

Meeting Agenda
BOARD OF DIRECTORS
Lakeshore Regional Entity
June 25, 2025 – 1:00 PM
GVSU Muskegon Innovation Hub
200 Viridian Dr, Muskegon, MI 49440

1. Welcome and Introductions – Mr. Bacon
2. Roll Call/Conflict of Interest Question – Mr. Bacon
3. Public Comment (Limited to agenda items only)
4. Consent Items:

Suggested Motion: To approve by consent the following items.

- June 25, 2025, Board of Directors meeting agenda (*Attachment 1*)
- May 28, 2025, Board of Directors meeting minutes (*Attachment 2*)

5. Community Advisory Panel (*Attachment 3*)
6. Reports –
 - a. CEO – Ms. Marlatt-Dumas (*Attachment 4*)
 - b. LRE Leadership – (*Attachment 5*)
7. Chairperson’s Report – Mr. Bacon (*Attachment 6*)
 - a. June 18, 2025, Executive Committee

8. Action Items –
 - a. Board Governance Policy (*Attachment 7, 8*)

Suggested Motion: To approve the LRE Board Governance Policy/Procedure:

 - i. 10.23 Board Conflict of Interest Policy
 - ii. 10.23a Board Conflict of Interest Procedure

9. Financial Report and Funding Distribution – Ms. Chick (*Attachment 9*)
 - a. FY2025, May Funds Distribution (*Attachment 10*)

Suggested Motion: To approve the FY2025, May Funds Distribution as presented.

- b. LRE Budget Amendment #2 (*Attachment 11*) –

Note: Oversight Policy Board was unable to meet on June 18, 2025, due to lack of quorum. LRE is in the process of trying to reschedule that meeting.

Suggested 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.

- c. Statement of Activities as of 4/30/2025 with Variance Reports (*Attachment 12*)
- d. Monthly FSR (*Attachment 13*)

10. Board Member Comments

11. Public Comment

12. 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

Meeting Minutes
BOARD OF DIRECTORS

Lakeshore Regional Entity

May 28, 2025 – 1:00 PM

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

WELCOME AND INTRODUCTIONS – Ms. Gardner

Ms. Gardner called the May 28, 2025, LRE Board meeting to order at 1:01 PM.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Ms. Gardner

In Attendance: Ron Bacon, Jon Campbell, Linda Dunmore, Patricia Gardner, Janice Hilleary, Sara Hogan, Richard Kanten, Alice Kelsey, Dave Parnin, Jim Storey, Janet Thomas, Craig Van Beek

Absent: Stan Stek, O’Nealya Gronstal, Andrew Sebolt

PUBLIC COMMENT

NA

CONSENT ITEMS:

LRE 25-12 Motion: To approve by consent the following items.

- May 28, 2025, Board of Directors meeting agenda
- March 26, 2025, Board of Directors meeting minutes

Moved: Ron Bacon

Support: Jim Storey

MOTION CARRIED

LEADERSHIP BOARD REPORTS

a. CEO Report – Ms. Marlatt-Dumas

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

- MDHHS Press release gives a link to a survey and an overview of what the focus of the RFP will be. Currently, the items that were addressed are only proposed language with the actual RFP coming later this summer. The timeline for the system change is October 1, 2026.
 - Ms. Dumas has had a discussion with the LRE legal counsel about possible scenarios.
 - In the proposed language county control would be lost and CMHSPs will become providers. There are managed care functions that are delegated to the CMHSPs that would be centralized at the new organization such as Assessment and Utilization Management.

- There are more and more groups that are showing opposition of what seems to be privatization of the Michigan public mental health system.
 - LRE staff will continue to serve the individuals in the system.
 - LRE legal counsel is also involved with CMHAM and the lawsuit with 4 PIHPs that have not signed the PIHP/MDHHS contract. If there is a conflict-of-interest Taft Law will pass us onto another representative.
 - TalkSooner video was played on Fox 17.
 - LRE continues to work with N180 on the cashflow issues with weekly meetings scheduled. LRE and N180 joined together to contract with CHRT and a meeting is scheduled to review their final report. Network180 has already begun to work on some of the recommendations that were given in the report.
 - LRE filed a summons against the state due to the cost settlement disagreement that MDHHS believes Region 3 owes back \$13.7 million. MDHHS has agreed to give 21-day notice if additional funds are going to be withheld.
 - The UPIC audit is complete. There were 200 hours of staff time that was wrapped up in completing the audit.
- b. LRE Leadership Report – Ione Myers
- The CIO PowerPoint Presentation is included in the Board packet for information.
- The CMHs have been collaborative in working with LRE toward improving the BHTEDs scores.
 - There was concern on a high number of dangling admissions – BHTEDs, update submissions and discharge records complete an individual's record of care. If all 3 of these are not submitted, then it will look like an individual is still in care when in actuality they are not. These dangling admissions were a concern to MDHHS.
 - BHTEDs does have an impact on the rate setting process and that is why LRE asks the CMHs to make sure that the highest cost individuals data is prioritized to keep updated. There are times when it is difficult or not available to get the data from the hospital systems for inpatient (IP) stays.
 - LRE continues to work with the CMHs on BHTEDs data submissions.

CHAIRPERSON'S REPORT

April 16, 2025, and May 21, 2025, Executive Committee meeting minutes are included in the packet for information.

- The Executive Committee discussed LRE filing the lawsuit against MDHHS. There were amendments made to the original summons.
- The Executive Committee recommends to the Board to approve the 10.17 Management Delegation and Executive Limitations Policy.
- CMHAM has met with MDHHS to discuss disbursement of funds that were appropriated for the mental health system. MDHHS has stated that they cannot disburse those funds because it is not actuarially sound. There has been disagreement in the field that the rates may be actuarially sound at the state but not at the regional or county level (CMHs).

ACTION ITEMS

LRE 25-13 Motion: To approve the LRE Board Governance Policy:

- i. 10.17 Management Delegation and Executive Limitations

Moved: Ron Bacon

Support: Richard Kanten

MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION

CFO Report is included in the Board packet for information.

FY2025 February Funds Distribution

LRE 25-14 Motion: To approve the FY2025, March and April Funds Distribution as presented.

Moved: Ron Bacon

Support: Janet Thomas

MOTION CARRIED

Statement of Activities as of 3/31/2025 with Variance Report-

Included in the Board packet for information.

- Revenues are almost \$16 million under budget.
- There will be a budget amendment coming to the Board in June.

Monthly FSR-

The FSR is included in the Board packet for information.

BOARD MEMBER COMMENTS

- Ms. Gardner encourages Board members to attend available conferences. The LRE will pay for the cost of attendance and hotel accommodation.
- Ms. Gardner would like to note that Mr. Ward will be facilitating support to his wife during a medical crisis and will not be attending Board meetings.
- Mr. Bacon thanks staff for doing what they do.

PUBLIC COMMENT

Dr. Michael Brashears – Mr. Brashears notes that during his tenor that he has worked well with the PIHP. He has come to believe that there is an advantage of having a PIHP and has an appreciation for the PIHP. He also notes that Ottawa is working diligently on the BHTEDs. Dr. Brashears reads a resolution approved by his board regarding the funding crisis within the mental health system.

UPCOMING LRE MEETINGS

- June 12, 2025 – Community Advisory Panel, 1:00 PM
- June 18, 2025 – Executive Committee, 1:00PM

- June 25, 2025 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- June 25, 2025 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

Ms. Gardner adjourned the May 28, 2025, LRE Board of Directors meeting at 2:25 PM.

Ron Bacon, Board Secretary

Minutes respectfully submitted by:
Marion Moran, Executive Assistant

Consumer Advisory Panel Meeting

Thursday, June 12, 2025 – 1pm-3pm

Attendance: James S., Sharon H., Tamara M., Angela K., Kelly Betts, Jennifer E., Sharon P., Robert C., Shawnee T.

CMH: Chelsea Clark, Jodi Garrow, Cathy Potter

LRE: Mari Hesselink, Stephanie VanDerKooi, Michelle Anguiano, Greg Opsommer

1. **Welcome & Introductions:** Tamara Madison from HW is chairing the meeting.
 - a. Review of the June 12, 2025, Agenda: Agenda was moved and supported (Hall & James)
 - b. Review of the March 13, 2025, Meeting Minutes: Moved and supported (James and Hall)
2. **Member Stories (Limit 5 minutes)**
 - a. Member Experiences: No member stories were offered.
3. **Community Advisory Panel: Tamara** went through and gave a summary of the events below.
 - a. **Summer Events:**
 - i. **CMHAM**—Click link below
 - [Walk A Mile—September 17, 2025, Lansing](#)
 - ii. **HW**
 - Raising Latino Voices: Mental Health & Suicide Prevention Townhall, August 8 from 11:30am-1:30pm.
 - Annual Free Picnic-Thursday, August 14, 2025, 11am-2pm at Hackley Park
 - iii. **N180**
 - Walk a Mile Button Artwork-Submission deadline is May 2.
 - iv. **OnPoint**
 - Bridgefest, Saturday, June 14 11am-10pm in Downtown Allegan
 - Allegan County Senior Expo-Thursday, June 26, 8am-1pm
 - v. **Ottawa**
 - Recovery Fest-Thursday, September 11, 2025 in Holland
 - vi. **WM**
 - Staircase Youth Services-Back to School Backpack Bonanza on Wednesday, August 13 from 3-6pm.
 - WM Walk of Hope-In September, exact date to be determined.

4. LRE Updates

- a. **LRE FY22 Cost Settlement Update:** Stephanie gave an update on the current issues with MDHHS and the FY22 Cost Settlement. The LRE is currently pursuing legal measures against MDHHS over \$13.7 million in dispute from the FY22 Cost settlement.
- b. **Certified Community Behavioral Health Clinics (CCBHC) Updates:** MDHHS is changing the structure of CCBHC. Currently the funding goes to the PIHP (LRE) and then the LRE pays out funds to the CCBHC. This is going to change starting on 10/1/25. We were informed of this change about 4 weeks ago. MDHHS will now be making direct payments to the CCBHCs beginning in FY26. This is going to be a very labor-intensive change over.
- c. **PIHP Rebid Conversation:** Stephanie covered the rebid that MDHHS is currently exploring with the current 10 PIHPs and reducing the amount of PIHPs down to 3. Stephanie also discussed the CMHA Action alert links with the group to help them advocate on the issue.

