
Meeting Agenda
BOARD OF DIRECTORS
Lakeshore Regional Entity
September 24, 2025 – 1:00 PM
GVSU Muskegon Innovation Hub
200 Viridian Dr, Muskegon, MI 49440

1. Welcome and Introductions – Ms. Gardner
2. Roll Call/Conflict of Interest Question – Ms. Gardner
3. Public Comment (Limited to agenda items only)
4. Consent Items:
Suggested Motion: To approve by consent the following items.
 - September 24, 2025, Board of Directors meeting agenda (*Attachment 1*)
 - August 27, 2025, Board of Directors meeting minutes (*Attachment 2*)
5. Community Advisory Panel (CAP) (*Attachment 3*)
6. Reports –
 - a. CEO – Ms. Marlatt-Dumas (*Attachment 4*)
 - b. LRE Leadership – (*Attachment 5*)
7. Chairperson’s Report – Ms. Gardner (*Attachments 6*)
 - a. September 18, 2025, Executive Committee
8. Action Items –
 - a. 2025/2025 Slate of Officers (*Attachment 7*)
Suggested Motion: To approve appointment of the following Board Directors to serve for a 1-year term as the 2025/2026 LRE Board slate of officers.
 - Chairperson:
 - Vice Chairperson:
 - Secretary:
 - b. Executive Committee Members
Suggested Motion: To approve appointment of the following Board Directors to serve for a 1-year term on the LRE Board Executive Committee.
 - c. Community Advisory Panel (CAP) New Member (*Attachment 8*)
Suggested Motion: To approve appointment of Demario P. to the LRE CAP as recommended by the LRE CAP.

- d. PIHP/CMHSP Contract
Suggested Motion: To approve LRE CEO to execute the PIHP/CMHSP contract extension amendment.
 - e. FY2026 LRE Contracts (*Attachment 9*)
Suggested Motion: To approve LRE CEO to fully execute contracts to allocate funds for the purposes and amounts defined in Attachment 9.
9. Financial Report and Funding Distribution – Ms. Chick (*Attachment 10*)
- a. FY2025, August Funds Distribution (*Attachment 11*)
Suggested Motion: To approve the FY2025, August Funds Distribution as presented.
 - b. FY2025 Budget Amendment (*Attachment 12*)
Suggested Motion: To approve the budget amendment #3 to the FY25 budget as presented.
 - c. FY26 Budget (*Attachment 13*)
Suggested Motion: To approve the FY26 Budget as presented.
 - d. Statement of Activities as of 7/31/2025 with Variance Reports (*Attachment 14*)
 - e. Monthly FSR (*Attachment 15*)
10. Board Member Comments
11. Public Comment
12. Upcoming LRE Meetings
- October 15, 2025 – Executive Committee, 1:00PM
 - October 22, 2025 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
 - October 22, 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

August 27, 2025 – 1:00 PM

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

WELCOME AND INTRODUCTIONS – Ms. Gardner

Ms. Gardner called the August 27, 2025, LRE Board meeting to order at 1:01 PM.

Ms. Gardner introduces and welcomes new LRE Board Member Mr. Bob Davis, appointed by Ottawa County CMH.

Ms. Linda Dunmore has resigned from the LRE Board. Ms. Gardner and the rest of the Board wish Ms. Dunmore the best and thank her for her participation on the LRE Board.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Ms. Gardner

In Attendance: Jon Campbell, Bob Davis, Patricia Gardner, Janice Hilleary, Richard Kanten, Alice Kelsey, Dave Parnin, Stan Stek, Jim Storey, Andrew Sebolt, Janet Thomas, Craig Van Beek

Online: Ron Bacon

Absent: O’Nealya Gronstal, Stan Stek

PUBLIC COMMENT

NA

CONSENT ITEMS:

LRE 25-24 Motion: To approve by consent the following items.

- August 27, 2025, Board of Directors meeting agenda
- July 23, 2025, Board of Directors meeting minutes

Moved: Janet Thomas Support: Jim Storey

MOTION CARRIED

LEADERSHIP BOARD REPORTS

- a. LRE Leadership Report – Stephanie VanDerKooi
PowerPoint is included in the Board packet for information.
 - Strategic Planning Survey

CHAIRPERSON'S REPORT

August 20, 2025, Executive Committee meeting minutes are included in the packet for information.

- Ms. Gardner calls for volunteers to serve on the Governance Committee to recommend the 2025/2026 LRE Board slate of officers.
 - Jon Campbell
 - Dave Parnin
 - Ron Bacon
 - Janice Hilleary
 - Jim Storey
- Discussed CMHA recommendation of a resolution to support their advocacy efforts including the legal effort to challenge the RFP. The legal strategy was to have Teams of PIHPs and CMHs to file complaints on different counts. The EC is concerned with this strategy and does not recommend LRE to participate.

ACTION ITEMS

LRE 25-25 Motion: To approve appointment of the following Board Directors to the Governance Committee for the purpose of developing a recommendation to be presented at the full Board meeting on September 24, 2025, regarding the 2026 slate of officers.

- i. Jon Campbell
- ii. Dave Parnin
- iii. Ron Bacon
- iv. Janice Hilleary
- v. Jim Storey

Moved: Jon Campbell Support: Richard Kanten
MOTION CARRIED

LRE 25-26 Motion: To approve appointment of the following Board member to serve as a member of the LRE Compliance Committee.

- i. Andrew Sebolt

Moved: Jon Campbell Support: Janet Thomas
MOTION CARRIED

LRE 25-27 Motion: To authorize LRE CEO to file an appeal with the court of claims for the FY25 Insurance Provider Assessment (IPA) Tax Bill if needed.

Moved: Janet Thomas Support: Bob Davis
MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION

CFO Report is included in the Board packet for information.

- The FY24 Cost Settlements have been distributed to CMHs with most of the pay outs/collections having been completed. The final 2 will be settled by early September.
- Milliman (state actuary) is projecting an increase of \$3.4 million for this region. LRE is not seeing that same increase when applied to projections. This information is draft; we will have final rate information mid to late September.
- LRE has asked for clarification regarding CCBHC as \$76.2 million is being removed from the base capitated payment.
- Spending plans from CMHs have been aggregated showing a \$1.2 million surplus that is prior to the most recent information from MDHHS. These plans may change if information is updated.

FY2025 July Funds Distribution

LRE 25-28 Motion: To approve the FY2025, July Funds Distribution as presented.

Moved: Jon Campbell Support: Patricia Gardner

MOTION CARRIED

Statement of Activities as of 6/30/2025 with Variance Report-

Included in the Board packet for information.

- Revenues are under budget by est. \$23 million because the rate amendment has not yet been brought to the Board. This will be the last amendment for FY25 and will be brought in September.

Monthly FSR-

The FSR is included in the Board packet for information.

BOARD MEMBER COMMENTS

Dave Parnin – Is there any information regarding the RR in the RFP?

- A: That has not been added as it is held at the CMH level.

Jim Storey comments that in Minneapolis in a catholic school 2 children lost their lives in a gun attack. There has been suggestion that this may have been committed by a person that has mental health issues and that is why it is so important that the system is in place.

Jon Campbell comments that these attacks are occurring more often. While Mr. Campbell was at Walmart up north, there was a stabbing attack. The person that committed the crime has been deemed not able to stand trial.

PUBLIC COMMENT

NA

UPCOMING LRE MEETINGS

- September 11, 2025 – Community Advisory Panel, 1:00 PM
- September 17, 2025 – Executive Committee, 1:00PM
- September 24, 2025 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- September 24, 2025 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

Ms. Gardner adjourned the August 27, 2025, LRE Board of Directors meeting at 2:28 PM.

Ron Bacon, Board Secretary

Minutes respectfully submitted by:
Marion Moran, Executive Assistant

CONSUMER ADVISORY PANEL MEETING NOTES

Thursday, September 11, 2025 – 1:00 PM to 3:00 PM

Virtual Teams Meeting or Call In

Present: Robert C., Angie K., James S., Tamara M., Cindy B., Jennifer E., Lynette B., Sharon P., Sharon H.

Absent: Shawnee T.

CMH: Cathy Potter (OnPoint), Chelsea Eisenlohr (Ottawa CMH), Lori Schummer (WM), Kelly Betts (HW), Sam Potter (N180)

LRE: Mari Hesselink, Stephanie VanDerKooi, Michelle Anguiano

Guest: Alan Bolter, CMHAM, Demario P.

1. Welcome and Introductions.

- i. Review of the September 11, 2025, Agenda (*Attachment 1*)
- ii. Review of June 12, 2025, Meeting Minutes (*Attachment 2*)

September 11, 2025, meeting agenda and June 12, 2025, meeting minutes are accepted as presented.

2. PIHP System Competitive Procurement (*Attachment 3*) – Alan Bolter, CMHAM

- CMHAM represents CMHSPs and providers that make up the mental healthcare network. Mr. Bolter reviews the PowerPoint that is included in the packet.

Q: What is the advantage to MDHHS?

A: They have not been clear about the reasoning behind the RFP.

Q: RFP – Request for Proposal

Q: What can CAP members do to help?

A: Members can go to CMHAM website [Action Alert](#)

- Key decision makers websites:

- [VanWoerkom](#)
- [Nesbitt](#)
- [Brinks](#)
- [Glanville](#)
- [VanderWall](#)

- If there are any additional questions on the RFP, send them to Mari (marih@lsre.org) and she will forward them on to Mr. Bolter.

3. Member Stories – Limit 5 minutes

- i. Member Experiences

- No stories offered.
4. Community Advisory Panel –
- i. New CAP Member Application (*Attachment 4*)
Motion: To recommend to the LRE Board to approve Demario P. as a Community Advisory Panel Member.
Moved: Sharon H. Support: Sharon P.
MOTION CARRIED
 - ii. CAP Newsletter (*Attachment 5*)
 - If there are any suggestions send to Mari, marih@lsre.org
 - iii. Summer Events:
There will be LRE staff that will be attending the Walk-a-Mile. Debbie Stabenow will be attending and speaking at the rally.
 - CMHAM (*Attachment 6*) – Click link below
 - [Walk A Mile – September 17, 2025, Lansing](#)
5. State Updates –
- i. Legislative Update (*Attachment 7*)
 - Document is included in the packet.
6. LRE Board Meeting
September 24, 2025 – LRE Board Meeting
GVSU Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
Call-in information will be posted on the LRE website
7. Upcoming CAP Meetings (2nd Thursday of every third month [Quarterly] - 1:00 pm to 3:00 pm)
- 2025 – December 11
2026 – March 12, June 11, September 10, December 10

FUTURE AGENDA ITEMS

CEO Report
September 24th, 2025

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

1. PIHP REGIONAL UPDATE

- FY22 Cost Settlement

The LRE with LRE's legal counsel have not filed the lawsuit at present time. LRE's counsel alongside the Attorney General's (AG) office continues to work towards a resolution, without filing a lawsuit. MDHHS did take \$4.8 million out of the region's HSW payment, however, have agreed to not recoup any more of the \$13.7 million without a 21-day notice. This will allow the LRE counsel time to file the lawsuit in the court of claims if necessary. LRE counsel has been communicating with the AG to determine if MDHHS is considering the information that the LRE presented to them or if both parties are at an impasse. **UPDATE:** AG filed a motion for summary disposition of the complaint on July 13th and confirmed that LRE will not consent to dismissal. LRE counsel had until August 13 to respond. Motion of Summary Disposition has been fully briefed. Waiting for the ruling from court.

- Insurance Provider Assessment (IPA) – The IPA is the tax that PIHPs pay on the Medicaid revenues received. Historically, the tax is based on the previous year's enrollment data, but the Dept. of Treasury based the 2025 tax bill on FY23 data. While this issue is affecting all PIHPs, it has resulted in approximately \$915,000 in additional tax liability for the LRE.

UPDATE: LRE legal filed an appeal in the court of claims on September 5th, 2025. Since that time, MDHHS issued a notice on 9/17/2025 that PIHPs will be receiving a rate adjustment to cover the cost of the IPA tax assessment. With the rate adjustment taking effect in the final quarter of this fiscal year and uncertainty about whether the same rate will apply to all three quarters of the next fiscal year, LRE has contacted MDHHS for clarification. Once that clarification is received, LRE will be in a better position to determine whether withdrawing the appeal is the most appropriate course of action.

- FY25 MDHHS/PIHP Contract

- The 4 PIHPs that did not sign the original contract filed a complaint against MDHHS. The Motion of Summary Disposition has been fully

briefed and those PIHPs are currently waiting for either oral argument or a ruling from the court.

- LRE redlined and signed the FY25 PIHP/MDHHS contract, however, did not join the lawsuit mentioned above.
- FY26 MDHHS/PIHP Contract
 - Please see the attached document for details on the FY25 and FY26 master contract language, including redlines from FY25 to be considered for the FY26 contract. Following discussion, the Board of Directors is asked to provide direction to the CEO on whether to sign the FY26 MDHHS/PIHP Contract as written or to submit it with the same redlines used in FY25, as outlined in the attachment.
 - There are concerns that signing the contract as presented, without redline, may weaken our position in the FY22 Cost Settlement lawsuit.
- PIHP/CMH Contract

LRE plans to amend last year's contract with the CMHs to incorporate any language needed to ensure alignment and compliance with the MDHHS/PIHP Master Contract.
- CMHA Special Assessment

Informational only: CMHA has requested a special assessment fee to assist in addressing the challenges of the present environment. The request is for \$5500 from each PIHP. LRE intends to pay this assessment fee.
- TalkSooner (Attachment to the end of this report)

As part of national Family Meals Month in September, TalkSooner is teaming up with several area pizzerias/restaurants to inspire parents to have the “drug talk” with their youth/teen. These TalkSooner partnerships are honoring the month of September which is National Family Meals month through a promotion called, “Any Way You Slice It, Prevention Matters.” According to John Hopkins Medicine, research studies show that eating together regularly can reduce the chance of a child or teen engaging in risky behaviors such as using tobacco, alcohol and marijuana. TalkSooner has partnered with several pizzerias across a 7-county area to inspire customers to come together for family meals and conversation. Pizzerias will be distributing flyers and complimentary TalkSooner pizza cutters available in-store, while supplies last. We are also sharing the message on local news segments:

2. STATE OF MICHIGAN/STATEWIDE ACTIVITIES

- PIHP RFP Rebid (See Attached Document at end of report)
 - MDHHS Responses to the RFP questions have been received and shared with the LRE BOD.
 - Deadline for submission has been extended to October 13, 2025.
 - Three PIHPs and three CMHs have filed a lawsuit against MDHHS regarding the PIHP RFP and are seeking preliminary injunctive relief. In response, MDHHS argued that the current timeline must proceed, as no MCO providers would be in place after September 30, 2025. However, all PIHPs have confirmed their ability and willingness to continue providing services as of October 1, 2025. This strengthens the case for a preliminary injunction, allowing time to develop a more effective plan for system reform. A hearing is scheduled for October 9, with a ruling expected from the bench that day.
 - Additional lawsuits may be filed before the end of September 2025.
 - Two CMHs in Region 3—Network180 and West Michigan CMH—along with Genesee Health Systems, are working in partnership with Carelon (formerly Beacon Health Options) to submit a bid.

Discussion should take place related to recent activities involving the Boards of Network180 and West Michigan CMH. This week, both Boards met and proposed a resolution to establish a new entity in partnership with Genesee Health Network. As a result, questions have been brought forward to the LRE regarding whether this action constitutes a breach of contract or policy, or presents a conflict of interest with the existing PIHP structure and other Region 3 member CMHs.

Information for LRE BOD to consider as outlined in the Policy 10.3 Board Member Conflict of Interest:

- **Fiduciary Duties Under Law:** Board members are bound by the duties of loyalty, care, and good faith under Michigan law and the 6th Circuit—among the highest duties recognized by law.
- **Duty of Loyalty:** Members must act in the best interests of the ENTITY, avoiding conflicts of interest and refraining from actions that benefit their individual organizations over the ENTITY.

- **Duty of Care:** Members are expected to exercise diligence, skill, and prudence in decision-making and oversight.
- **Duty to Act in Good Faith:** Members must act with honesty and integrity, prioritizing the ENTITY's mission and statutory obligations.

Legislative Update:

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

Other:

2025 Walk a Mile Rally was held September 17, 2025, in Lansing. This was also used as an advocacy platform in opposition of the PIHP RFP competitive procurement process and privatization of the public mental health system.



