

NOTICE OF PUBLIC HEARING 2025-2026  
OPERATING BUDGET

August 27, 2025, 11:00 AM  
GVSU Muskegon Innovation Hub  
200 Viridian Dr, Muskegon, MI 49440

1. Welcome and Opening Comments – Ms. Gardner
2. Public Comment (Agenda Items)
3. FY2026 Annual Budget Hearing – Stacia Chick
4. Public Comment

NOTICE OF PUBLIC HEARING 2025-2026  
OPERATING BUDGET  
Lakeshore Regional Entity

The Lakeshore Regional Entity Board of Directors will hold a public hearing on the proposed 2025-2026 operating budget for the Region 3 Prepaid Inpatient Health Plan (PIHP) Agency. The Hearing will be held on September 24, 2025, at 11:00 A.M. at Muskegon Innovation Hub at Grand Valley State University (200 Viridian Dr., Muskegon, MI 49440) and also virtually via video/audioconference:

Teleconference number: 646-558-8656  
Meeting ID: 815 1545 5064  
Passcode: 149832

The proposed budget will be available at the Lakeshore Regional Entity public website [www.lsre.org](http://www.lsre.org). Any person wishing to make comments on the proposed budget, to be heard by the Lakeshore Regional Entity Board of Directors, may attend the aforementioned meeting.

Upon completion of the public hearing, the Lakeshore Regional Entity Board of Directors will consider the proposed 2025-2026 operating budget, including any changes thereto, prior to making formal approval at the Board of Directors meeting on September 24, 2025, at 1:00 P.M.



**Budget Proposal Summary**  
Fiscal Year Ending 9/30/2026

	FY 2024/2025	FY 2025/2026		
	Initial	Initial	Increase /	Change
	Budget	Budget	(Decrease)	%
<b>Revenue</b>				
Regional Operating Revenue				
Mental Health State Plan & 1915(i)	\$ 225,749,203	\$ 271,908,028	\$ 46,158,825	20.4%
Habilitation Supports Waiver (HSW)	51,729,665	52,777,990	1,048,325	2.0%
Children's Waiver	3,180,212	1,997,736	(1,182,476)	-37.2%
SED Waiver	1,672,628	651,737	(1,020,892)	-61.0%
DHS Incentive Payment	471,247	471,247	-	0.0%
Autism Revenue	47,599,001	62,742,617	15,143,616	31.8%
Mental Health Healthy Michigan	17,311,272	28,140,917	10,829,645	62.6%
Mental Health Block Grant - Veteran Navigator	110,000	139,241	29,241	26.6%
Block Grants - Hisp BH, Native Am, Tob, Clubhse, BH				
Workforce Stab., ARPA	513,800	445,800	(68,000)	-13.2%
Substance Use Gambling, ARPA & DFC	1,040,366	250,000	(790,366)	-76.0%
Substance Use State Plan	8,162,709	5,407,019	(2,755,690)	-33.8%
Substance Use Healthy Michigan	11,157,718	10,546,519	(611,199)	-5.5%
Substance Use Block, State Opioid Response	9,328,394	9,655,479	327,085	3.5%
Performance Bonus Incentive Pool	2,819,234	2,648,663	(170,571)	-6.1%
CCBHC Quality Bonus Incentive	1,745,775	-	(1,745,775)	-100.0%
Substance Use PA2 Liquor Tax	3,996,264	4,490,548	494,284	12.4%
Medicaid CCBHC Base Capitation	23,389,790	-	(23,389,790)	-100.0%
Healthy Michigan CCBHC Base Capitation	6,046,769	-	(6,046,769)	-100.0%
Medicaid CCBHC Supplemental	34,550,918	-	(34,550,918)	-100.0%
Healthy Michigan CCBHC Supplemental	9,822,186	-	(9,822,186)	-100.0%
Health Homes (BHH, SUDHH)	-	54,672	54,672	0.0%
CCBHC General Funds	-	-	-	0.0%
Hospital Rate Adjuster (HRA)	18,820,061	23,383,692	4,563,631	24.2%
Interest Earnings	1,354,059	1,365,174	11,115	0.8%
Member Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Miscellaneous Revenue	5,500	5,500	-	0.0%
<b>Total Revenue</b>	<b>\$ 481,584,318</b>	<b>\$ 478,090,127</b>	<b>\$ (3,494,191)</b>	
<b>Expense</b>				
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	623,800	585,041	(38,759)	-6.2%
SUD Treatment Expenses - Grants	1,039,978	998,463	(41,515)	-4.0%
SUD Prevention Expenses - Grants & PA2	2,589,809	3,231,058	641,249	24.8%
Hospital Rate Adjustment / Taxes	22,405,885	27,160,236	4,754,351	21.2%
Operating Expense - Member Payments	439,994,741	431,185,225	(8,809,516)	-2.0%
Contribution to ISF/Savings	-	-	-	0.0%
Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
<b>Total Expense</b>	<b>\$ 481,584,318</b>	<b>\$ 478,090,127</b>	<b>\$ (3,494,190)</b>	
<b>Revenue Over/(Under) Expense</b>	<b>(0)</b>	<b>(0)</b>		