5. Regional Updates:

- a. **TalkSooner:** This is a program LRE has participated in for the last 10 years. The news story was shared with the group. There are TalkSooner flyers and information available at the CMH's. This information is also available in local schools if the schools choose to utilize it.
 - i. [Fox 17 News Video Link](#)

6. State Updates

- a. **Legislative Update:** Stephanie discussed the Legislative update document. The information is both at the state and federal levels.
- b. **Walking with Warriors Strategic Plan:** This is the State of Michigan's strategic plan for helping Veterans.
- c. **MDHHS Press Release:**
 - i. [Advocacy Action Alert-ACTION ALERT](#)

7. LRE Board Meeting:

- a. **June 25, 2025—LRE Board Meeting:**

8. Upcoming CAP meetings for 2025 (2nd Thursday of every 3rd month: Remaining 2025 meetings are on September 11, 2025, and December 11, 2025.

9. CMH Updates:

- a. **HW-Kelly:** The HW website will have several member videos available soon (including one with Tamara) to help highlight some of our member stories.

10. Newsletter Topics: Please send any ideas or topics to Marion/Mari.

CEO Report
June 25th, 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

- **MDHHS Procurement of PIHP System:**
 - LRE has met with four other PIHPs in what is being called the central region on the MDHHS PIHP Regions map. The central region includes 44 counties and three (3) CMHs. The meeting discussion centered on possible opportunities to bid on the proposed procurement. Currently, it is only a speculative discussion as the final Request for Proposal with the parameters has not yet been released.
 - There have also been some discussions about private/public partnerships that were mentioned in MDHHS communication as a possible option.
 - LRE will partner with the CMHSPs that would like to meet with legislators in an advocacy effort to keep the public safety net public with local control vs. privatization.
 - There are many unknowns at this time, and LRE will continue to update the LRE Board as new information is shared.
- **Edgewater Professional Development, PLLC**
 - March 1, 2025, LRE contracted with Edgewater to launch a multi-phase 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. The first phase has been completed, and the report has been shared with CMHSP CEOs including next steps. The initial phase included the following objectives:
 - Identify expense and revenue outliers associated with specialized residential costs within the LRE provider network.
 - Complete a comprehensive review of CMHSP-level clinical assessment processes and rate setting/procurement practices; and
 - Schedule and conduct structural meetings with each CMHSP to gather key operational, clinical and financial data.
- **Oversight Policy Board (OPB):** The June 18, 2025, OPB meeting was cancelled due to lack of a quorum. Therefore, the meeting will be rescheduled for July. It is

imperative that appointed Directors of the OPB attend scheduled meetings as they only meet quarterly. Having the meeting canceled at the 11th hour creates a significant burden to the staff preparing for the meeting and the providers requesting PA2 funding. LRE staff and the Chair of OPB will be scheduling a meeting to discuss the attendance issue and try to come up with some type of solution.

2. REGIONAL UPDATE

- Network180 (N180) Financial Challenges Update – N180 is reporting no cashflow issues currently. LRE will continue to monitor the situation.
- LRE and N180 contracted with CHRT from University of Michigan who completed an analysis of the N180 system. A meeting has been scheduled between LRE and N180 for the next steps. The report produced by CHRT was very comprehensive.
- CMHs within the Region are reporting provider network concerns linked to the necessary cuts N180 has imposed on providers.

3. STATE OF MICHIGAN/STATEWIDE ACTIVITIES

- 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, on behalf of MDHHS, plans to file a motion for summary disposition of the complaint that LRE has filed and confirmed that LRE will not consent to dismissal. The AG will file on or before July 1, and then LRE counsel will have until August 1 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.
- 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 received communication from UPIC on further work they wanted completed. LRE is complying with the request for submission due June 27th.

Legislative Update:

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

Other:

2025 Walk a Mile Rally - September 17, 2025

[Click this link for more information](#)



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



Lakeshore Regional Entity’s Legislative Update – 6/16/2025



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

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, Referred to Committee of the Whole 3/6/25: Reported by Committee of the Whole

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
				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. *PLEASE SEE THE MISCELLANEOUS UPDATES SECTION BELOW FOR MORE INFORMATION*	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
	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 Health Policy

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	HALT Fentanyl Act: 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.
	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	Protecting Kids from Fentanyl Act of 2025: 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	Families Care Act: 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	PREPARE Act of 2025: 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	SUPPORT for Patients and Communities Reauthorization Act of 2025 (SUPPORT Act): 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


LEGISLATIVE CONCERNS

LOCAL THREATS AND CHALLENGES				
	ISSUE	SUMMARY	COUNTY	ADDITIONAL INFORMATION/LINKS
	FY 26 Appropriations Issues	See Attached Document		 FY26 CMHA key budget issues.docx
	REQUEST FOR ACTION:	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.		Advocacy – CMHAM – Community Mental Health Association of Michigan

LOCAL THREATS AND CHALLENGES				
	ISSUE	SUMMARY	COUNTY	ADDITIONAL INFORMATION/LINKS
	COVID Relief Funding Rescinded – ARPA Funds	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: Mental health and addiction funding on the federal chopping block : NPR State perspective: Nessel sues as Trump health cuts hit Michigan disease, addiction programs
	MAC Letter to Governor	The Michigan Association of Counties has written a letter to Governor Whitmer in opposition to MDHHS' proposal to bid out PIHP contracts.		PIHP-Letter-to-Governor-May-2025.pdf
	ACTION ALERT: Tell Legislators Public Mental Health System Facing Funding Crisis	REQUEST FOR ACTION: 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
	TAKE ACTION: PROTECT MEDICAID	We need your help. Right now, Congress is considering devastating cuts to Medicaid funding that would put access to mental health care at risk for millions of Americans. Congress is about to vote on a House budget resolution bill that will start the process to cut \$880 billion from Medicaid over the next decade.		Advocacy – CMHAM – Community Mental Health Association of Michigan
	Presidential Drug Policy Priorities	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		ONDCP Releases Trump Administration's Statement of Drug Policy Priorities – The White House

	ISSUE	SUMMARY	COUNTY	ADDITIONAL INFORMATION/LINKS
		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		2025-Trump-Administration-Drug-Policy-Priorities.pdf
	New CMS Administrator	Dr. Mehmet Oz was confirmed as the new administrator for the Centers for Medicare & Medicaid on 4/3/25 by the Senate.		Dr. Mehmet Oz Shares Vision for CMS CMS
	TFM Annual Conference	Tobacco Free Michigan Annual Conference – Save the Date: July 16 th The 2025 Annual Conference will be July 16 at the Okemos Conference Center. Registration will open in late May so watch for future emails.		https://www.tobaccofreemichigan.org/conference
	Regional Opposition to HB 4255 & 4256	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.ı

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	Home Page Find Your Senator - Michigan Senate (https://senate.michigan.gov/FindYourSenator/)
Find Your State Representative	Michigan House - Home Page (https://www.house.mi.gov/)



Stephanie VanDerKooi
Chief Operations Officer



June 2025 Board of
Directors Presentation.

**What is Health Services
Advisory Group (HSAG)?**



**Presenter:
Stewart Mills,
LRE Autism and
Waiver Specialist**



What is the CWP (Children's Waiver Program)

- Children's Home and Community Based Services Waiver Program (CWP)
- Began in the 1980's and the last renewal was in 10/1/19 and will be renewed again 10/1/24.
- Provides enhancements and/or additional services to the Medicaid State Plan Services to children from birth through age 18
- The waiver serves children with Intellectual and Developmental Disabilities (IDD)
- Without the provision of the waiver the child would require institutionalization in an ICF/IID facility because of the intensity of the child's care and lack of needed support, or the child currently resides in an ICF/IDD facility but, with appropriate community support, could return home.
- Is considered a pathway to Medicaid as it allows children who otherwise would not meet Medicaid eligibility due to parental income
- Authorized under Section (c) of the Social Security Act. Like the Habilitations Supports Waiver (HSW) and Serious Emotional Disturbance Waiver (SEDW)
- The State currently has 569 CWP slots available. This will be increasing to 669 on 10/1/24 with the waiver renewal.



Lakeshore Regional Entity CWP Information

LRE currently has 108 enrolled children on the CWP.

3 clients are invited to enroll on the CWP.

Currently have 3 prescreens on the weighing list waiting for invitation.



How do Families Access Children's Waiver?

- Families will typically call the access department of a CMH to request CWP services, even if they are not sure what the CWP is.
- Families may also be referred by MDHHS through either contact directly with MDHHS or through a TEFRA worker's recommendation to the CWP department at MDHHS.
- If a family makes a specific request for the CWP, the CMH is obligated to provide a CWP eligibility assessment.
- If it is determined the child is eligible, then a prescreen must be submitted via the Waiver Support Application (WSA).
- If it is determined the child does not meet the CWP eligibility threshold, Notice of Denial and Right to Medicaid Fair Hearing Process must be provided to the family. (even though they are not a Medicaid client because we are denying Medicaid a Notice must be sent).



CWP Enrollment Overview

- Prescreen (Changing 10/1/2025)
- Invitation
- Initial Enrollment
- Medicaid Enrollment
- Services
- Continued Enrollment



Prescreen Overview

- **What is a prescreen and Why do we need one?**
 - **What:** A prescreen is an assessment done by the CMH to go over key life areas to determine the needs of those wanting to enroll on the CWP.
 - **Why:** CWP enrollment is prioritized based on the imminent need for services and the prescreen is used to assess those needs of the child and give them a score based on their needs that can then be compared to other children in the state who also are requesting enrollment on the CWP.
 - The state compares all the CWP scores on what they call their “Priority Weighing List”



Current Pre-Screen & Eligibility Determination Process

1. The family contacts the Community Mental Health Services Program (CMHSP) in the family's county of residence.

2. When the family calls the CMHSP, the family describes, based on their own assessment, the child's needs, their functional limitations, the in-home help and services that they are requesting, and the family's income and resources (including private insurance and Medicaid eligibility).

3. An assessment is made by the CMHSP, including whether the family meets eligibility criteria for CWP. Based on the assessment, a prescreen may be submitted by the assigned CMHSP staff person. Prescreens are scored using the priority weighing criteria. After scoring, the assigned staff person will contact the family, or the family can contact the staff person if there are questions.

4. If significant changes occur in the child's needs or family situation, the family should provide this information to the person who worked with them on the prescreen.

5. When a CWP opening occurs, an invitation to apply is issued to the child with the highest updated score that meets all requirements at that time. Medicaid status is checked before an invitation to apply is issued. The family will be contacted to ensure they still want to apply.