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

FY2025 MDHHS Master Contract Language	FY2026 MDHHS Master Contract Language	FY2025 LRE Redlined Language (Proposed to remain the same for FY2026)
4. Internal Service Fund (ISF)	SAME	4. Internal Service Fund (ISF)
The establishment of an ISF is a method to secure funds as part of the overall strategy for covering the contractor's total risk exposure while assuring that the majority of Contractor's Medicaid/Healthy Michigan Plan capitated funds are directed towards consumer services rather than risk reserves. Requirements for an ISF are below:	SAME	The establishment of an ISF , for the purpose of self-insuring aggregate stop loss coverage, is a method for covering the contractor's total risk exposure. Requirements for an ISF are below:
A. Contractor must establish an ISF.	SAME	A. Reserved.
B. The defined purpose of the ISF is to allow the Contractor to reserve and use Medicaid/Healthy Michigan capitated funds to pay Contractor's liabilities in excess of 100% of risk corridor annual operating budget as described in Section 7, Risk Corridor. Contractor may not use funds in the ISF to pay liabilities incurred in previous years.	SAME	B. The defined purpose of the ISF is to allow the Contractor to provide self-insured aggregate stop loss against liabilities incurred for the contract year in excess of 100% of premiums.
C. The ISF cannot be funded more than 7.5 % of the annual operating budget in any given year. The maximum limit on the ISF fund balance reflects contractors' total risk liability (100% of cost overruns between 100-105% of revenue and 50% of cost overruns between 105% - 110 % = 7.5%). The ISF balance cannot be less than \$0.	SAME	C. Contractor cannot contribute more than 7.5 % of the capitated Medicaid & Healthy Michigan Plan revenues in any given year or the amount necessary to bring the ISF to its maximum limit, whichever is less.
D. The ISF must only be used for the defined purpose and must not be used to finance any activities or costs other than ISF eligible expenses. The ISF may only be used for ISF eligible expenses after the Medicaid/Healthy Michigan Plan surplus is exhausted in accordance with Section B (5) (a) Expenditures for MMSSSP and the Flint 1115 Waiver.	SAME	D. The ISF may only be used for ISF Medicaid and/or Healthy Michigan eligible expenses after the Medicaid/Healthy Michigan Plan surplus is exhausted in accordance with Section B (5) (a) Expenditures for MMSSSP and the Flint 1115 Waiver.
E. All Medicaid programs subject to the shared risk corridor requirements must be charged their proper share of the ISF charges. Such charges must be allocated to the various programs/cost categories based on the relative proportion of the total contractual obligation, actual historical cost experience, or reasonable historical cost assumptions. If actual historical cost experiences or reasonable historical cost assumptions are used, they must cover, at a minimum, the most recent two years in which the books are closed.	SAME	E. Reserved.
F. A set of self-balancing accounts must be maintained for the ISF in compliance with generally accepted accounting principles (GAAP).	SAME	F. Reserved.
G. The amount of funds paid to the ISF will be determined in compliance with reserve requirements as defined by GAAP and applicable federal and State financing provisions contained in the State/Contractor Contract.	SAME	G. Reserved.
H. Contractor must establish a policy and procedure for increasing payments to the ISF in the event that it becomes inadequate to cover future losses and related expenses.	SAME	H. Contractor must establish a policy and procedure for increasing payments to the ISF in the event that it becomes inadequate to cover future losses and related expenses.

I. Payments to the ISF must be based on either actuarial principles, actual historical cost experiences, or reasonable historical cost assumptions, pursuant to the provisions of 2 CFR 200 sub part E. If actual historical cost experiences or reasonable historical cost assumptions are utilized, they must cover, at a minimum, the most recent two years in which the books have been closed.	SAME	I. Reserved.
J. The contractor may not reflect an ISF that exceeds 7.5% on any of Contractor's reporting requirements contained in this contract. If the Department determines that the ISF is over-funded, the ISF must be reduced within one fiscal year through the abatement of current charges. If such abatements are inadequate to reduce the ISF to the appropriate level, it must be reduced through refunds in accordance with 2 CFR 200 Subpart E Cost Principles.	SAME	J. The contractor may not maintain an ISF that exceeds the risk exposure, as determined by a certified actuary, to be necessary to mitigate future catastrophic losses, this risk exposure will be considered the ISF's maximum limit.
K. Upon Contract cancelation or expiration, any funds remaining in the ISF, and all of the related claims and liabilities must be transferred to the new contractor that encompasses the existing Contractor's service area. When existing Contractor's geographic service area overlaps more than one new contractor service area, the State will provide the percentage allocation to each new contractor.	K. Upon Contract cancelation or expiration, any funds remaining in the ISF, and all of the related claims and liabilities must be returned to the state.	K. Reserved

TalkSooner.org™

ANY WAY YOU SLICE IT, PREVENTION MATTERS

Participating Pizza Shops

POMPEII'S

Baldwin, Michigan

CHUCK WAGON

Ludington, Michigan

CADENA BROTHERS

Muskegon, Michigan

GOLDEN SANDS GOLF COURSE &

BUCKET BAR

Mears, Michigan

DON PETRINO'S PIZZERIA

Holland, Michigan

CD'S QUIK MART

Hopkins, Michigan

RUSSO'S

Wyoming, Michigan

CRAIG'S CRUISERS

Muskegon, Michigan & Holland, Michigan

**FREE PIZZA
CUTTER!**

**SCAN THE QR CODE
TO LEARN MORE**



Information from MI Mental Health Code on sanctions:

- There is no provision to cancel the contract in the Mental Health Code – it is a part of sanctioning.
- **330.1232b Specialty prepaid health plans.**
Sec. 232b.
 - (1) The department shall establish standards for community mental health services programs designated as specialty prepaid health plans under the Medicaid managed care program described in section 109f of the social welfare act, 1939 PA 280, MCL 400.109f. The standards established under this section shall reference applicable federal regulations related to Medicaid managed care programs and specify additional state requirements for specialty prepaid health plans. The standards established under this section shall be published in a departmental bulletin or by an updating insert to a departmental manual.
 - (2) As a condition for contracting and for receiving payment under the Medicaid managed care program, a community mental health services program designated as a specialty prepaid health plan shall certify both of the following:
 - (a) That the program is in substantial compliance with the standards promulgated by the department and with applicable federal regulations.
 - (b) That the program has established policies and procedures to monitor compliance with the standards promulgated by the department and with applicable federal regulations and to ensure program integrity.
- (3) The department shall conduct an annual review of all community mental health services programs designated as specialty prepaid health plans to verify the declarations made by the community mental health services program and to monitor compliance with the standards promulgated for specialty prepaid health plans and with applicable federal regulations. The annual review process established under this section shall be published in a departmental bulletin or by an updating insert to a departmental manual.
- (4) The department may conduct separate reviews of a specialty prepaid health plan in response to beneficiary complaints, financial status considerations, or health and safety concerns.
- (5) Contracts with specialty prepaid health plans shall indicate the sanctions that the department may invoke if it makes a determination that a specialty prepaid health plan is not in substantial compliance with promulgated standards and with established federal regulations, that the specialty prepaid health plan has misrepresented or falsified information reported to the state or to the federal government, or that the specialty prepaid health plan has failed substantially to provide necessary covered services to recipients under the terms of the contract. Sanctions may include intermediate actions including, but not limited to, a monetary penalty imposed on the administrative and management operation of the specialty prepaid health plan, imposition of temporary state management of a community mental health services program operating as a specialty prepaid health plan, or termination of the department's medicaid managed care contract with the community mental health services program.

- (6) Before imposing a sanction on a community mental health services program that is operating as a specialty prepaid health plan, the department shall provide that specialty prepaid health plan with timely written notice that explains both of the following:
 - (a) The basis and nature of the sanction.
 - (b) The opportunity for a hearing to contest or dispute the department's findings and intended sanction, prior to the imposition of the sanction. A hearing under this section is subject to the provisions governing a contested case under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, unless otherwise agreed to in the specialty prepaid health plan contract.
-



Lakeshore Regional Entity’s Legislative Update – 9/11/2025



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 7/24/25: Read a second time, placed on a third reading 9/4/25: Read a third time, passed House 9/9/25: Referred to Senate Committee on Housing and Human Services
	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)

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH

Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
				6/4/25: Referred to a second reading 7/24/25: Read a second time, placed on a third reading 8/19/25: Read a third time 9/4/25: Read a third time, passed House 9/9/25: Referred to Senate Committee on Housing and Human Services
	SB 129	This bill would amend the Open Meetings Act to allow an appointed member of a public body who has a disability to fully participate in a meeting remotely upon request. The bill would not apply to a member of a public body who was elected by electors to serve.	Sean McCann	3/6/25: Introduced, Rederred to the Committee on Civil Rights, Judiciary, and Public Safety 3/18/25: Reported favorably without amendment, referred to the Committee of the Whole 4/16/2025: Reported by the Committee of the Whole favorable without Amendment, placed on order of third reading 4/17/2025: Passed Roll Call, received in the House, read a first time, referred to Committee on Government Operations
	HB 4530	A bill to modify the deadline for mental health professionals to release mental health records or information pertinent to child abuse or neglect investigation to the department.	Laurie Pothusky	6/3/2025: Introduced, read a first time, referred to Committee on Families and Veterans
	HB 4535	Modifies eligibility for mental health court.	Kara Hope	6/3/2025: Introduced, read a first time, referred to Committee on Judiciary
	SB 221	A bill to provide for outpatient treatment for misdemeanor offenders with mental health issues	Sylvia Santana	4/17/2025: Introduced, referred to committee on Health Policy 5/8/2025: Reported favorably without amendment, referred to Committee of the Whole 5/20/2025: Referred to Committee of the Whole favorably without amendment, placed on order of a third reading 5/21/2025: passed roll call, received in House, read a first time, referred to Committee on Health Policy
	SB 334	Police Training; Requires mental health and law enforcement response training for law enforcement officers.	Jeff Irwin	5/29/2025: Introduced, Referred to the Committee on Civil Rights, Judiciary, and Public Safety 9/9/2025: Referred to Committee of the Whole with Substitute

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH

Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
	HB 4676	A bill to amend Chapter 6 (Guardianship for the Developmentally Disabled) of the Mental Health Code to require courts to consider alternatives to appointing a guardian for an individual with a developmental disability who the court has determined is likely to need protection based on factors set forth in Chapter 6.	Sharon MacDonell	6/25/25: Introduced, Read a first time, referred to the Committee on Families and Veterans 8/13/25: Referred to a Second Reading 9/10/25: Read a second time

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 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

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
				6/26/25: Read a second time, placed on a third reading 7/1/25: Read a third time, Passed, given immediate effect, transmitted 7/17/25: Passed by the House with Immediate Effect, moved to the Senate and referred to the Committee on Civil Rights, Judiciary, and Public Safety
	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
	HB 4686	Controlled Substances; Allows creating, manufacturing, possessing, or using psilocybin or psilocin under certain circumstances.	Mike McFall	6/25/2025 – Introduced, Read a first time, Referred to the Committee on Families and Veterans
	SB 400	Prohibits prior authorization for certain opioid use disorder and alcohol use disorder medications.	Kevin Hertel	6/11/2025 – Introduced, Referred to the Committee on Health Policy, Reported favorably without amendment, Referred to the Committee of the Whole, Rules suspended for immediate consideration. 7/1/2025 – Reported favorably without amendment, placed on order of third reading, placed on immediate passage, passed roll call, Received in House, Read a first time, referred to Committee on Insurance
	SB 430 SB 431	Modifies crime of manufacturing, delivering, or possession of with intent to deliver heroin or fentanyl to reflect changes in sentencing guidelines; Amends sentencing guidelines for delivering,	Stephanie Chang Sarah Anthony	6/17/2025 – Introduced, Referred to the Committee on Civil Rights, Judiciary, and Public Safety

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	SB 432	manufacturing, or possessing with intent to deliver heroin or fentanyl; Allows probation for certain major controlled substances offenses.	Roger Victory	
	SB 462, 464-465	Legislation to require retailers to obtain a state-issued license to sell tobacco products, including e-cigarettes and nicotine pouches.	Sam Singh Joe Bellino	6/26/2025 – Introduced, referred to the Committee on Regulatory Affairs
	SB 463 SB 466	Legislation that will repeal ineffective penalties on young people -- holding retailers accountable not, children.	Paul Wojno Mary Cavanaugh	6/26/2025 – Introduced, referred to the Committee on Regulatory Affairs
	SB 399	To amend Part 74 (Offenses and Penalties) of the Public Health Code to specify that, as used in Sections 7453 to 7461 and Section 7521, "drug paraphernalia" would not include testing products used in determining whether a controlled substance contained chemicals, toxic substances, or hazardous compounds in quantities that could cause physical harm or death. "Testing products" would include fentanyl testing strips.	Jeff Irwin	6/11/25 – Introduced, Referred to Committee on Health Policy 6/26/25 – Referred to Committee of the Whole 7/1/25 – Placed on order of third reading, placed on immediate passage, passed roll call, received in the House, read a first time, referred to the Committee on Insurance
	SB 402	To amend Section 109 of the Social Welfare Act to allow a Medicaid-eligible individual to receive street medicine services, including prescriptions for opioid use disorder, by an eligible provider.	Paul Wojno	6/11/25 – Introduced, Referred to Committee on Health Policy 6/26/25 – Referred to Committee of the Whole 7/1/25 – Placed on order of third reading, placed on immediate passage, passed roll call, received in the House, read a first time, referred to the Committee on Insurance

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. 7/8/25: Presented to President 7/16/25: Signed by President. Became Public Law No: 119-26.


	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
	HR 4607	SEEK HELP Act: To provide protections from prosecution for drug possession to individuals who seek medical assistance when witnessing or experiencing an overdose	Joe Neguse	07/22/2025 – Introduced, Referred to the Committee on the Judiciary, and in addition to the Committee on Energy and Commerce
	HR 4595	Small and Homestead Independent Producers Act of 2025: To provide authority for small cultivators of cannabis and small manufacturers of cannabis products to ship cannabis and cannabis products using the mail	Jared Huffman	07/22/2025 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committees on Agriculture, Oversight and Government Reform, and the Judiciary

	HR 1	<p>One Big Beautiful Bill Act: This bill reduces taxes, reduces or increases spending for various federal programs, increases the statutory debt limit, and otherwise addresses agencies and programs throughout the federal government. It is known as a reconciliation bill and includes legislation submitted by several congressional committees pursuant to provisions in the FY2025 congressional budget resolution (H Con. Res. 14) that directed the committees to submit legislation to the House or Senate Budget Committee that will increase or decrease the deficit and increase the statutory debt limit by specified amounts. (Reconciliation bills are considered by Congress using expedited legislative procedures that prevent a filibuster and restrict amendments in the Senate.)</p> <p>*The LRE is actively monitoring the repercussions of this new law, and the effects it will have on our system.</p>	Jodey Arrington	<p>5/20/2025 - The House Committee on the Budget reported an original measure 5/22/2025 - On passage Passed by the Yeas and Nays: 215 – 214 in the House 6/27/2025 – Received in the Senate 7/1/2025 - Passed Senate with an amendment by Yea-Nay Vote. 51 – 50 7/3/2025 - On motion that the House agree to the Senate amendment Agreed to by recorded vote: 218 – 214. Presented to President. 7/4/2025 - Signed by President. Became Public Law No: 119-21.</p>
--	------	---	-----------------	--

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
	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

MISCELLANEOUS UPDATES

	ISSUE	SUMMARY	COUNTY	ADDITIONAL INFORMATION/LINKS
	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 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		ONDCP Releases Trump Administration’s Statement of Drug Policy Priorities – The White House 2025-Trump-Administration-Drug-Policy-Priorities.pdf
	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-HB4255-4256 Opposition Letter.1

Elected Officials

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

STATE	
Find Your State Senator	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/)



LRE BHTEDS Completeness and Data Quality Update

September 2025

Ione Myers - Chief Information Officer

September 18, 2025

BHTEDS Completeness

FY25 BHTEDS Completeness - Last 4 MDHHS measurements

4/21/2025:

Mental Health Completeness by CMH

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

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

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

5/23/2025:

Mental Health Completeness by CMH

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

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

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

6/23/2025:

Mental Health Completeness by CMH

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

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

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

9/18/2025:

