current projections reflect an increase. Adjustments will be made during the next amendment.
MDHHS Grants	SUD grant payments are received quarterly.
PA 2 Liquor Tax	PA2 revenues are received quarterly, after the Department of Treasury issues payments to the counties. Payments for quarter 3 are expected in August.
Non-MDHHS Grants: DFC	Slightly over target. Prior year carryover funds applied.
Interest Revenue	Adjustment made on amendment 2 for deposits and CD re-investments. Additional interest expected as CDs mature.
Miscellaneous Revenue	Revenue may be received throughout the year, but the budgeted amount is not guaranteed.

**Expenditures**

Salaries and Fringes	12% reduction made during amendment #2. Some expenses in this category will occur later in the fiscal year.
Office and Supplies	Some expenses are planned for later in the fiscal year and will be monitored for potential changes during the next amendment.
Contractual/Consulting	4.5% reduction made during amendment #2. Some expenses in this category will occur later in the fiscal year.
Managed Care Info Sys	Some expenses are planned for later in the fiscal year and will be monitored for potential changes during the next amendment.
Legal Expense	Under current projections. Expenses will be continue to be monitored for potential changes during the next amendment.
Utilities/Conf/Mileage/Misc	This line item includes the reallocation of LRE indirect charges to grants and the LRE's contingency fund which are offsetting current period expenditures.
Grants - MDHHS & Non-MDHHS	Some Mental Health block grants are under budget. We will monitor for regional shifts, as allowed.
HRA/Taxes	IPA & HRA taxes are paid quarterly. Third quarter HRA payment is expected in August and quarter 4 in December.
Prevention Exps - Grant/PA2	MDHHS SUD grant payments are made quarterly. PA2 billings are expected to increase during quarter 4.
CCBHC Quality Bonus	Payments are made after the end of the fiscal year if performance metrics are met.
Member Med/HMP Payments	N/A - Closely aligned with the current budget projections.
Member CCBHC Capitation	N/A - Closely aligned with the current budget projections.
Member CCBHC Supplemental	Current projections reflect a decrease. Adjustments will be made during the next amendment.
Member PA2 Tx Payments	Billings against this line item typically occur after other grant funding is applied. Billings are expected to increase during quarter 4.
Member Grant Payments	Most of these payments are billed to the LRE and paid by MDHHS 45-60 days in arrears. In addition, as noted above, some grants are being paid quarterly.
Local Contribution to State Medicaid	N/A - Closely aligned with the current budget projections.

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**Lakeshore Regional Entity Combined Monthly FSR Summary**  
**FY 2025**  
**May 2025 Reporting Month**  
**Reporting Date: 7/14/25**