Proposed Screening Changes

1. Child and parent(s)/guardian contact their PIHP. The PIHP (or its contractor) completes a Michigan Child and Adolescent Needs and Strengths (MichiCANS) Comprehensive for children/youth up to age 21 who request services for I/DD.

2. MDHHS will develop a decision support model (DSM) based upon the Comprehensive to assist PIHPs with identifying candidates for CWP. If the child and the parent(s)/guardian wishes to pursue enrollment in CWP, the PIHP will refer the child for an appointment with a waiver specialist. If a child is not identified via the DSM as a potential waiver candidate, the child and parent(s) or guardian may request an appointment to be evaluated for CWP eligibility.

3. Once a child/youth is referred for an appointment with the waiver specialist, the waiver specialist provides information on CWP to the child and parent(s)/guardian. If the child and parent(s)/guardian wishes to have their child considered for CWP, a qualified intellectual disabilities professional (QIDP) facilitates the eligibility determination process.



Proposed Screening Changes (cont.)

4. Based on MichiCANS Comprehensive and other clinical information (e.g. Individualized Education Plan, Individualized Plan of Services, other clinical records, etc.), the QIDP certifies that the child meets all three of the following eligibility criteria. This information is submitted to MDHHS staff for review.

a. Child has a developmental or intellectual disability (as defined in the Mental Health Code). MDHHS will develop a DSM based on information from the MichiCANS Comprehensive for this purpose.

b. Child meets criteria for ICF/IDD. MDHHS will develop a DSM based on info. from the MichiCANS Comprehensive for this purpose.

c. Child is at risk of being placed outside of the family home because of the intensity of their care needs and the lack of needed supports. MDHHS will develop a DSM based on information from the MichiCANS Comprehensive for this purpose.

5. MDHHS staff will verify the child meets waiver eligibility. If the child meets waiver eligibility, the child is added to the enrollment pool.

6. MDHHS staff will extend invitations to enroll in CWP based upon slot availability. MDHHS will also develop criteria for prioritizing the use of waiver slots based upon factors including, but not limited to, children currently residing in an institution who require assistance to transition back to the community.



CWP Services

- **Once enrolled on the CWP children will have access to all Medicaid State Plan services, as well as all CWP services which include:**
 - Community Living Supports (CLS)
 - Enhanced Transportation
 - Environmental Accessibility Adaptations (EAAs)
 - Fencing
 - Family Training
 - Non-Family Training
 - Fiscal Intermediary
 - Respite
 - Specialized Medical Equipment & Supplies
 - Specialty Services: Music / Recreation / Art / Massage / Equine (10/1/24) Therapy
 - Overnight Health & Safety Support



Autism Services Updates

Changes to the Medicaid
Provider Manual

Rate increase for Direct ABA
Services (97153)

ABA in school guidance



Proposed Medicaid Provider Manual Changes for Autism

- MDHHS has shared with the state their proposed language to update Section 18 ABA/BHT in the MPM.
- **Their stated purpose for these changes:**
 - Update the outdated information in the MPM
 - Come in line with legislative mandates and best practice guidelines
 - Reduce confusion for families and providers
 - Reduce barriers and reducing waitlist for ABA services.
 - Give CMH/PIHP staff more clarification on ABA service delivery



97153 Rate Increase

- Per a legislative mandate, the rate for the code 97153 Direct ABA Service, was increased to \$66/hour.
- The rate increase was retroactive to November 1st, 2024.
- All rate adjustments needed to be updated with providers by April 30th, 2025.
- DCW is inclusive of the \$66/hour rate.



MDHHS/DOE Guidance for ABA in Schools

- Was developed via a workgroup with various agencies in the state, including local ISDs, MDHHS, DOE, Provider, CMH and PIHP staff.
- **There does remain several areas in the guidance that are still not clear:**
 - Such as who is accountable for paying for school ABA services.
 - Is an IEP needed for ABA in school or when taking the child out of school for ABA
 - What collaboration between CMH and ISD looks like.



SUD Treatment Evaluation Report FY25 Quarter 2

The LRE partners with KWB Strategies to produce a Substance Use Disorder Treatment Evaluation report. This report offers an overview of key data metrics to help monitor quality issues.

**Performance Based Incentive Program (PBIP):
Employment, Education, and Housing Stability Among SUD Clients (pg14-15).** In the first half of FY25, all CMHs showed improvement in employment or education status from admission to discharge. Regionally, the percentage of clients employment or in-school increased slightly from 17% at admission to 21% at discharge. For housing stability, four out of five CMHs improved, with the regional rate increasing from 58% at admission to 62% at discharge.



SUD Treatment Evaluation Report

FY25 Quarter 2-Continued

Primary Drug at Admission (pg. 16-18). The FY25 Q2 update highlighted an increase in admissions categorized under “other drugs”. Further analysis identified “other stimulants” as the main contributor, primarily in Ottawa County. While regionally this category remains low—peaking at 2.3% (35 admissions). 7% (21 admissions) of Ottawa County admissions were reported under this classification.

Continuity of Care Post-Short-Term Residential (pg. 12). The percentage of clients discharged from short-term residential programs who engage in the next level of care within seven days reached a record high of 60% in the 2nd quarter of FY25, reflecting enhanced care transitions.

To access the full report, [CLICK HERE](#).



Report Submission Tracking Overview

June 2025 Update

The LRE has submitted 185 reports in 2025, with a **100%** compliance rate for timeliness of submission.

2025 Report Submission Progress Tracking				
Report Month	Past Due	Submitted Late	Submitted Timely	Total
January	0	0	54	54
February	0	0	36	36
March	0	0	22	22
April	0	0	50	50
May	0	0	23	23
June	0	0	0	15
July	0	0	0	42
August	0	0	0	36
September	0	0	0	23
October	0	0	0	54
November	0	0	0	42
December	0	0	0	22
TBD				22
Total	0	0	185	441

Q&A

EXECUTIVE COMMITTEE SUMMARY

Wednesday, June 18, 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 June 18, 2025, Meeting Agenda
- ii. Review of May 21, 2025, Meeting Minutes

June 18, 2025, agenda, May 21, 2025, meeting minutes are accepted as presented.

MDHHS UPDATES

- i. FY22 Cost Settlement Update/ Lawsuit Update
 - Chris Ryan spoke with the assistant AG. During the conversation the assistant AG asked Mr. Ryan to confirm that LRE would not consent to dismiss (LRE did not) and that the AG office would be filing a motion for summary disposition on the complaint before July 1 which will give LRE until August 1 to respond.
 - MDHHS will not recoup funds without giving LRE notice.
- ii. 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.
- iii. PIHP Rebid Announcement
 - The timeline is for MDHHS to send out the final RFP this summer, possibly mid-July with responses due in mid-September.
 - CMHA, CMHs and PIHPs are discussing the impact of the rebid with legislators. PIHP CEOs have met and discussed a white paper drafted with options for PIHPs if the rebid moves forward.
 - Ms. Marlatt-Dumas will bring recommendations to the July Board meeting for staff retention.

LRE STAFF RETENTION INCENTIVE DISCUSSION

LRE leadership will present a staff retention incentive package to the Board during the July meeting after the RFP is sent out.

LRE BOARD POLICY REVIEW

- i. 10.23 Board Conflict of Interest Policy
 - Legal has reviewed. The Executive Committee will recommend approval to the full Board.
- ii. 10.23a Board Conflict of Interest Procedure
 - Legal has reviewed. The Executive Committee will recommend approval to the full Board.

BOARD MEETING AGENDA ITEMS

- i. Action Items
 - a. Conflict of Interest Policy/Procedure
 - b. Budget Amendment #2

BOARD WORK SESSION AGENDA

- i. Alan Bolter, CMHAM presentation. Alan Bolter will be transitioning into the CMHAM CEO position over the next year. Mr. Bolter will attend the June Board meeting in person to discuss advocacy around the rebid.

OTHER

- Ms. Gardner will be absent during the June 28, 2025, Board meeting. Mr. Bacon has agreed to chair in her place.
- When the PIHP Rebid RFP is sent out Ms. Gardner would like to schedule a meeting to discuss.

UPCOMING MEETINGS

- June 25, 2025 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- June 25, 2025 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- 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

Policy #10.23

POLICY TITLE:	BOARD MEMBER CONFLICT OF INTEREST	POLICY # 10.23	REVIEW DATES	
Topic Area:	BOARD GOVERNANCE	<u>ISSUED BY:</u> Chief Executive Officer <u>APPROVED BY:</u> Board of Directors		
Applies to:	LRE BOARD OF DIRECTORS			
Developed and Maintained by:	Chief Executive Officer			
Supersedes:	N/A	Effective Date:	Revised Date:	

I. PURPOSE

To provide an effective oversight process to protect the interests of the Lakeshore Regional Entity (LRE) when contemplating a transaction, arrangement, proceeding or other matter that might benefit the private interest of an individual or another entity. The Policy accomplishes this objective by defining Conflict of Interest, identifying individuals subject to this Policy, facilitating the disclosure of actual and potential Conflicts of Interest, Financial Interests and Professional Interest and setting forth procedures to manage Conflicts of Interest. This Policy is intended to supplement, but not replace, any applicable state or federal laws governing conflicts of interests in governmental entities or charitable, tax exempt, nonprofit organizations

II. POLICY

It is the policy of LRE to provide a means for any Covered Person to identify and report to the LRE's Board of Directors (the "Board") any direct or indirect Financial Interest, Professional Interest and any actual or potential Conflict of Interest and, based on that information, to permit LRE's appropriate review of such Financial Interests, Professional Interest and Conflicts of Interest and provide a process for the LRE to follow when managing Conflicts of Interest, all in accordance with applicable law.

DUTIES OF COVERED PERSONS:

Duty of Care: Every Covered Person shall act in a reasonable and informed manner and perform his or her duties for the LRE in good faith and with the degree of care that an ordinarily prudent person would exercise under similar circumstances.

Duty of Loyalty: Every Covered Person owes a duty of loyalty to act at all times in the best interest of the LRE and not in the interest of the Covered Person or any other entity or person. No Covered Person may personally take advantage of a business opportunity that is offered to the LRE unless the Board of Directors determines not to pursue that opportunity, after full disclosure and a disinterested and informed evaluation.

Duty to Disclose: Each Covered Person has a duty to disclose to the Board of Directors the existence of a Financial Interest and all related material facts.