Mental Health Completeness by CMH

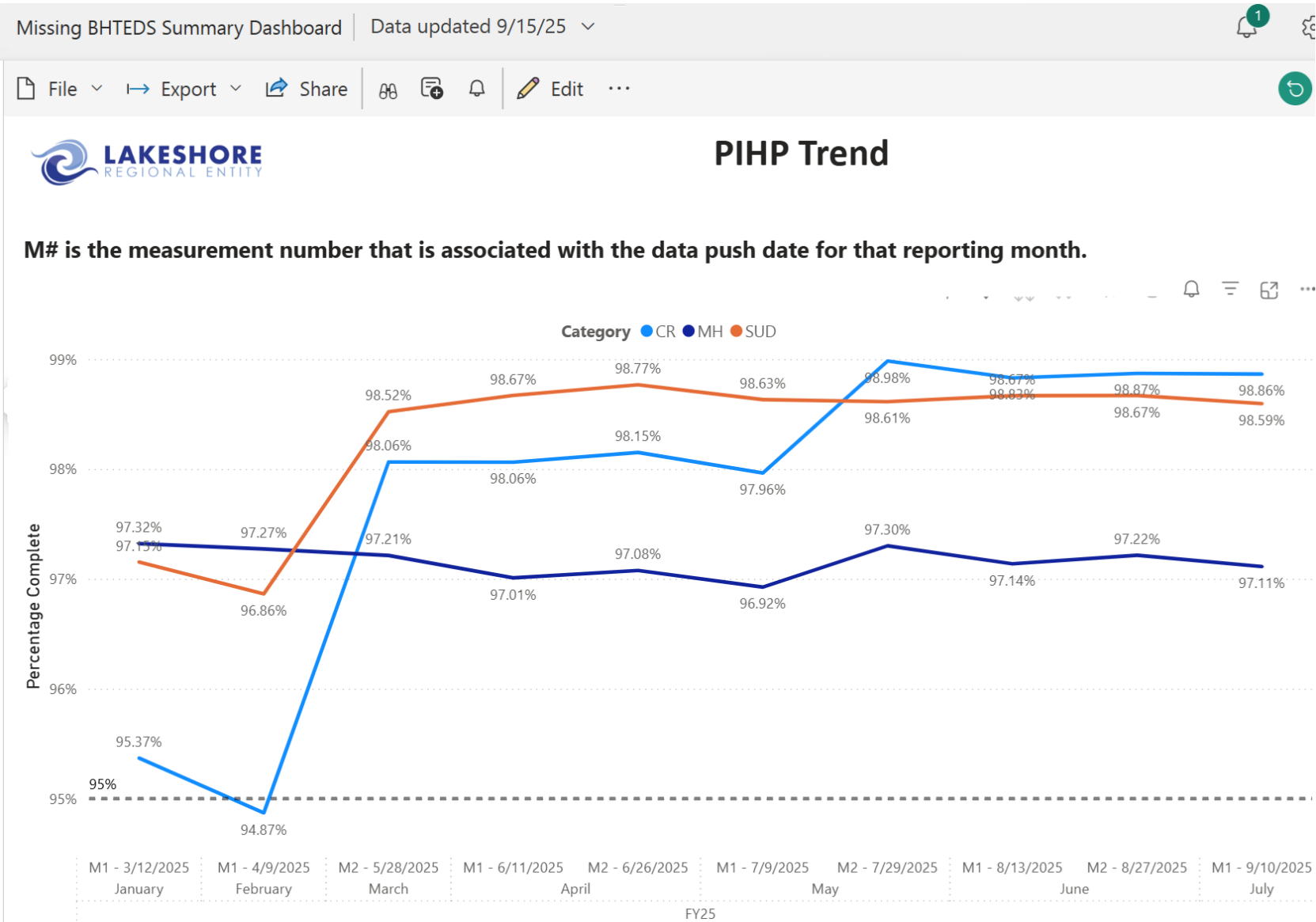
Mental Health (non-Crisis) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	2,489	2,479	99.59%
HealthWest	4,286	4,283	99.93%
Network180	9,321	8,868	95.14%
Ottawa	2,860	2,729	95.42%
West Michigan	2,093	2,084	99.57%
	20,969	20,363	97.11%

Mental Health (Crisis Only) BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	419	419	100.00%
HealthWest	1,145	1,145	100.00%
Network180	4,012	3,962	98.75%
Ottawa	756	730	96.56%
West Michigan	480	480	100.00%
	6,814	6,736	98.86%

SUD BHTEDS Completeness - by CMH:			
	Denominator	Numerator	% Complete
OnPoint	400	400	100.00%
HealthWest	1,224	1,224	100.00%
Network180	2,418	2,356	97.44%
Ottawa	772	765	99.09%
West Michigan	474	470	99.16%
	5,288	5,215	98.59%

(LRE POWER BI Dashboard 9/18/25 - services through 7/31/25)

LRE Completeness Trend – LRE BHTEDS Dashboard:



CMH Completeness Trend – Mental Health BHTEDS:

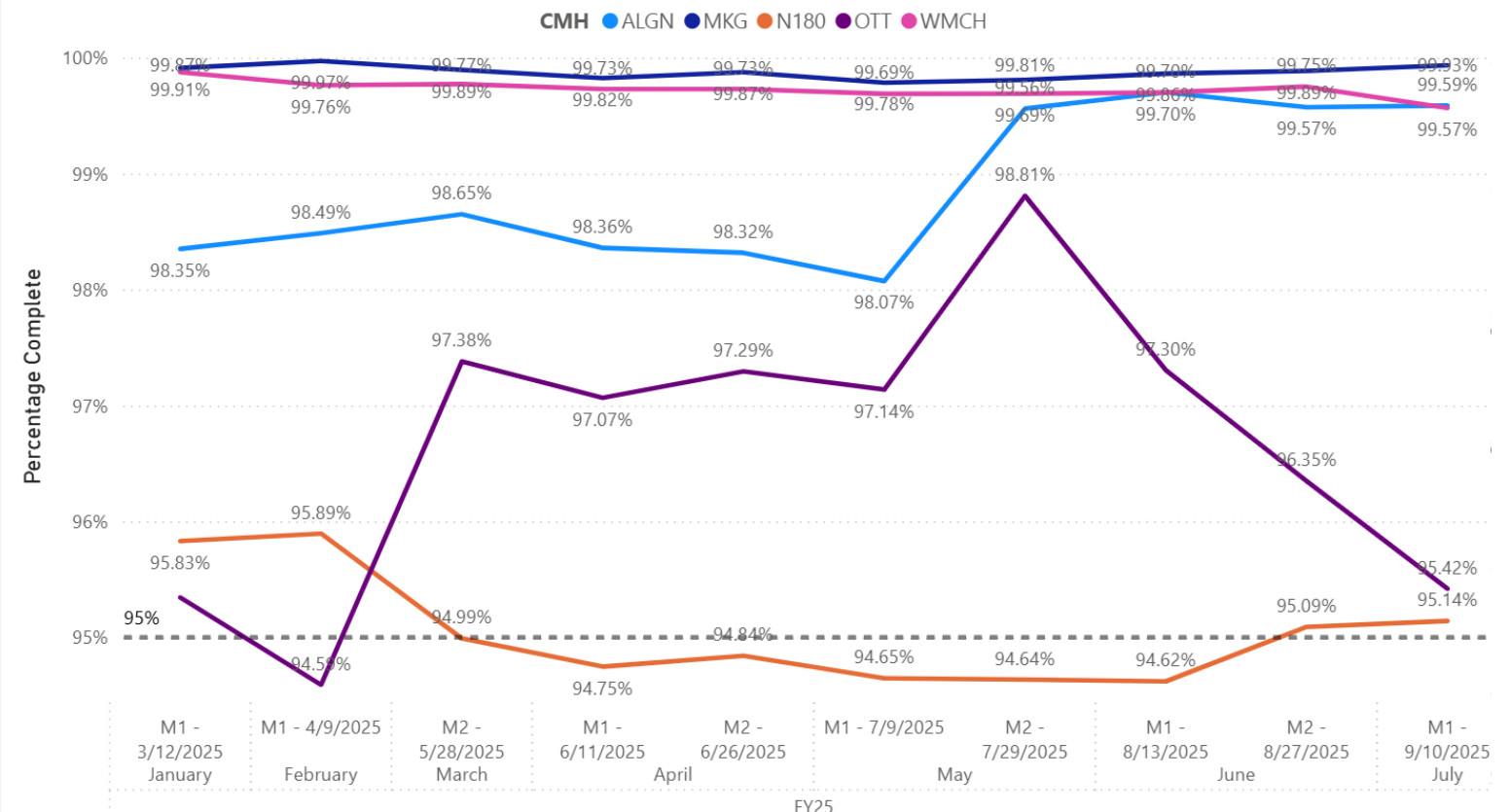
Missing BHTEDS Summary Dashboard | Data updated 9/15/25

File Export Share

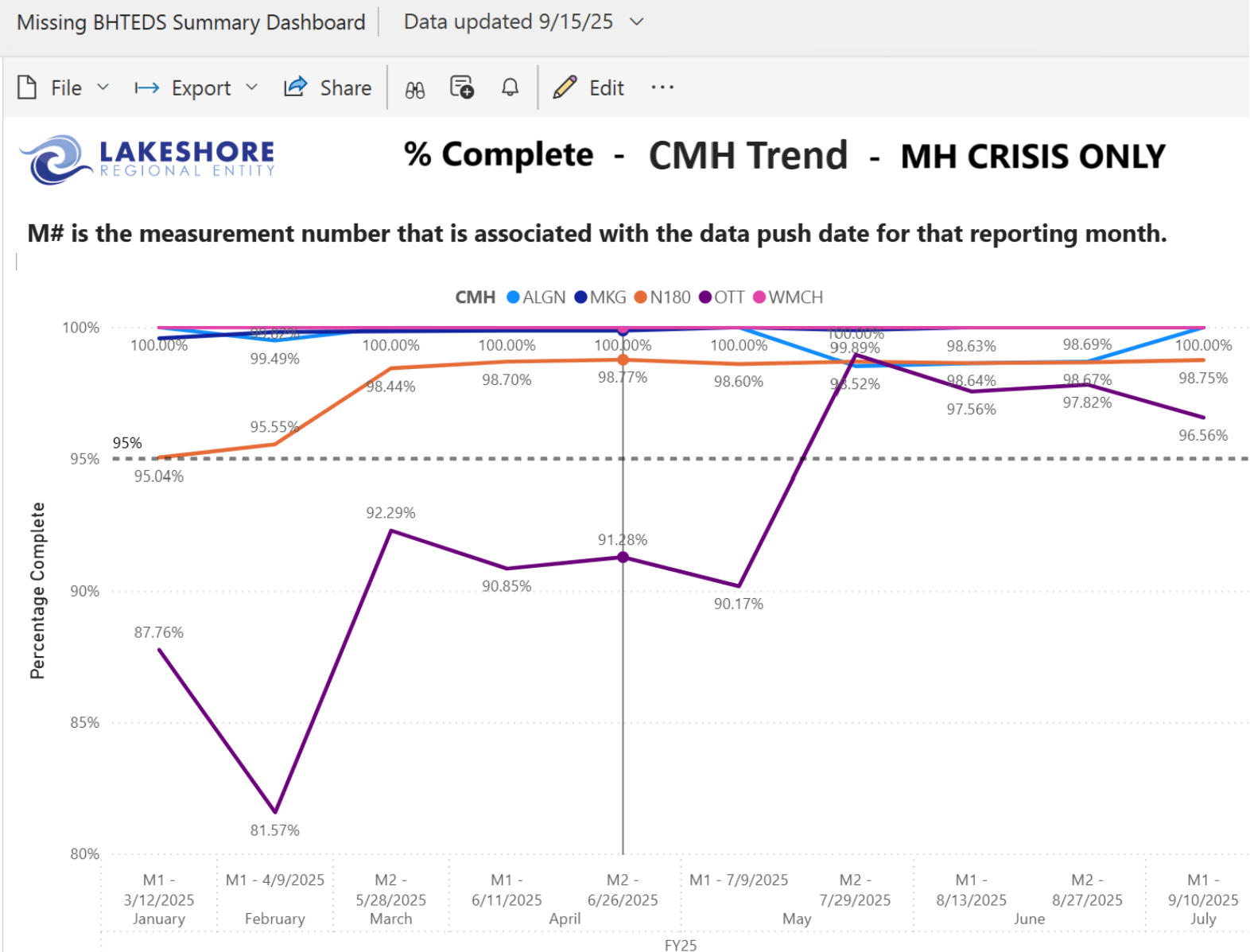


% Complete - CMH Trend - Mental Health

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



CMH Completeness Trend – Mental Health Crisis Only:



CMH Completeness Trend – SUD:

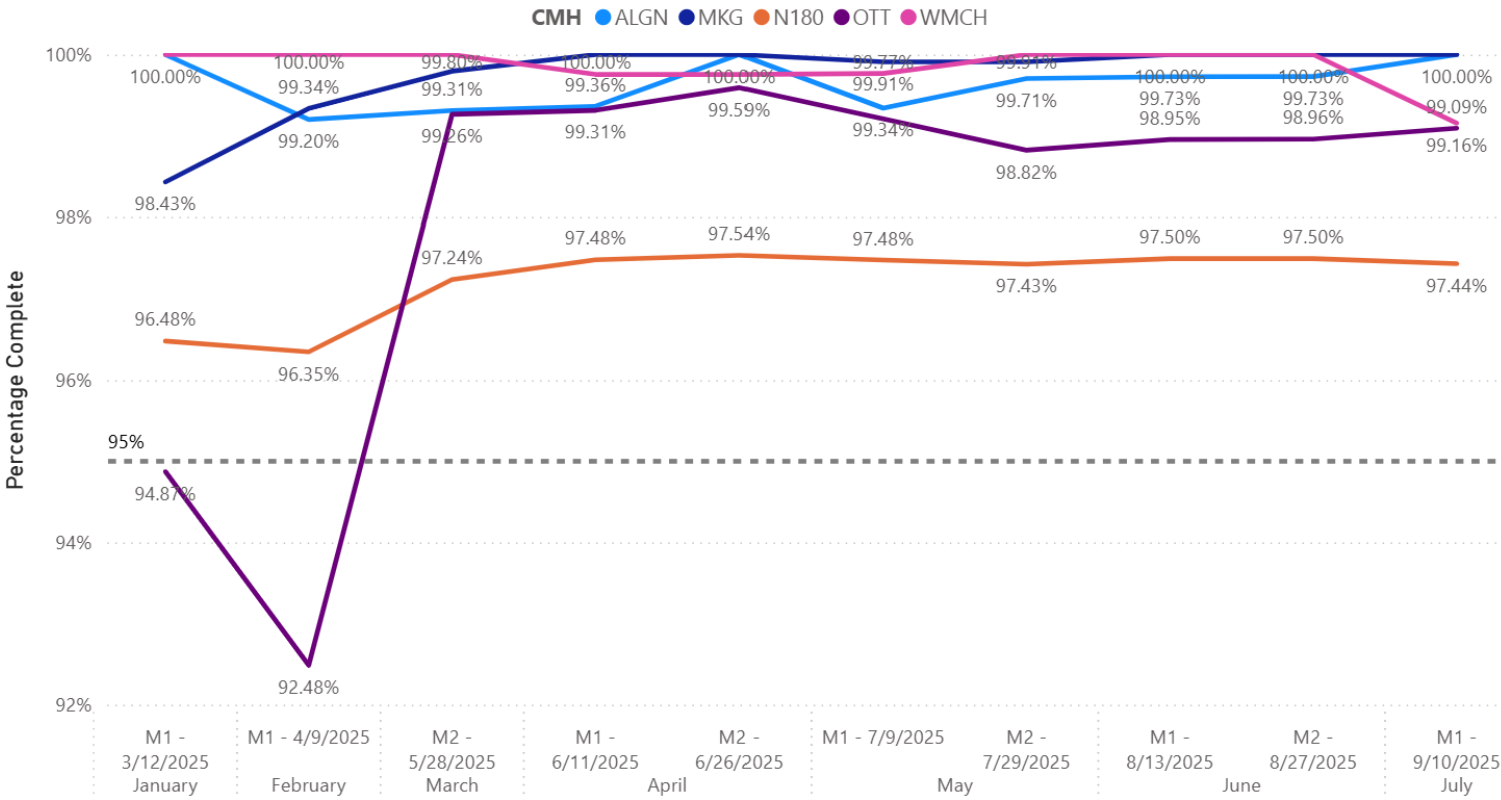
Missing BHTEDS Summary Dashboard | Data updated 9/15/25

File Export Share



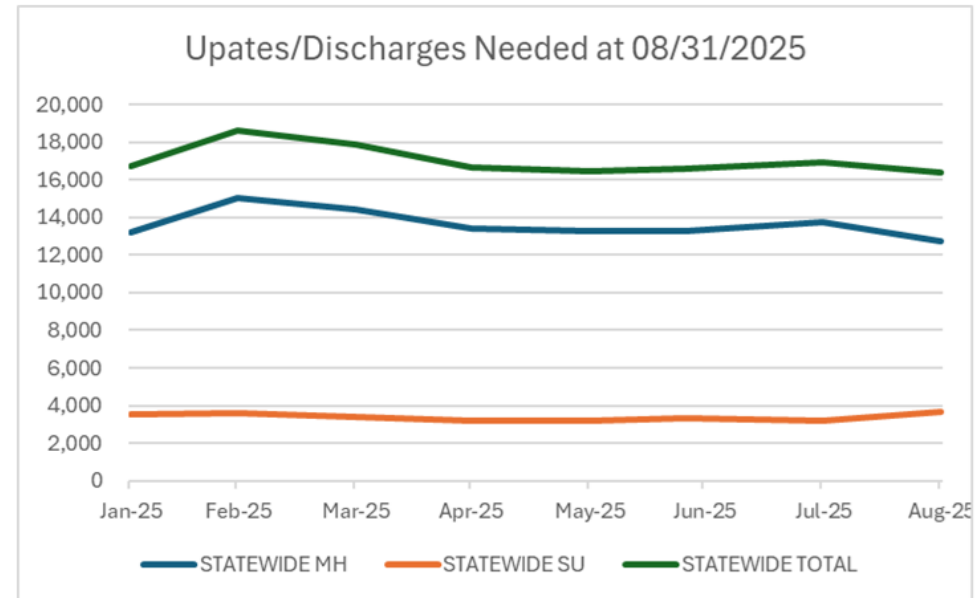
% Complete - CMH Trend - SUD

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



MDHHS Dangling Admissions – 8/31/2025: *LRE continues to make improvements.*

MDHHS Statewide trendline:



As you can see by the PIHP summary below, some PIHPs are resolving their open admissions while the total at others continues to grow. Kudos to LRE and NMRE who decreased their total outstanding episodes by 60% and 58% respectively. MSHN and Oakland decreased their SU outstanding episodes significantly, by 77% and 82% respectively. Finally, Region 10 has continued to maintain their previously achieved 89% reduction for each of the past four months. All of your efforts are greatly appreciated.