<b>ACTUAL:</b>	<b>HealthWest</b>	<b>Network180</b>	<b>OnPoint</b>	<b>Ottawa</b>	<b>West Michigan</b>	<b>LRE</b>	<b>Total</b>
<b>Total Distributed Medicaid/HMP Revenue</b>	46,957,987	117,871,428	20,153,239	34,799,881	14,433,440	3,844,635	238,060,610
<b>Total Capitated Expense</b>	43,875,741	131,121,251	20,054,834	34,780,293	13,918,565	3,844,635	247,595,319
<b>Actual Surplus (Deficit)</b>	3,082,246	(13,249,823)	98,405	19,588	514,875	-	(9,534,709)
<b>% Variance</b>	6.56%	-11.24%	0.49%	0.06%	3.57%	0.00%	
<b>Information regarding Actual</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	HW is seeing a small but maintainable increase in provider network services.	Network180 is working to reduce expenditures with for services in the provider network, through inpatient diversion and utilization management. However, actual service needs continue to grow.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	
<b>PROJECTION:</b>	<b>HealthWest</b>	<b>Network180</b>	<b>OnPoint</b>	<b>Ottawa</b>	<b>West Michigan</b>	<b>LRE</b>	<b>Total</b>
<b>LRE Revenue Projections as of:</b> <b>June</b>							
<b>Total Projected Medicaid/HMP Revenue</b>	75,042,667	188,056,789	31,295,096	54,737,661	22,933,744	13,922,556	385,988,513
<b>Total Capitated Expense Projections</b>	65,813,612	194,725,210	31,255,459	55,648,468	21,363,297	13,922,556	382,728,602
<b>Projected Surplus (Deficit)</b>	9,229,055	(6,668,421)	39,637	(910,808)	1,570,447	-	3,259,911
<b>% Variance</b>	12.30%	-3.55%	0.13%	-1.66%	6.85%	0.00%	
<b>Information regarding Projections</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	HW is seeing an increase in revenue.	Network180 is working to reduce expenditures with for services in the provider network, through inpatient diversion and utilization management. However, actual service needs continue to grow. Actual experience has also shifted our daily visit projections for the year, which shifts capitation dollars to CCBHC, further increasing this deficit.	Less than threshold for explanation.	Trending increases in specialized residential and ABA services	Increased capitated revenue and delays in filling open positions.	Less than threshold for explanation.	
<b>PROPOSED SPENDING PLAN:</b>	<b>HealthWest</b>	<b>Network180</b>	<b>OnPoint</b>	<b>Ottawa</b>	<b>West Michigan</b>	<b>LRE</b>	<b>Total</b>
<b>Submitted to the LRE as of:</b>	11/13/2024	11/15/2024	11/18/2024	4/10/2025	6/18/2025		
<b>Total Budgeted Medicaid/HMP Revenue</b>	70,516,979	172,798,914	29,463,833	48,246,034	21,363,297	13,922,556	356,311,612
<b>Total Budgeted Capitated Expense</b>	68,930,569	172,798,914	29,731,448	48,308,763	21,363,297	13,922,556	355,055,547
<b>Budgeted Surplus (Deficit)</b>	1,586,410	0	(267,615)	(62,729)	-	-	1,256,066
<b>% Variance</b>	2.25%	0.00%	-0.91%	-0.13%	0.00%	0.00%	
<b>Information regarding Spending Plans</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	
<b>Variance between Projected and Proposed</b>							
<b>Spending Plan</b>	7,642,645	(6,668,421)	307,252	(848,078)	1,570,447	-	2,003,845
<b>% Variance</b>	10.84%	-3.86%	1.04%	-1.76%	7.35%	0.00%	
<b>Explanation of variances between Projected and Proposed Spending Plan</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	While HW is seeing a revenue increase they are also seeing an increase in expenses	Network180 is experiencing increase demands in autism and specialized residential services beyond available revenue.	Less than threshold for explanation.	Spending Plan to be updated once CCBHC PPS-rate is finalized	Increased capitated revenue and delays in filling open positions.	Less than threshold for explanation.	