Conflicts of Interest: No Covered Person may engage in any transaction, arrangement, proceeding or other matter or undertake positions with other organizations that involve a Conflict of Interest, except in compliance with this Policy. Covered Persons should avoid not only actual but the appearance of Conflicts of Interest as well. Every Covered Person shall:

- A. Disclose all financial interests as set out below.
- B. As it relates to action by the Board of Directors, unless a Conflict-of-Interest Waiver has been granted, recuse themselves from voting on any transaction, arrangement, proceeding or other matter in which he/she has a Financial Interest, and not be present when any such vote is taken; and
- C. Comply with any restrictions or conditions stated in any Conflict-of-Interest Waiver granted for the Covered Person's activities.

III. APPLICABILITY AND RESPONSIBILITY

- A. Individuals covered under this Policy include:
 1. Members of the LRE's Board
 2. Members of the LRE Substance Use Disorder (SUD) Oversight Policy Board responsible for planning, approval and monitoring of the region's use of Public Act 2 (PA2) (Liquor Tax) funds
 3. LRE officers,
 4. Members of committees of the Board with delegated authority from the Board, and
 5. LRE employees, independent contractors or agents who are responsible for the expenditure of federal or state government funds in excess of \$100 on behalf of the LRE.
- B. These individuals are collectively referred to in this Policy as "Covered Person(s)."

IV. MONITORING AND REVIEW

This policy will be reviewed annually by the Board of Directors and Chief Executive Officer.

V. DEFINITIONS

BHDDA: Behavioral Health and Developmental Disabilities Administration

Compensation: Direct and/or indirect remuneration, in cash or in kind.

Conflict of Interest: A Conflict of Interest arises when a Covered Person participates or proposes to participate in a transaction, arrangement, proceeding or other matter for the LRE, in which the Covered Person, the Covered Person's Family Member, or an organization in which the Covered Person is serving as an officer, director, trustee or employee has a Financial Interest or Professional Interest of any kind whatsoever.

Covered Person: LRE Board members, SUD-OPB members, Chief Executive Officer or any other individual with a contractual relationship with the LRE.

Family Member: Spouse, parent, children (natural or adopted), sibling (whole or half-blood), father-in-law, mother-in-law, grandchildren, great grandchildren and spouses of siblings, children, grandchildren, great grandchildren, and all stepfamily members, and any person(s) sharing the same living quarters in an intimate, personal relationship that could affect decisions of the Covered Person in a manner that conflicts with this Policy.

Financial Interest: A Covered Person has a Financial Interest if he or she has, directly or indirectly, actually or potentially, through a business, investment or through a Family Member:

- A. an actual or potential ownership, control or investment interest in, or serves in a governance or management capacity for, an entity with which the LRE has a transaction, arrangement, proceeding or other matter;
- B. an actual or potential compensation arrangement with any entity or individual with which the LRE has a transaction, arrangement, proceeding or other matter; or
- C. an actual or potential ownership or investment interest in, compensation arrangement with, or serves in a governance or management capacity for, any entity or individual with which the LRE is contemplating or negotiating a transaction, arrangement, proceeding or other matter.
- D. Compensation includes direct and indirect remuneration, in cash or in kind.

Interested Person: Is a Covered Person who has a Financial Interest.

Professional Interest: A person has a professional interest if the person has, directly or indirectly, through business, investment, or family:

- A. An ownership or investment interest in any entity that would benefit from active participation in LRE affairs;
- B. A compensation arrangement for professional services outside of LRE where the execution of professional services would benefit from active participation in LRE affairs;
- C. A contractual obligation(s) with a public, private, or governmental entity that pays for, provides or supplies goods or services to the health care industry but is not directly affiliated with LRE.
- D. A professional interest is not necessarily a conflict of interest.

VI. REFERENCES AND SUPPORTING DOCUMENTS

- A. LRE Compliance Plan
- B. The Policy is based on the following legal authorities:
 - Mental Health Code, 1974 PA 258, MCL 300.1001 to 300.2106
 - 1978 PA 566, MCL 15.181 to 15.185 (incompatible public offices)

- 1968 PA 317, MCL 15.321 to 15.330 (contracts of public servants with public entities)
- 45 CFR Part 74 (Federal Procurement Regulations)
- 45 CFR Part 92 (Federal Procurement Regulations)
- 42 USC 1396a (Federal Medicaid Statute)
- Michigan Medicaid State Plan
- 18 USC 208 (Federal Conflict of Interest Statute)
- IRS Conflict of Interest Guidelines, Policies and Pronouncements for Charitable Tax Exempt Nonprofit Entities
- 42 CFR 455 Subpart B
- Section 1902 (a)(4)(C) and (D) of the Social Security Act: 41 U.S.C. Chapter 21 (formerly Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. §423): 18 U.S.C. §207: 18 U.S.C. §208: 42 CFR §438.58: 45 CFR Part 92: 45 CFR Part 74: 1978 PA 566: and MCL 330.1222.

VII. RELATED POLICIES AND PROCEDURES

- A. LRE Board Policies and Procedures
 - 1. 10.23a – Board Member Conflict of Interest Procedure
- B. Compliance Policies and Procedures

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
6/2025	New Policy	Chief Executive Officer

ORGANIZATIONAL PROCEDURE

PROCEDURE # 10.23A	EFFECTIVE DATE	REVISED DATE
TITLE: BOARD MEMBER CONFLICT OF INTEREST		
<u>ATTACHMENT TO</u>	REVIEW DATES	
POLICY #: 10.23		
POLICY TITLE: BOARD MEMBER CONFLICT OF INTEREST		
CHAPTER: BOARD GOVERNANCE		

I. PURPOSE

To provide an effective oversight process which protects the interests of the Lakeshore Regional Entity (LRE) when contemplating a transaction, arrangement, proceeding or other matter that might benefit the private interest of an individual or another entity.

II. PROCEDURES

A. Disclosure of Financial Interests:

- i. Each Covered Person shall submit in writing to the Entity's Chief Executive Officer a Conflict of Interest and Financial Interest Disclosure (COI/FID) Statement (Attachment A) listing all Financial Interests and affirming compliance with the Conflict-of-Interest Policy.
- ii. Each Covered Person shall update their Annual COI/FID Statement on the date designated by LRE, or promptly when any new Financial Interests or potential Conflicts of Interest arise.
- iii. The Chief Executive Officer shall review and become familiar with all submitted COI/FID Statements, updates and waivers in order to guide their conduct regarding the disclosed information.
- iv. The Chairperson of the Board shall review and become familiar with the COI/FID Statement submitted by the Chief Executive Officer.
- v. The Vice Chairperson of the Board shall review and become familiar with the COI/FID Statement submitted by the Chairperson of the Board.
- vi. The Board of Directors may request that a Covered Person(s) appear before the Board or submit written information to supplement or answer questions regarding information disclosed on the COI/FID Statement.

B. Annual Conflict of Interest and Financial Interest Disclosure Statement

Annually, on a date to be determined by the Board, each Covered Person shall complete, sign and date a COI/FID Statement. The COI/FID Statement affirms that the signor:

- i. Has received a copy of the Board Member Conflict of Interest Policy;
- ii. Has read and understands the Policy;
- iii. Has agreed to comply with the Policy and the requirements of 42 CFR 455 Subpart B;

- iv. Has disclosed on the COI/FID Statement all Financial Interests which the signor currently may have in accordance with the information identified in 42 CFR 455 Subpart B;
- v. Agrees that they will update the information on the COI/FID Statement promptly should a new Financial Interest arise, by completing a new Financial Interest Disclosure Statement.
- vi. Understands that the LRE is required to notify the MDHHS BHDDA Division of Program Development, Consultation and Contracts when any disclosures are made with regard to criminal offense described under sections 1128(a) and 1128(b)(1)(2), or (3) of the Social Security Act.

Covered persons may submit a current copy of an equivalent disclosure statement previously completed for a member Community Mental Health Service Program (CMHSP), provided the disclosure statement complies with the requirements of 42 CFR 455 Subpart B and the information disclosed remains accurate at the time of receipt by the LRE.

C. Addressing Financial Interests and Conflicts of Interest:

If the Board determines, by majority vote of disinterested members, that it may, with reasonable efforts, obtain a more advantageous transaction, arrangement, proceeding or other matter from another person or entity not involving the Interested Person, the Chief Executive Officer on behalf of the Board shall notify the Interested Person and may pursue such other transactions, arrangements, proceedings, or other matters or restrict the Interested Person's participation in the matter, as the Board determines appropriate.

D. Granting a Conflict-of-Interest Waiver:

If it is determined that it is not possible, with reasonable efforts, to obtain a more advantageous transaction, arrangement, proceeding or other matter from another person or entity not involving the Interested Person, and that the financial interest is not so substantial as to be likely to affect the integrity of the services which the Entity may expect from the Interested Person, the Board may vote to waive the potential Conflict of Interest and proceed with the proposed transaction, arrangement, proceeding or other matter and the Interested Person's participation in the matter. A Conflict-of-Interest Waiver shall be made in writing and signed by the Chairperson of the Board and the Chief Executive Officer.

The Conflict-of-Interest waiver may restrict the Interested Person's participation in the matter to the extent deemed necessary by the Board. Further, the Conflict-of-Interest waiver may cover all matters the Interested Person may undertake as part of his/her official duties with the Entity, without specifically enumerating such duties. All Conflict-of-Interest Waivers shall be issued prior to the Interested Person's participation in any transaction, arrangement, proceeding or other matter on behalf of the Entity.

1. Factors for Consideration When Granting a Waiver:

In making a determination as to whether a Financial Interest is substantial enough to be likely to affect the integrity of the Interested Person's services to the Entity, the following shall be considered, as applicable.

The type of interest that is creating the disqualification (e.g. stock, bonds, real estate, cash payment, job offer or enhancement of a spouse's employment);

- i. The identity of the person whose Financial Interest is involved, and if the interest does not belong directly to the Interested Person, the Interested Person's relationship to that person;
- ii. The dollar value of the disqualifying Financial Interest, if known and quantifiable (e.g., amount of cash payment, salary of job to be gained or lost, change in value of securities);
- iii. The value of the financial instrument or holding from which the disqualifying Financial Interest arises and its value in relationship to the individual's assets;
- iv. The nature and importance of the Interested Person's role in the matter, including the level of discretion which the Interested Person may exercise in the matter;
- v. The sensitivity of the matter;
- vi. The need for the Interested Person's services; and
- vii. Adjustments which may be made in the Interested Person's duties that would eliminate the likelihood that the integrity of the Interested Person's services would be questioned by a reasonable person.