MDHHS Dangling Admissions – 8/31/2025: *LRE continues to make improvements.*

PIHP	1/31/2025	2/28/2025	3/31/2025	4/30/2025	5/31/2025	6/30/2025	7/31/2025	8/31/2025	Net chg from 1/31	Pct Chg from 1/31
CMHP SEM MH	391	485	461	412	387	385	494	413	22	5.63%
CMHP SEM SU	58	52	60	54	68	82	96	90	32	55.17%
CMHP SEM TOTAL	449	537	521	466	455	467	520	503	54	12.03%
DWHIN MH	5,950	6,562	6,494	5,958	6,247	6,733	6,569	6,608	658	11.06%
DWHIN SU	140	132	86	87	140	79	157	210	70	50.00%
DWHIN TOTAL	6,090	6,694	6,580	6,045	6,387	6,812	6,726	6,818	728	11.95%
LRE MH	1,174	1,490	1,533	1,514	1,278	598	556	316	-858	-73.08%
LRE SU	927	909	872	881	937	994	842	529	-398	-42.93%
LRE TOTAL	2,101	2,399	2,405	2,395	2,215	1,592	1,398	845	-1256	-59.78%
Macomb MH	828	792	386	268	362	408	448	568	-260	-31.40%
Macomb SU	103	108	124	106	113	53	76	332	229	222.33%
Macomb Total	931	900	510	374	475	461	524	890	-41	-4.40%
MSHN MH	2,180	2,409	2,403	2,073	2,106	2,163	2,244	2,036	-144	-6.61%
MSHN SU	405	432	439	260	200	361	132	93	-312	-77.04%
MSHN Total	2,585	2,841	2,842	2,333	2,306	2,524	2,376	2,129	-456	-17.64%
NMRE MH	708	785	716	865	946	1,005	1,106	665	-43	-6.07%
NMRE SU	605	648	562	577	592	635	705	573	-32	-5.29%
NMRE Total	1,313	1,433	1,278	1,442	1,538	1,640	1,811	1,238	-75	-5.71%
NorthCare MH	121	79	70	69	55	22	32	39	-82	-67.77%
NorthCare SU	108	104	77	77	39	34	13	20	-88	-81.48%
Northcare Total	229	183	147	146	94	56	45	59	-170	-74.24%
OCHN MH	622	849	626	704	728	869	1061	712	90	14.47%
OCHN SU	89	92	94	87	85	58	25	16	-73	-82.02%
OCHN Total	711	941	720	791	813	927	1086	728	17	2.39%
Region 10 MH	345	408	445	336	39	34	42	36	-309	-89.57%
Region 10 SU	150	133	96	86	38	38	33	17	-133	-88.67%
Region 10 Total	495	541	541	422	77	72	75	53	-442	-89.29%
SWMBH MH	892	1,171	1,310	1,228	1,094	1,021	1,258	1,323	431	48.32%
SWMBH SU	758	797	844	842	879	913	991	1,018	260	34.30%
SWMBH Total	1,650	1,968	2,154	2,070	1,973	1,934	2,249	2,341	691	41.88%
SAHL	164	164	164	145	108	0	108	115	-49	-29.88%
	25-Jan	25-Feb	25-Mar	25-Apr	25-May	25-Jun	31-Jul	31-Jul	187	0.41%
STATEWIDE MH	13,211	15,030	14,444	13,427	13,242	13,238	13,740	12,716	-495	-3.75%
STATEWIDE SU	3,507	3,571	3,418	3,202	3,199	3,355	3,178	3,003	-504	-14.37%
STATEWIDE TOTAL	16,718	18,601	17,862	16,629	16,441	16,593	16,918	15,719	-999	-5.98%

Rate Setting Factors Monitoring (Missing BHTEDs)

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

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

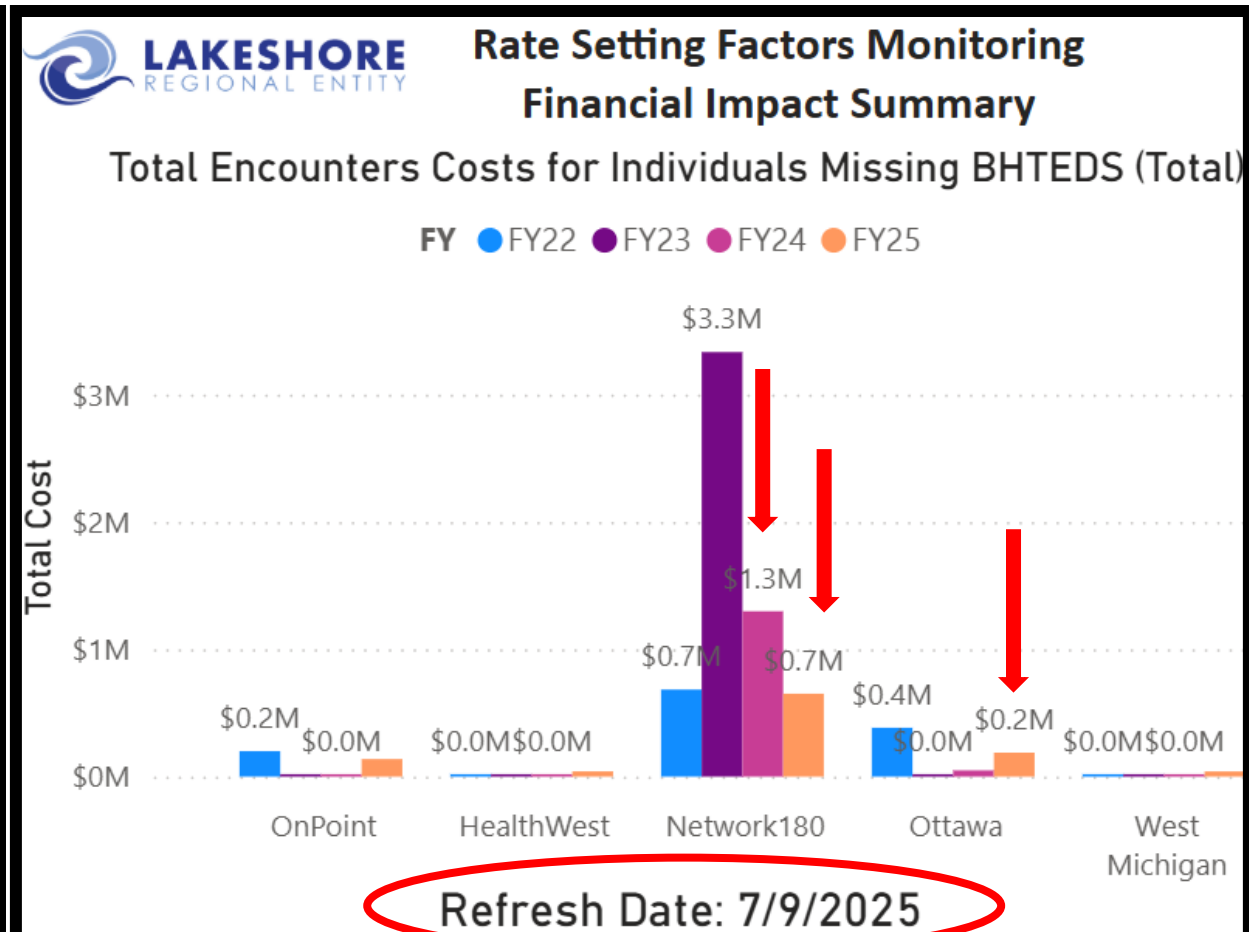
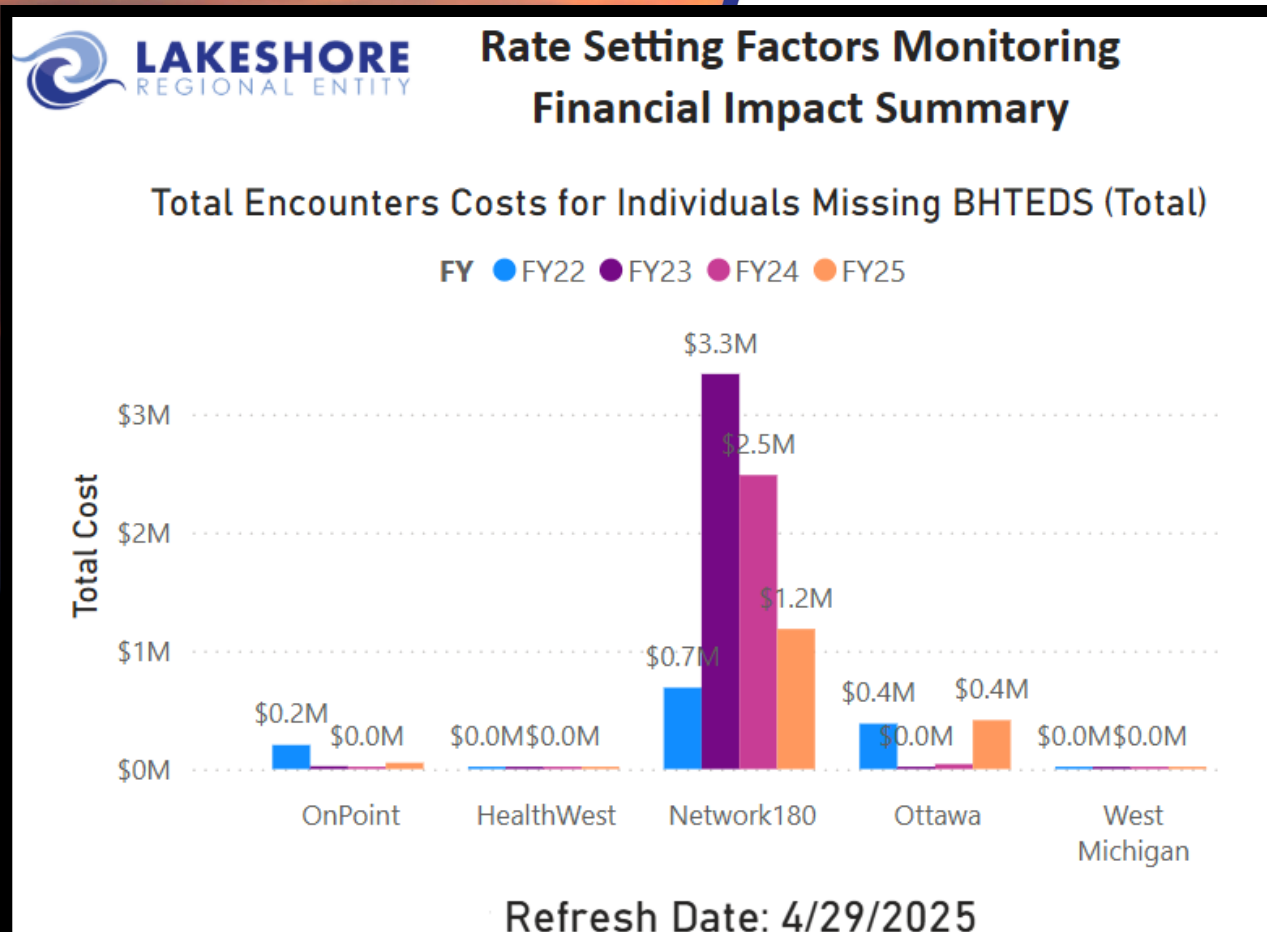
CMHs have been encouraged to work through the lists, targeting high-costs cases first (delivering greatest impact for the administrative effort expended).

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

Rate Setting Factors Monitoring (Missing BHTEDs)

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

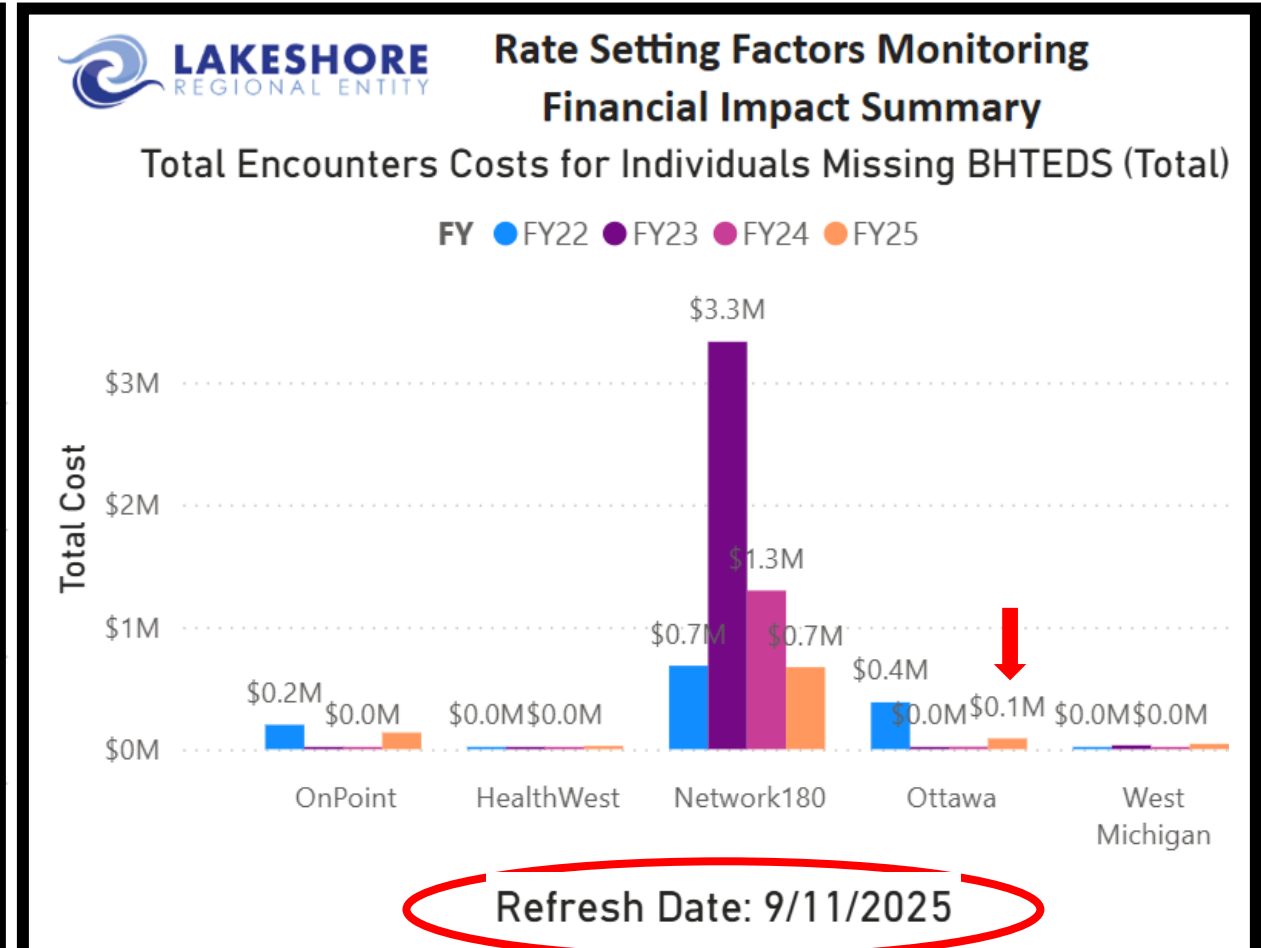
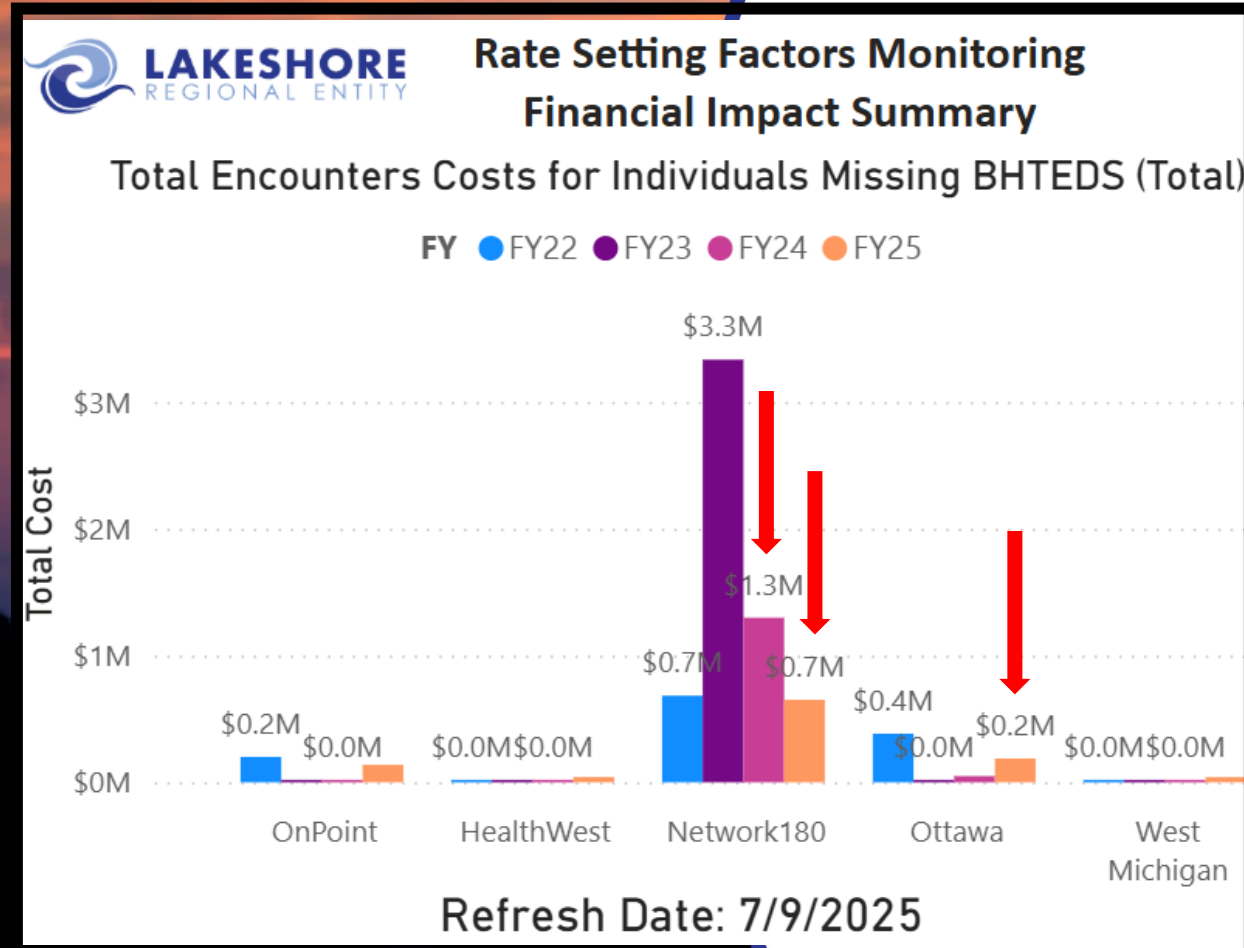
Notable improvement in Network180 and Ottawa dollars at risk (FY24/FY25):