**Lakeshore Regional Entity Combined Monthly FSR Summary**  
**FY 2025**

**May 2025 Reporting Month**  
**Reporting Date: 7/14/25**

<b>CCBHC ACTIVITY</b>							
<b>ACTUAL:</b>	<b>HealthWest</b>	<b>Network180</b>	<b>OnPoint</b>	<b>Ottawa</b>	<b>West Michigan</b>	<b>LRE</b>	<b>Total</b>
<b>Total Distributed Medicaid/HMP CCBHC Revenue</b>	17,798,613	23,532,844	5,913,488	5,026,397	8,241,514	713,087	61,198,305
<b>Total CCBHC Expense</b>	17,955,826	18,708,586	5,766,795	4,871,018	8,190,696	85,186	55,578,107
<b>Actual CCBHC Surplus (Deficit)*</b>	(157,213)	4,824,258	146,693	155,379	50,818	627,901	5,620,198
<b>% Variance</b>	-0.88%	20.50%	2.48%	3.09%	0.62%	88.05%	
<b>Information regarding CCBHC Actual</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	Less than threshold for explanation.	Network180 has seen increases in daily visits that are closer to original projections, leading to a YTD surplus.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Surplus is used to cover PIHP administration on traditional capitation administration expenses.	
<b>PROJECTION:</b>	<b>HealthWest</b>	<b>Network180</b>	<b>OnPoint</b>	<b>Ottawa</b>	<b>West Michigan</b>	<b>LRE</b>	<b>Total</b>
<b>Total Projected Medicaid/HMP CCBHC Revenue</b>	25,124,188	31,924,870	9,552,618	8,780,989	12,266,973	1,069,630	88,688,139
<b>Total CCBHC Expense Projections</b>	26,933,739	28,382,224	9,082,702	10,567,748	12,900,346	127,779	87,994,538
<b>Projected CCBHC Surplus (Deficit)*</b>	(1,809,551)	3,542,646	469,916	(1,786,759)	(633,373)	941,851	693,601
<b>% Variance</b>	-7.20%	11.10%	4.92%	-20.35%	-5.16%	88.05%	
<b>Information regarding CCBHC Projections</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	HW is maintaining slow increase in productivity due to KATA projects.	Actual experience has shifted our daily visit projections for the year, which shifts capitation dollars to CCBHC.	Less than threshold for explanation.	Anticipate use of CCBHC Supplemental revenues to cover deficit	WM is expecting a shortfall in CCBHC based on the current PPS1 rates.	Surplus is used to cover PIHP administration on traditional capitation administration expenses.	
<b>PROPOSED SPENDING PLAN:</b>	<b>HealthWest</b>	<b>Network180</b>	<b>OnPoint</b>	<b>Ottawa</b>	<b>West Michigan</b>	<b>LRE</b>	<b>Total</b>
<b>Submitted to the LRE as of:</b>	11/13/2024	11/15/2024	11/18/2024	4/10/2025	6/18/2025		
<b>Total Budgeted Medicaid/HMP CCBHC Revenue</b>	25,124,188	35,460,199	9,075,362	14,296,954	12,266,973	1,069,630	97,293,307
<b>Total Budgeted CCBHC Expense</b>	25,947,194	35,439,088	8,900,770	14,296,954	12,900,346	127,779	97,612,131
<b>Budgeted Surplus (Deficit)*</b>	(823,006)	21,111	174,592	-	(633,373)	941,851	(318,824)
<b>% Variance</b>	-3.28%	0.06%	1.92%	0.00%	-5.16%	88.05%	
<b>Information regarding CCBHC Spending Plans</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	Based on historical, HW planned a negative variance.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Surplus is used to cover PIHP administration on traditional capitation administration expenses.	
<b>Variance between CCBHC Projected and Proposed Spending Plan</b>	(986,545)	3,521,535	295,324	(1,786,759)	0	-	1,012,425
<b>% Variance</b>	-3.93%	9.93%	3.25%	-12.50%	0.00%	0.00%	
<b>Explanation of variances between CCBHC Projected and Proposed Spending Plan</b> <b>(Threshold: Surplus of 5% and deficit of 1%)</b>	HW is maintaining slow increase in productivity due to KATA projects.	Actual experience has shifted our daily visit projections for the year, which shifts capitation dollars to CCBHC.	Less than threshold for explanation.	CCBHC service activity trending below spending plan projections	Less than threshold for explanation.	Less than threshold for explanation.	

\*CCBHC Surpluses are retained by the CCBHC and not the PIHP. CCBHC Deficits are the responsibility of the CCBHC and not the PIHP.

**Lakeshore Regional Entity**  
**FY2025 FSR Monthly Comparison of Surplus/(Deficit) Detail**  
**(Excluding CCBHC)**

May 2025 Reporting Month  
Reporting Date: 7/14/25

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	397,762	(8,617,855)	(1,736,691)	(685,063)	(769,071)	(11,410,918)
Autism	2,684,484	(4,631,968)	1,835,096	704,652	1,283,946	1,876,209
Total Distributed Medicaid/HMP Revenue	3,082,246	(13,249,823)	98,405	19,588	514,875	(9,534,709)
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	4,101,652	(13,987,945)	(3,078,824)	(2,290,894)	(1,083,015)	(16,339,027)
Autism	5,127,403	7,319,524	3,118,462	1,380,086	2,653,462	19,598,937
Total Distributed Medicaid/HMP Revenue	9,229,055	(6,668,421)	39,637	(910,808)	1,570,447	3,259,911