2. Compensation Committees

- i. A voting member of the Board or any Board committee whose scope of authority includes compensation matters and who receives compensation, directly or indirectly, from the LRE, is precluded from voting on matters pertaining to their own compensation from the LRE.
- ii. No voting member of the Board or any Board committee whose scope of authority includes compensation matters and who receives compensation, directly or indirectly, from the LRE, is prohibited, individually or as part of a group, from providing information to the Board or any committee regarding compensation.

3. Waivers Supported by Michigan Law:

Michigan law specifically provides support for granting a waiver of a Conflict of Interest arising under the following Conflict of Interest exception scenarios:

- i. A community mental health services program ("CMHSP") Board member may be a party to a contract with a CMHSP or administer or financially benefit from that contract, if the contract is between the CMHSP and the Entity;
- ii. A CMHSP Board member may also be a member of the Entity Board, even if the Entity has a contract with the CMHSP;
- iii. A CMHSP Board may approve a contract with the Entity, if a CMHSP Board member is also an employee or independent contractor of the Entity; and

- iv. CMHSP public officers (e.g., Board members, officers, executives and employees) may also be Board members, officers, executives and employees of the Entity, even if the Entity contracts with the CMHSP, subject to any prohibition imposed by the Michigan Department of Health and Human Services (MDHHS) in that regard.

E. Records of Proceeding

The minutes of the Board and all committees with Board-delegated powers shall contain:

1. The names of Covered Persons who disclosed or otherwise were found to have a Financial Interest, the nature of the Financial Interest, any due diligence investigation of the Financial Interest and potential Conflict of Interest, and the Board's decision with regard to the matter. If a written waiver of a Conflict of Interest is granted, a copy of the written waiver shall be attached to the minutes of the meeting at which it was granted.
2. The names of all persons who were present for discussion and votes related to the transaction or arrangement involved in the Financial Interest, a summary of the content of the discussion, including any alternatives proposed to the transaction or arrangement, and a record of any vote taken in connection with the matter.
3. If waiver of a Conflict of Interest is granted, the waiver shall be in writing and shall be signed by the Chairperson of the Board and the Chief Executive Officer. In the case of the Chairperson of the Board the Vice Chairperson and the Chief Executive Officer, and the Waiver shall describe the Financial Interest, the proceeding, transaction or matter to which the Financial Interest applies, the Interested Person's role in the proceeding, transaction or matter, and any restriction on the Interested Person's participation in the proceeding, transaction or matter.

F. Reporting to the State:

The LRE will promptly notify the Michigan Department of Health and Human Services (MDHHS) Division of Program Development, Consultation and Contracts, Behavioral Health and Developmental Disabilities Administration (BHDDA) if:

1. Any disclosures are made by providers with regard to the ownership or control by a person that has been convicted of a criminal offense described under sections 1128(a) and Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program 29 1128(b)(1), (2), or (3) of the Act, or that have had civil money penalties or assessments imposed under section 1128A of the Act. (See 42 CFR 1001.1001 (a)(1): or
2. Any staff member, director, or manager of the PIHP, individual with beneficial ownership of five percent or more, or an individual with an employment, consulting, or other arrangement with the PIHP has been convicted of a criminal offense described under sections 1128(a) and 1128(b)(1), (2), or (3) of the Act, or that have had civil money penalties or assessments imposed under section 1128A of the Act. (See 42 CFR 1001.1001(a)(1))

G. Policy Enforcement

1. if the Board has reasonable cause to believe that a Covered Person has failed to disclose actual or potential Financial Interests or Conflicts of Interest, the Board shall inform the involved Covered Person of the basis for such belief and afford the Covered Person an opportunity to explain the alleged failure to disclose.
2. If, after hearing the Covered Person's response and after making such further investigation as may be required, the Board determines that the Covered Person has in fact failed to disclose and actual or potential Financial Interest or Conflict of Interest, the Board shall take appropriate corrective action.

III. CHANGE LOG

Date of Change	Description of Change	Responsible Party
6/25	NEW Procedure	Chief Executive Officer

Lakeshore Regional Entity Board Financial Officer Report for June 2025 6/25/2025

- **Disbursements Report** – A motion is requested to approve the May 2025 disbursements. A summary of those disbursements is included as an attachment.
- **Statement of Activities** – Report through April is included as an attachment.
- **LRE Combined Monthly FSR** – The April 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 April of \$7.4 million, a projected annual **surplus** of \$2.1 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 \$10.7 million and CMH of Ottawa with a deficit of \$577 thousand. HealthWest, OnPoint, 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 April 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 \$3.8 million (excluding LRE activity), which is the responsibility of the CCBHCs and not the PIHP. A projected **surplus** of \$1.9 million and a budgeted **deficit** of \$1.3 million is shown.

- **Cash Flow Issues** – Network180 reported cash flow issues several times within the year. LRE has extended several cash advances to Network180 and is having ongoing discussions with Network180 on how to address the cash flow issues. The majority of the cash advances have been repaid by Network180 by offsetting the FY24 Cost Settlement that was paid by LRE to Network180. \$2 million is left outstanding in cash advances to Network180 and is to be repaid before the end of FY25. Network180 has informed LRE that they do not anticipate having further cash flow issues for the remainder of FY25.

- FY 2025 Revenue Projections** – The FY25 May revenue projection includes the Rate Amendment 3 update. This update applies new rates for the following three increments: October 2024, Nov-Dec 2024, and Jan- Sep 2025. The Rate Amendment 3 update increased revenue projections \$13.57 million. This includes \$3.8 millions for MCD-MH, a decrease of \$214 K for MCD-SUD, an increase of \$2.4 million attributable to HMP-MH, a decrease of \$123 K for HMP-SUD, almost \$7 million for Autism and \$708k for Waivers. Additionally, according to Appendix 1 provided by Milliman the revenue waterfall increase should be about 5% per month from \$33.8 Million to \$33.5 Million. We calculated 3.1% increase for members in the latest projection. Here is a comparison of what Milliman used as enrollment numbers per Appendix 1 provided my Milliman as compared what is reflected in the LRE Finance Eligibility dashboard as of 6/12/25: Numbers reflect May data, in Appendix 1 they used straight line numbers. DAB- 50,500 App 1 – 50,213 LRE, HMP-68,500 App 1-65,125 LRE, TANF-146,800 App 1-141,000. Here is a summary of the revenue projections reflected below:

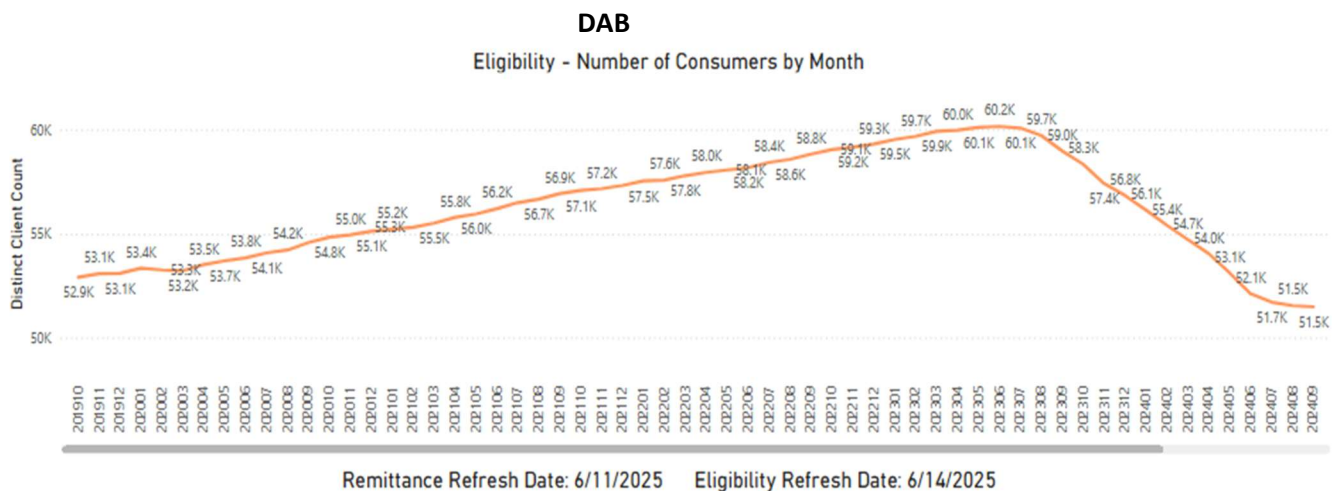
FY 2025 Revenue Projection									
Total LRE					CMHSPs Breakdown (Net of CCBHC)				
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change			FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change	
MCD - MH	\$ 208,240,822	\$ 209,051,389	\$ 810,567	0.39%		MCD - MH			
MCD - SUD	\$ 8,162,709	\$ 7,483,907	\$ (678,802)	-8.32%	OnPoint	\$ 16,864,811	\$ 16,510,266	\$ (354,544)	
HMP - MH	\$ 17,311,272	\$ 20,377,954	\$ 3,066,682	17.71%	Healthwest	\$ 40,261,507	\$ 41,151,855	\$ 890,348	
HMP - SUD	\$ 11,157,718	\$ 11,176,794	\$ 19,076	0.17%	Network180	\$ 109,602,547	\$ 108,705,527	\$ (897,020)	
Autism	\$ 47,599,001	\$ 62,113,113	\$ 14,514,112	30.49%	Ottawa	\$ 28,657,374	\$ 29,689,068	\$ 1,031,694	
Waiver	\$ 56,582,505	\$ 57,041,749	\$ 459,243	0.81%	West Michigan	\$ 12,854,583	\$ 12,994,672	\$ 140,089	
SUDHH	\$ -	\$ 9,914	\$ 9,914		Total MCD - MH	\$ 208,240,822	\$ 209,051,389	\$ 810,567	
SUDHH - LRE Admin	\$ -	\$ 2,479	\$ 2,479						
CCBHC MCD Base Cap	\$ 23,389,790	\$ 27,117,418	\$ 3,727,628	15.94%		MCD - SUD			
CCBHC HMP Base Cap	\$ 6,046,769	\$ 6,854,550	\$ 807,782	13.36%	OnPoint	\$ 653,507	\$ 583,530	\$ (69,977)	
CCBHC MCD Supplemental	\$ 34,550,918	\$ 42,874,191	\$ 8,323,274	24.09%	Healthwest	\$ 1,657,313	\$ 1,522,900	\$ (134,413)	
CCBHC HMP Supplemental	\$ 9,822,186	\$ 12,877,961	\$ 3,055,775	31.11%	Network180	\$ 4,253,796	\$ 3,888,826	\$ (364,969)	
LRE Admin	\$ 13,922,556	\$ 13,922,556	\$ -	0.00%	Ottawa	\$ 1,057,081	\$ 989,549	\$ (67,531)	
ISF	\$ -	\$ -	\$ -		West Michigan	\$ 541,012	\$ 499,101	\$ (41,911)	
IPA	\$ 3,585,824	\$ 3,812,486	\$ 226,662	6.32%	Total MCD - SUD	\$ 8,162,709	\$ 7,483,907	\$ (678,802)	
Total Region	\$ 440,372,070	\$ 474,716,461	\$ 34,344,391	7.80%					
						HMP - MH			
Total CMHSPs					OnPoint	\$ 1,226,108	\$ 1,470,103	\$ 243,995	
					Healthwest	\$ 2,989,777	\$ 3,648,964	\$ 659,187	
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		Network180	\$ 9,632,693	\$ 11,007,674	\$ 1,374,981	
OnPoint	\$ 39,310,267	\$ 40,267,831	\$ 957,564	2.44%	Ottawa	\$ 2,793,323	\$ 3,328,965	\$ 535,642	
Healthwest	\$ 90,762,761	\$ 99,202,573	\$ 8,439,813	9.30%	West Michigan	\$ 669,371	\$ 922,247	\$ 252,876	
Network180	\$ 200,607,414	\$ 217,769,051	\$ 17,161,637	8.55%	Total HMP - MH	\$ 17,311,272	\$ 20,377,954	\$ 3,066,682	
Ottawa	\$ 59,198,098	\$ 64,988,222	\$ 5,790,124	9.78%					
West Michigan	\$ 32,985,149	\$ 34,751,262	\$ 1,766,113	5.35%		HMP - SUD			
Total CMHSPs	\$ 422,863,689	\$ 456,978,939	\$ 34,115,250	8.07%	OnPoint	\$ 805,992	\$ 828,087	\$ 22,095	
Average PHMP - Net of CCBHC Supplemental & SUDHH Revenue					Healthwest	\$ 1,996,379	\$ 2,089,524	\$ 93,145	
					Network180	\$ 6,176,263	\$ 5,974,299	\$ (201,964)	
					Ottawa	\$ 1,722,885	\$ 1,747,821	\$ 24,936	
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		West Michigan	\$ 456,198	\$ 537,062	\$ 80,864	
OnPoint	\$ 131.90	\$ 131.43	\$ (0.47)	-0.35%	Total HMP - SUD	\$ 11,157,718	\$ 11,176,794	\$ 19,076	
Healthwest	\$ 136.33	\$ 136.82	\$ 0.48	0.36%					
Network180	\$ 122.55	\$ 121.94	\$ (0.60)	-0.49%		Autism			
Ottawa	\$ 121.59	\$ 122.01	\$ 0.42	0.34%	OnPoint	\$ 4,198,155	\$ 5,164,290	\$ 966,135	
West Michigan	\$ 129.50	\$ 127.40	\$ (2.11)	-1.63%	Healthwest	\$ 9,643,002	\$ 12,489,875	\$ 2,846,872	
Total CMHSPs	\$ 126.27	\$ 125.89	\$ (0.38)	-0.30%	Network180	\$ 23,969,281	\$ 31,882,120	\$ 7,912,839	
					Ottawa	\$ 6,980,987	\$ 8,894,367	\$ 1,913,380	
					West Michigan	\$ 2,807,575	\$ 3,682,460	\$ 874,886	
					Total Autism	\$ 47,599,001	\$ 62,113,113	\$ 14,514,112	
Member Month Projection									
						Waiver			
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		OnPoint	\$ 6,363,966	\$ 6,418,979	\$ 55,013	
OnPoint	246,600	261,379	14,779						
Healthwest	568,250	597,668	29,417		Healthwest	\$ 12,978,790	\$ 13,175,267	\$ 196,477	
Network180	1,532,219	1,644,934	112,716		Network180	\$ 23,778,918	\$ 24,385,734	\$ 606,816	
Ottawa	444,895	467,621	22,726		Ottawa	\$ 9,457,872	\$ 9,341,166	\$ (116,706)	
West Michigan	205,608	215,457	9,850		West Michigan	\$ 4,002,959	\$ 3,720,604	\$ (282,356)	
					Total Waiver	\$ 56,582,505	\$ 57,041,749	\$ 459,243	