Rate Setting Factors Monitoring (Missing BHTEDs)

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

Minor improvement in dollars at risk since July, Ottawa down \$100,00 for FY25.



Q&A

EXECUTIVE COMMITTEE SUMMARY

Thursday, September 18, 2025, 12:00 PM

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

WELCOME and INTRODUCTIONS

- i. Review of September 18, 2025, Meeting Agenda
- ii. Review of August 20, 2025, Meeting Minutes

September 18, 2025, agenda, August 20, 2025, meeting minutes are accepted as presented.

MDHHS UPDATES

- i. FY22 Cost Settlement Update
 - The LRE is still waiting to hear back from the judge. MDHHS has continued to pause all additional recoupments and has not issued any new 21-day notices of recoupment to the LRE. The LRE legal has offered to meet with the judge to answer any questions.
- ii. Treasury Department Update
 - LRE filed the appeal in the court of claims. Notice was sent by MDHHS that they would be making a rate adjustment to cover the amount owed to LRE. The appeal will sit until the adjustment is made in the correct amount. The rate adjustment will be made to all PIHPs with PIHP specific rate adjustment information being sent out by 9/19 per MDHHS.
- iii. 4 PIHPs Lawsuit
 - Currently there are no further updates.
- iv. PIHP Rebid Update
 - There were 3 PIHPs and 3 CMHs within those regions that filed for a preliminary injunction against MDHHS and the release of the RFP. The state's rebuttal was that the RFP was needed because as of 10/1/2026 there would be no organizations in place to provide services. Legal, in this case, contacted LRE to confirm whether we would agree to continue providing services beyond 10/1/2026, to which we agreed. Ms. Marlatt-Dumas discussed it with Executive Committee members prior to agreeing. Currently, we are waiting for a ruling.
 - MDHHS sent out answers to some, but not all the questions submitted.
 - Bidding Entities:
 - Regions 1 and 2 have stood up an Entity called Bridgecare to bid on Regions 1 and 2.
 - Regions 7, 8, and 9 (Detroit, Oakland and Macomb) are in process of creating an entity to bid.

- MidState will be submitting a bid but only for the counties within their region. MSHN is aware that their bid does not meet the requirements but is hoping that MDHHS will review without scoring. They have noted in their response the lawsuit that is challenging the governance model, the designation of the region and the delegation of functions to the CMHSPs.
- Regions currently not bidding are 4, 6, 10 and LRE, region 3.
- A discussion will need to take place at the Board meeting to determine the direction this region should take—whether to bid, to sign the FY26 contract, join the lawsuit, or consider other options.
- The RFP submission date has been moved back to October 13, 2025. This does not alter the October 1, 2026, implementation date.
- Executive Committee members are not recommending pursuing a bid.

LRE FY2026 CONTRACTS

i. MDHHS/PIHP Contract

- LRE received the FY26 contract from MDHHS. LRE is trying to gather information about who will be signing the contract. In the new contract:
 - MDHHS has removed the CCBHC language because they CCBHCs will be direct paid and Waskul has been addressed.
 - The only issue left is the 7.5% ISF language. Although LRE does not generally have the entire 7.5% to put into the ISF.
 - There is language stating that all ISF has to be returned to MDHHS within 90 days of contract termination.
 - The language changes will be highlighted in the CEO report and Ms. Dumas will bring pros/cons list of signing the contract to the Board meeting.
- Currently, there is no recommendation on how to move forward but Ms. Marlatt-Dumas will have more information for further discussion at the September Board meeting.
- The PIHPs that are in the lawsuit will be redlining and signing the contract as was done previously. The PIHPs that signed the contract last year will again do so this year.

ii. PIHP/CMHSP Contract

- LRE will be sending an amendment that will extend the CMHSP contract and will also address any new language that has to be updated.
- Currently because the state does not have their budget completed LRE is having to hold on some of our contracts. Primary SUD services will move forward if there is a government shutdown. There are some programs such as prevention and gambling services that would have to use other funds such as PA2 funds to keep services going until funding can be resumed. Generally, Block Grant funds were used prior to PA2 funds because PA2 funds can be carried forward. The risk now is having to use up all the PA2 funds, then not using all the Block Grant funds and

then having to send them back which could decrease future funding and will leave us with little or no back up PA2 funding.

- Contracts are written and awaiting when the budget is released. MDHHS has asked if the budget can be retroactive back to 10/1 if the budget is not released by then, but uncertain if that will be approved.

GOVERNANCE COMMITTEE RECOMMENDATION

The recommended slate of officers and Executive Committee members have all agreed to continue with another term. This will be brought to Board for final approval.

BOARD MEETING AGENDA ITEMS

- i. Strategic Plan Board Survey
- ii. Action Items
 - iii. 2025/2026 Slate of Officers
 - iv. Executive Committee
 - v. LRE FY26 Budget
 - Retention Proposal is built into the budget and does not increase the LRE budget.
 - vi. LRE FY26 Contracts
 - Contracts over \$100,000
 - vii. New Community Advisory Panel (CAP) Member
 - viii. FY25 Budget Amendment

BOARD WORK SESSION AGENDA

- i. FY26 Annual Budget Hearing
 - Stacia Chick, LRE CFO will attend the Work Session to present the FY26 Budget.

UPCOMING MEETINGS

- September 24, 2025 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- September 24, 2025 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- October 15, 2025 – Executive Committee, 1:00PM
- October 22, 2025 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- October 22, 2025 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

LRE GOVERNANCE COMMITTEE NOTES
Tuesday, September 11, 2024 – 10:00 AM

Present Janice Hilleary, Jon Campbell, Dave Parnin, Ron Bacon, Jim Storey

1. Welcome
2. Current LRE Executive Board Officers
 - a. Current Officers
 - Chairperson – Patricia Gardner
 - Vice-Chairperson – Janet Thomas
 - Secretary – Ron Bacon
 - b. Current Executive Committee:
 - Ron Bacon (Secretary) – Lake, Mason, Oceana (WM CMH)
 - Richard Kanten – Ottawa (Ottawa CMH)
 - Craig VanBeek – Allegan (OnPoint)
 - Patricia Gardner – Kent (Netork180)
 - Janet Thomas – Muskegon (HealthWest)
3. Discussion

The Governance Committee discussed and agreed to nominate the current slate of officers for the 2025/2026 year. Mr. Bacon will contact each person to inquire about willingness to serve another year.
4. Recommendation
 - i. 25/26 Slate of Officers
 - Chairperson – Patricia Gardner
 - Vice-Chairperson – Janet Thomas
 - Secretary – Ron Bacon
 - ii. Executive Committee
 - Richard Kanten
 - Craig VanBeek



Application for Membership on (choose):

☐

Consumer Advisory Panel (CAP)

The Lakeshore Regional Entity (LRE) Board appoints individuals who are served by its services to advise the organization on matters related to legislation, advocacy and consumer engagement.

Contact Information

Name Demario L.

Street Address

City ST ZIP Code

Cell Phone

Home Phone

Work Phone

E-Mail

Regional Representation

The LRE seeks representation from individuals in the following locations. In which area do you reside?

☐
☐
☒
☐

Allegan County (served by Allegan CMH)

Kent County (served by Network 180)

Muskegon County (served by HealthWest)

Ottawa County (served by Ottawa CMH)

☐
☐
☐

Lake County (served by West Michigan CMH)

Oceana County (served by West Michigan CMH)

Mason County (served by West Michigan CMH)

Interest in Serving

The LRE seeks individuals with lived experience who are willing to serve. Please share your areas of expertise, checking all that apply:

I am:

☐
☐

a ☒ Primary or ☐ Secondary Consumer

☐
☐

LRE Board Member

Community Member/Representative

Consumer Population Relationship:

☒
☒
☐
☐
☐

Services for persons with Developmental or Intellectual Disabilities

Services for persons with Mental Illness

Services for persons with Serious Emotional Disturbance (children)

Services for persons with Substance Use Disorders

Other services (describe):

Time Commitment

The CAP meets a minimum of 4 time per year*. We request that you commit to attending all meetings. Can you make this commitment? Please note that meetings are virtual.

☒
☐
☐

Yes

Yes, with accommodation

No

*Meeting frequency may vary as agreed upon by the committee.

Special Skills or Qualifications

Summarize special skills, qualifications, or interests you have acquired from employment, previous volunteer work, or through other activities.

I am very experienced
and very outspoken also
I am unbiased and Fair

Previous Board/Committee Experience

Please tell us about your previous experiences serving on boards or committees.

Please see my resume.

How Did You Hear About Us?

<input type="checkbox"/>	From a current CAP Member (Their name: _____)		
<input checked="" type="checkbox"/>	Customer Services	<input type="checkbox"/>	Social Media
<input type="checkbox"/>	CMH Website	<input type="checkbox"/>	LRE Website
<input type="checkbox"/>	Other: _____		

Person to Notify in Case of Emergency (optional)

Name _____
Street _____ ss _____
City ST ZIP Code _____
Home Phone _____
Work Phone _____
E-Mail Address _____

Agreement and Signature

By submitting this application, I affirm that the facts set forth in it are true and complete. I understand that if I am accepted as a CAP member, any false statements, omissions, or other misrepresentations made by me on this application may result in my immediate dismissal.

Name (printed) Demarjol [redacted]
Signature Demarjol [redacted]
Date 8/20/15 [redacted]

Our Policy

It is the policy of this organization to provide equal opportunities without regard to race, color, religion, national origin, gender, sexual preference, age, or disability.

When finished – please return form to the Customer Services representative of your area CMH agency.

Demario L. P [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

Education

Muskegon High School Diploma 2009

Volunteer Experiences

MACAE Learner Advisory Council 4/2025 to present

Michigan Adult, Community & Alternative Education Association Learner Advisory Council gives Michigan adult learners a voice in their education.

City of Muskegon National Night Out Committee 3/2025 to present

City of Muskegon Housing Code Board of Appeals 1/2025 to present

Pioneer Resources Arbour Board Muskegon, MI 1/2025 to present

Friends of Hackley Library Muskegon, MI 5/2024 to present

To support Hackley Public Library and stimulate interest in reading and literacy

Health West Consumer Advisory Board Vice Chair Muskegon, MI 2025 to present

Advanced the purposes of HealthWest by providing input, analysis and advise the Board of Directors as part of the Special Projects Committee.

Read Muskegon Muskegon, MI 2023 to present

Advocate for community literacy

McLaughlin Neighborhood Association Muskegon, MI to present

ARC Consumer Voice Program Muskegon, MI 11/30/15 to present

The mission of The Arc Muskegon is to provide advocacy, education and support services to people with intellectual and developmental disabilities and their families and actively support their inclusion, equality and participation in the community.

Ran for Public Office

Muskegon County Commissioner District 1 2020

Approval of FY26 Contracts Over \$100,000

in Accordance with [LRE Policy 10.17 – Management Delegation and Executive Limitations](#)

FY26 Grant Agreements

The listed FY26 Grant Agreements are based on expected allocations that have been approved by MDHHS, but agreements cannot be released until the State Legislature finalizes the FY26 budget. These agreements are being brought to the Board for approval now, consistent with Policy 10.17, with the understanding that execution will be delayed until funds are officially released by MDHHS.

Motion

The LRE Board of Directors moves to approve the FY26 Grant Agreements over \$100,000 as presented, contingent upon finalization of the State budget and release of funds by MDHHS, in accordance with Policy 10.17.

Contractor Name	Description	Contract Total
OnPoint	Peer Driven Tobacco Cessation, Prevention, State Disability Assistance, SUD Treatment, Women's Specialty Services, Substance Use Disorder Administration, SUD Access Management, Alcohol Use Disorder Treatment, and State Opioid Response 4 (Prevention, Jail-based MOUD Expansion, Overdose Education and Naloxone Distribution with Harm Reduction ("OEND"), OUD/StUD Recovery, Peer Outreach and Linkage, OUD/StUD Treatment, and Recovery Housing)	\$884,193.80
Arbor Circle Corporation	Hispanic Behavioral Health Services, Prevention, State Opioid Response 4 - Prevention, and Michigan Gambling Disorder Prevention Project	\$406,456.00
Community Mental Health of Ottawa County	Peer Driven Tobacco Cessation, SUD Treatment, Women's Specialty Services, Healing and Recovery Community Engagement and Infrastructure, Substance Use Disorder Administration, State Opioid Response 4 - Jail-based MOUD Expansion, SUD Access Management, and Alcohol Use Disorder Treatment	\$866,946.00
District Health Department #10	Prevention, State Opioid Response 4 - Prevention, and Michigan Gambling Disorder Prevention Project	\$152,066.00
Grand Rapids Red Project	SUD Treatment, and State Opioid Response 4 (Overdose Education and Naloxone Distribution with Harm Reduction ("OEND"), and Mobile Care Unit)	\$197,950.00
Network180	SUD Access Management, Alcohol Use Disorder Treatment, Clubhouse Engagement, Prevention, State Disability Assistance, SUD Treatment, Women's Specialty Services, Healing and Recovery Community Engagement and Infrastructure, Substance Use Disorder Administration, and State Opioid Response 4 (Jail-based MOUD Expansion, Peer Outreach and Linkage)	\$3,415,371.40
Kent County Health Department	Prevention	\$246,000.00
HealthWest	Clubhouse Engagement, Peer Driven Tobacco Cessation, Prevention, State Disability Assistance, SUD Treatment, Women's Specialty Services, Healing and Recovery Community Engagement and Infrastructure, Michigan Gambling Disorder Prevention Project, Substance Use Disorder Administration, SUD Access Management, and State Opioid Response 4 (Jail-based MOUD Expansion, Prevention, Overdose Education and Naloxone Distribution with Harm Reduction ("OEND"), OUD/StUD Recovery, Alcohol Use Disorder Treatment, Peer Outreach and Linkage, and OUD/StUD Treatment)	\$1,565,322.60
Wedgwood Christian Services	Prevention, PA2 - Special Projects	\$112,970.00
West Michigan Community Mental Health System	Alcohol Use Disorder Treatment, Peer Driven Tobacco Cessation, State Disability Assistance, SUD Treatment, Women's Specialty Services, Healing and Recovery Community Engagement and Infrastructure, Substance Use Disorder Administration, SUD Access Management, and State Opioid Response 4 (Overdose Education and Naloxone Distribution with Harm Reduction ("OEND"), OUD/StUD Recovery, OUD/StUD Treatment, and Recovery Housing)	\$594,194.00

FY26 CMHSP Medicaid Agreements

These agreements are Amendment 01 to the FY25 CMHSP Medicaid Agreements. The Board approved the original FY25 agreements last year. Amendments are being brought forward now because they extend the agreements through FY26 and incorporate draft projected budgets. Unlike grant agreements, these contracts do not contain fixed totals but instead outline the capitation reimbursement model under which the CMHSPs are paid.

Motion

The LRE Board of Directors moves to approve Amendment 01 to the FY25 CMHSP Medicaid Agreements, extending the agreements through FY26 with draft projected budgets, in accordance with Policy 10.17.

Contractor Name	Description	Contract Total
OnPoint	Amendment 01 to the FY25 CMHSP Agreement. FY26 Draft Projections for Medicaid, Healthy Michigan Plan, Autism, Waiver.	\$35,199,300.00
Community Mental Health of Ottawa County	Amendment 01 to the FY25 CMHSP Agreement. FY26 Draft Projections for Medicaid, Healthy Michigan Plan, Autism, Waiver.	\$108,428,327.00
Network180	Amendment 01 to the FY25 CMHSP Agreement. FY26 Draft Projections for Medicaid, Healthy Michigan Plan, Autism, Waiver.	\$207,275,189.00
HealthWest	Amendment 01 to the FY25 CMHSP Agreement. FY26 Draft Projections for Medicaid, Healthy Michigan Plan, Autism, Waiver.	\$85,991,191.00
West Michigan Community Mental Health System	Amendment 01 to the FY25 CMHSP Agreement. FY26 Draft Projections for Medicaid, Healthy Michigan Plan, Autism, Waiver.	\$29,579,454.00

FY26 Public Act 2 Liquor Tax (PA2) Agreements

In prior years, PA2 (Liquor Tax) funds were included as part of the annual Grant Agreements. Beginning in FY26, PA2 funds are being separated into stand-alone PA2 Agreements with each provider. This transition was already planned, but it has proven particularly valuable given that FY26 Grant Agreements are currently delayed due to the State Legislature's budget process. By separating PA2, LRE is able to move forward with these agreements and ensure timely continuation of services funded through PA2 without being impacted by the State's delay. Although oversight of PA2 funds is vested in the LRE Oversight Policy Board, these agreements are being brought to the LRE Board of Directors for approval as they exceed \$100,000.

Motion

The LRE Board of Directors moves to approve the FY26 PA2 Agreements over \$100,000 as presented, in accordance with Policy 10.17.

Contractor Name	Description	Contract Total
OnPoint	PA2 - Treatment, PA2 - Prevention, PA2 - Special Projects	\$229,387.00
Arbor Circle Corporation	PA2 - Prevention, PA2 - Prevention Reserve	\$371,608.77
Community Mental Health of Ottawa County	PA2 - Treatment, PA2 - Prevention, PA2 - Special Projects	\$717,900.91
District Health Department #10	PA2 - Prevention, PA2 - Prevention Reserve	\$133,340.00
Network180	PA2 - Treatment, PA2 - Prevention, PA2 - Special Projects	\$1,832,696.00
Kent County Health Department	PA2 - Prevention, PA2 - Prevention Reserve	\$251,393.00
Muskegon County, dba HealthWest	PA2 - Treatment, PA2 - Prevention	\$472,370.71
West Michigan Community Mental Health System	PA2 - Treatment	\$137,458.00

Lakeshore Regional Entity Board

Financial Officer Report for September 2025

9/24/2025

- **Disbursements Report** – A motion is requested to approve the August 2025 disbursements. A summary of those disbursements is included as an attachment.
- **Statement of Activities** – Report through July is included as an attachment.
- **FY25 Budget Amend 3** – A motion is requested to approve the FY25 Budget Amend 3, the final amend of the fiscal year.
- **FY26 Initial Budget** - A motion is requested to approve the FY26 Initial Budget. The budget is based on draft Medicaid rates only because MDHHS has not provided the PIHPs with final rates for FY26. An updated budget may be presented if final rates are received by the PIHP prior to the Board meeting.
- **LRE Combined Monthly FSR** – The July 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 July of \$7.9 million (which is a significant increase in the deficit from June's report), a projected annual **deficit** of \$671 thousand (which is a swing from a surplus on June's report), and a budgeted **surplus** of \$184 thousand 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 \$14.3 million and CMH of Ottawa \$759 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 \$1.1 million.

CCBHC activity (excluding PIHP activity) is included in this month's report showing an actual **surplus** of \$5.7 million (excluding LRE activity), which is the responsibility of the CCBHCs and not the PIHP. A projected **surplus** of \$1.6 million and a budgeted **deficit** of \$1.3 million is shown.

- **Cash Flow Issues** – Network180 has \$2 million left outstanding in cash advances to be repaid to LRE before the end of FY25. No other cash flow issues have been reported by the Member CMHSPs for FY25.

For FY26, there are potential cash flow issues for the CCBHCs related to direct payment to from MDHHS. PIHPs are no longer involved in the payment process beginning in FY26 for CCBHCs, so we will be unable to assist with cash flow issues related to CCBHC.

Also, for FY26, there could be potential cash flow issues is the Federal and/or State governments do not have an approved budget by 10/1/2025 and there are shutdowns. We have been informed that a shutdown will impact grant funding. It is not yet clear whether it will impact Medicaid/Healthy Michigan Plan (HMP) funding or PA2 funding. It is estimated that LRE has Medicaid/HMP reserves to cover anticipated FY26 Medicaid/HMP revenues for approximately 36 days. CMHSP Members are not expecting Medicaid/HMP payments in October until 10/24/25 (Waivers) and 10/31/25

(Medicaid/HMP Prepayment for October), with the later payment being significantly larger than the first.

- FY2026 Rate Setting** – The FY26 revenue projections have been updated with the draft rates MDHHS provided after the August 20, 2025 rate setting meeting. Total revenue net of CCBHC is projected at \$434.2 million, an increase of \$31.6 million from the initial FY26 projections. The initial projections were based on FY25 rates which include CCBHC base capitation. CCBHC is excluded from the draft FY26 base capitation rates. The FY26 projections have been updated to show total revenue net of CCBHC for a cleaner comparison between the initial and current projections. The CCBHC Supplemental revenue projections are based on amended FY25 PPS-1 rates and daily visit projections provided by the CCBHCs. Revenue projections will be revised again after MDHHS provides finalized rates.

Total LRE (Net of CCBHC)				
	FY26 Initial Budget Projection	FY26 Current Budget Projection	FY26 Initial to Current Change	
MCD - MH	\$ 221,863,409	\$ 254,208,927	\$ 32,345,518	14.58%
MCD - SUD	\$ 7,740,324	\$ 5,407,019	\$ (2,333,305)	-30.14%
HMP - MH	\$ 19,320,790	\$ 28,140,917	\$ 8,820,128	45.65%
HMP - SUD	\$ 11,287,878	\$ 10,546,519	\$ (741,359)	-6.57%
Autism	\$ 62,981,309	\$ 62,742,617	\$ (238,692)	-0.38%
Waiver	\$ 61,708,840	\$ 55,427,462	\$ (6,281,378)	-10.18%
SUDHH	\$ 43,737	\$ 43,737	\$ -	0.00%
SUDHH - LRE Admin	\$ 10,935	\$ 10,935	\$ -	0.00%
LRE Admin	\$ 13,922,556	\$ 13,922,556	\$ -	0.00%
ISF	\$ -	\$ -	\$ -	
IPA	\$ 3,776,414	\$ 3,776,544	\$ 130	0.00%
Total Region	\$ 402,656,192	\$ 434,227,235	\$ 31,571,043	7.84%

Total CMHSPs (Net of CCBHC)				
	FY26 Initial Budget Projection	FY26 Current Budget Projection	FY26 Initial to Current Change	
OnPoint	\$ 33,069,401	\$ 35,199,301	\$ 2,129,900	6.44%
Healthwest	\$ 78,479,428	\$ 85,991,191	\$ 7,511,764	9.57%
Network180	\$ 193,243,377	\$ 207,275,189	\$ 14,031,813	7.26%
Ottawa	\$ 55,874,506	\$ 58,472,064	\$ 2,597,557	4.65%
West Michigan	\$ 24,279,575	\$ 29,579,454	\$ 5,299,879	21.83%
Total CMHSPs	\$ 384,946,286	\$ 416,517,199	\$ 31,570,913	8.20%

CCBHC Base Capitation & Supplemental Total ^A				
	FY26 Initial Budget Projection	FY26 Current Budget Projection	FY26 Initial to Current Change	
OnPoint	\$ 9,022,427	\$ 5,920,660	\$ (3,101,767)	-34.38%
Healthwest	\$ 26,265,860	\$ 18,061,503	\$ (8,204,358)	-31.24%
Network180	\$ 37,385,365	\$ 18,792,944	\$ (18,592,421)	-49.73%
Ottawa	\$ 14,037,618	\$ 9,404,515	\$ (4,633,103)	-33.00%
West Michigan	\$ 12,261,796	\$ 7,519,463	\$ (4,742,333)	-38.68%
Total CMHSPs	\$ 98,973,067	\$ 59,699,084	\$ (39,273,983)	-39.68%

CCBHC				
	FY26 Initial Budget Projection	FY26 Current Budget Projection	FY26 Initial to Current Change	
CCBHC MCD Base Cap ^A	\$ 30,043,082		\$ (30,043,082)	-100.00%
CCBHC HMP Base Cap ^A	\$ 7,409,961		\$ (7,409,961)	-100.00%
CCBHC MCD Supplemental	\$ 47,522,626	\$ 46,221,043	\$ (1,301,584)	-2.74%
CCBHC HMP Supplemental	\$ 13,997,398	\$ 13,478,042	\$ (519,356)	-3.71%
Total CCBHC	\$ 98,973,067	\$ 59,699,084	\$ (39,273,983)	-39.68%
Total with CCBHC	\$ 501,629,259	\$ 493,926,319	\$ (7,702,940)	-1.54%

^A Initial Projection based on FY25 rates, which include CCBHC in base capitation
 Current Projection based on FY26 DRAFT rates, which exclude CCBHC from base capitation

Total revenue including CCBHC is projected at \$493.9 million, a decrease of \$7.7 million from the Initial projections. About \$6.3 million is attributable to waiver rate reductions; CWP revenue decreased by \$2 million and nearly all the remaining \$4.3 million is attributable to HSW. CCBHC supplemental revenue decreased \$1.8 million due to changes in OnPoint (-\$274.928) and Network180's (-\$1.6 million) daily visit projections. Incorporating the draft FY26 rates added a net \$399,248 in Medicaid and Healthy Michigan revenue to offset the decreases.

- FY 2025 Revenue Projections** – The FY25 August revenue projection is \$486.8 million, an increase of \$3.3 million from July. An estimated \$3.5 million is attributable to increased enrollment. This was offset by a \$202,386 decrease in CCBHC supplemental revenue. OnPoint decreased their daily visit projections, decreasing their supplemental revenue by \$253,970. MDHHS finalized OnPoint and Network180's FY25 CCBHC rates. Network180's finalized PPS-1 rate is \$0.74 greater than the FY24 cost report estimate used in previous projections, increasing their supplemental revenue by \$51,584. This resulted in the net decrease of \$202,386 in CCBHC supplemental. MDHHS is in the process of finalizing Ottawa's PPS-1 rates. Cohort 1's (HealthWest, West Michigan) FY25 PPS-1 rates will not be rebased. In August, MDHHS completed prior month rate adjustment payments related to the June capitation rate amendment.

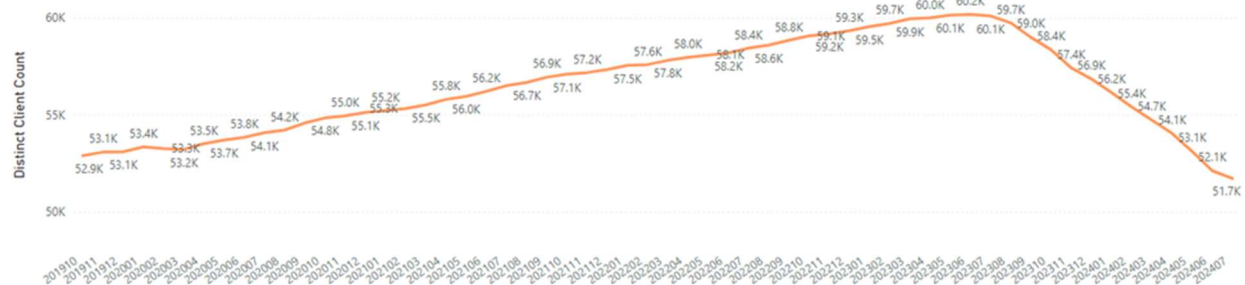
FY 2025 Revenue Projection									
Total LRE					CMHSPs Breakdown (Net of CCBHC)				
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change			FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change	
MCD - MH	\$ 208,240,822	\$ 215,897,731	\$ 7,656,909	3.68%	MCD - MH				
MCD - SUD	\$ 8,162,709	\$ 7,775,720	\$ (386,989)	-4.74%	OnPoint	\$ 16,864,811	\$ 17,390,389	\$ 525,579	
HMP - MH	\$ 17,311,272	\$ 22,418,695	\$ 5,107,423	29.50%	Healthwest	\$ 40,261,507	\$ 42,398,018	\$ 2,136,511	
HMP - SUD	\$ 11,157,718	\$ 11,813,875	\$ 656,157	5.88%	Network180	\$ 109,602,547	\$ 111,923,778	\$ 2,321,231	
Autism	\$ 47,599,001	\$ 65,935,294	\$ 18,336,293	38.52%	Ottawa	\$ 28,657,374	\$ 30,547,550	\$ 1,890,176	
Waiver	\$ 56,582,505	\$ 58,025,199	\$ 1,442,693	2.55%	West Michigan	\$ 12,854,583	\$ 13,637,996	\$ 783,413	
SUDHH	\$ -	\$ 9,914	\$ 9,914		Total MCD - MH	\$ 208,240,822	\$ 215,897,731	\$ 7,656,909	
SUDHH - LRE Admin	\$ -	\$ 2,479	\$ 2,479		MCD - SUD				
CCBHC MCD Base Cap	\$ 23,389,790	\$ 26,633,463	\$ 3,243,673	13.87%	OnPoint	\$ 653,507	\$ 618,932	\$ (34,575)	
CCBHC HMP Base Cap	\$ 6,046,769	\$ 6,707,820	\$ 661,051	10.93%	Healthwest	\$ 1,657,313	\$ 1,580,736	\$ (76,577)	
CCBHC MCD Supplemental	\$ 34,550,918	\$ 41,415,620	\$ 6,864,703	19.87%	Network180	\$ 4,253,796	\$ 4,028,536	\$ (225,260)	
CCBHC HMP Supplemental	\$ 9,822,186	\$ 12,414,128	\$ 2,591,942	26.39%	Ottawa	\$ 1,057,081	\$ 1,019,916	\$ (37,165)	
LRE Admin	\$ 13,922,556	\$ 13,922,556	\$ -	0.00%	West Michigan	\$ 541,012	\$ 527,601	\$ (13,411)	
ISF	\$ -	\$ -	\$ -		Total MCD - SUD	\$ 8,162,709	\$ 7,775,720	\$ (386,989)	
IPA	\$ 3,585,824	\$ 3,858,611	\$ 272,787	7.61%	HMP - MH				
Total Region	\$ 440,372,070	\$ 486,831,105	\$ 46,459,035	10.55%	OnPoint	\$ 1,226,108	\$ 1,601,826	\$ 375,718	
Total CMHSPs					Healthwest	\$ 2,989,777	\$ 3,977,574	\$ 987,796	
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		Network180	\$ 9,632,693	\$ 12,077,156	\$ 2,444,463	
OnPoint	\$ 39,310,267	\$ 41,454,712	\$ 2,144,445	5.46%	Ottawa	\$ 2,793,323	\$ 3,626,740	\$ 833,417	
Healthwest	\$ 90,762,761	\$ 101,925,108	\$ 11,162,347	12.30%	West Michigan	\$ 669,371	\$ 1,135,400	\$ 466,029	
Network180	\$ 200,607,414	\$ 225,156,249	\$ 24,548,834	12.24%	Total HMP - MH	\$ 17,311,272	\$ 22,418,695	\$ 5,107,423	
Ottawa	\$ 59,198,098	\$ 64,759,692	\$ 5,561,594	9.39%	HMP - SUD				
West Michigan	\$ 32,985,149	\$ 35,751,698	\$ 2,766,549	8.39%	OnPoint	\$ 805,992	\$ 869,991	\$ 63,998	
Total CMHSPs	\$ 422,863,689	\$ 469,047,458	\$ 46,183,770	10.92%	Healthwest	\$ 1,996,379	\$ 2,194,951	\$ 198,572	
Average PMPM - Net of CCBHC Supplemental & SUDHH Revenue					Network180	\$ 6,176,263	\$ 6,292,203	\$ 115,940	
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		Ottawa	\$ 1,722,885	\$ 1,821,776	\$ 98,891	
OnPoint	\$ 131.90	\$ 134.37	\$ 2.47	1.87%	West Michigan	\$ 456,198	\$ 634,954	\$ 178,755	
Healthwest	\$ 136.33	\$ 139.76	\$ 3.43	2.51%	Total HMP - SUD	\$ 11,157,718	\$ 11,813,875	\$ 656,157	
Network180	\$ 122.55	\$ 124.70	\$ 2.15	1.75%	Autism				
Ottawa	\$ 121.59	\$ 124.98	\$ 3.39	2.79%	OnPoint	\$ 4,198,155	\$ 5,523,206	\$ 1,325,051	
West Michigan	\$ 129.50	\$ 130.10	\$ 0.60	0.46%	Healthwest	\$ 9,643,002	\$ 13,322,563	\$ 3,679,561	
Total CMHSPs	\$ 126.27	\$ 128.72	\$ 2.45	1.94%	Network180	\$ 23,969,281	\$ 33,780,988	\$ 9,811,706	
					Ottawa	\$ 6,980,987	\$ 9,434,323	\$ 2,453,335	
					West Michigan	\$ 2,807,575	\$ 3,874,214	\$ 1,066,640	
					Total Autism	\$ 47,599,001	\$ 65,935,294	\$ 18,336,293	
Member Month Projection					Waiver				
	FY25 Initial Budget Projection	FY25 Current Budget Projection	FY25 Initial to Current Change		OnPoint	\$ 6,363,966	\$ 6,427,941	\$ 63,975	
OnPoint	246,600	264,451	17,851		Healthwest	\$ 12,978,790	\$ 13,327,078	\$ 348,288	
Healthwest	568,250	604,568	36,317		Network180	\$ 23,778,918	\$ 25,077,134	\$ 1,298,216	
Network180	1,532,219	1,667,429	135,210		Ottawa	\$ 9,457,872	\$ 9,518,486	\$ 60,614	
Ottawa	444,895	472,310	27,416		West Michigan	\$ 4,002,959	\$ 3,674,560	\$ (328,399)	
West Michigan	205,608	216,926	11,319		Total Waiver	\$ 56,582,505	\$ 58,025,199	\$ 1,442,693	
Total Member Months	2,997,571	3,225,684	228,113						