Here is the CCBHC breakdown. No updates for May.

CMHSPs Breakdown - SUDMH				
OnPoint	\$	-	\$	-
Healthwest	\$	-	\$	-
Network180	\$	-	\$	-
Ottawa	\$	-	9,914	9,914
West Michigan	\$	-	\$	-
Total Walver	\$	-	9,914	9,914

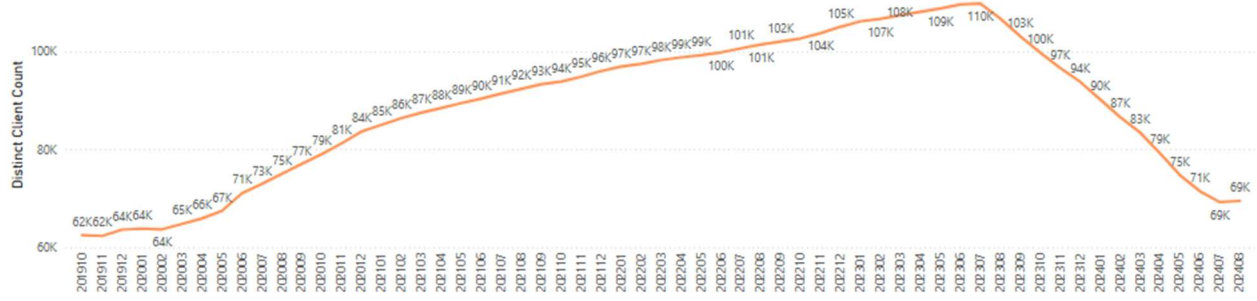
CMHSPs Breakdown - CCBHC				
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change	
MCD - CCBHC Base Capitation				
OnPoint	\$ 1,881,018	\$ 2,747,074	\$ 866,056	
Healthwest	\$ 6,336,673	\$ 6,135,958	\$ (200,715)	
Network180	\$ 8,529,158	\$ 12,033,749	\$ 3,504,591	
Ottawa	\$ 2,763,358	\$ 2,395,123	\$ (368,235)	
West Michigan	\$ 3,879,583	\$ 3,805,514	\$ (74,069)	
Total	\$ 23,389,790	\$ 27,117,418	\$ 3,727,628	
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	\$ 1,286,549	\$ (129,291)	
Total	\$ 6,046,769	\$ 6,854,550	\$ 807,782	
MCD - CCBHC Supplemental Revenue				
OnPoint	\$ 5,071,207	\$ 4,327,236	\$ (743,971)	
Healthwest	\$ 10,999,499	\$ 13,427,898	\$ 3,228,399	
Network180	\$ 10,891,851	\$ 13,708,391	\$ 3,016,540	
Ottawa	\$ 3,930,417	\$ 3,948,562	\$ 2,018,145	
West Michigan	\$ 4,657,943	\$ 5,462,104	\$ 804,161	
Total	\$ 34,550,918	\$ 42,874,191	\$ 8,323,274	
HMP - CCBHC Supplemental Revenue				
OnPoint	\$ 1,712,909	\$ 1,587,350	\$ (125,559)	
Healthwest	\$ 3,090,877	\$ 4,002,352	\$ 911,475	
Network180	\$ 2,145,946	\$ 3,471,379	\$ 1,325,433	
Ottawa	\$ 1,172,369	\$ 1,975,930	\$ 803,561	
West Michigan	\$ 1,700,084	\$ 1,840,949	\$ 140,865	
Total	\$ 9,822,186	\$ 12,877,961	\$ 3,055,775	

- 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 – May 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 ended in July 2024.