CMHSPs Breakdown - SUDHH			
OnPoint	\$ -	\$ -	\$ -
Healthwest	\$ -	\$ -	\$ -
Network180	\$ -	\$ -	\$ -
Ottawa	\$ -	\$ 9,914	\$ 9,914
West Michigan	\$ -	\$ -	\$ -
Total Waiver	\$ -	\$ 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	\$ 2,465,129	\$ 584,111
Healthwest	\$ 6,336,673	\$ 6,135,958	\$ (200,715)
Network180	\$ 8,529,158	\$ 12,033,749	\$ 3,504,591
Ottawa	\$ 2,763,358	\$ 2,395,123	\$ (368,235)
West Michigan	\$ 3,879,583	\$ 3,603,504	\$ (276,079)
Total	\$ 23,389,790	\$ 26,633,463	\$ 3,243,673
HMP - CCBHC Base Capitation			
OnPoint	\$ 532,594	\$ 636,639	\$ 104,045
Healthwest	\$ 1,608,943	\$ 1,557,980	\$ (50,963)
Network180	\$ 1,826,960	\$ 2,711,351	\$ 884,391
Ottawa	\$ 662,433	\$ 667,757	\$ 5,324
West Michigan	\$ 1,415,840	\$ 1,134,095	\$ (281,745)
Total	\$ 6,046,769	\$ 6,707,820	\$ 661,051
MCD - CCBHC Supplemental Revenue			
OnPoint	\$ 5,071,207	\$ 4,400,230	\$ (670,978)
Healthwest	\$ 10,199,499	\$ 13,427,898	\$ 3,228,399
Network180	\$ 10,691,851	\$ 13,749,985	\$ 3,058,133
Ottawa	\$ 3,930,417	\$ 4,273,060	\$ 342,643
West Michigan	\$ 4,657,943	\$ 5,564,448	\$ 906,504
Total	\$ 34,550,918	\$ 41,415,620	\$ 6,864,703
HMP - CCBHC Supplemental Revenue			
OnPoint	\$ 1,712,909	\$ 1,520,430	\$ (192,479)
Healthwest	\$ 3,090,877	\$ 4,002,352	\$ 911,475
Network180	\$ 2,145,946	\$ 3,481,369	\$ 1,335,423
Ottawa	\$ 1,172,369	\$ 1,445,049	\$ 272,680
West Michigan	\$ 1,700,084	\$ 1,964,927	\$ 264,843
Total	\$ 9,822,186	\$ 12,414,128	\$ 2,591,942

- 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 October 2019 – August 2025. The LRE also receives payments for other individuals who are not listed on these charts but are eligible for behavioral health services (i.e. individuals enrolled and eligible for the Habilitation Supports Waiver (HSW) program. Due to the end of the PHE, Medicaid eligibility redeterminations resumed in July 2024.

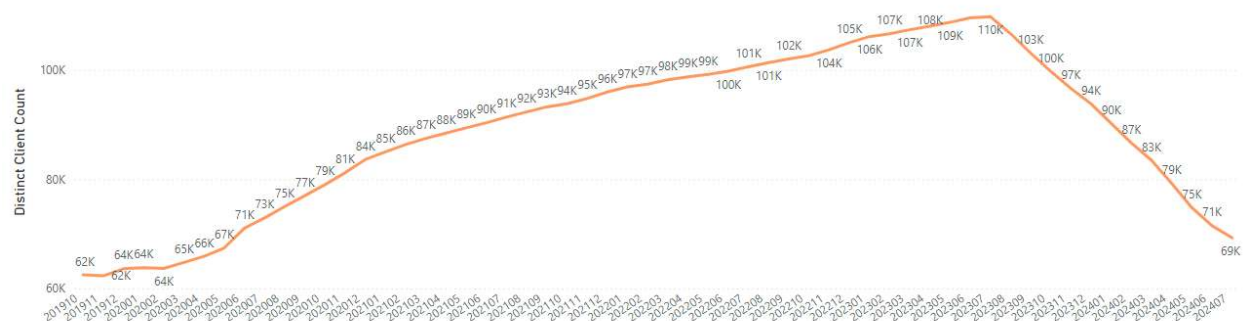
DAB

Eligibility - Number of Consumers by Month



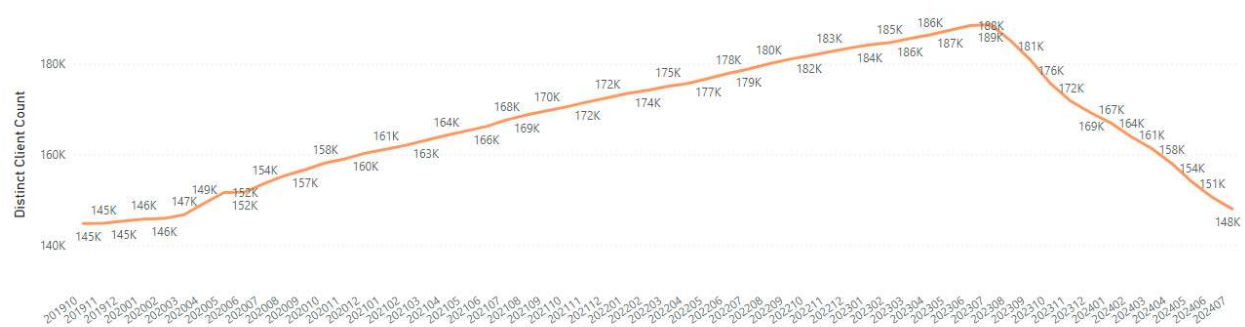
HMP

Eligibility - Number of Consumers by Month



TANF

Eligibility - Number of Consumers by Month



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

LAKESHORE REGIONAL ENTITY LEGAL EXPENSES REPORT July 31, 2025		
12/31/2024	FY 2022 ISF LAPSE LITIGATION	4,717.50
1/31/2025	FY 2022 ISF LAPSE LITIGATION	754.00
2/28/2025	FY 2022 ISF LAPSE LITIGATION	21,489.48
3/31/2025	FY 2022 ISF LAPSE LITIGATION	6,488.50
4/30/2025	FY 2022 ISF LAPSE LITIGATION	2,691.00
5/31/2025	FY 2022 ISF LAPSE LITIGATION	15,675.75
6/30/2025	FY 2022 ISF LAPSE LITIGATION	10,969.50
ISF LAPSE LITIGATION TOTAL		62,756.70
4/30/2022	BYLAWS/OPERATING AGREEMENT	5,700.00
7/25/2022	BYLAWS/OPERATING AGREEMENT	6,500.00
BYLAWS/OPERATING AGREEMENT TOTAL		12,200.00
3/31/2025	STATE FAIR HEARINGS	10,710.00
4/30/2025	STATE FAIR HEARINGS	7,735.00
5/31/2025	STATE FAIR HEARINGS	357.00
STATE FAIR HEARINGS SUPPORT TOTAL		18,802.00
11/30/2021	COBHC SUPPORT	812.50
COBHC 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
12/20/2023	GENERAL/OTHER	5,000.00
1/31/2024	GENERAL/OTHER	5,000.00
2/28/2024	GENERAL/OTHER	5,000.00
3/31/2024	GENERAL/OTHER	5,000.00
4/8/2024	GENERAL/OTHER	5,000.00
5/22/2024	GENERAL/OTHER	5,000.00
6/25/2024	GENERAL/OTHER	5,000.00
7/30/2024	GENERAL/OTHER	5,000.00
8/31/2024	GENERAL/OTHER	5,000.00
10/31/2024	GENERAL/OTHER	5,000.00
11/30/2024	GENERAL/OTHER	5,000.00
12/31/2024	GENERAL/OTHER	5,000.00
1/31/2025	GENERAL/OTHER	5,000.00
2/28/2025	GENERAL/OTHER	5,000.00
4/30/2025	GENERAL/OTHER	5,250.00
5/30/2025	GENERAL/OTHER	5,250.00
5/31/2025	GENERAL/OTHER	5,250.00
6/30/2025	GENERAL/OTHER	5,250.00
GENERAL/OTHER TOTAL		106,575.00
10/31/2021	HEALTHWEST LITIGATION	5,368.74
3/31/2022	HEALTHWEST LITIGATION	2,016.00
4/30/2022	HEALTHWEST LITIGATION	9,368.80
6/24/2022	HEALTHWEST LITIGATION	13,762.40
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	107.60
HEALTHWEST LITIGATION TOTAL		41,663.14
10/31/2021	MANAGED CARE/MDHHS CONTRACT	17,085.00
11/30/2021	MANAGED CARE/MDHHS CONTRACT	9,993.00
12/31/2021	MANAGED CARE/MDHHS CONTRACT	5,202.00
1/25/2022	MANAGED CARE/MDHHS CONTRACT	23,501.31
2/17/2022	MANAGED CARE/MDHHS CONTRACT	9,280.00
2/17/2022	MANAGED CARE/MDHHS CONTRACT	17,125.00
2/28/2022	MANAGED CARE/MDHHS CONTRACT	20,051.20
2/28/2022	MANAGED CARE/MDHHS CONTRACT	6,312.50
3/31/2022	MANAGED CARE/MDHHS CONTRACT	4,032.00
4/11/2022	MANAGED CARE/MDHHS CONTRACT	421.50
6/24/2022	MANAGED CARE/MDHHS CONTRACT	2,883.57
7/25/2022	MANAGED CARE/MDHHS CONTRACT	6,798.23
8/22/2022	MANAGED CARE/MDHHS CONTRACT	4,437.50
8/25/2022	MANAGED CARE/MDHHS CONTRACT	16,806.40
9/28/2022	MANAGED CARE/MDHHS CONTRACT	20,832.00
9/30/2022	MANAGED CARE/MDHHS CONTRACT	23,104.65
10/31/2022	MANAGED CARE/MDHHS CONTRACT	9,307.00
11/30/2022	MANAGED CARE/MDHHS CONTRACT	33,792.00
11/30/2022	EARLY PAYMENT DISCOUNT	(2,048.80)
12/31/2022	MANAGED CARE/MDHHS CONTRACT	31,494.10
1/31/2023	MANAGED CARE/MDHHS CONTRACT	25,663.40
2/28/2023	MANAGED CARE/MDHHS CONTRACT	7,472.60
3/31/2023	MANAGED CARE/MDHHS CONTRACT	3,371.20
4/30/2023	MANAGED CARE/MDHHS CONTRACT	16,561.20
5/31/2023	MANAGED CARE/MDHHS CONTRACT	5,922.00
6/30/2023	MANAGED CARE/MDHHS CONTRACT	12,537.80
7/31/2023	MANAGED CARE/MDHHS CONTRACT	7,768.80
7/31/2023	EARLY PAYMENT DISCOUNT	(3,321.04)
8/31/2023	MANAGED CARE/MDHHS CONTRACT	1,302.40
9/30/2023	MANAGED CARE/MDHHS CONTRACT	2,810.40
10/31/2023	MANAGED CARE/MDHHS CONTRACT	3,547.20
11/30/2023	MANAGED CARE/MDHHS CONTRACT	563.20
12/31/2023	MANAGED CARE/MDHHS CONTRACT	5,000.00
2/28/2024	MANAGED CARE/MDHHS CONTRACT	76.00
10/1/2024	MANAGED CARE/MDHHS CONTRACT - PIHP ISF	5,497.08
10/31/2024	MANAGED CARE/MDHHS CONTRACT - PIHP ISF	9,518.42
11/30/2024	MANAGED CARE/MDHHS CONTRACT - PIHP ISF	7,087.78
12/5/2024	MANAGED CARE/MDHHS CONTRACT - PIHP ISF	1,948.57
MANAGED CARE/MDHHS CONTRACT TOTAL		370,653.95
2/28/2023	NETWORK 180 LITIGATION	2,674.00
3/31/2023	NETWORK 180 LITIGATION	29,167.33
4/30/2023	NETWORK 180 LITIGATION	105.60
5/31/2023	NETWORK 180 LITIGATION	2,283.20
6/30/2023	NETWORK 180 LITIGATION	13,840.80
7/31/2023	NETWORK 180 LITIGATION	3,685.60
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		\$ 667,491.82

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

Meeting Date: September 24, 2025

RECOMMENDED MOTION:

To approve the August 2025 disbursements of \$55,908,099.26 as presented.