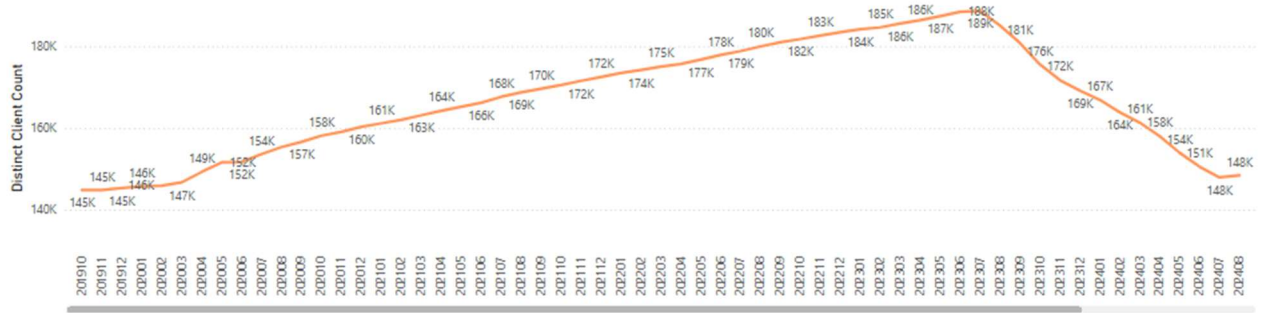
HMP

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 May 31, 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
	ISF LAPSE LITIGATION TOTAL	33,420.45
4/30/2022	BYLAWS/OPERATING AGREEMENT	5,700.00
7/28/2022	BYLAWS/OPERATING AGREEMENT	6,500.00
	BYLAWS/OPERATING AGREEMENT TOTAL	12,200.00
3/31/2025	STATE FAIR HEARINGS	10,710.00
	STATE FAIR HEARINGS SUPPORT TOTAL	10,710.00
11/30/2021	CCBHC SUPPORT	812.50
	CCBHC SUPPORT TOTAL	812.50
2/11/2022	GENERAL/OTHER	325.00
1/14/2023	GENERAL/OTHER	10,000.00
2/3/2023	GENERAL/OTHER	250.00
12/26/2023	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
4/6/2024	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
	GENERAL/OTHER TOTAL	96,075.00
10/31/2021	HEALTHWEST LITIGATION	5,368.74
3/31/2022	HEALTHWEST LITIGATION	2,016.00
4/30/2022	HEALTHWEST LITIGATION	9,888.80
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
	HEALTHWEST LITIGATION TOTAL	41,663.14
10/31/2021	MANAGED CARE/MCHHS CONTRACT	17,058.00
11/30/2021	MANAGED CARE/MCHHS CONTRACT	9,992.00
12/31/2021	MANAGED CARE/MCHHS CONTRACT	5,202.00
1/25/2022	MANAGED CARE/MCHHS CONTRACT	23,501.31
2/17/2022	MANAGED CARE/MCHHS CONTRACT	9,280.00
2/17/2022	MANAGED CARE/MCHHS CONTRACT	17,125.00
2/28/2022	MANAGED CARE/MCHHS CONTRACT	20,051.20
2/28/2022	MANAGED CARE/MCHHS CONTRACT	6,312.50
3/31/2022	MANAGED CARE/MCHHS CONTRACT	4,032.00
4/11/2022	MANAGED CARE/MCHHS CONTRACT	421.50
6/24/2022	MANAGED CARE/MCHHS CONTRACT	2,863.57
7/25/2022	MANAGED CARE/MCHHS CONTRACT	6,788.23
8/22/2022	MANAGED CARE/MCHHS CONTRACT	4,437.50
8/25/2022	MANAGED CARE/MCHHS CONTRACT	16,806.40
9/29/2022	MANAGED CARE/MCHHS CONTRACT	20,832.00
9/30/2022	MANAGED CARE/MCHHS CONTRACT	23,104.65
10/31/2022	MANAGED CARE/MCHHS CONTRACT	9,307.00
11/30/2022	MANAGED CARE/MCHHS CONTRACT	33,792.00
11/30/2022	EARLY PAYMENT DISCOUNT	(5,048.80)
12/31/2022	MANAGED CARE/MCHHS CONTRACT	31,494.10
1/31/2023	MANAGED CARE/MCHHS CONTRACT	25,683.40
2/28/2023	MANAGED CARE/MCHHS CONTRACT	7,472.40
3/31/2023	MANAGED CARE/MCHHS CONTRACT	3,371.20
4/30/2023	MANAGED CARE/MCHHS CONTRACT	16,563.20
5/31/2023	MANAGED CARE/MCHHS CONTRACT	5,928.00
6/30/2023	MANAGED CARE/MCHHS CONTRACT	12,537.60
7/31/2023	MANAGED CARE/MCHHS CONTRACT	7,768.80
7/31/2023	EARLY PAYMENT DISCOUNT	(1,321.04)
8/31/2023	MANAGED CARE/MCHHS CONTRACT	1,202.40
9/30/2023	MANAGED CARE/MCHHS CONTRACT	2,810.40
10/31/2023	MANAGED CARE/MCHHS CONTRACT	3,547.20
11/30/2023	MANAGED CARE/MCHHS CONTRACT	563.20
12/31/2023	MANAGED CARE/MCHHS CONTRACT	5,000.00
2/29/2024	MANAGED CARE/MCHHS CONTRACT	76.00
10/1/2024	MANAGED CARE/MCHHS CONTRACT - PHAP ISF	5,497.04
10/31/2024	MANAGED CARE/MCHHS CONTRACT - PHAP ISF	9,515.42
11/30/2024	MANAGED CARE/MCHHS CONTRACT - PHAP ISF	7,057.78
12/5/2024	MANAGED CARE/MCHHS CONTRACT - PHAP ISF	1,948.57
	MANAGED CARE/MCHHS CONTRACT TOTAL	379,453.95
2/28/2023	NETWORK 180 LITIGATION	2,674.00
3/31/2023	NETWORK 180 LITIGATION	26,167.33
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
	NETWORK 180 LITIGATION TOTAL	54,028.53
	GRAND TOTAL	\$ 618,563.57



BOARD ACTION REQUEST
Subject: May 2025 Disbursements

Meeting Date: June 25, 2025

RECOMMENDED MOTION:

To approve the May 2025 disbursements of \$47,935,780.26 as presented.

SUMMARY OF REQUEST/INFORMATION:

<u>Disbursements:</u>	
Allegan County CMH	\$3,686,230.29
Healthwest	\$10,020,152.08
Network 180	\$23,547,982.40
Ottawa County CMH	\$5,439,888.94
West Michigan CMH	\$3,522,674.72
SUD Prevention Expenses	\$318,170.84
Local Match Payment	\$251,887.00
SUD Public Act 2 (PA2)	\$249,242.57
Administrative Expenses	\$899,551.42
Total:	\$47,935,780.26

97.08% of Disbursements were paid to Members and SUD Prevention Services.

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

STAFF: Stacia Chick
DATE: 6/18/2025



Budget Proposal Summary
Fiscal Year Ending 9/30/2025

	FY 2024/2025	FY 2024/2025	Increase /	Change
	Amendment 1	Amendment 2	(Decrease)	%
	Budget	Budget		
Revenue				
Regional Operating Revenue				
Mental Health State Plan & 1915(i)	\$ 218,502,897	\$ 226,786,431	\$ 8,283,535	3.8%
Habilitation Supports Waiver (HSW)	52,113,196	52,493,260	380,063	0.7%
Children's Waiver	3,593,149	3,901,648	308,500	8.6%
SED Waiver	639,628	646,841	7,213	1.1%
DHS Incentive Payment	471,247	471,247	-	0.0%
Autism Revenue	51,999,100	62,113,113	10,114,013	19.5%
Mental Health Healthy Michigan	16,986,744	20,377,954	3,391,210	20.0%
Mental Health Block Grant - Veteran Navigator	124,825	124,825	-	0.0%
Block Grants - Hisp BH, Native Am, Tob, Clubhse, BH				
Workforce Stab., ARPA	510,539	504,434	(6,105)	-1.2%
Substance Use Gambling, ARPA & DFC	1,042,317	739,686	(302,631)	-29.0%
Substance Use State Plan	7,719,684	7,483,907	(235,777)	-3.1%
Substance Use Healthy Michigan	10,864,981	11,176,794	311,813	2.9%
Substance Use Block, State Opioid Response, COVID-19	10,521,579	10,397,116	(124,463)	-1.2%
Performance Bonus Incentive Pool	2,819,234	2,648,663	(170,571)	-6.1%
CCBHC Quality Bonus Incentive	1,745,775	1,745,775	-	0.0%
Substance Use PA2 Liquor Tax	4,449,350	6,857,246	2,407,896	54.1%
Medicaid CCBHC Base Capitation	28,904,608	27,117,418	(1,787,190)	-6.2%
Healthy Michigan CCBHC Base Capitation	7,837,590	6,854,550	(983,039)	-12.5%
Medicaid CCBHC Supplemental	42,474,023	42,874,191	400,168	0.9%
Healthy Michigan CCBHC Supplemental	12,735,147	12,877,961	142,814	1.1%
Health Homes (BHH, SUDHH)	35,500	12,392	(23,108)	-65.1%
CCBHC General Funds	-	-	-	0.0%
Hospital Rate Adjuster (HRA)	18,820,061	22,574,944	3,754,883	20.0%
Interest Earnings	1,354,059	1,495,016	140,957	10.4%
Member Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Miscellaneous Revenue	5,500	5,500	-	0.0%
Total Revenue	\$ 497,278,280	\$ 523,288,461	\$ 26,010,181	
Expense				
Regional Operating Expenses				
Administration expense	\$ 13,922,557	\$ 13,922,556	\$ (0)	0.0%
Block Grants - Clubhse/Veterans/Hisp/Tob Cess/NatAm/BH Workforce Stab/BHH Expansion	670,864	629,259	(41,605)	-6.2%
SUD Treatment Expenses - Grants	1,138,436	914,280	(224,156)	-19.7%
SUD Prevention Expenses - Grants & PA2	3,690,120	3,639,433	(50,687)	-1.4%
Hospital Rate Adjustment / Taxes	22,540,168	26,387,430	3,847,262	17.1%
Operating Expense - Member Payments	454,308,587	476,787,954	22,479,367	4.9%
Contribution to ISF/Savings	-	-	-	0.0%
Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Total Expense	\$ 497,278,280	\$ 523,288,461	\$ 26,010,181	
Revenue Over/(Under) Expense	(0)	(0)		



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

As of Date: 4/30/25

	Year Ending 9/30/2025	4/30/2025		
	FY25 Budget <u>Amendment 1</u>	Budget to Date	Actual	Actual to Budget Variance
Operating Revenues				
Medicaid, HSW, SED, & Children's Waiver	282,568,553	164,831,656	160,157,375	(4,674,280)
DHS Incentive	471,247	274,894	118,606	(156,288)
Autism Revenue	51,999,100	30,332,808	33,762,159	3,429,351
Healthy Michigan	27,851,725	16,246,840	19,253,550	3,006,710
Performance Bonus Incentive	2,819,234	1,644,553	(60,794)	(1,705,348)
CCBHC Quality Bonus Incentive	1,745,775	1,018,369	-	(1,018,369)
Hospital Rate Adjuster (HRA)	18,820,061	10,978,369	11,287,472	309,103
Member Local Contribution to State Medicaid	1,007,548	587,736	587,736	(0)
Medicaid CCBHC Base Capitation	28,904,608	16,861,021	15,589,886	(1,271,135)
Healthy Michigan CCBHC Base Capitation	7,837,590	4,571,928	3,973,307	(598,620)
Medicaid CCBHC Supplemental Revenue	42,474,023	24,776,513	19,727,405	(5,049,108)
Healthy MI CCBHC Supplemental Revenue	12,735,147	7,428,836	9,606,490	2,177,654
Health Homes (BHH/SUDHH)	35,500	20,708	3,280	(17,428)
MDHHS Grants	12,072,309	7,042,180	5,239,197	(1,802,983)
PA 2 Liquor Tax	4,449,350	2,595,454	2,098,086	(497,368)
Non-MDHHS Grants: DFC	126,951	74,055	81,492	7,438
Interest Earnings	1,354,059	789,868	765,400	(24,468)
Miscellaneous Revenue	5,500	3,208	-	(3,208)
Total Operating Revenues	497,278,280	290,078,997	282,190,649	(7,888,348)
Expenditures				
Salaries and Fringes	5,914,796	3,450,298	2,723,292	(727,005)
Office and Supplies Expense	259,081	151,131	125,137	(25,994)
Contractual and Consulting Expenses	861,171	502,350	315,361	(186,989)
Managed Care Information System (PCE) *	365,200	213,033	159,783	(53,250)
Legal Expense *	210,000	122,500	102,436	(20,064)
Utilities/Conferences/Mileage/Misc Exps	6,312,309	3,682,180	(65,987)	(3,748,168)
Grants - MDHHS & Non-MDHHS	670,864	391,337	432,366	41,029
Hospital Rate Adjuster / Taxes	22,540,168	13,148,431	13,721,698	573,266
Prevention Expenses - Grant & PA2	3,690,120	2,152,570	1,760,991	(391,579)
SUD Treatment Expenses - Grants	1,138,436	664,088	196,300	(467,788)
CCBHC Quality Bonus Incentive	1,745,775	1,018,369	-	(1,018,369)
Member Payments - Medicaid/HMP	349,352,581	203,789,006	205,807,049	2,018,043
Member Payments - CCBHC Capitation	36,742,198	21,432,949	19,563,193	(1,869,755)
Member Payments - CCBHC Supplemental	55,209,170	32,205,349	30,769,861	(1,435,488)
Member Payments - PA2 Treatment	2,923,039	1,705,106	1,723,299	18,193
Member Payments - Grants	8,335,824	4,862,564	4,088,432	(774,132)
Local Contribution to State Medicaid	1,007,548	587,736	587,736	(0)
Total Expenditures	497,278,280	290,078,997	282,010,947	(8,068,049)
Total Change in Net Assets	-	-	179,702	179,702