SUMMARY OF REQUEST/INFORMATION:

<u>Disbursements:</u>	
Allegan County CMH	\$4,131,640.41
Healthwest	\$11,189,129.79
Network 180	\$23,244,386.41
Ottawa County CMH	\$11,661,937.82
West Michigan CMH	\$4,062,284.89
SUD Prevention Expenses	\$89,680.39
Local Match Payment	\$251,887.00
SUD Public Act 2 (PA2)	\$510,611.04
Administrative Expenses	\$766,541.51
Total:	\$55,908,099.26

97.27% 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:** 9/15/2025



Budget Proposal Summary
Fiscal Year Ending 9/30/2025

	FY 2024/2025 Amendment 2 Budget	FY 2024/2025 Amendment 3 Budget	Increase / (Decrease)	Change %
Revenue				
Regional Operating Revenue				
Mental Health State Plan & 1915(i)	\$ 226,786,431	\$ 233,678,898	\$ 6,892,467	3.0%
Habilitation Supports Waiver (HSW)	52,493,260	53,305,794	812,534	1.5%
Children's Waiver	3,901,648	4,033,866	132,218	3.4%
SED Waiver	646,841	685,539	38,698	6.0%
DHS Incentive Payment	471,247	471,247	-	0.0%
Autism Revenue	62,113,113	65,935,294	3,822,181	6.2%
Mental Health Healthy Michigan	20,377,954	22,418,695	2,040,741	10.0%
Mental Health Block Grant - Veteran Navigator	124,825	124,825	-	0.0%
Block Grants - Hisp BH, Native Am, Tob, Clubhse, BH				0.0%
Workforce Stab., ARPA	504,434	504,434	-	
Substance Use Gambling, ARPA & DFC	739,686	693,784	(45,902)	-6.2%
Substance Use State Plan	7,483,907	7,775,720	291,813	3.9%
Substance Use Healthy Michigan	11,176,794	11,813,875	637,081	5.7%
Substance Use Block, State Opioid Response, COVID-19	10,397,116	10,397,116	-	0.0%
Performance Bonus Incentive Pool	2,648,663	2,648,663	-	0.0%
CCBHC Quality Bonus Incentive	1,745,775	1,745,775	-	0.0%
Substance Use PA2 Liquor Tax	6,857,246	6,883,575	26,329	0.4%
Medicaid CCBHC Base Capitation	27,117,418	26,633,463	(483,955)	-1.8%
Healthy Michigan CCBHC Base Capitation	6,854,550	6,707,820	(146,730)	-2.1%
Medicaid CCBHC Supplemental	42,874,191	41,415,620	(1,458,571)	-3.4%
Healthy Michigan CCBHC Supplemental	12,877,961	12,414,128	(463,833)	-3.6%
Health Homes (BHH, SUDHH)	12,392	12,392	-	0.0%
CCBHC General Funds	-	469,987	469,987	0.0%
Hospital Rate Adjuster (HRA)	22,574,944	23,383,692	808,748	3.6%
Interest Earnings	1,495,016	1,365,174	(129,841)	-8.7%
Member Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Miscellaneous Revenue	5,500	5,500	-	0.0%
Total Revenue	\$ 523,288,461	\$ 536,532,426	\$ 13,243,965	
Expense				
Regional Operating Expenses				
Administration expense	\$ 13,922,556	\$ 9,900,740	\$ (4,021,816)	-28.9%
Block Grants - Clubhse/Veterans/Hisp/Tob Cess/NatAm/BH Workforce Stab/BHH Expansion	629,259	629,259	-	0.0%
SUD Treatment Expenses - Grants	914,280	888,903	(25,377)	-2.8%
SUD Prevention Expenses - Grants & PA2	3,639,433	3,618,908	(20,525)	-0.6%
Hospital Rate Adjustment / Taxes	26,387,430	27,242,303	854,873	3.2%
Operating Expense - Member Payments	476,787,954	493,244,763	16,456,809	3.5%
Contribution to ISF/Savings	-	-	-	0.0%
Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Total Expense	\$ 523,288,461	\$ 536,532,426	\$ 13,243,964	
Revenue Over/(Under) Expense	(0)	0		



Budget Proposal Summary
Fiscal Year Ending 9/30/2026

	FY 2024/2025	FY 2025/2026		
	Initial	Initial	Increase /	Change
	Budget	Budget	(Decrease)	%
Revenue				
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%
Total Revenue	\$ 481,584,318	\$ 478,090,127	\$ (3,494,191)	
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	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%
Total Expense	\$ 481,584,318	\$ 478,090,127	\$ (3,494,190)	
Revenue Over/(Under) Expense	(0)	(0)		



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

As of Date: 7/31/25

	Year Ending 9/30/2025	7/31/2025		
	FY25 Budget <u>Amendment 2</u>	Budget to Date	Actual	Actual to Budget Variance
Operating Revenues				
Medicaid, HSW, SED, & Children's Waiver	291,312,088	242,760,073	235,638,116	(7,121,958)
DHS Incentive	471,247	392,706	254,155	(138,550)
Autism Revenue	62,113,113	51,760,928	51,810,030	49,103
Healthy Michigan	31,554,748	26,295,623	27,776,752	1,481,129
Performance Bonus Incentive	2,648,663	2,207,219	(60,794)	(2,268,014)
CCBHC Quality Bonus Incentive	1,745,775	1,454,813	-	(1,454,813)
Hospital Rate Adjuster (HRA)	22,574,944	18,812,453	17,335,582	(1,476,871)
Member Local Contribution to State Medicaid	1,007,548	839,623	839,623	(0)
Medicaid CCBHC Base Capitation	27,117,418	22,597,848	23,076,822	478,974
Healthy Michigan CCBHC Base Capitation	6,854,550	5,712,125	5,960,685	248,560
Medicaid CCBHC Supplemental Revenue	42,874,191	35,728,493	38,833,038	3,104,545
Healthy MI CCBHC Supplemental Revenue	12,877,961	10,731,634	11,790,551	1,058,917
Health Homes (BHH/SUDHH)	12,392	10,327	4,738	(5,588)
MDHHS Grants	11,639,110	9,699,258	6,716,109	(2,983,150)
PA 2 Liquor Tax	6,857,246	5,714,372	2,098,086	(3,616,285)
Non-MDHHS Grants: DFC	126,951	105,793	106,146	353
Interest Earnings	1,495,016	1,245,847	1,015,313	(230,533)
Miscellaneous Revenue	5,500	4,583	-	(4,583)
Total Operating Revenues	523,288,461	436,073,718	423,194,953	(12,878,765)
Expenditures				
Salaries and Fringes	5,204,362	4,336,968	3,764,271	(572,697)
Office and Supplies Expense	265,081	220,901	171,112	(49,789)
Contractual and Consulting Expenses	822,411	685,343	469,931	(215,411)
Managed Care Information System (PCE) *	365,200	304,333	225,685	(78,649)
Legal Expense *	210,000	175,000	139,157	(35,843)
Utilities/Conferences/Mileage/Misc Exps	7,055,502	5,879,585	(32,183)	(5,911,768)
Grants - MDHHS & Non-MDHHS	897,061	747,551	563,787	(183,764)
Hospital Rate Adjuster / Taxes	26,387,430	21,989,525	21,019,708	(969,817)
Prevention Expenses - Grant & PA2	3,308,070	2,756,725	2,511,697	(245,028)
SUD Treatment Expenses - Grants	597,180	497,650	294,218	(203,432)
CCBHC Quality Bonus Incentive	1,745,775	1,454,813	-	(1,454,813)
Member Payments - Medicaid/HMP	371,877,762	309,898,135	303,501,830	(6,396,305)
Member Payments - CCBHC Capitation	33,971,968	28,309,974	29,037,507	727,534
Member Payments - CCBHC Supplemental	55,752,152	46,460,127	45,676,020	(784,107)
Member Payments - PA2 Treatment	5,322,635	4,435,529	3,514,927	(920,603)
Member Payments - Grants	8,498,324	7,081,937	5,331,476	(1,750,461)
Local Contribution to State Medicaid	1,007,548	839,623	839,623	(0)
Total Expenditures	523,288,461	436,073,718	417,028,767	(19,044,951)
Total Change in Net Assets	(0)	(0)	6,166,186	6,166,186

* 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 July 31, 2025

As of Date: 7/31/25

Operating Revenues

Medicaid/HSW/SED/CWP	Amendment 2 reflects an increase based on the latest rate certification. MDHHS making adjustments in July and August.
DHS Incentive	This revenue is received quarterly beginning in April.
Autism Revenue	N/A - Closely aligned with the current budget projections.
Healthy Michigan	Amendment 2 reflects an increase based on the latest rate certification. MDHHS making adjustments in July and August.
Performance Bonus Incentive	Unearned FY24 PBIP. FY25 Revenue will be received after the end of the fiscal year if health plan performance metrics are met.
CCBHC Quality Bonus	Revenue is received after the end of the fiscal year if CCBHC performance metrics are met.
Hospital Rate Adjuster	FY25 payments were delayed. Quarter 3 is expected in August and Quarter 4 in December.
Member Local Match Revenue	N/A - Closely aligned with the current budget projections.
Medicaid CCBHC Base Capitation	N/A - Closely aligned with the current budget projections.
Healthy MI CCBHC Base Capitation	N/A - Closely aligned with the current budget projections.
Medicaid CCBHC Supplemental Revenue	Current projections reflect an increase. Adjustments will be made in amendment 3.
Healthy MI CCBHC Supplemental Revenue	Current projections reflect an increase. Adjustments will be made in amendment 3.
MDHHS Grants	SUD grant payments are received quarterly.
PA 2 Liquor Tax	PA2 revenues are received quarterly, after the Department of Treasury issues payments to the counties. Payments for quarter 3 are expected in August.
Non-MDHHS Grants: DFC	N/A - Closely aligned with the current budget projections.
Interest Revenue	Adjustment made on amendment 2 for deposits and CD re-investments. Additional interest expected as CDs mature. Amendment 3 will adjust.
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. Adjustments will be made in amendment 3.
Office and Supplies	Some expenses are planned for later in the fiscal year and will be monitored for potential changes during the amendment 3.
Contractual/Consulting	Some expenses are planned for later in the fiscal year and will be monitored for potential changes during the amendment 3.
Managed Care Info Sys	Some expenses are planned for later in the fiscal year and will be monitored for potential changes during the amendment 3.
Legal Expense	Some expenses are planned for later in the fiscal year and will be monitored for potential changes during the amendment 3.
Utilities/Conf/Mileage/Misc	This line item includes the reallocation of LRE indirect charges to grants and the LRE's contingency fund which are offsetting current period expenditures.
Grants - MDHHS & Non-MDHHS	Some Mental Health block grants are under budget. We will monitor for regional shifts, as allowed.
HRA/Taxes	IPA & HRA taxes are paid quarterly. Third quarter HRA payment is expected in August and quarter 4 in December.
Prevention Exps - Grant/PA2	MDHHS SUD grant payments are made quarterly. PA2 billings are expected to increase during quarter 4.
CCBHC Quality Bonus	Payments are made after the end of the fiscal year if performance metrics are met.
Member Med/HMP Payments	N/A - Closely aligned with the current budget projections.
Member CCBHC Capitation	Current projections reflect an increase. Adjustments will be made during amendment 3.
Member CCBHC Supplemental	N/A - Closely aligned with the current budget projections.
Member PA2 Tx Payments	Billings against this line item typically occur after other grant funding is applied. Billings are expected to increase during quarter 4.
Member Grant Payments	Most of these payments are billed to the LRE and paid by MDHHS 45-60 days in arrears. In addition, as noted above, some grants are being paid quarterly.
Local Contribution to State Medicaid	N/A - Closely aligned with the current budget projections.



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
July 2025 Reporting Month
Reporting Date: 9/15/25

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP Revenue	60,707,031	153,282,275	25,922,975	44,804,722	18,710,302	4,721,645	308,148,950
Total Capitated Expense	55,452,492	167,626,991	25,124,100	45,563,256	17,600,603	4,721,645	316,089,087
Actual Surplus (Deficit)	5,254,539	(14,344,715)	798,875	(758,534)	1,109,699	-	(7,940,136)
% Variance	8.66%	-9.36%	3.08%	-1.69%	5.93%	0.00%	
Information regarding Actual (Threshold: Surplus of 5% and deficit of 1%)	Due to the increase in Medicaid along with the retro, we saw a large increase in Revenue. We are also seeing an increase in our provider network services and costs.	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.	Projected year end deficit based on current service trends	Increased capitated revenue and delays in filling open positions.	Less than threshold for explanation.	
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
LRE Revenue Projections as of: July							
Total Projected Medicaid/HMP Revenue	76,202,088	191,261,450	31,847,603	55,519,943	23,288,084	13,922,556	392,041,725
Total Capitated Expense Projections	66,542,990	202,674,056	31,568,824	56,640,603	21,363,297	13,922,556	392,712,326
Projected Surplus (Deficit)	9,659,098	(11,412,605)	278,779	(1,120,660)	1,924,787	-	(670,601)
% Variance	12.68%	-5.97%	0.88%	-2.02%	8.27%	0.00%	
Information regarding Projections (Threshold: Surplus of 5% and deficit of 1%)	Due to the above, the positive variance in our projection has grown	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.	Projected year end deficit based on current service trends	Increased capitated revenue and delays in filling open positions.	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	8/14/2025	6/18/2025		
Total Budgeted Medicaid/HMP Revenue	70,516,979	172,798,914	29,463,833	54,747,573	21,363,297	13,922,556	362,813,152
Total Budgeted Capitated Expense	68,930,569	172,798,914	29,731,448	55,882,436	21,363,297	13,922,556	362,629,220
Budgeted Surplus (Deficit)	1,586,410	0	(267,615)	(1,134,863)	-	-	183,932
% Variance	2.25%	0.00%	-0.91%	-2.07%	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.	Projected year end deficit based on current service trends	Less than threshold for explanation.	Less than threshold for explanation.	
Variance between Projected and Proposed Spending Plan	8,072,688	(11,412,605)	546,394	14,203	1,924,787	-	(854,533)
% Variance	11.45%	-6.60%	1.85%	0.03%	9.01%	0.00%	
Explanation of variances between Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%)	Due to the large increase in revenue from our spending plan. We are seeing our variance grow	Network180 is experiencing increase demands in autism and specialized residential services beyond available revenue.	Less than threshold for explanation.	Less than threshold for explanation.	Increased capitated revenue and delays in filling open positions.	Less than threshold for explanation.	

Lakeshore Regional Entity Combined Monthly FSR Summary
FY 2025
July 2025 Reporting Month
Reporting Date: 9/15/25

CCBHC ACTIVITY							
ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP CCBHC Revenue	22,092,373	28,825,506	7,664,834	6,688,290	10,200,528	901,979	76,336,874
Total CCBHC Expense	22,623,623	23,600,236	7,350,637	6,038,898	10,200,033	99,246	69,912,672
Actual CCBHC Surplus (Deficit)*	(531,250)	5,225,270	314,197	649,393	494	802,733	6,424,202
% Variance	-2.40%	18.13%	4.10%	9.71%	0.00%	89.00%	
Information regarding CCBHC Actual (Threshold: Surplus of 5% and deficit of 1%)	Expenses increased greater in the month of again during the month of July. HW continues to monitor this within our KATA.	Network180 has seen increases in daily visits that are closer to original projections, leading to a YTD surplus.	Less than threshold for explanation.	Revenue based on anticipated PPS which is higher than existing rate.	Less than threshold for explanation.	Surplus is used to cover PIHP administration on traditional capitation administration expenses.	
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Projected Medicaid/HMP CCBHC Revenue	25,124,188	31,924,870	9,552,618	8,780,989	12,266,973	1,082,374	88,698,040
Total CCBHC Expense Projections	27,148,348	28,533,180	9,082,488	8,365,831	12,900,346	119,095	86,149,287
Projected CCBHC Surplus (Deficit)*	(2,024,160)	3,391,690	470,130	415,158	(633,373)	963,280	2,548,753
% Variance	-8.06%	10.62%	4.92%	4.73%	-5.16%	89.00%	
Information regarding CCBHC Projections (Threshold: Surplus of 5% and deficit of 1%)	Expense projections grew by 0.44% in July. HW continues to monitor this within our KATA.	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.	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.	
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	8/14/2025	6/18/2025		
Total Budgeted Medicaid/HMP CCBHC Revenue	25,124,188	35,460,199	9,075,362	8,780,989	12,266,973	1,082,374	91,790,086
Total Budgeted CCBHC Expense	25,947,194	35,439,088	8,900,770	8,780,989	12,900,346	119,095	92,087,481
Budgeted Surplus (Deficit)*	(823,006)	21,111	174,592	-	(633,373)	963,280	(297,396)
% Variance	-3.28%	0.06%	1.92%	0.00%	-5.16%	89.00%	
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	(1,201,154)	3,370,579	295,538	415,158	0	-	2,846,149
% Variance	-4.78%	9.51%	3.26%	4.73%	0.00%	0.00%	
Explanation of variances between CCBHC Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%)	HW took a step back by 0.44%. We will continue to work on our KATA to improve for YE.	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)

July 2025 Reporting Month
Reporting Date: 9/15/25

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	1,272,153	(8,880,205)	(2,019,658)	(2,134,450)	(632,104)	(12,394,264)
Autism	3,982,385	(5,464,510)	2,818,533	1,375,917	1,741,803	4,454,128
Total Distributed Medicaid/HMP Revenue	5,254,539	(14,344,715)	798,875	(758,534)	1,109,699	(7,940,136)
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	4,307,050	(1,284,657)	(3,260,137)	(1,563,507)	(825,121)	(2,626,371)
Autism	5,352,047	(10,127,948)	3,538,915	442,847	2,749,908	1,955,770
Total Distributed Medicaid/HMP Revenue	9,659,098	(11,412,605)	278,779	(1,120,660)	1,924,787	(670,601)