* 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 April 30, 2025

As of Date: 4/30/25

Operating Revenues

Medicaid/HSW/SED/CWP	Current projections reflect a decrease. Adjustments will be made during the next amendment.
DHS Incentive	This revenue is received quarterly beginning in April.
Autism Revenue	Current projections reflect an increase. Adjustments will be made during the next amendment.
Healthy Michigan	Current projections reflect an increase. Adjustments will be made during the next amendment.
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	N/A - Closely aligned with the current budget projections.
Member Local Match Revenue	N/A - Closely aligned with the current budget projections.
Medicaid CCBHC Base Capitation	Current projections reflect a decrease. Adjustments will be made during the next amendment.
Healthy MI CCBHC Base Capitation	Current projections reflect a decrease. Adjustments will be made during the next amendment.
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. Additional quarter 2 payments are pending receipt.
Non-MDHHS Grants: DFC	Slightly over target. Prior year carryover funds applied.
Interest Revenue	Additional interest received for deposits and CD re-investments. Adjustments will be made during the next amendment.
Miscellaneous Revenue	Revenue may be received throughout the year, but the budgeted amount is not guaranteed.

Expenditures

Salaries and Fringes	Some expenses in this category will occur later in the fiscal year. Vacant or unfilled positions. Others will be monitored for future amendment.
Office and Supplies	Some expenses are planned for later in the fiscal year and some adjustments will be made during the next amendment.
Contractual/Consulting	Some expenses are planned for later in the fiscal year and some adjustments will be made during the next amendment.
Managed Care Info Sys	Some expenses are planned for later in the fiscal year. Other adjustments will be made during the next amendment.
Legal Expense	Under current projections. Expenses will be monitored for potential changes during the next amendment.
Utilities/Conf/Mileage/Misc	This line item includes the LRE's contingency fund and will be monitored for adjustments during the next amendment. Admin reallocation not yet completed for January.
Grants - MDHHS & Non-MDHHS	Some COVID/ARPA MDHHS grants were paused/terminated as of 3/31/25 and final billing/payment have been done. Adjustments to budget will be done.
HRA/Taxes	IPA & HRA taxes are paid quarterly. First and second quarter HRA payments delayed, pending CMS approval
Prevention Exps - Grant/PA2	MDHHS SUD grant payments are made quarterly.
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	Current projections reflect a decrease. Adjustments will be made during the next amendment.
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. Spending is based on projections and will be monitored for amendments.
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.



DRAFT ONLY - NOT ACCEPTED AS FINAL

Includes Medicaid, Autism and Healthy Michigan activity only.
Does not include Grant, General Funds, Local or other funding.

Lakeshore Regional Entity Combined Monthly FSR Summary
FY 2025
April 2025 Reporting Month
Reporting Date: 6/16/25

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP Revenue	41,137,694	103,236,812	17,665,642	30,434,699	12,645,297	6,205,012	211,325,157
Total Capitated Expense	38,251,667	113,928,685	17,303,019	31,012,166	11,995,649	6,205,012	218,696,199
Actual Surplus (Deficit)	2,886,027	(10,691,872)	362,623	(577,468)	649,648	-	(7,371,043)
% Variance	7.02%	-10.36%	2.05%	-1.90%	5.14%	0.00%	
Information regarding Actual (Threshold: Surplus of 5% and deficit of 1%)	HW is seeing a 9.3% 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.	Less than threshold for explanation.	Trending increases in contracted services, in particular specialized residential and ABA services.	WM surplus is related to delay in filling open positions.	Less than threshold for explanation.	
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
LRE Revenue Projections as of:							
May							
Total Projected Medicaid/HMP Revenue	74,078,385	185,844,181	30,975,255	53,990,936	22,356,147	13,922,556	381,167,461
	(0)	-	0	0	-	-	-
Total Capitated Expense Projections	65,574,287	193,205,306	30,052,807	54,961,789	21,363,297	13,922,556	379,080,041
Projected Surplus (Deficit)	8,504,098	(7,361,125)	922,448	(970,852)	992,850	-	2,087,420
% Variance	11.48%	-3.96%	2.98%	-1.80%	4.44%	0.00%	
Information regarding Projections (Threshold: Surplus of 5% and deficit of 1%)	HW is seeing a 9.3% 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	Less than threshold for explanation.	Less than threshold for explanation.	
PROPOSED SPENDING PLAN:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Submitted to the LRE as of:							
11/13/2024							
11/15/2024							
11/18/2024							
4/10/2025							
11/15/2024							
Total Budgeted Medicaid/HMP Revenue	70,516,979	172,798,914	29,463,833	48,246,034	21,363,297	13,922,556	356,311,612
Total Budgeted Capitated Expense	68,930,569	172,798,914	29,731,448	48,308,763	21,363,297	13,922,556	355,055,547
Budgeted Surplus (Deficit)	1,586,410	0	(267,615)	(62,729)	-	-	1,256,066
% Variance	2.25%	0.00%	-0.91%	-0.13%	0.00%	0.00%	
Information regarding Spending Plans (Threshold: Surplus of 5% and deficit of 1%)	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.	
Variance between Projected and Proposed							
Spending Plan	6,917,688	(7,361,125)	1,190,063	(908,123)	992,850	-	831,354
% Variance	9.81%	-4.26%	4.04%	-1.88%	4.65%	0.00%	
Explanation of variances between Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%)	HW is seeing a 9.3% in revenue.	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	Less than threshold for explanation.	Less than threshold for explanation.	

Lakeshore Regional Entity Combined Monthly FSR Summary
FY 2025
April 2025 Reporting Month
Reporting Date: 6/16/25

CCBHC ACTIVITY							
	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
ACTUAL:							
Total Distributed Medicaid/HMP CCBHC Revenue	15,456,982	20,222,565	5,117,203	4,432,720	7,179,168	629,498	53,014,357
Total CCBHC Expense	15,789,245	16,525,807	4,931,276	4,098,882	7,280,957	72,411	48,698,579
Actual CCBHC Surplus (Deficit)*	(332,263)	3,696,757	185,927	333,838	(101,790)	557,087	4,315,778
% Variance	-2.15%	18.28%	3.63%	7.53%	-1.42%	88.50%	
Information regarding CCBHC Actual (Threshold: Surplus of 5% and deficit of 1%)	HW has been able to start to see the positive results of our QI project regarding CCBHC (and CMH) productivity.	Network180 has seen increases in daily visits that are closer to original projections, leading to a YTD surplus.	Less than threshold for explanation.	Projecting a surplus of CCBHC for FY25 at this time.	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.	
PROJECTION:							
Total Projected Medicaid/HMP CCBHC Revenue	25,124,188	31,924,870	9,292,576	10,987,372	12,395,115	1,079,139	90,773,044
Total CCBHC Expense Projections	27,067,277	28,729,137	8,675,686	10,301,416	13,986,304	124,133	88,883,953
Projected CCBHC Surplus (Deficit)*	(1,943,089)	3,195,733	616,890	685,956	(1,591,189)	955,006	1,889,091
% Variance	-7.73%	10.01%	6.64%	6.24%	-12.84%	88.50%	
Information regarding CCBHC Projections (Threshold: Surplus of 5% and deficit of 1%)	HW has been able to start to see the positive results of our QI project regarding CCBHC (and CMH) productivity.	Actual experience has shifted our daily visit projections for the year, which shifts capitation dollars to CCBHC.	Increase is due to increased daily visit projections.	Projecting a surplus of CCBHC for FY25 at this time.	WM is expecting a shortfall in CCBHC based on the current PPS1 rates.		
PROPOSED SPENDING PLAN:							
Submitted to the LRE as of:	11/13/2024	11/15/2024	11/18/2024	4/10/2025	11/15/2024		
Total Budgeted Medicaid/HMP CCBHC Revenue	25,124,188	35,460,199	9,075,362	14,296,954	12,395,116	1,079,139	97,430,958
Total Budgeted CCBHC Expense	25,947,194	35,439,088	8,900,770	14,296,954	13,986,304	124,133	98,694,443
Budgeted Surplus (Deficit)*	(823,006)	21,111	174,592	-	(1,591,188)	955,006	(1,263,485)
% Variance	-3.28%	0.06%	1.92%	0.00%	-12.84%	88.50%	
Information regarding CCBHC Spending Plans (Threshold: Surplus of 5% and deficit of 1%)	Based on historical, HW planned a negative variance.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	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.	
Variance between CCBHC Projected and Proposed Spending Plan							
% Variance	(1,120,083)	3,174,622	442,298	685,956	(1)	-	3,152,576
	-4.46%	8.95%	4.87%	4.80%	0.00%	0.00%	
Explanation of variances between CCBHC Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%)	HW has been able to start to see the positive results of our QI project regarding CCBHC (and CMH) productivity.	Actual experience has shifted our daily visit projections for the year, which shifts capitation dollars to CCBHC.	Less than threshold for explanation.	Less than threshold for explanation.	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)

April 2025 Reporting Month

Reporting Date: 6/16/25

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	444,747	(7,549,721)	(1,275,274)	(1,372,107)	(601,017)	(10,353,372)
Autism	2,441,279	(3,142,151)	1,637,897	794,640	1,250,665	2,982,330
Total Distributed Medicaid/HMP Revenue	2,886,027	(10,691,872)	362,623	(577,468)	649,648	(7,371,043)
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	3,492,961	(13,360,948)	(2,351,266)	(2,389,466)	(1,623,550)	(16,232,270)
Autism	5,011,138	5,999,824	3,273,714	1,418,614	2,616,400	18,319,690
Total Distributed Medicaid/HMP Revenue	8,504,098	(7,361,125)	922,448	(970,852)	992,850	2,087,420